

Strategic Goals

Background:

The following Position Statements and Identified Action Steps are the work of the board resulting from their strategic planning session this past February 1, 2018 and as amended and adopted on June 14, 2018. These statements and action steps will continue to guide the work of the board throughout the year.

Position 1: After 12/31/18, the Association will no longer manage or operate the fairgrounds

Identified Action Steps

- ~~1. Bob F to communicate with County by 2/5/18~~
- ~~2. If need be, draft a letter to read into an upcoming Board of Supervisor meeting record.~~
- ~~3. Distribute the letter publicly.~~
4. Develop message points for the board.
- ~~5. Meet with the Association employees to discuss strategy, positions of the board, and the concept of transition.~~ Advocate for their positions and provide job counseling.

Background:

Letter from NCFA was delivered to the Board of Supervisors on April 3, 2018, expressing concerns over timeline, NCFA's intentions, and the need for transition planning. At our April meeting, NCFA was reassured of the County's intention to see the fairgrounds and county fair continue. At our May meeting, NCFA requested confirmation of the County's stated intention to assume management and operation of the County Fairgrounds effective January 1, 2019, in writing. The Board of Supervisors letter of May 22, 2018, attached to this report, does just that.

NCFA will no longer manage the fairground operations beyond December 31, 2018, and at the request of the County in order to ensure fairground operations for next year continue uninterrupted, will continue all routine functions and operations (through 2018), including processing of next year's contracts.

June 14, 2018, the board publicly received the letter from the County of Napa acknowledging that NCFA will no longer manage the fairground operations beyond December 31, 2018, and that on January 1, 2019, the County will assume operations and management of the fairgrounds.

Position 6: 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 by January 1, 2019

Action Steps

- ~~1. Meet with City leaders to discussion transition and management of the fairgrounds.~~
2. Meet with County to discuss transition plans.

Background:

This statement was modified at the June 14, 2018 board meeting to adapt to the fluid environment that land negotiations of this caliber create. The board continues to support all efforts to establish an entity with the capability and responsibility for long term investment planning in the fairgrounds.

The board continues to “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.” And will continue to do so throughout its limited time remaining as stewards of the land.

Report:

Moved up to follow Position 1 that the Association will no longer manage or operate the fairgrounds after 12/31/18. In the interest of time remaining on the Association’s current contract, tonight the board will appoint a representative to work directly with the CEO and County, City or other successive ensuing entity to smoothly transition the facility operations by year end.

Position 2: There is an urgent need for transition planning by July 1, 2018.

Identified Action Steps

1. Develop a plan by 7/1/18
2. Begin implementing the transition plan by 7/1/18
3. Provide regular, comprehensive communication with employees, City and County.
4. ~~Present plan to Association at the annual membership meeting.~~
5. ~~Discuss succession planning in closed session 2/8/18.~~

Background:

At the May board meeting, the board confirmed goals, determinations, and action steps to be taken toward development of the transition plan, especially as it pertains to the future role and activities of the organization.

At the June board meeting, the board reviewed the annual membership meeting outline which was then presented to the Association membership on June 27, 2018.

Report:

The Opportunities Assessment Committee has worked with staff and attorneys to develop the proposed Articles of Incorporation and Bylaws amendments for presentation at tonight’s meeting, taking into consideration the board’s intentions for 2019 & Beyond as previously identified (see below).

- CONTINUE THE FAIR AND COMMUNITY EVENTS.

Goal: The Association will continue to produce the Napa County Fair events on into the future, carrying forward its rich 80+ year tradition of celebrating our county’s agricultural heritage.

Action Steps: January of 2019, the Association will propose a long term contract to the County of Napa for producing the annual County Fair and related events.

Note: This long term contract will be agreed upon no later than February 28, 2019.

- PRESERVE THE FAIRGROUNDS.

Goal: Preserve the county fairgrounds as a beloved community gathering place.

Advocate to protect this exceptional and rare green space from unwanted development, keeping it within the public domain so as to provide open space for community celebrations and service in times of great need.

Action Steps: Maintain current maintenance programs and operations and be available as a responsible caretaker throughout the 2018 transition to the County of Napa.

- ORGANIZATION TRANSITION.

Goal: Transition governance of the Association into a nonprofit, charitable, non-membership organization, focused on fundraising and program management of the fair events.

Action Steps: Starting July 1, 2018, the Association will begin the legal and administrative steps to transition the organization to be effective January 1, 2019.

Action Steps: Continue to grow and develop our volunteer program for county fair and related event programs.

Action Steps: Develop financial plan and budget to fund organization activities.

- TUBBS BUILDING RESTORATION.

Goal: Following successful organization transition, fundraise to Restore and upgrade the Tubbs Building .

Action Steps: Develop conceptual plan of the building in 2018 while simultaneously completing the restroom renovation project and pursuing a commercial kitchen.

Action Steps: Recruit new board members for this intention.

Note: This is our first endeavor into a major fundraising campaign.

Position 3: 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

Identified Action Steps

1. Serve on civic planning committees in order to be prepared;
2. Renovate the Tubbs Building restrooms.
3. Take advantage of the state grants for deferred maintenance projects.

Background:

Since 2013, the board has recognized the role that fairgrounds play in supporting disaster relief efforts and following our critical role in the 2015 Valley Fire efforts and again in the 2017 Tubbs Fire efforts, the board remains committed to the fairgrounds continuing in the public domain and in service to the greater good in times of celebration and need.

No report.

Position 4: Preserve open green space for public use

Action Steps

- ~~1. An initial plan that includes a budget, investment plan and personnel plan to be presented to the board for review and approval at the Feb. 8, 2018 board meeting.~~
- ~~2. Lease new mower.~~
3. Clean up the course and replant trees.
- ~~1. Present Golf Course Operational Plan at the next board meeting 2/8/18.~~
- ~~2. Repair broken main reclaimed water line on course.~~

Background:

Following tree damage during the high wind storms leading to the fires last fall, the course remained closed until this spring. In February, a group of golfers with business acumen was convened and a plan to reopen was developed. The board adopted the plan on February 8th and committed \$60,000 of reserves in support. After 6 months and extensive tree work, the course reopened on April 20, 2018.

No report.

Position 5: Preserve the county fair as an annual event for community celebration in the up-valley

Action Steps

- ~~1. Prepare and communicate message points about the lack of available carnival for the 4th of July.~~
2. Staff to continue to plan for the fair events, preserve the future

Background:

Staff has continued to work to develop our county fair programs model. Due to unique opportunities that presented themselves this year, several events with various activities and focuses have been developed in 2018, including securing a quality carnival for July 4th.

No report.

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:

(Signature of Chairperson)
Karan Schlegel, Chairperson

(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 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 an Executive 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 CEO 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 CEO'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 CEO, 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 18 pages, are the bylaws of this Corporation.

Executed on this ____ day of _____, 2018, at Calistoga, California.

Carlene F. Moore
Secretary

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