

# **CALIFORNIA EXPOSITION & STATE FAIR**

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice  
Friday, October 30, 2009

California Exposition & State Fair  
Administration Building Boardroom  
1600 Exposition Boulevard  
Sacramento, CA 95815

**Directors Present**

Amparo Pérez-Cook, Chair  
Gil Albiani, Vice Chair  
Director Marko Mlikotin  
Director Kathy Nakase  
Director Steve Beneto  
Director Rex Hime  
Director Corny Gallagher  
Director Bert Johnson  
Director Rick Stacey  
Director Richard Cuneo

**Directors Absent**

Director Peter M. Lopez

**Ex Officio Members Absent**

Assembly Member Dave Jones  
Senator Darrell Steinberg

**Staff Present**

Norbert J. Bartosik, General Manager/CEO (GM)  
Brian A. May, Deputy General Manager (DGM)  
David Elliott, Assistant General Manager, Racing (AGM)  
Amy Casias, Assistant General Manager, Fiscal Services (AGM)  
Erica Manuel, Assistant General Manager, Marketing & Public Relations (AGM)  
Patricia Garamendi, Assistant General Manager, Programs (AGM)  
Robert Craft, Chief of Police  
Marcia Shell, Admissions, Parking & RV Park Manager  
Greg Kinder, Exhibits Supervisor  
Brian Honebein, Sponsorship Sales  
Paul Gillingham, Entertainment Coordinator  
Tina Novoa, Special Events Coordinator  
Jan Risso, Contracts Manager  
Randy Brink, Cal Expo Volunteer  
Linda Contreras, Recording Secretary

**Others Present\***

Jerry Blair, Deputy Attorney General (DAG)  
Jane Einhorn, Runyon Saltzman & Einhorn  
Courtney Pasqual, Runyon Saltzman & Einhorn  
Rory Kaufman, Cultural Advisory Council & NAACP  
Jose Reynoso, Cultural Advisory Council  
Cliff Kunkle, Ray Cammack Shows  
Tim Pickett, Ray Cammack Shows  
Chris Lopez, Ray Cammack Shows  
Kelly Johnson, Business Journal

\*May not include all others present in the room or arriving late.

**1. CALL TO ORDER**

The meeting was called to order by Chair Pérez-Cook at 1:08 p.m.

Chair Pérez-Cook read the Mission Statement and the Policy Statement.

**2. PLEDGE OF ALLEGIANCE**

Chair Pérez-Cook lead everyone in the Pledge of Allegiance.

**3. ROLL CALL AND DIRECTORS ABSENT**

Roll call was taken by GM Bartosik and a quorum was present. Director Lopez had asked to be excused and was not present.

**4. INTRODUCTION OF GUESTS & STAFF**

Introduction of Guests and Staff were made around the room.

**5. PRESENTATION**

- a. Presentation to Board Chair, Amparo Pérez-Cook by Mr. Bob Meador with Solano County Fair

Mr. Bob Meador with the Solano County Fair Exhibit presented Chair Amparo Pérez-Cook with the American Flag that was used during the Air Force Presentation at the Counties Exhibit lunch.

**6. MINUTES OF MEETING**

- a. Horse Racing Committee Minutes of October 7, 2009
- b. Board Retreat Meeting Minutes of October 8-9, 2009
- c. Board Meeting Minutes of October 9, 2009

**Motion:**

It was moved by Director Hime and seconded by Director Nakase to approve the minutes of the Horse Racing Committee on October 7, 2009, Board Retreat on October 8-9, 2009 and Board Meeting on October 9, 2009 as mailed. **All in favor, motion carried.**

**7. COMMITTEE AND STAFF REPORTS**

- a. State Fair, Agriculture & Marketing Committee Reports – Vice Chair Albiani

AGM Garamendi reviewed her reports included in the Board packet. AGM Garamendi reported the Wine Advisory Task Force had met and Staff will be presenting recommendations to the Board for the Lifetime Achievement Award and Vineyard of the Year Award recipients at the December meeting for approval.

AGM Manuel reviewed her reports included in the Board packet. AGM Manuel distributed information on the Marketing, Advertising and the Public Relations Outreach for the 2009 State Fair for the Board's review,

Brian Honebein, Sponsorship Sales, reported that HyCite is not interested in exercising its agreement option. A bidding process will be conducted to find a cookware sponsor.

AGM Manuel and Courtney Pasqual of Runyon Saltzman Einhorn presented an overview of the proposed 2010 State Fair theme. A copy of the presentation for review is on file.

The top 3 themes researched are: Summer Safari, Party-Gras and Destination: Big Fun. The Staff supports the Destination: Big Fun concept, but refitting it to: Passport to Fun.

Director Mlikotin asked how the change of dates would be communicated in the advertising. AGM Manuel said that tags could be used like "Moovin' –Groovin'", but it's more important to make people want to come. AGM Manuel said that this theme is achievable with the available budget.

Staff is sensitive of the Board's concern with over promising and under delivering.

Director Hime congratulated Staff on the concept presented and how it shows a great relationship with the advertising group of Runyon Saltzman Einhorn and asked the Board to adjourn today's meeting in memory of Jean Runyon who passed away last week.

Staff will move forward with the theme.

Director Mlikotin commented on getting the message to schools either by advertising or through community outreach on free tickets for the State Fair.

Rory Kaufman representing the Cultural Advisory Council expressed the concern that the Board made the date change without consulting the Cultural Advisory Council. The Cultural Advisory Council will support the outreach to schools and supports the theme presented today.

On behalf of the NAACP, Mr. Kaufman thanked the Board and Staff for creating and exhibiting the 100 year anniversary of the NAACP.

b. Horse Racing Committee Reports – Director Beneto

GM Bartosik reported on a new 4 year agreement with the California Harness Horsemen's Association, subject to the Board's approval. The terms are outlined in a letter from AGM Elliott to Alan Horowitz, which is attached and made part of the record. The Committee recommends approval.

**Motion:**

It was moved by Director Beneto and seconded by Director Johnson to approve a four year agreement with the California Harness Horsemen's Association.

Director Hime raised a concern about what binds California Harness Horsemen's Association to the Agreement. This is a Term Sheet which will be incorporated into an Agreement reviewed by DAG Jerry Blair. **All in favor, motion carried.**

Director Beneto proposed consideration for running harness racing through the State Fair. The California Horse Racing Board has proposed Thoroughbred dates in August through Labor Day for Cal Expo.

GM Bartosik responded that harness racing handle will not increase during the Fair, and without a Fair during a Thoroughbred meet, you can expect a decline in the Thoroughbred handle. GM Bartosik recommends staying the course with Thoroughbred dates during the July Fair dates.

The Board supports seeking Thoroughbred dates both during the California State Fair and again August 20 through Labor Day. Harness can run at another track like the San Joaquin Fair during this time and Cal Expo will do what it can to support a temporary relocation.

c. Operations & Planning Committee Reports

DGM May reviewed the Monorail Project Summary report included in the Board packet. Ray Cammack Shows did not deliver an operating Monorail system as required in the Settlement & Release Agreement by Opening Day. The report titled, "Monorail Project Summary" highlights the chronology of events which lead to inoperability on opening day and the problems encountered throughout the Fair. The Monorail Log Report is a detailed description of the problems.

Staff recommends that the Board advance Ray Cammack Shows the money needed to pay off the outstanding invoices, except for DSI.

Staff also recommends hiring a consultant to review the work completed by Ray Cammack Shows to date and bring back to the Board the consultant's evaluation to guide the Board's direction on completing the Monorail project.

**Motion:**

It was moved by Director Nakase and seconded by Vice Chair Albiani to authorize Staff to send a check to Ray Cammack Shows totaling \$50,841.62 to pay the outstanding invoices listed on NB 18. **All in favor, motion carried.**

**Motion:**

It was moved by Director Nakase and seconded by Director Hime to authorize Staff to notify DSI that Cal Expo will not advance Ray Cammack Shows the \$51,000 it's owed under their contract until the monorail system is operating to Cal Expo's satisfaction. **All in favor, motion carried.**

**Motion:**

It was moved by Director Nakase and seconded by Director Stacey to authorize Staff expenditure not to exceed \$15,000 to hire a consultant to evaluate the work completed to date and review Ray Cammack Shows' recommendations for completing the project. Staff is to bring back the consultant's report to the Board to determine next steps. A discussion ensued about the value of spending money on a consultant. **All in favor, motion carried.**

Director Johnson left at 3:00 p.m.

d. Executive Committee Report – Chair Pérez-Cook

GM Bartosik reported that the Governor signed AB 889 regarding the Bushy Lake Preservation Act.

e. Real Estate Committee Report – Director Hime

There was no report.

f. Developer Selection Committee Report – Vice Chair Albiani

Vice Chair Albiani reported that the NBA requested more time to review the Request for Qualifications (RFQ), and the Committee granted Mr. Moag's request.

The Letter of Understanding (LOU) with the NBA expires on November 30. The NBA has requested a 6 month extension to May 31, 2010.

Vice Chair Albiani supports the extension, particularly in light of the Mayor's announcement to seek other proposals for the construction of an Arena.

**Motion:**

It was moved by Vice Chair Albiani and seconded by Director Hime to approve the Request from John Moag Regarding an Extension to the Letter of Understanding (LOU) to May 31, 2010 and to delay the Request for Qualifications (RFQ).

Director Hime says the request for the extension sends a strong message that Cal Expo is still an option.

DAG Jerry Blair suggests an extension of the Letter of Understanding to December 11 and asks the NBA in the meantime if they will complete the Conceptual Plan and related requirements of the Letter of Understanding and continue to seek their comments on the Request for Qualifications (RFQ).

Director Mlikotin said that no substantial progress has been made on the Conceptual Plan and the financial analysis. Cal Expo needs to tell the NBA to fulfill the requirements of the Letter of Understanding before extending the LOU beyond December 11.

Director Cuneo acknowledged that the NBA has not fulfilled the Letter of Understanding, but the extension keeps the process open.

Director Mlikotin asked if the Letter of Understanding restricts Cal Expo from pursuing development without an Arena.

Director Mlikotin asked Vice Chair Albiani if he would consider an amendment to his motion that would grant the extension of the Letter of Understanding as requested by the NBA provided that the NBA will notify Cal Expo on or before December 11, 2009 of its intent to complete the economic analysis and other requirements of the Conceptual Plan prior to Cal Expo seeking proposals from the development community. Further, Director Mlikotin asked that the motion require that the NBA reaffirm that exclusive negotiations will continue with Cal Expo and the NBA as defined and required by the Letter of Understanding.

Director Hime stated as the person who seconded the motion, he will not accept Director Mlikotin's amendment to the motion.

Director Cuneo suggests that NBA sign the extension first. Director Hime does not believe the NBA will hesitate to sign the extension. **All in favor, motion carried.**

Directors Nakase and Cuneo left at 3:15 p.m.

**8. FINANCIAL REPORTS**

- a. 2009 Budget Summary Report
- b. 2010 Revenue Budget with Different Scenarios

- c. 2010 Budget Summary with Brief Expense Overview
- d. Monthly Financial Statements for September 2009
- e. 2008 Audited financial Statement & Reports to Management
- f. Profit/Loss Statement for Harness Racing Operations
- g. Profit/Loss Statement for Grape & Gourmet
- h. Accounts Receivable Report

AGM Casias reviewed the financial reports.

**Motion:**

It was moved by Director Gallagher and seconded by Director Mlikotin to approve the monthly financial reports, **All in favor, motion carried.**

**9. CONSIDERATION OF ACTION FOR PROPOSED 2010 BUDGET**

- a. Review & Consider Action for Revenue Projections
- b. Review & Consider Action for Expense Projections

No action was taken by the Board.

**10. CONSENT CALENDAR**

- a. Review for Approval Ratification of Staff Goals for 2010

**Motion:**

It was moved by Director Hime and seconded by Vice Chair Albiani to approve Ratification of Staff Goals for 2010. **All in favor, motion carried.**

**11. CORRESPONDENCE**

**12. UNFINISHED BUSINESS**

- a. Review & Update on Possible Action of Race Dates for Harness Meet and Agreement with California Harness Horsemen Association

This was completed earlier during the Horse Racing Committee staff report.

**13. NEW BUSINESS**

- a. Review and Recommend Approval of Changes to the Policy & Procedures Manual
  - 1. Section 16 – 16.1 Employment Practices
  - 2. Section 10 – 10.7 First Amendment Expression Guidelines Policy
  - 3. Section 3 and/or Section 10 – Credit Line Access

**Motion:**

It was moved by Director Hime and seconded by Vice Chair Albiani to approve Changes to the Policy & Procedures Manual 1 through 3. **All in favor, motion carried.**

- b. Review and Consider Committee Action on future Work of Monorail Project Summary Update

This was completed earlier during the Operations & Planning Committee staff report.

- c. Letter of Understanding (LOU) Request for Qualifications (RFQ) Update for the Proposed Cal Expo Mixed Use Redevelopment Plan – Review Pending Correspondence from John Moag Regarding an Extension to the Letter of Understanding (LOU) and a delay to the Request for Qualifications (RFQ) Review

This was completed earlier during the Developer Selection Committee Report.

- d. Review Staff Recommendation for Approval on 2010 Exhibit Space and Commercial & Concessions Rules and Regulations

This was tabled and will be brought back to the Board.

**14. ELECTION**

- a. Nominations Received at Last Public Meeting October 9, 2009
  - 1. Chair – Gil Albiani
  - 2. Vice Chair – Corny Gallagher
  - 3. Nominations from the Floor  
There were none.
  - 4. Close Nominations
  - 5. Hold Election for Each

**Motion:**

It was moved by Director Hime and seconded by Director Mlikotin to Close Nominations for Chair and Vice Chair. **All in favor, motion carried.**

**Motion:**

It was moved by Director Hime and seconded by Director Mlikotin to accept the Nominations of Vice Chair Gil Albiani to Chair and Director Corny Gallagher to Vice Chair. **All in favor, motion carried.**

- b. Office of Secretary-Treasurer/General Manager

**Motion:**

It was moved by Director Gallagher and seconded by Director Hime to accept the Nomination of Office of Secretary-Treasurer of Norbert Bartosik, General Manager, **All in favor, motion carried.**

**15. MATTERS OF INFORMATION**

a. Public Comments

Randy Brink provided his report.

b. Director's Comments

Director Mlikotin thanked Chair Amparo Pérez-Cook for her support of the Board.

c. Manager's Comments

d. Next Board Meeting – Friday, December 11, 2009

e. Other, if any

**16. ADJOURNMENT**

The Board meeting was adjourned at 3:40 p.m. in memory of Jean Runyon.



# CAL EXPO

October 29, 2009

Mr. Alan Horowitz  
California Harness Horsemen's Association  
PO Box 254767  
Sacramento, CA 95865-4767

Dear Alan,

On behalf of Norb, Brian, and myself, it was a pleasure meeting with you and Dave Hanes yesterday.

As mentioned, the following information is a recap of yesterday's meeting related to the future of harness racing at Cal Expo that we spoke of and agreed to present to our Racing Committee; Cal Expo Board of Directors; and your CHHA Board of Directors. If I have not correctly restated any of these, please let me know.

- The term of the agreement is December 20, 2009 through December 21, 2013
- The agreement will contain two option years to be exercised singularly and individually at Cal Expo's option and would extend the agreement if both option years were exercised to December 19, 2015.
- The agreement includes a minimum of 140 racing days per calendar year.
- The agreement includes the following investment amounts from Cal Expo to the purse pool to cover overpayments in any given racing year to ensure a purse reduction is not necessary to cover those overpayments.

Investment Amounts-

- 2010- \$150,000
- 2011- \$175,000
- 2012- \$200,000
- 2013- \$200,000
- 2014- \$200,000 if option year is exercised
- 2015- \$200,000 if option year is exercised
- If the investment amounts or any portion of the investment amounts are not needed to cover overpayments, the investment amounts may be used for other creative needs as agreed upon by Cal Expo and the CHHA such as incentive programs, promotions, early and late closers, starter bonuses, shipping stipends, etc.

Mr. Alan Horowitz

October 29, 2009

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- The agreement will contain language for both parties to meet throughout the period bi-monthly and specifically during the first week of March of each calendar year to determine if there is a need to change the purse levels for the months of April, May, and June of each year or any other periods.
- Purse Schedule-

<u>Claiming Class</u>	<u>Purse</u>
\$2,500	\$2,100
\$4,000	\$2,800
\$6,000	\$3,600
\$8,000-\$10,000	\$4,600
\$12,000-\$16,000	\$5,800
\$20,000	\$6,800

<u>Condition Claiming</u>	<u>Purse</u>
NW 1 \$4,000 CLM	\$2,800
NW 2 \$6,000 CLM	\$3,200
NW 4 \$9,000 CLM	\$3,600
NW 6 \$12,000 CLM	\$4,000
NW 8 \$15,000 CLM	\$4,400

<u>Condition</u>	<u>Purse</u>
Maidens	\$3,200
NW2 or \$4,000 Life	\$3,800
NW3 or \$6,000 Life	\$4,400
NW4 or \$8,000 Life	\$5,000
NW6 or \$12,000 Life	\$5,800

Winners Over	\$7,500 Base Purse with 5 Starters Increases \$500 per each starter above 5
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Open/Invite	\$8,000 Base Purse with 5 Starters Increases \$500 per each starter above 5
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Mr. Alan Horowitz  
October 29, 2009  
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- Agreement will contain language to provide for 4 to 6 Late Closing events annually to be contested in the Spring with two/three legs and finals for \$15,000 to \$25,000.
- Agreement will contain language for the CHHA and Cal Expo to agree on a method to spend from CHHA funds the amount of \$66,604 which is the current amount of the unpaid 2005 Cal Expo/CHHA overpayment.

Please contact me at your convenience if you have any questions related to this or any other matters. We look forward to the future of harness racing at Cal Expo and our relationship with the horsemen.

Best Regards,  
CALIFORNIA EXPOSITION & STATE FAIR

David Elliott,  
Assistant General Manager, Racing Events

cc: Cal Expo Racing Committee  
Norb Bartosik  
Brian May

# CALIFORNIA EXPOSITION & STATE FAIR

Executive Committee Meeting Minutes  
Friday, October 30, 2009  
11:15 a.m.

## MINUTES

Committee Members Present: Amparo Pérez-Cook, Chair  
Director Gil Albiani  
Director Steve Beneto

Committee Member Absent: Director Rex Hime

Staff Present:

General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Assistant General Manager, Programs	Patricia Garamendi
Admissions, Parking & RV Park Manager	Marcia Shell
Sponsorship Sales	Brian Honebein
Exhibits Supervisor	Greg Kinder
Recording Secretary	Linda Contreras

Chair Pérez-Cook called the meeting to order at 11:30 a.m. and dispensed with reading the Mission Statement and Public Comments Statement. Director Hime was not present and had asked to be excused.

## MATTERS OF INFORMATION

### 1. Staff Reports

#### a. Legislative Update

GM Bartosik reported that the Governor signed AB 889 regarding the Bushy Lake Preservation Act.

#### b. Property & Real Estate Update

GM Bartosik reported John Moag has asked to put the Request for Qualifications (RFQ) on hold, but would like to extend the Letter of Understanding (LOU) by six months, to May 31, 2010. GM Bartosik said he sees no downside in extending the Letter of Understanding.

## ADJOURNMENT

The Executive Committee meeting adjourned at 11:35 a.m.

# CALIFORNIA EXPOSITION & STATE FAIR

Finance & Audit Committee Meeting Minutes  
Friday, October 30, 2009  
10:15 a.m.

## MINUTES

Committee Members Present: Rick Stacey, Chair  
Director Marko Mlikotin  
Director Corny Gallagher

Committee Members Absent: Director Peter Lopez

### Staff Present:

General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Fiscal Services (AGM)	Amy Casias
Assistant General Manager, Racing	Dave Elliott
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Assistant General Manager, Programs (AGM)	Patricia Garamendi
Admissions, Parking & RV Park Manager	Marcia Shell
Exhibits Supervisor	Greg Kinder
Contracts Manager	Jan Risso
Recording Secretary	Linda Contreras

Chair Stacey called the meeting to order at 10:20 a.m. and dispensed with reading the Mission Statement and Public Comments Statement. Director Lopez was not present and had asked to be excused.

### UNFINISHED BUSINESS

#### 1. Organizational Chart for Accounting Unit

AGM Casias reviewed the Organizational Chart for the Accounting Unit distributed to the Committee which is attached and made part of the record.

Chair Stacey expressed a concern about the lack of qualified accounting staff in AGM's Casias absence. Recruitment is underway to hire a Senior Accounting Officer.

Chair Stacey would like to organize and structure the department to see more monthly analysis and a move towards accrual base accounting.

#### 2. Current Status of Audit Management Comments

AGM Casias reported most Audit Management Comments have been addressed and Cal Expo is in compliance. The Merit Salary Adjustments are not complete but should be done by the end of the year.

3. Update Furlough Hours Balance

AGM Casias reported there are no furlough hours on the books. AGM Casias reported the compensated time off hours will be brought back to the Committee.

NEW BUSINESS

1. Monthly Financial Reports for September 2009

AGM Casias reviewed the monthly financial reports for September 2009.

2. 2009 Budget Summary Report

AGM Casias reviewed the 2009 Budget Summary Report.

3. 2010 Revenue Budget with Different Scenarios

4. 2010 Budget Summary with Brief Expense Overview

AGM Casias reviewed the 2010 Revenue Budget and Summary Reports.

Director Mlikotin asked for a report back on adding food discounts to the Poppy Pak. The vendors should also be asked to offer discounts. GM Bartosik said that a focus group of food vendors is being convened to talk about lowering prices if rent is reduced.

A Finance & Audit Committee Meeting will be needed in advance of December 11 to continue to work on the budget.

Director Mlikotin asked Staff for specific goals for recommendations to increase revenue and lower costs.

**Motion:**

It was moved by Director Mlikotin and seconded by Director Gallagher to accept and recommend to the Board for approval the Monthly Financial Reports. **All in favor, motion carried.**

5. Profit/Loss Statement for Harness Racing Operations

6. Profit/Loss Statement for Grape & Gourmet

AGM Bartosik reported that the Grape & Gourmet broke even. There were some first year expenses with the move to the Convention Center that should go away next year.

#### MATTERS OF INFORMATION

##### 1. Accounts Receivable Report

AGM Casias reviewed the Accounts Receivable Reports.

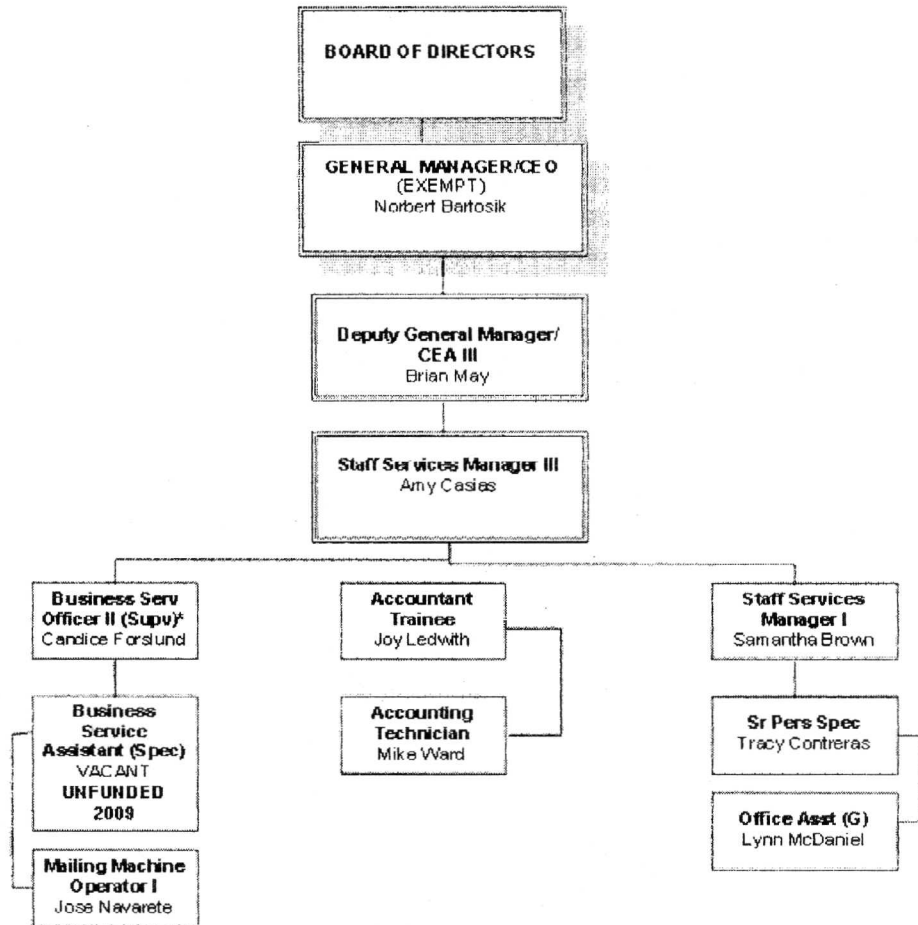
#### ADJOURNMENT

##### **Motion:**

It was moved by Director Gallagher and seconded by Director Mlikotin to adjourn the Finance & Audit Committee Meeting. **All in favor, motion carried.**

The Finance & Audit Committee meeting adjourned at 11:28 a.m.

# California Exposition and State Fair Accounting



July 2009  
JMull

\*BSO II (Supv)  
allocation approved  
for incumbent  
Forslund only.

# CALIFORNIA EXPOSITION & STATE FAIR

Operations & Planning Committee Meeting Minutes  
Friday, October 30, 2009  
9:15 a.m.

## MINUTES

Committee Members Present:	Kathy Nakase, Chair Director Rex Hime
Committee Members Absent:	Director Richard Cuneo Director Peter Lopez
Staff Present:	
General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Assistant General Manager, Programs (AGM)	Patricia Garamendi
Admissions, Parking & RV Park Manager	Marcia Shell
Recording Secretary	Linda Contreras
Others Present:	
Ray Cammack Shows	Cliff Kunkle
Ray Cammack Shows	Chris Lopez
Ray Cammack Shows	Tim Pickett
Garrett & Jensen	Boyd Jensen
Coal Enterprises	Ed Cooper
Coal Enterprises	Joe Chase

Chair Nakase called the meeting to order at 9:30 a.m. and read the Mission Statement and Public Comments Statement. Directors Cuneo and Lopez were not present and had asked to be excused.

### NEW BUSINESS

#### 1. Review for Approval Monorail Project Summary Update

DGM May reviewed the Monorail Project Summary reports included in the Board packet. Ray Cammack Shows did not deliver an operating Monorail system as required in the Settlement & Release Agreement by Opening Day. The report titled, "Monorail Project Summary" highlights the chronology of events which lead to inoperability on opening day and the problems encountered throughout the Fair. The Monorail Log Report is a detailed description of the problems.

Staff recommends that the Board advance Ray Cammack Shows the money needed to pay off the outstanding invoices, except for DSI.

Staff also recommends hiring a consultant to review the work completed by Ray Cammack Shows to date and bring back to the Board the consultant's evaluation to guide the Board's direction on completing the Monorail project.

**Motion:**

It was moved by Director Hime and seconded by Director Nakase to authorize Staff to send a check to Ray Cammack Shows totaling \$50,841.62 to pay the outstanding invoices listed on NB 18. **All in favor, motion carried.**

**Motion:**

It was moved by Director Hime and seconded by Director Nakase to authorize Staff to notify DSI that Cal Expo will not advance Ray Cammack Shows the \$51,000 it's owed under their contract until the monorail system is operating to Cal Expo's satisfaction. **All in favor, motion carried.**

**Motion:**

It was moved by Director Hime and seconded by Director Nakase to authorize Staff expenditure not to exceed \$15,000 to hire a consultant to evaluate the work completed to date and review Ray Cammack Shows' recommendations for completing the project. Staff is to bring back the consultant's report to the Board to determine next steps. **All in favor, motion carried.**

MATTERS OF INFORMATION

1. Staff Reports

DGM May reviewed the staff report included in the Board packet.

ADJOURNMENT

The Operations & Planning Committee meeting adjourned at 10:13 a.m.

# CALIFORNIA EXPOSITION & STATE FAIR

State Fair, Agriculture & Marketing Committee Meeting Minutes  
Friday, October 30, 2009  
8:30 a.m.

## MINUTES

Committee Members Present:	Gil Albiani, Chair Director Kathy Nakase Director Amparo Pérez-Cook
Committee Members Absent:	Director Marko Mlikotin
Staff Present:	
General Manager/CEO (GM)	Norb Bartosik
Deputy General Manager (DGM)	Brian May
Assistant General Manager, Programs (AGM)	Patricia Garamendi
Assistant General Manager, Marketing & Public Relations (AGM)	Erica Manuel
Assistant General Manager, Fiscal Services	Amy Casias
Admissions, Parking & RV Park Manager	Marcia Shell
Exhibits Supervisor	Greg Kinder
Sponsorship Sales	Brian Honebein
Recording Secretary	Linda Contreras
Others Present:	
Runyon Saltzman Einhorn	Courtney Pasqual

Chair Albiani called the meeting to order at 8:45 a.m. and dispensed with reading the Mission Statement and Public Comments Statement.

## MATTERS OF INFORMATION

### 1. Staff Reports

AGM Manuel reviewed her reports included in the Board packet. AGM Manuel distributed information on the Marketing, Advertising and the Public Relations Outreach for the 2009 State Fair for the Committee's review.

Brian Honebein, Sponsorship Sales, reported that HyCite is not interested in exercising its agreement option. A bidding process will be conducted to find a cookware sponsor.

AGM Garamendi reviewed her reports included in the Board packet. AGM Garamendi reported that the School Forest Center Tours are completed for the year and the final Farm Tour is on November 5<sup>th</sup>.

AGM Garamendi reported that the Wine Advisory Task Force had met and Staff will be presenting recommendations to the Committee and Board for the Lifetime Achievement Award and Vineyard of the Year Award recipients at the December meeting for approval.

AGM Garamendi reported to the Committee that the schedule date for the 2010 Grape and Gourmet is Wednesday, July 7<sup>th</sup>. Staff will be meeting with the Counties Exhibit exhibitors on November 19<sup>th</sup> to begin preparation for the 2010 State Fair

Director Nakase arrived at 9:00 a.m.

AGM Garamendi reported that the Friends of the Fair will be holding their annual Christmas party on Tuesday, December 8<sup>th</sup> at the Turf Club.

AGM Manuel and Courtney Pasqual of Runyon Saltzman Einhorn presented an overview of the proposed 2010 State Fair theme. A copy of the presentation is attached and made part of the record.

The top 3 themes researched are: Summer Safari, Party-Gras and Destination: Big Fun. The Staff supports the Destination: Big Fun concept, but refitting it to Passport to Fun.

A slide presentation on executing the Passport to Fun was presented.

Director Pérez-Cook liked the idea of the theme and asked Staff what the cost would be. GM Bartosik responded that Staff is working on the budget cost for this theme.

## ADJOURNMENT

The State Fair, Agriculture and Marketing Committee meeting adjourned at 9:25 a.m.

**CALIFORNIA EXPOSITION & STATE FAIR**  
Horse Racing Committee Meeting Minutes  
Friday, October 30, 2009  
8:00 a.m.

**MINUTES**

Committee Members Present:

Steve Beneto, Chair  
Director Gil Albiani  
Director Bert Johnson

Staff Present:

General Manager/CEO (GM)  
Deputy General Manager (DGM)  
Assistant General Manager, Racing (AGM)  
Assistant General Manager, Fiscal Services  
Assistant General Manager, Marketing &  
Public Relations (AGM)  
Admissions, Parking & RV Park Manager  
Racing Supervisor  
Recording Secretary

Norb Bartosik  
Brian May  
David Elliott  
Amy Casias  
Erica Manuel  
Marcia Shell  
Kate Phariss  
Linda Contreras

Others Present:

California Harness Horsemen's Association (CHHA)      Alan Horowitz  
California Harness Horsemen's Association (CHHA)      Dave Hanes

Chair Beneto called the meeting to order at 8:00 a.m. and dispensed with reading the Mission Statement and Public Comments Statement.

**NEW BUSINESS**

1. Review & Update on Possible Action of Race Dates for Harness and Agreement with California Harness Horsemen's Association

An October 29, 2009 letter addressed to Alan Horowitz, was distributed which is attached and made part of the record, outlines the terms of a new four year agreement with the California Harness Horsemen's Association. AGM Elliott and GM Bartosik reviewed the details of the draft agreement.

Director Albiani arrived at 8:30 a.m.

Alan Horowitz of the California Harness Horsemen's Association said that the CHHA would come back with a plan for Cal Expo's approval for expending the \$66,604 which is the balance of the 2005 purse overpayment. California Harness Horsemen's Association and Cal Expo would agree on a plan for the use of the money.

**Motion:**

It was moved by Director Johnson and seconded by Director Albiani to recommend to the Board for approval a four year agreement with California Harness Horsemen's Association. **All in favor, motion carried.**

MATTERS OF INFORMATION

1. Staff Reports

AGM Elliott reviewed his reports included in the Board packet.

AGM Elliott reported that he had attended the California Horse Racing Board meeting held October 14 and 15 and the CHRB has allocated Harness Racing dates to Cal Expo through June 19.

ADJOURNMENT

The Horse Racing Committee meeting adjourned at 8:40 a.m.



# CAL EXPO

October 29, 2009

Mr. Alan Horowitz  
California Harness Horsemen's Association  
PO Box 254767  
Sacramento, CA 95865-4767

Dear Alan,

On behalf of Norb, Brian, and myself, it was a pleasure meeting with you and Dave Hanes yesterday.

As mentioned, the following information is a recap of yesterday's meeting related to the future of harness racing at Cal Expo that we spoke of and agreed to present to our Racing Committee; Cal Expo Board of Directors; and your CHHA Board of Directors. If I have not correctly restated any of these, please let me know.

- The term of the agreement is December 20, 2009 through December 21, 2013
- The agreement will contain two option years to be exercised singularly and individually at Cal Expo's option and would extend the agreement if both option years were exercised to December 19, 2015.
- The agreement includes a minimum of 140 racing days per calendar year.
- The agreement includes the following investment amounts from Cal Expo to the purse pool to cover overpayments in any given racing year to ensure a purse reduction is not necessary to cover those overpayments.

Investment Amounts-

- 2010- \$150,000
- 2011- \$175,000
- 2012- \$200,000
- 2013- \$200,000
- 2014- \$200,000 if option year is exercised
- 2015- \$200,000 if option year is exercised
- If the investment amounts or any portion of the investment amounts are not needed to cover overpayments, the investment amounts may be used for other creative needs as agreed upon by Cal Expo and the CHHA such as incentive programs, promotions, early and late closers, starter bonuses, shipping stipends, etc.

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- The agreement will contain language for both parties to meet throughout the period bi-monthly and specifically during the first week of March of each calendar year to determine if there is a need to change the purse levels for the months of April, May, and June of each year or any other periods.
- Purse Schedule-

<u>Claiming Class</u>	<u>Purse</u>
\$2,500	\$2,100
\$4,000	\$2,800
\$6,000	\$3,600
\$8,000-\$10,000	\$4,600
\$12,000-\$16,000	\$5,800
\$20,000	\$6,800

<u>Condition Claiming</u>	<u>Purse</u>
NW 1 \$4,000 CLM	\$2,800
NW 2 \$6,000 CLM	\$3,200
NW 4 \$9,000 CLM	\$3,600
NW 6 \$12,000 CLM	\$4,000
NW 8 \$15,000 CLM	\$4,400

<u>Condition</u>	<u>Purse</u>
Maidens	\$3,200
NW2 or \$4,000 Life	\$3,800
NW3 or \$6,000 Life	\$4,400
NW4 or \$8,000 Life	\$5,000
NW6 or \$12,000 Life	\$5,800

Winners Over	\$7,500 Base Purse with 5 Starters Increases \$500 per each starter above 5
Open/Invite	\$8,000 Base Purse with 5 Starters Increases \$500 per each starter above 5

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- Agreement will contain language to provide for 4 to 6 Late Closing events annually to be contested in the Spring with two/three legs and finals for \$15,000 to \$25,000.
- Agreement will contain language for the CHHA and Cal Expo to agree on a method to spend from CHHA funds the amount of \$66,604 which is the current amount of the unpaid 2005 Cal Expo/CHHA overpayment.

Please contact me at your convenience if you have any questions related to this or any other matters. We look forward to the future of harness racing at Cal Expo and our relationship with the horsemen.

Best Regards,  
CALIFORNIA EXPOSITION & STATE FAIR

David Elliott,  
Assistant General Manager, Racing Events

cc: Cal Expo Racing Committee  
Norb Bartosik  
Brian May