

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF THE NAPA COUNTY FAIR ASSOCIATION  
THURSDAY, OCTOBER 11, 2018**

**STAFF PRESENT:** CEO Carlene Moore

1. CALL TO ORDER

A special meeting of the Board of Directors of the Napa County Fair Association was held Thursday, October 11, 2018, in the Tucker Room at the fairgrounds with the following directors present: Chairperson Karan Schlegel, Directors Bob Beck, Dana Cole, and Gary Heitz. Directors absent: Bob Fiddaman and Ricky Hurtado. The meeting was called to order at 5:02 PM by Chairperson Schlegel.

2. PUBLIC COMMENT

None

3. CLOSED SESSION:

Pursuant to Section 54957(b) of the Government Code

- a. Public Employee Performance Evaluation  
Title: Chief Executive Officer

CONVENE TO OPEN SESSION TO REPORT FROM CLOSED SESSION

The board reconvened in Open Session at 6:04 pm. Chairperson Schlegel reported that no reportable action was taken and the item is being continued to the end of the regular meeting.

8. ADJOURN to Regular Meeting

**Motion by Heitz, second by Beck to adjourn to the regular meeting at 6:05 pm. Motion passed unanimously, 4-0-0.**

Certified to be a true and correct copy.

\_\_\_\_\_  
Carlene Moore  
Chief Executive Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Karan Schlegel  
Chairperson

\_\_\_\_\_  
Date

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE NAPA COUNTY FAIR ASSOCIATION  
THURSDAY, OCTOBER 11, 2018**

**STAFF PRESENT:** CEO Carlene Moore

1. CALL TO ORDER

A regular meeting of the Board of Directors of the Napa County Fair Association was held Thursday, October 11, 2018, in the Tucker Room at the fairgrounds with the following directors present: Chairperson Karan Schlegel, Directors Bob Beck, Dana Cole, and Gary Heitz. Directors absent: Bob Fiddaman and Ricky Hurtado. The meeting was called to order at 6:05 pm by Chairperson Schlegel.

Chairperson Schlegel reported that no reportable action was taken during the special meeting and the item is being continued at the end of this meeting.

2. PUBLIC COMMENT

Kerri Hammond-Abreu, Cindy Yant, Larry Glenn

3. CONSENT CALENDAR

- a. Minutes of the Special Meeting held on September 11, 2018
- b. Financial Report of September 2018
- c. Correspondence

**Motion by Heitz, second by Cole to approve consent calendar. Motion passed unanimously, 4-0-0.**

4. DISCUSSION OF ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

5. STRATEGIC GOALS

*To create a unique, relevant, annual fair that is owned with pride by the community as “our county fair.”*

*To create a master plan of the facility and programs that strategically develops our business enterprises.*

*To develop a top-ranked RV Park destination that delivers the Napa Valley experience.*

*To perform as, and be recognized as, the community’s number one event center and ranked in the North Bay Area’s top ten.*

- a. Potential Joint Powers Authority (JPA) Formation for Fairgrounds Operations and Management; Impacts of JPA Formation on Napa County Fair Association: Report and update on board position statements and action steps
  - i. After 12/31/18 the Association will no longer manage or operate the fairgrounds: No report.
  - ii. Serve as an ally and partner with the County and City in order to successfully transition to County, or any other successive ensuing entity that may arise during the transition period, management of the fairgrounds: No report.

- iii. There is an urgent need for Association transition planning by July 1, 2018:
  - 1. Appoint committee to count amended Articles of Incorporation ballots.
- iv. Support and advocate for the Napa County Fairgrounds to continue to serve the citizens of Napa County with cultural, social, and economic benefits in times of celebration as well as need: No report.
- v. Preserve open green space for public use: No report.
- vi. Preserve the county fair as an annual event for community celebration in the up-valley: No report.

Staff report

Public comment: Larry Glenn, Cindy Yant

Board discussion: None

**Motion by Beck, second by Heitz to appoint Rose Beck and Carol Bush to count the amended Articles of Incorporation ballots. Motion passed unanimously, 4-0-0.**

6. ADMINISTRATIVE ITEMS

- a. Hunt Motorsports Concepts (HMC) rate reduction request

Staff report

Public comment: Cindy Yant, Larry Glenn

Board discussion: Beck, Cole, Heitz

**Motion by Beck, second by Heitz to authorize CEO to extend a 10% discount to HMC if entire balance due is paid within 30 days. Motion passed unanimously, 4-0-0.**

- b. CEO Report

None

**Motion by Heitz, second by Beck to adjourn to closed session at 7:14 pm. Motion passed unanimously, 4-0-0.**

CONVENE TO OPEN SESSION TO REPORT FROM CLOSED SESSION

The board reconvened in Open Session at 7:43 pm. Chairperson Schlegel reported that no reportable action was taken and the item is being continued to the next special meeting.

7. ADJOURNMENT

**Motion by Beck, second by Cole to adjourn at 7:44 pm. Motion passed unanimously, 4-0-0.**

Certified to be a true and correct copy.

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Carlene Moore  
Chief Executive Officer

Date

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Karan Schlegel  
Chairperson

Date

**MINUTES OF THE SPECIAL MEETING OF THE EXECUTIVE COMMITTEE OF  
THE BOARD OF DIRECTORS  
OF THE NAPA COUNTY FAIR ASSOCIATION  
TUESDAY, OCTOBER 30, 2018**

**STAFF PRESENT:** CEO Carlene Moore

1. CALL TO ORDER

A special meeting of the Executive Committee of the Board of Directors of the Napa County Fair Association was held Tuesday, October 30, 2018, in the Garden Room at the fairgrounds with the following committee members present: Chairperson Bob Beck, Directors Karan Schlegel and Gary Heitz. Directors absent: Ricky Hurtado. The meeting was called to order at 4:02 PM by Chairperson Beck.

2. PUBLIC COMMENT

None

3. CLOSED SESSION:

Pursuant to Section 54957(b) of the Government Code

a. Public Employee Performance Evaluation

Title: Chief Executive Officer

CONVENE TO OPEN SESSION TO REPORT FROM CLOSED SESSION

The committee reconvened in Open Session at 5:19 pm. Chairperson Beck reported that no reportable action was taken.

8. ADJOURNMENT

**Motion by Heitz, second by Schlegel to adjourn at 5:20 pm. Motion passed unanimously, 3-0-0.**

Certified to be a true and correct copy.

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Carlene Moore  
Chief Executive Officer

Date

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Bob Beck  
Chairperson

Date



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE  
Karen Ross, Secretary

October 26, 2018

F2018-07

TO: All CEO's

SUBJECT: 2018 CFA Fall Managers' Conference

The California Department of Food & Agriculture, Fairs & Expositions Branch (F&E) would like to cordially invite you to attend the 2018 California Fairs Alliance (CFA) Fall Managers' Conference, which is scheduled for November 6-8, 2018 in Sacramento. The conference will offer some very exciting, relevant, and applicable programs and round table discussions on numerous facets of the fair industry. This is a great opportunity for CEO's to meet with fair industry colleagues from all class sizes, share experiences, and learn about new, innovative ideas that have produced success stories!

This program addresses fair management challenges in the workplace and how to effortlessly sell the fair and yourself that will benefit all levels of professionals in the fair industry. It will also highlight the opportunity for the SB5 bond grant funds for future deferred maintenance projects at California fairs.

For the complete conference schedule or to register, please visit CFA's website at <https://www.westernfairs.org/p/members/subsidiaries/cfa/402>. As a reminder, all of the applicable registration, lodging and travel costs to attend the conference qualify for reimbursement through FY 2018/19 F&E Training Allocation Program for class 1 through 4+ fairs.

Members of F&E staff, as well as myself, will be attending the CFA Fall Managers' Conference and we look forward to seeing you there.

Sincerely,

John Quiroz  
Branch Chief, Fairs and Expositions





CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

Karen Ross, Secretary

October 30, 2018

F2018-08

TO: All Fairs

SUBJECT: SB 5 (De León) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018

With passage of Proposition 68 (as directed by the passage of Senate Bill 5) by California voters in June 2018, \$18 million in bond funds have been allocated to the California Department of Food and Agriculture (CDFA) to provide for facility improvement for county fairs, district agricultural associations, citrus fruit fairs, and the California Exposition and State Fair.

The Fairs and Expositions Branch (F&E) wanted to update the industry on activities that have taken place and that will take place related to distribution of the bond monies.

Since July, the following activities have occurred:

- 1) F&E staff are learning about the specific provisions and administrative requirements associated with Prop 68/SB5 bond funding;
- 2) F&E staff are identifying the most appropriate distribution method to allocate the monies for facility improvement projects (i.e., deferred maintenance);
- 3) F&E have developed a draft budget of the \$18M (subject to further approval);
- 4) F&E staff are working with the California Fairs Finance Authority (CFFA) to develop an assessment tool to identify deferred maintenance/facility improvement projects and create an updated projects list;
- 5) F&E staff has initiated a recruitment process to hire two new staff persons to administer Prop 68/SB5 funding, including the enhanced reporting requirements;
- 6) F&E and CFFA staff have discussed timelines of the assessment tool and allocation distribution, including approval timeline requirements.

In the coming months, the following activities will occur:

- 1) CDFA will finalize the specific requirements and provisions associated with Prop 68/SB5 funding (Fall - Winter 2018)
- 2) CFFA will initiate the assessment process with all fairgrounds, identifying potential projects. Only projects identified in this assessment process and that have not been initiated will be eligible for funding. (Fall 2018 through January 2019)



- 3) CDFA, working with CFFA, will finalize the selection criteria and identify a review team (which will include some fair CEOs) to assist with the selection of those deferred maintenance projects (Spring 2019)

CDFA anticipates distribution of the first phase of bond funds in summer 2019 and looks forward to working with the network of fairs and CFFA to identify facility improvement projects.

More information will also be provided at the California Fair Alliance Fall Manager's Conference in November. If you have questions you would like to have addressed at that event, please let us know.

Respectfully,

A handwritten signature in black ink, appearing to be 'John Quiroz', written over a large, stylized circular flourish.

John Quiroz, Branch Chief  
Fairs & Expositions Branch

cc: Brian Eubanks, CFFA



## **CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION UNDER CORPORATIONS CODE SECTION 5810**

The undersigned certify that:

1. They are the **chairperson** and the **secretary**, respectively, of NAPA COUNTY FAIR ASSOCIATION, a California corporation.
2. The Articles of Incorporation of this corporation shall be amended in their entirety and restated to read as set forth herein. The basis for this amendment is that Napa County Fair Association is no longer acting on behalf of or acting as an agent for the County of Napa and the Napa County Fair and the members of the corporation voted to eliminate all forms of membership in the corporation.

### **Articles of Incorporation**

#### **ARTICLE I**

The name of the corporation shall be: Napa County Fair Association.

#### **ARTICLE II**

**A.** This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

**B.** The specific purpose of this corporation is to promote and educate the public regarding the arts and culture of Napa Valley and to fundraise for facility and program enhancements and improvements to the Napa County Fairgrounds. The corporation is organized exclusively for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3) or the corresponding provisions of any future United States internal revenue law. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activity not permitted to be carried out by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1954 as may be amended from time to time.

#### **ARTICLE III**

**A.** No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.



B. The property of this corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a governmental unit, or nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Internal Revenue Code section 501(c)(3).

#### **ARTICLE IV**

The membership of the corporation, pursuant to California Corporation Code 5342, voted to terminate all forms of membership as of the date of the effective date of these Amended and Restated Articles of Incorporation. The corporation shall have no members as the term is defined in California Corporation Code Section 5056. The Board of Directors of the corporation shall hold any and all legal rights accruing to members under California Nonprofit Corporation law.

#### **ARTICLE V**

By-laws of this corporation have been duly adopted October 8, 1935, amended on October 19, 2011, restated on June 14, 2013 and amended and restated on January 1, 2019 and may be amended or repealed by any means provided in the by-laws.

#### **ARTICLE VI**

A. The foregoing changes and amendments of Articles of Incorporation have been duly approved by the Board of Directors.

B. The foregoing changes and amendments of the Articles of Incorporation have been duly approved by the required vote of the members.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE:

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*(Signature of Chairperson)*  
Karan Schlegel, Chairperson

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*(Signature of Secretary)*  
Carlene F. Moore, Secretary

BYLAWS  
OF  
NAPA COUNTY FAIR ASSOCIATION  
(A California Nonprofit Public Benefit Corporation)

**ARTICLE 1**  
NAME

The name of the corporation is the Napa County Fair Association, doing business as Celebrate! Napa Valley, a California Nonprofit Public Benefit Corporation (the “Association” or “Corporation”).

**ARTICLE 2**  
PURPOSES

The Corporation has been formed for charitable purposes to promote and educate the public regarding the arts and culture of Napa County and to fundraise for facility and program enhancements and improvements to the Napa County Fairgrounds as stated in greater detail in Article II of this Corporation's Amended and Restated Articles of Incorporation. In addition, this Corporation shall perform all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes.

The Corporation shall hold and may exercise all such powers as may be conferred upon a nonprofit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation. In no event shall the corporation engage in activities which are not permitted to be carried on by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE 3**  
MAILING ADDRESS, PRINCIPAL OFFICE;  
NOTICE AND CONDUCT OF MEETINGS

The initial mailing address for the Corporation shall be 1435 N. Oak Street, Calistoga, California 94515. The Association’s Board of Directors (the “Board”) may at any time, or from time to time, designate by resolution a new mailing address and a principal office of the Corporation. The Board may also at any time, or from time to time, designate by resolution the location of all regular Board meetings.

#### **ARTICLE 4**

##### **NONPARTISAN ACTIVITIES**

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law (the "Law") for the charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation. The Corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

#### **ARTICLE 5**

##### **DEDICATION OF ASSETS**

The properties and assets of the Corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, Director or officer of this Corporation. On liquidation or dissolution, all remaining properties and assets of the Corporation shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

#### **ARTICLE 6**

##### **MEMBERSHIP**

6.1. No Members. The Corporation shall have no "members" as the term is defined in California Corporation Code Section 5056. The Board of Directors of the Corporation shall hold any and all legal rights accruing to members under California Nonprofit Corporation law.

#### **ARTICLE 7**

##### **BOARD OF DIRECTORS**

7.1. Powers. Subject to the provisions and limitations of any applicable law, all corporate powers shall be exercised, by or under the direction of the Association's Board of Directors ("the Board"). The Board may delegate the management of the day-to-day operation of the business of the Corporation to an Executive Director or other person, who shall serve at the pleasure of the Board except as modified by contract, and provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

7.2. Number and Tenure.

- A. The Board shall consist of at least three (3) but no more than eleven (11) Directors unless changed by amendment to these bylaws.
- B. Fifty percent (50%) or more of the total number of Directors then in office shall constitute a quorum.
- C. All Directors must be at least 18 years of age and a resident of Napa County or a resident of an area serviced by a Napa County postal code.
- D. The Board in place upon adoption of these bylaws shall remain in office until their successors are duly appointed under these bylaws.
- E. No increase or decrease in the number of Directors shall shorten or lengthen the term of any serving Director.
- F. Directors shall be appointed for a three (3) year term, subject to subsection 7.2 (I.) below.
- G. At the conclusion of a Director's term, that person shall be evaluated as any other nominee. The Board may re-elect the Director for an additional three (3) year term.
- H. The maximum continuous service of a Director shall be two consecutive terms for a total of six (6) years. At the conclusion of a Director's maximum service, that person may be considered for re-election to the Board as a newly elected Director after a recess from the Board of at least one year.
- I. By adjusting the terms of Directors being re-elected, the Board shall stagger the terms of service so that during each year the terms of approximately one third of all Directors shall expire.
- J. Notwithstanding any other provision of these bylaws, not more than forty-nine percent (49%) of the persons serving on the board may be interested persons. For purposes of this Section, "interested persons" means either: (a) Any person compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise; or (b) Any brother, sister, ancestor, descendant, spouse, domestic partner, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

7.3. Election. Each new member of the Board of Directors must be approved by a majority vote of the then serving Directors present and voting at a regular meeting of the Board at which at least a quorum of the Board of Directors is present.

7.4. Compensation. Directors shall not receive any compensation for their services as a Director. Directors shall be allowed reasonable reimbursement of expenses incurred in the performance of their regular duties as specified in these Bylaws; however, such reimbursement shall be approved in advance in accordance with these Bylaws.

7.5. Diversity. The Corporation intends that the Board shall collectively represent a diversity of relevant backgrounds, skills, and geographic areas of the Napa County to enable the Board to make informed, well-balanced decisions on the economic viability and social impact of its related activities to all of the citizens of Napa County.

7.6. Vacancies. A vacancy on the Board shall exist on the occurrence of the following:

- (a) the death, resignation, or removal of any Director;
- (b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Corporations Code Sections 5230-5239 dealing with standards of conduct for a Director, or has missed three (3) consecutive meetings of the Board or a total of four (4) meetings of the Board during any one calendar year;
- (c) an increase in the authorized number of Directors;
- (d) the removal of a Director pursuant to these bylaws;

7.7. Resignation. Except as provided in this paragraph, any Director may resign effective upon giving written notice to the chairperson of the Board, the Executive Director, the secretary, or the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no Director may resign when the corporation would then be left without a duly elected Director in charge of its affairs.

7.8. Filling Vacancies. Vacancies on the Board may be filled by vote of a majority of the Directors then in office, whether or not the number of Directors then in office is less than a quorum, or by vote of a sole remaining Director. The Director so appointed shall serve until the end of the vacated term. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

7.9. Annual Meetings of the Board. The Board shall hold an annual meeting on the second Thursday of November each year for the purpose of electing officers of the corporation and for the transaction of other business. Notice of all meetings of the Board shall be given in accordance with these Bylaws. Other regular meetings shall be held at such times as are fixed by the Board. Meetings may be held at any place designated by resolution of the Board. Special meetings shall be held at any place designated in the notice of the meeting.

7.10. Attendance Not in Person. Any Director may attend a meeting of the Board by teleconference, as long as there is a quorum at the site of the meeting. All such Directors shall be deemed to be present in person at such meeting.

7.11. Notice Required. Regular Meetings of the Board may be scheduled in advance by resolution of the Board. In addition, meetings of the Board for any purpose may be called at any time by the chairperson of the Board, the Executive Director, the secretary, or any two (2) Directors by issuance of notice according to this subsection. Notice of the purpose, date, time, and place of all meetings shall be issued and shall contain a brief general description of each item to be discussed or transacted at the meeting. Notice of meetings shall also be communicated in advance to each Director by personal delivery; by telegraph, express mail service, first-class mail, or by other means of written communication, charges prepaid, addressed to the Director at the Director's address as it is shown upon the records of the corporation; or by telephone (including a voice messaging system which records and communicates messages), facsimile, or electronic mail. For regular meetings, notice must be provided at least seventy-two (72) hours prior to the meeting, and for special meetings, notice must be provided at least twenty-four (24) hours prior to the meeting.

7.12. Action at a Meeting. Presence of 50% or more of the Directors then in office at a meeting of the Board constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number, or the same number after disqualifying one or more Directors from voting, is required by the Articles of Incorporation, these bylaws, or law. Directors may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these bylaws or law.

7.13. Adjourned Meeting and Notice. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place specified in a notice of adjournment to be posted at the meeting location. If the meeting is adjourned for a time of more than twenty-four (24) hours following the original meeting time, notice of the time and place of the adjourned meeting shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment in the manner provided for in Section 7.11.

## **ARTICLE 8: STANDARD OF CARE**

8.1. General. A Director and an Officer shall perform their duties, including duties as a member of any committee of the Board on which they may serve, in good faith, in a manner such Director believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

8.2. Reliance. In performing their duties of a Director or an Officer, each shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the corporation whom they believe to be reliable and competent in the matters presented;
- (b) Counsel, independent accountants or other persons as to matters which they believe to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which they do not serve, as to matters within its designated authority, which committee they believe to merit confidence, so long as in any such case, the Director or Officer acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

8.3. No Liability. A person who performs the duties of a Director or Officer in accordance with the above and who complies with the conflict of interest rules set forth herein shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director or Officer, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the corporation, or assets held by it, are dedicated.

8.4. Loans. This corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved in advance by the California Attorney General; provided, however, that this corporation may advance money to a Director or Officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such Officer or Director so long as such individual would be entitled to be reimbursed for such expenses absent that advance. Any Officer or Director who receives such an advance shall, as soon as practicable, provide such evidence of the expenses as required by the corporation.



8.5. Contracts or Transactions with Directors or Officers. No Director or principal officer nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors or officers are directors or officers or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation unless (1) the material facts regarding that financial interest of the director or officer in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the board prior to the board's consideration of such contract or transaction; (2) such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the votes of the interested directors; (3) before authorizing or approving the transaction, the board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (4) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into.

8.6. Violations of the Conflict of Interest Policy. All Directors, Officers, and employees of the Corporation shall adhere to the Corporation's Conflict of Interest Policy. If the Board has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose. If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board determines that there is an actual conflict of interest, it shall take appropriate action including the cancellation of any actions taken when the conflict existed, if possible.

8.7. Compensation Review. The Executive Director may receive compensation in the Board's discretion. The Board shall review the fairness of compensation, if any compensation is provided to the Executive Director upon the occurrence of the following events:

- (a) The Executive Director is hired;
- (b) The Executive Director's term of employment is extended or renewed; or
- (c) The Executive Director's compensation is modified, unless such modification occurs pursuant to a general modification of compensation that extends to all employees.

8.8. Periodic Reviews. Periodic reviews shall be conducted to ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. When conducting these periodic reviews, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

8.9. Indemnification. To the fullest extent permitted Section 5238(a) of the California Corporations Code, this corporation shall indemnify its agents, as described in that section, including its Directors, officers, employees, and volunteers, and including persons formerly occupying any such position, and their heirs, executors, and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses" shall have the same meaning as in that Section. Such right of indemnification shall not be deemed exclusive of any other rights to which such persons may be entitled apart from that section.

8.10. Insurance. The corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of any such agent of the corporation, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

## **ARTICLE 9 COMMITTEES**

9.1. Committees of Directors. The Board may designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these bylaws. Each such committee shall consist of two (2) or more Directors, and may also include persons who are not on the Board, to serve at the pleasure of the Board. The Chair may serve on any committee appointed by The Board as an ex officio member. The Board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The Board may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- (a) Approve any action that, under the Law, would also require the affirmative vote of the entire Board.
- (b) Fill vacancies on, or remove the members of, the Board or in any committee that has the authority of the Board.
- (c) Fix compensation of the Directors for serving on the Board or on any committee.
- (d) Amend or repeal the Articles of Incorporation or bylaws or adopt new bylaws.

- (e) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable.
- (f) Appoint any other committees of the Board or their members.
- (g) Approve a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course of its business; or revoke any such plan.

No committee shall bind the corporation in a contract or agreement or expend corporate funds, unless authorized to do so by the Board.

9.2. Meetings and Actions of Committees. Meetings and actions of all committees shall be held and taken in accordance with, the provisions of these bylaws, concerning meetings and actions of Directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes or summaries shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with the provisions of these bylaws for the government of any committee.

9.3. Executive Committee. The Board may appoint a committee composed of three (3) or more Directors, one of whom shall be the chairperson of the Board, to serve as the Executive Committee of the Board. The Executive Committee, unless limited in a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the corporation between meetings of the Board. The secretary of the corporation shall send to each Director minutes of the business conducted at any meeting of the Executive Committee.

9.4. Audit Committee. The Board shall appoint an Audit Committee when gross revenues in any given year exceed \$2 million. The committee may be comprised of one or more persons and may include persons other than Directors of the corporation.

The Audit Committee shall make recommendations to the Board regarding the hiring and termination of an auditor, who shall be an independent certified public accountant, and may be authorized by the Board to negotiate the auditor's salary.

The Audit Committee shall confer with the auditor to satisfy its members that the corporation's financial affairs are in order, and shall review and determine whether to accept the audit.

In the event that the auditor's firm provides non-audit services to the corporation, the Audit Committee shall ensure that the auditor's firm adheres to the standards for auditor independence set forth in the latest revision of the Auditing Standards published by the Comptroller General of the United States, or any standards promulgated by the Attorney General of California.

## **ARTICLE 10**

### **OFFICERS**

10.1. Officers. The officers of the corporation shall consist of a chairperson of the Board, vice chairperson, secretary and treasurer, and the Executive Director who shall not be a member of the Board and such other officers as the Board may designate by resolution. The Executive Director may act as the secretary. The same person may hold any number of offices, except that neither the secretary nor the treasurer may serve concurrently as the chairperson of the Board. In addition to the duties specified in this Article 10, officers shall perform all other duties customarily incident to their office and such other duties as may be required by law, by the Articles of Incorporation, or by these bylaws, subject to control of the Board, and shall perform such additional duties as the Board shall from time to time assign.

10.2. The officers shall be chosen by the Board at its annual meeting, and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the chairperson of the Board, or the secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board.

10.3. Chairperson of the Board. The chairperson of the Board shall, when present, preside at all meetings of the Board and Executive Committee. The chairperson is authorized to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation.

10.4. Vice Chairperson of the Board. The vice chairperson shall, in the absence of the chairperson, or in the event of his or her inability or refusal to act, perform all the duties of the chairperson, and when so acting shall have all the powers of, and be subject to all the restrictions on, the chairperson.

10.5. Executive Director. Subject to the control, advice and consent of the Board, the Executive Director shall, in general, supervise and conduct the day-to-day activities and operations of the corporation, shall keep the Board fully informed and shall freely consult with them concerning the activities of the corporation, and shall see that all orders and resolutions of the Board are carried into effect. Where appropriate, the Board shall place the Executive Director under a contract of employment. The Executive Director shall be empowered to act, speak for, or otherwise represent the corporation between meetings of the Board. The Executive Director shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board generally informed at all times of staff performance and related issues. The Executive Director is authorized to contract, receive, deposit, disburse, and account for funds of the corporation; to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation; and to negotiate all material business transactions of the corporation.

10.6. Secretary. The secretary, or his or her designee, shall be custodian of all records and documents of the corporation which are to be kept at the principal office of the corporation, shall act as secretary of all the meetings of the Board, and shall keep the minutes of all such meetings in books proposed for that purpose. The secretary shall attend to the giving and serving of all notices of the corporation. The same person may act as Executive Director and Secretary if so designated by the Board.

10.7. Treasurer.

- (a) The treasurer is the chief financial officer of the corporation and is responsible for keeping and maintaining, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its restricted and unrestricted assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements and such other actions as a chief financial officer normally handles.
- (b) The treasurer duties shall include, when applicable, participate in the selection and recommendation of an auditing firm and participate in an audit as appropriate; act as chair of the corporation's finance committee; review and approve the Executive Director's expenses; and render an annual report of the financial affairs of the corporation.

## **ARTICLE 11**

### **RECORDS AND REPORTS**

11.1. Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the Directors at all reasonable times during office hours.

11.2. Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The corporation shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing.

11.3. Maintenance and Inspection of Other Corporate Records. The corporation shall keep adequate and correct books and records of accounts, and written minutes of the proceedings of the Board and committees of the Board. All such records shall be kept at the principal office of the corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the chairperson or Executive Director, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer, employee, or agent during his or her term of office.

11.4. Right of Inspection. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

11.5. Preparation of Annual Financial Statements. The corporation shall prepare annual financial statements using generally accepted accounting principles or law or contract as required. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards, under supervision of the Audit Committee established by these bylaws. The corporation shall make these financial statements available to the California Attorney General and members of the public for inspection no later than three (3) months after the close of the fiscal year to which the statements relate.

11.6. Reports. The Board shall cause an annual report to be sent to all Directors, within 120 days after the end of the corporation's fiscal year, containing the following information

- (a) The assets and liabilities, including the trust funds, of this corporation at the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the

fiscal year;

- (c) The revenues or receipts of this corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of this corporation for both general and restricted purposes during the fiscal year; and
- (e) The information required by California Corporations Code Section 6322 concerning certain transactions involving more than \$50,000 or indemnifications involving more than \$10,000 with the officers or Directors which took place during the year.

The report shall be accompanied by any pertinent report of independent accountants and the form(s) referred to in Sec 11.5 above.

## **ARTICLE 12**

### **RULES FOR CONDUCT OF MEETINGS**

All meetings of the Board, and committees shall be conducted in accordance with Roberts Rules of Order, provided that in the event of a conflict, such rules shall be superseded by these Bylaws, any resolution of the Board, and California law.

## **ARTICLE 13**

### **FISCAL YEAR**

The fiscal year for this corporation shall begin on January 1 and shall end on December 31.

## **ARTICLE 14**

### **AMENDMENTS AND REVISIONS**

14.1. Amendment and Revision Allowed. These bylaws may be amended or repealed by the vote of a majority of the Directors then in office. Such action is authorized only at a duly called and held meeting of the Board for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given to all Directors at least thirty (30) days before the meeting at which the amendment(s) will be acted upon.

14.2. Adoption of These Bylaws. These Amended and Restated Bylaws of the Napa County Fair Association, a nonprofit Public Benefit Corporation, are meant to completely replace the Napa County Fair Association By-Laws adopted on June 14, 2013 (the "Prior By-Laws"), and shall, upon their adoption by the Board of Directors, automatically and without further action, repeal and replace



the Prior By-Laws.

## **ARTICLE 15**

### **CORPORATE SEAL**

The Board may adopt, use, and alter a corporate seal. The seal shall be kept at the principal office of the corporation. Failure to affix the seal to any corporate instrument, however, shall not affect the validity of that instrument.

## **ARTICLE 16**

### **CONSTRUCTION AND DEFINITIONS**

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law, as amended from time to time, shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a real person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible {i) the remainder of these bylaws shall be considered valid and operative, and {ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

### **CERTIFICATION**

I, the undersigned, certify that I am the currently elected and acting secretary of the NAPA COUNTY FAIR ASSOCIATION, a California Nonprofit Public Benefit Corporation, doing business as Celebrate! Napa Valley, and the above bylaws, consisting of 14 pages, are the bylaws of this Corporation.

Executed on this 8th day of November, 2018, at Calistoga, California.

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Carlene F. Moore  
Secretary

Staff Report

The following press release was issued to local media on November 6, 2018.

**FOR IMMEDIATE RELEASE**

**Napa County Fair Association restructures for new role in 2019**

CALISTOGA, CA – November 6, 2018 – After managing the Napa County Fairgrounds for nearly 83 years, the Napa County Fair Association (NCFA) has restructured their organization to adapt to changing times and to continue to remain viable and relevant in serving the community.

This new chapter will include a new board, new vision, and exciting opportunities that support the county fairgrounds as a sacred, public gathering place for future generations. There are several positive changes to this restructure. As of this week, the board has amended the Articles of Incorporation to open up opportunities for any adult resident of Napa County or areas serviced by a Napa County zip code to support, donate, or serve as a board member.

By becoming more accessible, NCFA hopes to recruit influencers interested in preserving their 80+ year tradition of celebrating Napa's agricultural heritage. These changes will also allow for a newly appointed board of directors focused on fundraising and program development. With the right resources in place, NCFA is optimistic that it will be able to continue to host year round community events and activities that bring families together for years to come.

While the newly restructured NCFA plans to heavily focus on preserving the Napa County Fair and community events, much consideration has also been made to finding a long-term, sustaining solution to the infrastructure needs of the fairgrounds in Calistoga. For the past eight years, NCFA has worked diligently on strategic planning to preserve this beloved public asset. In 2016, this led to steering negotiations between the County and City to form a new governance structure that would have the capacity to care for the 70-acre property. As of December 31, 2018, the property and facilities will no longer be NCFA's responsibility.

And while NCFA has not been formally invited to do so, the future vision of the nonprofit charitable organization is to continue to support their successors. The association is hopeful that the new governing agency will invite them to continue to raise funds and resources to renovate and upgrade the facilities for the community's benefit. It has been through the fair board's determination, staff loyalty, and volunteer commitment that NCFA has been able to not only preserve, but enhance programs that

include the County Fair & Fiesta, ENGAGE Art Fair, Star-Spangled Social, and Christmas Faire.

To date, what began as an endeavor to find sustainable solutions has resulted in a state of limbo for the organization and its employees. One difficult step in the restructure process was the recent issue of layoff notices. It was always the board's plan to keep existing staff in place during the transition of governance. However, with the contract expiring in just weeks, the board felt it was important to give NCFA staff enough notice to secure new employment.

Despite the challenges, the board is just as committed today as they have been for the past 80+ years. The fairgrounds will host several holiday events and parties this season, resulting in a very busy RV Park. In fact, the RV Park is so popular that management has opened overflow dry camping to accommodate the demand for the Holiday Village & Christmas Faire weekend.

Currently, NCFA staff is in the throes of producing the 49<sup>th</sup> Annual Christmas Faire to be held the first Saturday in December. This treasured community event is free to the public and takes hundreds of volunteer hours to put on. Please consider signing up today at [www.CelebrateNapaValley.org/ChristmasFaireVolunteer](http://www.CelebrateNapaValley.org/ChristmasFaireVolunteer).

Earlier this year, the Fair Board made a promise to the community to deliver a quality golf course through the end of October. Not only did the course remain open, but the course conditions were significantly improved.

"We're proud of the course conditions and are pleased to announce that we'll be continuing operations through the end of the year with a modified schedule for the off-season," says board chair Karan Schlegel. "We sincerely hope that the community continues to support the golf course while NCFA continues to manage it to the end of this year."

The course will continue to operate through the end of the year with its new schedule, open Friday through Sunday, weather permitting, as "walking only," and closed Monday through Thursday.

Schlegel shares, "Throughout our work, we have sought to create a stable, prudent, and fiscally responsible Association that can continue to serve well into the future. While we're unsure what the new governance will entail, we're still committed to our beloved county fair and fairgrounds."

For more information about volunteering, upcoming events, or the Napa County Fair Association, dba: Celebrate! Napa Valley, please visit [celebratenapavalley.org](http://celebratenapavalley.org).