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CERTIFIED COPY

BOARD OF DIRECTORS MEETING
22ND DISTRICT AGRICULTURAL ASSOCIATION
DEL MAR FAIRGROUNDS
2260 JIMMY DURANTE BOULEVARD
DEL MAR, CALIFORNIA 92014

TUESDAY, SEPTEMBER 12, 2023

1:34 P.M.

REPORTED BY: CHELSEA ROJO BERMUDEZ
CDR-1585, CER-1585

1 IN ATTENDANCE

2 OFFICERS:

3 Frederick Schenk, First Vice President

4 DIRECTORS PRESENT:

5 Lisa Barkett, Director

6 Michael Gelfand, Director

7 Don Mosier, Director

8 Kathlyn Mead, Director

9 Sam Nejabat, Director

10 Mark Arabo, Director

11 ALSO PRESENT:

12 Carlene Moore, Chief Executive Officer,
13 22nd DAA

14 Donna O'Leary, Executive Assistant, 22nd DAA

15 Tristan Hallman, Director of Marketing,
16 22nd DAA

17 Henry Rivera, Moderator/Production Manager

18 Ashley Colburn, Executive Director, Don
19 Diego Foundation

20 Mark Terry, Festival Licensing and
21 Acquisition Corporation (via Zoom)

22 Chris Racan, Festival Licensing and
23 Acquisition Corporation (via Zoom)

24 Carl Monzo, Festival Licensing and
25 Acquisition Corporation (via Zoom)

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DEL MAR, CALIFORNIA

TUESDAY, SEPTEMBER 12, 2023

1:34 p.m.

MR. SCHENK: I want to welcome everybody to the September 12, 2023, Board of Directors Meeting for the 22nd District Ag Association. It's been awhile since I've had the privilege and honor of sharing. I did this for about two-and-a-half years almost a decade ago so I'm a little rusty. But I'll do my best this afternoon and try to take on the responsibility that Chair Rowland has. She is not with us today.

Before we take a roll, I do want to welcome a brand new board member to the 22nd DAA Board of Directors. Mark Arabo has joined us.

Mark, it is a pleasure to have that ninth seat filled. You know, we have been shy a couple of seats for a long time. And we are eight now; right?

MS. MOORE: No. We are nine.

MR. SCHENK: Nine. Full nine. So welcome aboard, and I hope you'll find this board to be challenging, inspirational, and something you'll gain a lot from. I've been on the board, along with Director Barkett, on and off but mostly on, since

1 20- -- 2003.

2 MS. BARKETT: 2003.

3 MR. SCHENK: Yeah, 2003. It's hard to
4 recall that far back. But you're sitting next to
5 somebody that will be a great mentor to you. That's
6 what I really wanted to tell you, and
7 Director Barkett.

8 So we welcome you. We hope that you will
9 jump in and take on some of the tasks that really
10 need addressing. I know that the governor has great
11 faith in your ability, as do we. So welcome aboard
12 and let's take a roll call and officially welcome
13 Director Arabo.

14 MS. O'LEARY: President Rowland has an
15 excused absence.

16 Vice President Schenk?

17 MR. SCHENK: Here.

18 MS. O'LEARY: And Vice President Valdez
19 has an excused absence.

20 Director Arabo?

21 MR. ARABO: Here.

22 MS. O'LEARY: Director Barkett?

23 MS. BARKETT: Here.

24 MS. O'LEARY: Director Gelfand?

25 MR. GELFAND: Here.

1 MS. O'LEARY: Director Mead is -- will be
2 here in about five minutes.

3 And Director Mosier?

4 MR. MOSIER: Here.

5 MS. O'LEARY: Director Nejabat?

6 MR. NEJABAT: Here.

7 MR. SCHENK: Sam, is there something that
8 maybe you'd add because you know Mark better than
9 any of us so I would welcome your thoughts at
10 this time.

11 MR. NEJABAT: Absolutely. Like you
12 mentioned, we're very excited to have --

13 MS. O'LEARY: Microphone.

14 AV TECH: Green light.

15 MR. SCHENK: Green. There you go.

16 MR. NEJABAT: We're very excited to have
17 Mark and his experience on board. We couldn't have
18 asked for a better person to fill in the
19 appointment. And we look forward to having your
20 contributions and your donuts as well.

21 MR. SCHENK: Thank you for the donuts.

22 All right. We will go to the consent
23 calendar. Are there any requests to have some of
24 the items pulled from the consent calendar before we
25 vote on its approval.

1 Hearing none and seeing Director Mead
2 walking in, I am going to pause for a moment, allow
3 her to announce her presence.

4 Take your time. We're just
5 getting started.

6 MS. MEAD: Present.

7 MR. SCHENK: All right. Do you want to --
8 did you say present?

9 MS. MEAD: Yes.

10 MR. SCHENK: Yes. Okay. All right.

11 Regarding the consent calendar, are there
12 any public comments that wish to be made?

13 AV TECH: We have Martha Sullivan in the
14 Zoom room.

15 MR. SCHENK: Ms. Sullivan, welcome.
16 You're up, Martha.

17 MARTHA SULLIVAN: Good afternoon, and
18 thank you. This is Martha Sullivan, and I don't
19 have anything. Thank you.

20 MR. SCHENK: You're welcome to join us
21 later as your observations are appropriate for
22 the topic.

23 No comments and no modifications, we'll
24 take a roll for approval of the consent
25 calender, please.

1 MS. MOORE: Motion -- do we have a motion?

2 MR. MOSIER: Move to approve the consent
3 calendar?

4 MS. BARKETT: Second.

5 MR. SCHENK: We do now. Thank you. Any
6 discussion about it?

7 Hearing none, let's go ahead and take
8 a roll.

9 MS. O'LEARY: Vice President Schenk?

10 MR. SCHENK: Aye.

11 MS. O'LEARY: Director Arabo?

12 MR. ARABO: Aye.

13 MS. O'LEARY: Director Barkett?

14 MS. BARKETT: Aye.

15 MS. O'LEARY: Director Gelfand?

16 MR. GELFAND: Aye.

17 MS. O'LEARY: Director Mead?

18 MS. MEAD: Aye.

19 MS. O'LEARY: Director Mosier?

20 MR. MOSIER: Aye.

21 MS. O'LEARY: And Director Nejabat?

22 MR. NEJABAT: Aye.

23 MR. SCHENK: The consent calenddar
24 has been approved.

25 Moving on to contract approval, who will

1 be speaking to that?

2 MS. MOORE: That was part of
3 consent calendar.

4 MS. MEAD: Yeah, that's part of consent.

5 MR. SCHENK: Oh, that's part of consent.

6 MS. MEAD: Executive report.

7 MR. SCHENK: Executive report.

8 MS. MOORE: It's all right. It's all
9 right. We'll get the rust off.

10 MR. SCHENK: Thank you.

11 MS. MOORE: To assist with it and helping
12 keep everybody on track, and the audience as well,
13 we have, in essence, the executive report, as well
14 as general business in slides to follow along.
15 You're also welcome to follow along. This is in the
16 agenda order and -- as well as with the reference
17 materials in the board packet.

18 So a number of operational updates,
19 starting first with the Surf & Turf RV Park
20 operations. So while we don't have -- can everybody
21 hear me okay?

22 MS. O'LEARY: Yes.

23 MS. MOORE: All right. While we don't
24 have all of the details at this time, we did -- and
25 as discussed at our last board meeting -- met with

1 the strategic planning committee with regard to the
2 operations for Surf & Turf RV Park. So beginning
3 January 1st of 2024, the district will self-operate
4 all of our RV operations, including the RV park as
5 well as -- as well as the -- the red lot, which we
6 typically have so this is really just bringing the
7 RV park operation in -- into the fold of things.

8 We still have a lot of work to do for it.
9 But I think most importantly, for purposes of this
10 board, is to know that we have, through the current
11 operator, which is The Delmar Golf Corporation,
12 they've notified the month-to-month occupants that
13 were here in the months of April and May that they
14 are welcome back starting as early as
15 September 20th. That's when, officially, operations
16 reopen to the public after the summer -- after the
17 summer race meet. So that notification was
18 already -- already sent out on that, and we plan to
19 honor those agreements through May of 2024.

20 So that would be a smooth transition for
21 any of those occupants come January where we -- when
22 we take over those operations. But in terms of
23 that, just our own need to get ready for this, we
24 have staff that we will be hiring for it. We're in
25 the process of researching the reservation system

1 software and things like that we'll be utilizing
2 for it.

3 We need to, and are working to, establish
4 and whether there's policies that we may need to
5 bring forward to the Board and/or just rules and
6 regulations with regard to our -- our operations and
7 really looking at it all comprehensively because,
8 again, we -- we self-operate currently the red lot.
9 We also then operate, you know, RV and RV stays
10 during the fair itself. And so now with this, we
11 want -- just want to be consistent across -- across
12 the board with that.

13 And then just as a reminder, that May
14 is -- that is the, kind of, historical time period
15 when the park then changes over to our fair
16 operations. And then, of course, the summer -- the
17 summer race meet so still being consistent with
18 that, but that notification did take place.

19 And then last month, we had some
20 discussion, and as promised, would bring back some
21 metrics regarding The Sound and just some updates on
22 that of how it has -- how we've been performing with
23 that this year. So if you recall, The Sound
24 officially opened on February 3 with the two actual
25 back-to-back sold-out shows of Ziggy Marley. So to;

1 date, we've had 19 concerts and two private events.
2 Just note the fair is the -- and fair time activity
3 is not included in The Sound operations. And out of
4 those 19 shows, we've had eight that are sellouts.

5 The attendance so far has just been over
6 26,000 people attending shows that are there. And
7 upcoming, between, in essence, now and the end of
8 the year, we have 23 more concerts on schedule, as
9 well as five private events for the remainder of
10 this year. What we receive for each show is a
11 guaranteed rent of \$7500 per show, or ten percent of
12 the ticket sales, whichever is greater. And so far
13 out of the 19 shows that we have had, ten of them --
14 so about 50 -- a little more than 50 percent -- have
15 actually been greater -- have paid greater than the
16 \$7500 contribution. And we're averaging nearly
17 \$10,000 per show and that's just on the -- the
18 ticket operations.

19 In addition to that, we do -- we charge a
20 \$2.50 per ticket fee, as a facility fee that then
21 goes back into a fund for investment back into, you
22 know, this new renovated facility that we have. And
23 we have taken in just about \$67,000 on that from
24 those -- those ticket fees, of which we've already
25 reinvested a portion of that. As great as, and I

1 know -- think you have all experienced The Sound --
2 perhaps not Mark yet -- but have all experienced The
3 Sound. As good as it is, there are a few spots
4 where we needed to tweak some things. So we're
5 just -- right now, while, again, it's such a fresh
6 facility, we're investing that into some of the
7 equipment and things that are necessary to really
8 create that great guest experience that's there.

9 Excuse me. Then there's kind of the
10 ancillary revenues that we receive as well through
11 this operation. And so food and beverage, it's
12 nearly -- what we're seeing on average is nearly a
13 \$30 per cap spending that takes place on a, you
14 know, per-guest basis; with the gross on our food
15 and beverage operation of nearly \$800,000 through
16 the first, basically, 21 events that -- that we have
17 had. And parking has been a gross revenue of about
18 \$118,000 for us with an average just under 500 so
19 482, you know, vehicles per event, which, you know,
20 looking at that attendance of \$26,000 so we do see a
21 lot of rideshare with -- with the shows, you know,
22 people being responsible as they're attending, you
23 know, entertainment activities and things like that.
24 As well as then, you know, just that average two --
25 and people coming in -- in pairs to -- to the

1 concerts.

2 And then with regard to traffic noise and
3 trash concerns, we have been doing traffic studies
4 with -- with each of the shows. And we're
5 currently -- we've been working with Solana Beach on
6 that if -- if you recall. That was part of our
7 settlement with regard to this renovation project as
8 well. And that's traffic as well as noise studies.

9 They have been, as one could imagine,
10 with -- especially with an indoor entertainment
11 venue, there's been no impact in terms of the noise
12 from the venue. And same with traffic, again, you
13 know, we're looking at an average of 482 cars for --
14 for an event on a per event basis.

15 Some of the shows, in terms of by
16 popularity, have been -- so Steel Pulse, which was
17 reggae. Sylvan Esso, electronic. Big Gigantic,
18 also electronic. Yachtley Crew, and to note, I did
19 not know that Yacht rock was a music category but
20 apparently it is very popular. Flaming Lips, which
21 is psychedelic rock. Ziggy Marley, reggae. Jason
22 Mraz, just well-known, obviously, to all of us, you
23 know, San Diego. Steve Aoki is a DJ. And also
24 Banda Cuisillos, which was -- has been a Hispanic
25 act. So really seen a variety of genres that -- and

1 that's the, literally, the top ten of shows that --
2 I think it's ten -- top 10 of shows that have taken
3 place so far. All of which fall into that category
4 of -- of our sellouts.

5 We were concerned -- you know so this
6 contract started February 1. Belly Up is the
7 managing operator for us so one-year contract with
8 three three-year options for renewal. And we just
9 weren't sure at the start of it, in terms of our
10 lead time, it called for 50 events in the first
11 years so February 1 to January 31 of next year.
12 We'll be at 49 events as of the end of December of
13 2023. Pretty sure we'll get that 50th one in
14 January. Calendar just continues to keep -- keep
15 filling up with them.

16 And so I think, on behalf of Belly Up, as
17 well and for ourselves, have been very pleased at
18 the overall response to it, this shows booking.
19 It's taken some time to just get that familiarity in
20 the marketplace. Not -- not so much with the -- the
21 ticket buyers but really in the entertainment arena,
22 you know so that the agents and the artists and the
23 promoters and things are becoming aware of this
24 incredible, great place in North County. So -- so
25 that's -- that's where we are. And, you know,

1 looking forward to that, you know, just the
2 continued success of more shows as they continue to
3 book in there, as well as as the private events --
4 we've had, I mentioned, we have had two so far and
5 we have five more private events as well coming up
6 by the end of this year. So there's also interest
7 in using the space in -- in that
8 manner too.

9 Yes?

10 MR. GELFAND: Time for questions?

11 Well, first of all, how were the private
12 events booked? Was that through Belly Up or through
13 the Fairgrounds?

14 MS. MOORE: Through Belly Up.

15 MR. GELFAND: And at what point in time
16 would we be looking at consideration of their
17 renewal or extension of their agreement?

18 MS. MOORE: So we would -- we'll be
19 bringing forward their -- the -- the amendments,
20 which is what it would be for that -- the
21 three-year option. Based on the timeline of -- of
22 our -- our contract department, I think, it would be
23 either on our November or December agenda.

24 MR. GELFAND: Okay. Yeah, because I know
25 they need a lot of lead time for booking.

1 MS. MOORE: Right. Well, because quite
2 honestly -- like, even booking now is for the -- for
3 20- -- 2024. So, yeah, that -- that's already --
4 it's already underway. And so as I had mentioned at
5 last month's meeting, from -- from -- staff's
6 recommendation is to continue forward with this.

7 One thing I want to let the Board -- make
8 sure the Board is aware of is that, in terms of
9 considerations around The Sound, if we were to
10 operate The Sound ourselves as the district, every
11 one of the artists agree -- one of the reasons why
12 there's a limited number of artists who will play
13 fairs is because of the public nature of those
14 contracts in contracting directly with, in essence,
15 the -- the public entities as compared to through --
16 through a third-party such as the Belly Up. So just
17 something for consideration there.

18 MS. MEAD: Carlene, first of all, I just
19 really want to thank you for providing this report,
20 these metrics. This data just looks terrific and
21 great to see all the work that's come into and in
22 the fruition through the numbers so thank you. And
23 the color commentary is always nice.

24 Just a quick question for me about the
25 events that are private. Can you just explain what

1 are the -- what are they using the space -- are they
2 private concerts? Are they -- what -- what's
3 happening in their private event there?

4 MS. MOORE: So private events, meaning
5 it's not a ticketed -- it's not a concert, it's not
6 a show in regard to that. Of the two that have
7 happened, they have been, in essence, kind of,
8 industry -- industry meetings.

9 MS. MEAD: Okay.

10 MS. MOORE: One was medical group.

11 MS. MEAD: Okay.

12 MS. MOORE: And then, I think, the other
13 is -- and I think, for example, tonight or this week
14 is tech awards? Right. Like so, again, an internal
15 industry -- so they're doing their technology awards
16 and things. So more of a dinner, very much a food
17 and beverage experience with that for presentations
18 and things of that nature.

19 MS. MEAD: So just as we were expecting.
20 It can be used for other purposes than concerts and
21 there's other events that that will work there?

22 MS. MOORE: Yes.

23 MS. MEAD: Fabulous.

24 MS. BARKETT: Yeah, Kathlyn, last year
25 Don Diego's Gala -- Scholarship Gala was held there.

1 And it was one -- it's a dinner where we honor the
2 scholarships, and then we go on to fit into one of
3 the fair events, mainly, you know, one of the
4 concepts on the grandstand.

5 MS. MEAD: I missed it last year so thanks
6 for sharing.

7 MR. SCHENK: Yeah.

8 MS. BARKETT: But they -- yeah, they loved
9 it too. They loved being in that venue.

10 MR. SCHENK: I think we were the
11 very first --

12 MS. BARKETT: Yeah.

13 MR. SCHENK: -- event.

14 MS. BARKETT: I think we were one of the
15 first private events.

16 MR. SCHENK: Yeah.

17 MS. BARKETT: Yeah.

18 MR. SCHENK: We were groundbreakers on
19 that so to speak.

20 MS. MEAD: Thank you.

21 MR. SCHENK: Any other comments or
22 questions?

23 MS. MEAD: No.

24 MS. MOORE: So then in terms of some other
25 just operational announcements just for keeping this

1 board aware. So City of Del Mar, the affordable
2 housing request, as I previously reported on, we did
3 receive the -- so we're kind of in the first phase
4 of the exclusive negotiating agreement from the City
5 of Del Mar, that review process, that's nearly
6 complete working with them.

7 We anticipate bringing something forward
8 to this board later this year, early next year in
9 concert with the city of -- with the
10 City of Del Mar. So we'll be establishing that
11 timeline of what that looks like going forward. But
12 it is ongoing, you know, conversations and
13 discussions around that the request that we have.

14 Additionally, listed and wanted to make
15 the board aware; so typically we have the policy
16 review and development work listed -- has been
17 listed as a general business item. But since we
18 don't have any new policies to be bringing forward
19 at this time, I just wanted to let the board know we
20 are continuing to -- to work on it. It's just we're
21 in to some meaty policy development work right now
22 around, you know, contracts and -- and purchasing
23 and records retention and things like that -- so it
24 will be at some point back on the general business
25 in terms of action items and things like that for

1 the board, but that work continues on a staff level.
2 So when we have something, we will bring that
3 forward.

4 And then one other thing before I have
5 Ashley -- is going to be joining to give a
6 presentation from -- from The Don Diego Scholarship
7 Foundation. But before that, we do -- just a couple
8 other things that I wanted to just touch on and make
9 you aware of. So -- and we'll have more -- I'll
10 have more information on this as part of our budget
11 rollout. But we have been working -- staff has been
12 working with Premier and ASM leadership on a
13 program, in essence, a private event sales program,
14 that's to focus on regenerating catering and banquet
15 events. It's an area, if you think pre-pandemic, in
16 terms of some of the activities and things that took
17 place here on the fairgrounds, and -- and we just --
18 we haven't seen a return of -- of some of that
19 activity and so how we can go about that; so, in
20 essence, kind of, from an outside sales standpoint,
21 you know, an outreach standpoint as compared to,
22 kind of, internal sort of sales and rentals, as
23 we've had it.

24 So, again, we'll have more information
25 as -- as part of our budget presentation going

1 forward for 2024. But I just want you to make --
2 make you aware that those conversations have been
3 underway, and we're very excited to bring that
4 forward to you.

5 And then just from an internal standpoint,
6 just kind of a little bit of -- of a note of fun.
7 So the last couple weeks of August, we held summer
8 school with, in essence, our supervisors and our
9 department heads and things, and it was just a
10 really great time for us. When you think about the
11 work that we have, the planning, you know, one fair
12 is over, but we're already in the midst of, you
13 know, budget planning and fair planning for the next
14 year, to really be able to spend some valuable time
15 on a variety of topics, everything from, you know,
16 kind of, accounting and business things, project
17 management, people in culture touch points and
18 things like that as well -- and some in-depth time
19 on it too. And out of that, some of the things --
20 again, we'll be bringing forward during the budget
21 process, capital expenditure planning and things
22 like that will come from those sessions that we had
23 with the group.

24 And then the feasibility study, which is
25 part of our strategic plan, and ultimately will

1 lead, we believe -- you know, leading to a new
2 master site plan at some point. The consultants
3 have the draft report ready for -- to present to
4 staff and then with the committee. So that is --
5 work is also continuing to move forward in the
6 timeline that we talked about for, you know, this
7 fall and winter, bringing that forward to the full
8 board as well.

9 And then just one other note is the audit
10 and governance committee will be meeting later this
11 month and to receive the draft 2021 audit report.
12 And so we should be having that -- the presentation
13 of that report at the -- the final of that report at
14 the October board meeting.

15 And with that, unless there's --

16 MR. SCHENK: Yeah, before --

17 MS. MOORE: -- yeah.

18 MR. SCHENK: -- I was going to ask if
19 there's any questions or comments before it actually
20 comes up on -- from the board. We'll take public
21 comment, you know, in a moment. But any other
22 questions or comments?

23 All right. Ashley, please.

24 ASHLEY COLBURN: Good afternoon, everyone.
25 I just wanted to touch base on a few of the

1 opportunities that we were -- and programs that were
2 able -- are provided for us during the fair time
3 because the Don Diego Scholarship Foundation is very
4 grateful for all of these opportunities that the
5 fair provides us one of those being the Junior
6 Livestock Auction, where we're able to run the
7 resale board.

8 This year we were able to receive some of
9 the proceeds from the Hollandia Dairy milk sales.
10 So in the future, remember if you see that milk for
11 sale, that the -- that is a donation, that goes back
12 to the scholarship foundation.

13 And then we also held our gala and that
14 was on July 1st. We raised \$50,000 and were able to
15 recognize our scholarship recipients. And I wanted
16 to share this thank you letter that we recently
17 received from our top scholar, Taite Tephabock. And
18 she actually received \$13,000 from us. And it says:

19 "It is with the most grateful heart that I
20 "say thank you for choosing me to be the recipient
21 "of your distinguished scholarship. Financial
22 "obstacles have been transformed into opportunities.
23 "I feel honored, empowered, and blessed to be added
24 "to the list of deserving recipients, both past and
25 "present. Your scholarship will help me to pursue a

1 degree in biology, minoring in animal science at
2 "Cal Poly SLO continuing towards my master's degree.
3 "In the fall, I will start my general ed at Cal
4 "State San Marcos. I -- my hope is to make a
5 "difference in the lives of animals and focus on
6 "conservation. My opportunities are endless, and
7 "I'm not taking anything for granted."

8 So this is very nice that she sent to the
9 Foundation. And I just thought I wanted -- I wanted
10 to share that with you. Also, our Plant*Grow*Eat
11 Program, we were able to pay for 38 buses for
12 Title I schools to attend the fair. They grew their
13 radish in the classroom and then got to have it
14 judged and experienced a day at the fair. And to
15 end my short little presentation, I made a little
16 video so that you can see their smiling faces.

17 (Video is played)

18 So as you see, it's a very special day for
19 all of those students. And once again, we're just
20 very grateful for the collaboration that we have
21 with all of you here in this room and for everyone
22 that supports our foundation so thank you.

23 MR. SCHENK: Well, Ashley, thank you for
24 that very inspirational message and the video. And
25 for those in the Zoom world, I hope you were able

1 too -- was that available for those --

2 AV TECH: Everyone saw it.

3 MR. SCHENK: Good. Because that was
4 really inspiring. And I'm -- I'm very impressed
5 with some of those radishes. I can't grow them that
6 large so --

7 ASHLEY COLBURN: And one more comment.
8 One of the students, he did tell me that his radish
9 grew really fast because he spoke to it every day.

10 MR. SCHENK: No doubt it helps.

11 MS. BARKETT: They were big.

12 MR. SCHENK: Yes.

13 MS. BARKETT: If I might state to, Ashley,
14 is a former Don Diego Scholarship recipient. So
15 talk about giving back, it comes full force so thank
16 you, Ashley.

17 ASHLEY COLBURN: Thank you.

18 MR. SCHENK: Congratulations to all of the
19 Foundation and all the great work you guys do -- we
20 do, collectively, with you.

21 All right. So with that, I will offer it
22 up for public comment. I have Martha Sullivan as
23 the first speaker.

24 Ms. Sullivan, would you like to speak to
25 the inspirational observations that Ashley just

1 shared with us or some other topic?

2 MARTHA SULLIVAN: Martha Sullivan again.
3 And I just wanted to say that I'm very relieved to
4 hear that the month-to-month residents of the
5 Surf & Turf RV Park are being welcomed back later
6 this month and will be able to stay there through
7 May of next year. And I hope that that will
8 continue in subsequent years. So that was very
9 welcomed because I know that the tenants were
10 extremely, you know, stressed out about this
11 uncertainty. So thank you for working that out and
12 for giving us that good news. Thank you.

13 MR. SCHENK: Anything else? Okay. Well,
14 thank you, Ms. Sullivan.

15 And on that subject, we have four
16 additional visitors who would like to address us on
17 public comment. I'm going to start with
18 Jack Duckworth.

19 Mr. Duckworth, good afternoon.

20 JACK DUCKWORTH: Good afternoon. I'd like
21 to utilize --

22 MR. SCHENK: Would you -- would you do us
23 a favor and -- and as you begin to speak just state
24 your name so that we can have it in the -- in the
25 record for us. Thank you very much.

1 JACK DUCKWORTH: My first name is Jack.
2 It's, officially, it's John but I've been called
3 Jack my whole life, and my last name is Duckworth.

4 How much is a duck worth? Not much
5 nowadays.

6 Okay. Nevertheless, I just want to
7 utilize my time to let you guys know how much I
8 appreciate the time and consideration and the
9 leadership that took place within you and to listen
10 to us and the impact that that first decision had
11 upon us. And I just want you to know that from the
12 bottom of my heart, I am very, very grateful.

13 This will be my thirteenth season at the
14 Surf & Turf RV Park. As I mentioned in my first
15 time, I didn't buy an RV to have fun. I bought it
16 because my wife was in early or mid-stage of
17 Alzheimer's. And it was a difficult task to talk
18 her to get out of our beautiful home to go into an
19 RV, but when I told her I found an RV park in
20 Del Mar, she -- no, because she used to work at a
21 restaurant here called Bully's, okay? For two
22 different time periods, a total of nine years.

23 And when I said, Oh, I found a place in
24 Del Mar, she said, Really. So her attitude changed
25 completely. And so I've just enjoyed being in

1 Del Mar. It's one of the nicest places on Earth.
2 And thank you so much. I really -- and special
3 thank you to Carlene. And that she -- her
4 leadership; she brought all the 20 long-term tenants
5 for a meeting. She let all of us speak, answered
6 all the questions, and I'm just very grateful.
7 Thank you. Thank you.

8 MR. SCHENK: Well, thank you, Jack. One
9 personal question. Your wife know how to make a
10 Bully's burger? Those were special.

11 JACK DUCKWORTH: Yeah, I know. And you
12 know it's torn down now.

13 MR. SCHENK: I know.

14 JACK DUCKWORTH: I know.

15 MR. SCHENK: Yes. But that's why I said
16 "did she know how," because it's no longer
17 available.

18 JACK DUCKWORTH: Yeah, it's -- it was a
19 pleasant experience going into Bully's during the
20 racetrack season. A lot of celebrities in there. A
21 lot of fun people.

22 MR. SCHENK: It was an institution. Thank
23 you so much for your time.

24 JACK DUCKWORTH: Thank you.

25 MR. SCHENK: Wish you all the best.

1 J.R. Ayala, good afternoon.

2 J.R. AYALA: Good afternoon, board
3 members. My name is J.R. Ayala and a lot of you are
4 familiar with us now. And I just want to reiterate
5 what the lady said earlier on Zoom, and Jack, just
6 thank you, guys. You know, it takes special people
7 to make that kind of decision. You guys impact a
8 lot of people, a lot of families. Sorry to get
9 emotional.

10 MR. SCHENK: It is all right.

11 J.R. AYALA: But it was real special what
12 you guys all did. And I know it took some work and
13 some discussions. And so I don't want to take much
14 of your time. I just want to say thank you.

15 I -- I do want to say, you know, you guys
16 taking it under your wing was just the best thing
17 ever. It's a special place. It should be marketed
18 that way. It should have hats. I mean, people
19 should be welcomed there. They -- they don't --
20 they don't get to be there for that long.
21 Eight-and-a-half months goes by real quick. But
22 it's a real special place.

23 Thank you guys so much for the work you
24 did. Carlene, thank you so much.

25 MR. SCHENK: We wish you all the best too.

1 Thank you, sir.

2 So the next speaker for public comment, I
3 just have a first name is Nicole. I'm hoping
4 there's only one.

5 Which one of you is Nicole? Would you
6 introduce yourself?

7 NICOLE FOCONE: There's only one. My name
8 is Nicole Focone, and this is Vera Focone
9 [phonetically]. And we enjoyed the whole experience
10 here at Del Mar Fairgrounds. We've been coming here
11 for many years. We're familiar with the racetrack
12 and now we're familiar with you.

13 And I want to take the opportunity to
14 thank you all. I know it was arduous. It wasn't
15 easy to come to this decision. But I believe you've
16 come to the right decision. We get to enjoy more
17 times here. And, again, thank you so much.

18 MR. SCHENK: Welcome back to the
19 neighborhood.

20 And last is Charley Scott. Did I
21 pronounce the first name correctly?

22 CHARLEY SCOTT: Yes, you did.

23 MR. SCHENK: Good.

24 CHARLEY SCOTT: My name's Charley Scott.
25 I'm new. I've been keeping up with -- with JR on

1 the doings and happenings for the last few months.

2 Again, wanted to thank you all for coming
3 to the decision because it impacted a lot of
4 families who have -- I guess this is an emotional
5 topic for everybody -- impacted a lot of families in
6 many ways, whether you're retired, disabled, have
7 children, there's a lot of people that live there.

8 And I just hope that in the future that
9 the discussion is clearer. There was so much
10 confusion in the beginning, just not correct
11 information coming out. And for people that are
12 unsteady already in their living, to have more
13 unsteadiness, really, was not comfortable and was
14 very, very hard for most of us.

15 So I want to thank you all. I know it was
16 a hard decision because it does go back so far and
17 having to come forward with a -- with a design and a
18 plan on something that was probably done on a
19 handshake and a drink or cocktail. So thank
20 you again.

21 MR. SCHENK: Thank you, Ms. Scott.

22 I -- that's all the names that we have for
23 public comment concerning this portion of the
24 executive report. We'll turn back to construction
25 projects and facilities updates --

1 MS. MOORE: Of course.

2 MR. SCHENK: -- Carlene.

3 MS. MOORE: Just to give a quick update,
4 and I thought it might be helpful just as a reminder
5 to the board as has previously been reported in
6 terms of the various projects that we have, that are
7 on our plate, that we are working on.

8 So on the screen before you is -- are the
9 2023 budget items, a few of which will be moving
10 into -- to 2024, notably of which was the
11 DMTC executive office building HVAC. Last month we
12 reported on that. The unit size has changed since
13 it was originally installed so there's some
14 engineering work and things like that that have to
15 be done.

16 And then otherwise we have -- so the
17 facilities condition assessment, we've received a
18 draft. It's very large report. I mean, we've got a
19 lot of property, facilities, and infrastructure and
20 things. So staff, we are currently working through
21 that in terms of the draft report that we have
22 received. And again, in line with what we had
23 anticipated, which is that by the end of the year,
24 coming back to the board with some recommendations
25 on, especially, some of the short-term -- so

1 impactful to 2024 -- probably '25 and '26 type of
2 investments and things that we need to be looking
3 at. Some more information to come on that.

4 But I also wanted to make sure that, as
5 board members, some things that -- make you aware of
6 some things we have on the horizon for -- for 2024.
7 So as you recall, earlier this year we took down the
8 building formally known as front-side housing.
9 There's still the wall of it remaining, but that
10 will eventually come down as well.

11 And -- well, you can't really see it
12 because we have this big giant TV in here today, for
13 some fun. But when you look at it from an aerial
14 perspective or if you think about it and
15 approaching, kind of, what is thought of as the
16 front gate, the O'Brien gate, when that wall comes
17 down, it is creating such an opportunity for us,
18 from a design standpoint of, in essence, this grand
19 entrance, if you will, into the fairgrounds into the
20 fair versus, kind of, funneling, kind of, straight
21 into the avenue. So it was one of the -- the
22 creative discussions that we had during our summer
23 school sessions, as well as -- and we'll be getting
24 input from the -- the Thoroughbred Club and some
25 others, but working to bring some ideas in terms of

1 that design, probably, on a phased-in approach, you
2 know, looking -- as we look for other capital
3 investments that we need to also be making. But
4 just really excited at this opportunity, because
5 it's going to be a real game changer for how, in
6 essence, people, even in coming into -- and using
7 the fair as an example -- how they, kind of,
8 interact with the space around them. And now having
9 a -- feeling more of a choice because it's like do I
10 want to go, you know, to the left, to the right, or
11 center because it almost opens up in that -- in that
12 way. So some very exciting stuff.

13 And then another project, kind of, a
14 creative project that we're looking at is many
15 people -- you may not realize, but our staff is
16 sprinkled throughout the fairgrounds. I often get
17 asked, you know, where does this -- where does the
18 team work, where does the staff work? Well, that
19 depends. We've got some nestled over here. We've
20 got some nestled over here. You know, we have this,
21 we have the administration building. And we have --
22 engaging architects to look at the space over at
23 Surfside that we did not renovate.

24 There's a lot of office space, that was
25 act preexisting over there, but also just some other

1 open space to, in essence, design a space to bring
2 our staff into one place. We lose a lot of time
3 going across property for meetings and things that
4 we do need to have in person. So really excited
5 about bringing forward. And it's, probably, the
6 second time, in terms of an investment into where do
7 our employees work and what does that environment
8 look like for them, that we've made since, I'm going
9 to guess, probably, since the administration
10 building was built in the late '90s. So very
11 excited about how -- what that may look like for --
12 for the future.

13 But one of the big projects that we do
14 have is some asphalt work. We have again talked
15 about that before. So I just want to be able to
16 show you from a -- a diagram standpoint of -- of
17 what we're looking at. These are pavement areas on
18 the fairgrounds. And what we have done is broken it
19 down into various sections, which is how -- so here
20 in -- in 2023, we'll be addressing some of these
21 areas. And then in 2024, we'll address further
22 areas, and then in 2025. And -- and this is
23 really -- a lot of this is, you know, chasing down
24 the cracks work, you know, the cracks in it, filling
25 those in and then sealing the pavement. It hasn't

1 been done in a number of years. But that should
2 help to extend the -- the life of these areas and
3 for around three to five years. And so just getting
4 on a good rolling plan of -- and back to asphalt
5 work here on the grounds.

6 And then moving on to -- just some -- a
7 couple of industry news and updates, the hot bills
8 list. A couple of months ago I reported on this to
9 you in terms of the number of bills that we've been
10 tracking as the industry. And while Governor Newsom
11 signed some bills just last Friday, hasn't gotten to
12 these just yet. The first of which is SB 447. This
13 was a bill that was introduced by
14 Senate Pro Tem Atkins. And this is the bill that
15 is -- is referred to as the one that may open up the
16 potential for travel again for state employees to
17 attend conferences and things like that through the
18 establishment of the -- the Bridge project, as it's
19 referred. And so waiting to hear -- waiting to hear
20 more on that.

21 And then the second one, which is one I
22 know you all want to know the most about and that's
23 SB 544, the Laird bill. Senator Laird brought this
24 forward. And this bill is the one that would amend
25 the Bagley-Keene Act to allow for the indefinite

1 waiver -- or indefinitely would remove the
2 requirement to disclose location for participating
3 in the meeting from a remote location.

4 So that's the two bills that we are
5 watching. If -- if either, or both, of these are
6 signed off on, they would go into effect for
7 January 1. So, again, we will continue to keep
8 you -- keep you posted on this.

9 MR. SCHENK: I would just say, if -- if
10 we're going to continue to get donuts, don't worry
11 about SB 544.

12 MS. MOORE: That's right. It's a game
13 changer now, isn't it?

14 MR. SCHENK: Thank you, Mark.

15 MR. ARABO: You're welcome, and thank you
16 for that.

17 MS. MOORE: And then let's see, lastly, in
18 terms of my executive report is just, again, you
19 have the review of the contracts executed, per my
20 delegated authority. There are, you know, a number
21 of contracts on here.

22 Many -- so we have -- we are integrating
23 into Microsoft Teams and Sharepoint and recognize
24 that we needed assistance and help with that to
25 really build out the framework the way that it needs

1 to be, especially for an entity, not only of our
2 size, but our complexity, the various activities and
3 things that -- that we're involved in. So we've
4 engaged a local company, consultants, for that and
5 have embarked on that work.

6 As well as then -- just some other
7 things -- keeping things moving forward. While
8 the -- the beer festival takes place during the
9 fair, the competitions are now, which are then the
10 beers that we showcase at that. And then, you'll
11 see a little bit later of some work in our theme and
12 graphic design area.

13 And with that, that concludes my executive
14 report.

15 MR. SCHENK: Well, thank you very much. A
16 lot on the horizon. A lot that we've been
17 accomplishing. Great team effort.

18 Thank you, Carlene, for your leadership.

19 All right. We're going to move on to
20 general business and finance committee report.
21 There's no action item, but, Michael, will you be
22 able to report out?

23 MR. GELFAND: Well, I'll -- I'll turn it
24 over to Carlene and just say that we're looking
25 pretty good.

1 MR. SCHENK: All right. Next topic, isn't
2 it? Go ahead, Carlene.

3 MS. MOORE: Things are -- things are
4 looking healthy. So there is a report in your
5 packet, it's found on pages 31 through 36. But
6 just -- wanted to, you know, a couple of key points
7 in that. And as Michael said, things are looking
8 pretty good, that our unrestricted cash position
9 continues to remain strong. It's up even over last
10 year -- over 2022 as compared to June of '23. And
11 then just as a reminder with regard to -- so as
12 you're looking at the balance sheet -- it's on 30 --
13 get to it here, the balance sheet on page 34. And
14 that is the restricted -- in addition to
15 unrestricted cash, we also have the restricted cash
16 of the RTA. And this varies at, kind of, specific
17 times of the year, other than earning interest or
18 things like that. And that's when the revenues come
19 in from net horse racing revenues or, if necessary,
20 the net concession revenue, that's typically -- that
21 would happen typically in January. Sometimes
22 there's some residual calculations after the fall
23 race meet. And so we may see something coming in in
24 April.

25 And then, otherwise, the withdrawals are

1 made on that, because, in essence, it's like
2 advanced deposits for that year's -- the current
3 year's debt payments. Those are then taken out in
4 April and October. So it is not one where you see a
5 lot of activity or variance throughout the year but
6 most specifically in those three months. It also,
7 though -- and should always -- have a balance to it.
8 Because this also includes the reserve fund, that's
9 on -- held in trust with the -- with the trustee,
10 that's the equivalent of one year's debt obligation,
11 as well as the minimum requirement that we, as the
12 district, have for cash on hand, that is also
13 held -- and is also equivalent to one year; so truly
14 at a minimum, we should see a balance in this
15 account of at least \$6.6 million for satisfying
16 the -- the pledge agreement requirements.

17 We are also -- we are continuing to manage
18 the accrual -- the accrued employee leave
19 liabilities so that we remain within the state
20 mandated threshold, which is a maximum of carryover
21 of 640 hours for employees and have a -- any
22 employees that may be going over that or are within
23 the current year will be down by the end of the
24 year. So it's -- by the end of the year, they
25 have -- we have to be in compliance of that

1 640 hours.

2 This report that you have in your packet
3 is through June. So it does -- it's not fully
4 inclusive of the San Diego County Fair activity, but
5 a lot of it -- but we do have those four days in the
6 month of July that carryover. And then, of course,
7 many expenses come in in the month of July. And
8 I'll have a little more information on that as we do
9 the fair -- the fair wrap-up report.

10 And then finally, just wanted to make you
11 aware of, as the Board, of the budget timeline that
12 we're working on for the operating and capital
13 improvements budgets for this year so staff is
14 currently working on those so they're in the
15 development phase now and next month so through
16 October. And then in the month of November, we'll
17 be reviewing those with the finance committee for
18 the presentation to the full board at the December
19 board meeting.

20 And with that, that concludes my --
21 concludes the report on the finance committee. Is
22 there any questions?

23 MR. SCHENK: Any questions from the Board
24 before we go to public comment? All right.

25 Hearing none. I do have Ms. Sullivan

1 signed up for public comment on the business finance
2 committee report.

3 Ms. Sullivan.

4 MARTHA SULLIVAN: Thank you. Martha
5 Sullivan here again, and I want to thank, CEO Moore,
6 more for explaining the restricted cash account
7 because that's -- that's very helpful information.

8 I also want to ask as someone who all the
9 regulars know, I attend most board meetings. It
10 would be really helpful to get the budget document
11 as soon as possible before the December board
12 meeting, you know, posted online so that it can be
13 reviewed by the public before it's actually before
14 the board.

15 Thank you.

16 MR. SCHENK: Thank you. I don't see
17 anyone else identified for this topic so we will be
18 moving on to Fair Ops Committee Report. And we've
19 now had a couple of months to recover from the --
20 the experience of putting on a world class fair
21 and -- and indeed that was what was put on; so
22 congratulations to the entire team.

23 And, Carlene, I know you've -- you've been
24 speaking a lot. You want to take a sip of water
25 before we go into the PowerPoint and present

1 the recap?

2 MS. MOORE: Help if I hadn't already drank
3 all of my water. I'll get some. Fortunately on
4 this one, I'm not going -- and fortunately for you
5 as well -- I'm not going to be doing all of the
6 talking, not even a lot of it. But with that, it's
7 funny we have found ourselves needing to correct
8 ourselves because we -- even now we start referring
9 to it as, like, it's the last fair. Last -- almost
10 like last year, and it's like -- oh, wait, it was
11 just a couple of months ago. But we're also --
12 and -- and at the conclusion of this will also be on
13 to -- to 2024 fair planning as well.

14 So with that, you know, kind of bear with
15 us. We're going to get a little campy on you at
16 times, I'm sure. But it truly was 22 days of fun.
17 Some wonky weather but generally just, you know, fun
18 and a good time. And we're very excited to share
19 with you, you know, in essence, the overall success
20 of -- of the fair. So just kind of as a reminder --
21 and this really is what guides everything so much of
22 what we do. And the fair program, you know, this --
23 our values are our guiding principles behind that.
24 And the fair just really encapsulates so much of
25 our -- our foundational elements. And so we are

1 guided by fun and A-plus quality, integrity,
2 respect, and service.

3 And I think you'll see through the course
4 of this -- of this presentation how that is carried
5 throughout. And, again, it just really exemplified
6 with our fair program. And so here we have it
7 where, you know, just a reminder of our -- our
8 foundation and who we are as an organization. And
9 the fair really speaks to this and, you know, words
10 from this that -- that stand out to me as we talk
11 about the fair and what it means to this community,
12 and the success of it here in 2023 is, again, just
13 the community treasure that we are to everybody.
14 And how -- that opportunity that people have, you
15 know, to connect and interact, that it's about
16 bringing together those that -- you know, shared
17 interest. But there's also so many diverse
18 experiences to be had.

19 And with that emphasis that we have on
20 entertainment and agriculture, education, as well as
21 recreation, and we really do focus on bringing about
22 those opportunities for interaction and expression,
23 you know, balancing tradition with innovation. And
24 at the end of the day, just celebrating that
25 excellence and -- and having fun with it. And

1 that's really -- and with this theme of
2 Get Out There! again, as usual, this brings all of
3 that together. And so it just really speaks to the
4 heart of what our fair program is within -- within
5 the community.

6 As wonky as the weather was this -- this
7 picture has not been enhanced. And if you, kind of,
8 you'll see as you go through, even the sky matched
9 to our -- our color of our theme. And so, you know,
10 it was just even nature was one with us -- with this
11 theme of getting out there. But just, you know, a
12 beautiful picture, you know, a sunset evening during
13 the 2023 fair.

14 So, you know, again, mentioned innovation
15 in terms of where we're balancing tradition and
16 innovation at the same time. And we're going to
17 spend some time, you know, specifically on some
18 theme. But some of the areas where we're innovative
19 but don't necessarily get the same attention, you
20 know, they might not be as public facing as some
21 other areas are, are things like the Midway layout
22 changes that we made this year where we really
23 opened up and -- and changed where rides and games
24 have been, and it really opened up that space. And
25 what we saw was with a handful of fewer rides and

1 games, we actually saw increased activity in that
2 area people, again, having a good time and just
3 comfort within that space.

4 This year we launched a new online portal
5 for people to be able to apply for jobs with the
6 fair. And what's really exciting about this is the
7 information that will be -- that we have as a result
8 of it. But being able to take care of everything
9 online before even, you know, kind of, starting
10 that -- that first day. Then there's also the
11 tradition things like the garden show, which we had
12 it in 2022. But we didn't have it at the full level
13 that it has been in the past and that's why we
14 just -- this year we're really proud because it
15 truly was the garden show as we are known for and --
16 and just in full bloom for people to really be able
17 to experience and -- and enjoy that space. And for
18 the first time, I think, since the building was
19 built, we incorporated Surfside or The Sound space
20 into the fair activities itself.

21 So during the fair, even before the fair,
22 we hosted our orientation there with our, you know,
23 near 1200 temporary employees all in one place at
24 one time with great sound and being able to see and
25 and hear that information. And then during the

1 fair, we hosted a robotics competition in the space,
2 as well as our combined beer and distilled festivals
3 and the wine tasting festival in that space as well.
4 It was really new for us to have, you know, this
5 space and figure out, you know, how is this going to
6 integrate within the fair footprint and the
7 activities that take place there? And we really
8 just look forward to that for the future.

9 And then last thing, I'm just going to
10 touch on Sapphire here, which is the software
11 platform that we transitioned sdfair.com, our
12 website, to. Much more ease of the integration for
13 us with regard to a lot of our activities and things
14 the ease of the use of it for getting information
15 and things like that up. They also provided
16 ticketing to us as well. And so this year people
17 did not have to create an account in order to buy
18 tickets to the fair. They could just buy their
19 tickets to the fair, to the concert, their parking
20 tickets and things so we really enjoyed that. And
21 and it all seemed to -- to integrate and work well
22 for us.

23 So, you know, here you've got this -- is
24 The Sound in action. I think this was during the,
25 looking at the glasses on -- on the stand there,

1 this would've been during the combined beer and
2 distilled festival that took place in the space.
3 You know, upstairs is -- a band playing on the stage
4 is to provide some ambiance and music and really
5 good experience there.

6 We also had our first ever FAIR-tastic
7 Food Competition. So food vendors were invited to
8 get really creative with a food item and either in
9 the savory or the sweets category. And then the
10 competition was judged by a panel. And the host of
11 that being Trevor --

12 MS. O'LEARY: Troy Johnson.

13 MS. MOORE: -- Troy Johnson, sorry, with
14 San Diego Magazine for that. And this is the
15 overall winner, which was Biggys, with their Hot
16 Cheetos chicken fried sandwich. If you missed out
17 on it, you missed a thing of beauty. And then, as I
18 mentioned, you know, again, just, you know, the
19 garden show, and we're just so proud of how that
20 looks this year the amount of participation that we
21 had in the space and how people just, you know, year
22 in and year out to enjoy it.

23 And I also want to make a nod to you, and
24 I think Katie will be touching on it, but in the
25 video earlier that Ashley showed, that Don Diego

1 Scholarship Foundation, Plant*Grow*Eat Program in
2 our farm area as well, which is another just jewel
3 of a place during the fair that, again, bringing
4 together agriculture and education but in this very
5 entertaining environment that we have. As
6 mentioned, and -- and throughout it, of course, as
7 usual, we just really worked to incorporate the
8 theme, and this year it was done in partnership with
9 the County of San Diego Parks and Recreation
10 Department as well as California State Parks. And
11 it truly was a collaborative -- a collaborative
12 process for us. And as a result of that, it was an
13 incredible theme exhibit, really showcasing just so
14 much of what San Diego County has to offer and --
15 and just the design of that space and everything,
16 you know, from the pines to the palms, north to
17 south, east to west, of this county, the
18 opportunities to -- to get out there to explore.

19 We had 335 entries in our "Get Out There!"
20 Challenge. And if you recall, this is where, you
21 know, folks went out and visited at least three
22 regional parks in the area. They took some selfies,
23 they hashtagged those. And, then, we had drawings,
24 and the winners received a \$500 dollar gift card to
25 Dick's Sporting Goods as well as then VIP experience

1 with Switchfoot on July 3rd so our winners there
2 that are listed.

3 And just a few more photos, just to remind
4 you of the fun and the experience that people had,
5 you know, engaging with -- with park rangers, with,
6 you know, lifeguards, with just, again, people who
7 work and serve in this area to serve all of us that
8 enjoy calling San Diego our home.

9 A little bit of more fun in the theme
10 exhibit space. You know, this is an area that we
11 absolutely transform every year. And I can -- I've
12 seen a lot of fairs. I've worked at some other
13 fairs, and I've seen a lot of fairs in my time and
14 there is not a fair that does a theme like we do and
15 just really dedicating a space and, again, just
16 integrating it into -- into our program so well and
17 giving people the opportunity to get up close and
18 personal, even with small little critters.

19 And so, with that as a teaser of -- of
20 what's to come. And I'm going to go ahead and turn
21 it over, I think, now, to Katie to tell you a little
22 bit more about it.

23 MR. SCHENK: About what's to come?

24 MS. MUELLER: No.

25 MS. MOORE: About what was.

1 MS. MUELLER: About what was.

2 (Multiple speakers)

3 MS. MOORE: Yes, no, we're not quite there
4 yet. What's to come in this presentation, how
5 about that?

6 MS. MUELLER: Affordability and
7 accessibility is really important to us in our
8 community. And this -- truly, the fair is the best
9 value for your entertainment dollars. So just to
10 remind you of some of the deals and discounts and
11 savings that we offered this year, we had free
12 admission for kids on Fridays, of which 18,279 kids
13 walked through the gates just on Fridays. We had an
14 Albertsons and Vons discount that you received at
15 checkout. You got a code and you were able to go
16 online and use that code to get a \$3 discount on
17 admission. We had, of course, our partnership with
18 Costco, which just keeps growing and growing. It
19 was up 32 percent over last year. So Costco just
20 remains a very important place for us to have our
21 admission tickets. You receive parking, you get a
22 passport to savings book, as well as carnival ride
23 tickets, all in one bundle. And it's a great way to
24 save money.

25 GovX is a partnership that is a company

1 that we used online to -- to be able to offer
2 discounts to our military and first responders, and
3 that's grown. And we started that last year; that's
4 grown in popularity as well. O'Reilly Auto Parts,
5 one of our sponsors actually offered a two-for-one
6 weekday, good on Wednesdays and Thursdays admission.
7 Pepsi Pay-One-Price Ride Days are always extremely
8 popular. Our wristband sales were actually up over
9 last year. And as you can see, we sold 68,000,
10 through Pepsi received a \$5 discount on your
11 wristband, if you got the coupon from 7-Eleven or
12 Speedway stores.

13 Our Fair Tripper tickets were up. We sold
14 4,281 tickets to people who rode transit to come to
15 the fair. So these are the people that rode the
16 COASTER to the Solana Beach station. And then, of
17 course, we had our free parking at Tory Pines
18 High School.

19 Free entertainment, we had tons of free
20 entertainment. We had over 246 entertainers, acts,
21 local entertainers, and 98 new acts that had never
22 appeared at the fair before. We have our Chevrolet
23 Paddock concert series. We have a free concert
24 every single night of the fair and it ranges from
25 cover acts to up-and-comers to -- to you name it; so

1 very, very popular this year. And we'll be offering
2 that again next year.

3 We had our first ever drone show. If you
4 didn't see it, it was the first week of the fair.
5 It was really cool, something we'd never done
6 before. They did a really nice job incorporating
7 the theme, and it was a lot of fun. And then, of
8 course, we had our 4th of July fireworks so all
9 free entertainment. So creating memorable
10 experience -- creating memorable and exceptional
11 experiences.

12 Just some fun photos of the different, you
13 know, entertainment that could be had at the fair.
14 Mark Wilder, if anyone remembers him, he was on a
15 unicycle every day. We have the Jackstraws. We
16 have the Camel Dairy show that was in California
17 Grown, they're a local organization. This is a shot
18 of our drone show, which was really cool. This is
19 our petting farm. Kids love that they got to
20 interact with the animals in the petting farm.

21 And then, of course, we're all about
22 community connection so being responsible to our
23 community, the environment, and to one another.
24 Some of the community impact numbers, this doesn't
25 encompass everything; it's just some of the those

1 numbers. But the Fair For All program, we
2 distributed 12,000 tickets -- over 12,000 tickets to
3 non-profit organizations. We have an application
4 process that they can fill out an application. We
5 gather those all in May, and then we distribute
6 tickets to worthy organizations.

7 The Care 'n Share Toy Drive, if you don't
8 know about this, that there's a big huge bin at the
9 exit -- every gate exit. And we started this a
10 number of years ago, and the idea was that people
11 would win these giant prizes, you know, at the
12 games. And if they didn't want to take it home,
13 they could throw it in the bin. And then it would
14 get donated, be collected by the Torrey Pines Rotary
15 and get donated to needy kids on both sides of the
16 border, actually. And we weren't really sure how it
17 was going to go, but we were amazed at how many
18 people, you know, they spend a lot of money to win
19 those giant prizes. And it's just kind of bragging
20 rights, I guess, but a lot of people drop these
21 things off. We donated over 6000 stuffed animals
22 this year. And this woman, I have a picture of her
23 coming up, Nancy Stoke, she's just amazing. She's
24 the woman behind this program. She comes and
25 collects all the animals. The final night of the

1 fair, she'll go around to all the game vendors and
2 say, Hey, if there's anything you don't want to have
3 to take with you, we'll take the donation. So it's
4 a really neat program.

5 Plant*Grow*Eat, as Ashley talked about
6 earlier, we had 5,717 participants this year. The
7 Burn Institute Demolition Derby was the first Sunday
8 of the fair in the arena, and they were able to
9 raise \$21,000 for the Burn Institute through that
10 event. We had Boy and Girl Scouts here doing flag
11 raising. We had 92 troops, which was a perfect
12 tie-in to our theme. They also volunteered some
13 hours in the theme exhibit doing -- showing people
14 how to set up tents and do other kind of outdoor
15 activities. We had 11 -- over 1100 participants.

16 And the junior livestock action just went
17 extremely well this year. It was up over last year.
18 We had 359 youth that brought their animals across
19 the -- the sale. We raised \$487,000. We had 90
20 buyers, and the top price was Chicken Charlie. But
21 he didn't buy a chicken; he bought a cow; so
22 go figure.

23 (Multiple speakers)

24 So yeah, he probably did. So this is a
25 picture of Nancy collecting all those toys. And

1 then we're all about being good neighbors. We
2 had -- we've really put an emphasis on the past
3 couple of years of traffic management and mitigation
4 and how can we program the fair in such a way that
5 has the least impact on our neighbors as possible.
6 So this year our shuttle ridership was up. We had a
7 113,293 people that rode the shuttle all the way
8 from Horsepark, which was up 85 percent over last
9 year. Of course, Torrey Pines High School, -again,
10 up 63 percent. The Solana Beach station, those are
11 the riders that come on the Fair Tripper. And then,
12 you know, just on the COASTER in general, we had a
13 72 percent overall, total increase over 2022 of
14 using these off-site forms of transportation. So
15 that's 13 percent of all our fairgoers. And we
16 estimate that 33,000 vehicles were diverted from
17 parking here onsite by using those off-site lots.
18 So we're -- we're pretty proud of these statistics.

19 And then community participation. I think
20 people ask me all the time what sets the fair apart
21 from any other event? And the thing that truly sets
22 the fair apart from other events is the
23 participation of the community. The celebration of
24 the local talent that exists in our community is
25 what makes us different from every other street

1 festival or carnival that you can go to. This year
2 we awarded 9,228 ribbons across all our competitive
3 exhibit categories. Our total entries were 19,419.
4 And then you can see the statistics for each
5 department in beer, designer wood, fine art, floral,
6 the garden show, gems and minerals, Home Made, our
7 photo show, student showcase in best of K-6, which
8 is the kids, the students, that participate, and
9 then Toast of the Coast is our wine competition; so
10 really happy and always looking to improve on
11 those numbers.

12 So here's some pictures of just people
13 enjoying the different competitive exhibits. This
14 is the photo show. This is the art show. The --
15 the ever popular flower show. Everyone loves to
16 smell all the flowers. This was a deer that was
17 made out of cigarette butts in the fine art show.
18 It was amazing that they had collected all of these
19 things, you know, of course, cleaning up trash, a
20 great example of being -- of recycled art and
21 created this sculpture. This is our homemade, of
22 course, everyone loves to see the collections.
23 fine art.

24 And I'll turn it over to Tristan.

25 MR. HALLMAN: All right. Thank you,

1 Katie. And you'll hear more from Katie in a moment.

2 But I'm going to talk a little bit about
3 community involvement. So we have multiple sections
4 on community because it is that important to us and
5 that integral to what we do. So this is a different
6 aspect of it, which is how we get our community
7 involved in the fair, how we reach out to them.

8 This year we -- we took our theme
9 seriously, and -- and we really got out there.
10 There's a long list there. We went to -- between
11 Katie, Melinda, Carlene, and I and Luis, as well --
12 Valdivia, in our marketing department -- made our
13 way out to a lot of cities this year for -- to
14 present on the fair. This could have been, you
15 know, anywhere from two minutes to 10 minutes. But
16 we made the trek. We -- we told, you know, our --
17 our partners in these cities across the county and
18 even across, you know, near -- near the border there
19 that -- that we are -- you know, that the fair was
20 going to be open.

21 You know, marketing also did a community
22 banner program this year that was really cool. And
23 we incorporated 17 different communities, most of
24 which are neighborhoods in San -- in the
25 city of San Diego. But we also had some -- some

1 participating as cities, as well as you can see
2 there. So here is a look at some of the community
3 banners that we had this year. They were featured
4 both in the communities and around our -- and in our
5 fairgrounds so that's from San Diego.

6 This is a photo -- these are some photos
7 of -- there's one in the middle of -- people seeing
8 their banners at the fair. But there's also, you
9 know, after -- after the fair, we returned banners
10 to some of these subjects so they were able to have
11 a keepsake from it as well. So we're very proud to
12 feature people there. So we -- we also made an
13 effort and -- and really appreciated our partnership
14 with our elected officials and local officials and
15 folks out in our community.

16 So, you know, we had -- we had some
17 special guests this year. Congressman Mike Levin,
18 our state treasurer stopped by, and actually with
19 Carlene, judged some exhibits. Assemblymember
20 Tasha Boerner came by and gave us a special
21 recognition from her office. We also got the
22 San Diego County -- County Board of Supervisors
23 declared it San Diego County fair day during the
24 fair. So we went down there, downtown, and received
25 that proclamation. And that picture down in the

1 bottom left is actually Congressman Michael Levin's
2 staff, who stopped by, and they were very interested
3 in seeing Nelly, but they were very excited to
4 explore our fairgrounds.

5 We also had a visit, you know, this is
6 part of our summer socials, but we are in the
7 city -- the fairgrounds part of the fair is in the
8 city of Del Mar so we were happy to have with the
9 mayor of Del Mar come visit us as well. On
10 Grandstand nights, excluding Sunday, for the most
11 part, we had summer socials, formerly called
12 Directors Dining.

13 Mark, we look forward to seeing you there
14 next year. Fred -- I think our chair -- our
15 distinguished chair may have been to every single
16 one. So our chair had a chair at -- at every
17 dinner. So this was an opportunity to tell people
18 to -- to really give -- bring people into the fair,
19 tell them about everything that it is that we do.

20 Carlene spoke at every single one. She
21 gave the same speech, but I think it changed every
22 time a little bit. So there's something new in
23 there every time. But -- but affectively telling
24 people what we do here at the fairgrounds, that it
25 isn't just about fun but it is about how we affect

1 the community. And I -- I think most -- I think
2 everyone was able to attend one of them.

3 So part of -- part of what we do also
4 depends on -- on getting media attention. You know,
5 they are the biggest megaphones that we have. So
6 we -- we do reach out to them. We -- we want to be
7 good partners for our media. This year, as Carlene
8 mentioned in the first slide -- or that we had in
9 the first slide, we brought back for the first time
10 since 2019 a preview press conference. So our press
11 conference is out on the Paddock before the fair
12 began. It was a great event. We had a lot of
13 vendors come by, a lot of chances for media to come
14 taste the food, show off the kinds of entertainment,
15 free entertainment that we would have at the fair.
16 We got -- we worked really hard this year to have a
17 lot of preview stories. You know, there's a lot
18 going on all the time. Reporters' attention is --
19 is constantly divided, as -- as this gentleman back
20 here could attest to -- you're covering something
21 new every day. But we wanted to draw as much
22 attention as we could on the fact that the fair was
23 coming to get people in early and to get their
24 attention early. So we had a lot of success with
25 that.

1 Media morning is always a big event. So
2 that's our opening morning. We're here 3:00, 4:00
3 in the morning. Morning shows pretty much, I think,
4 five or six stations, as well as radio stations,
5 will come in. They'll broadcast live from the
6 fairgrounds. And we had a lot of success with that.
7 We had a lot of opening day coverage. Opening day
8 is always big -- while, in terms of attendance, it
9 can be relatively small, that is a real chance for
10 the media to get out and just to show people, you
11 know, in subsequent weekends or -- or weekdays when
12 they want to come, what they're -- what they're
13 going to get a taste of. So it builds a lot of
14 excitement.

15 We had a lot of onsite activation. So we
16 had news stations come by, not always to produce
17 stories, but sometimes just to -- for their own
18 brand recognition and that -- that helps build a
19 relationship with them. But we also did have -- you
20 know, I think CBS here was here for about a week
21 broadcasting, doing a lot of stories. We had live
22 broadcasts from the fair. NBC, for example, did,
23 you know, weather from here all day one day. We had
24 ABC here. We had KUSI here a lot. And in total, we
25 had -- and this is, you know, I'd like to give you

1 an exact figure. But we -- we ended up denying some
2 of these requests, very few of them, who weren't
3 actually qualified as media. But we had about a 130
4 folks come in and sometimes people will just show
5 up. But we had about a 130 people use our request
6 form to get credentials to come cover the fair.

7 In total, our editorial mentions, we had
8 about 1400 editorial mentions. So that's basically
9 online stories that we can quantify. That doesn't
10 count everything. So, for example, if -- if someone
11 mentions the fair on KUSI and they never put it
12 online, that's not included on there. This is --
13 these are the stories that will appear online, the
14 times that San Diego County Fair was mentioned. So
15 that's invaluable to us.

16 Here's a -- this is a sampling of the
17 headlines that we saw. It's -- it's -- our coverage
18 was very good. It's a small sampling. A lot of
19 these stories required outreach. We -- we were
20 putting out multiple press releases during the fair
21 and leading up to the fair per week. We were
22 talking to reporters. We were coordinating sort of
23 interviews a lot of times. You know, we have a
24 small team. There'd be multiple stations wanting to
25 do different broadcasts at once, having different

1 needs, you know, things change fast. This hit that
2 they were going to do at 7:12 is now at
3 8:00 o'clock. So now we need to do different --
4 those aren't actual times but, for example -- so we
5 had to shuffle a lot. But I think -- I think it
6 went pretty well. And the next slide, I believe, is
7 a video. So I'll stop talking for a few minutes and
8 let Katie and a reporter do some talking.

9 (Video plays)

10 So there are a lot of stories to choose
11 from. That one I liked, especially, not only
12 because it showcased everything that we -- we did at
13 the fair and the -- the atmosphere but also sort of
14 it -- it was delicate messaging in those final days
15 because we were so crowded and near that cap- --
16 that, sort of, soft capacity limit of around 60,000
17 people and we were having problems just getting
18 people parked onsite, and we had to divert people
19 offsite. But the -- the balance between the
20 messaging of plan ahead, we're not sold out, but
21 it's crowded. So I think that was a good example of
22 how we were able to sort of thread that needle, get
23 the message out, still get people's attention on
24 what was good about the fair. And, obviously, we --
25 we thanked the reporter for coming down and

1 participating in that story. But that is certainly,
2 you know, the -- the balance you have to strike
3 every time. Because the, you know, misinformation,
4 obviously, spreads very fast. That was a very good
5 example of how we could get information out through
6 our media partners.

7 Online presence. So the other half of
8 this equation is the organic, how we reach people
9 directly. SDfair.com had a 62 percent increase in
10 traffic in those dates there over 2022 so people
11 were able to find us 6.7 million page views. As
12 Carlene mentioned, we had a new website platform
13 this year. I think that helped. Instagram, we
14 really pushed. We actually had a social media
15 contractor helping us this year. I think our social
16 media was very good. You could see some screenshots
17 of it from this year. Hard to sort of show off in
18 a -- in a slideshow. But we saw a significant
19 increase in followers on Instagram and Facebook. We
20 really targeted Instagram because we wanted to
21 create, sort of, that "fear of missing out,"
22 especially, among younger folks. And this was also
23 the first year that we used an agency to partner
24 with influence -- influencers. So social media
25 influencers, there's people who have a lot of

1 followers, people who people follow to see what's
2 what and -- and what they want to do with their --
3 with their entertainment dollars. So we actually
4 had some very good returns on that. We had millions
5 of views by partnering with them, showcasing what
6 the fair had to offer.

7 Finally, I mentioned the organic part of
8 this. You know, we had to -- we had a marketing and
9 advertising budget of a million dollars so it's a
10 million-dollar campaign. You can see there --
11 there's some examples of just some of the creative
12 things that we did. First is a magazine ad.
13 There's a couple of billboards there, digital
14 billboards an MTS bus wrap. There were all kinds of
15 different ways we would reach people online through
16 targeted advertising. But it all helps get people
17 out there so to speak.

18 So another aspect of it I just want to
19 highlight really quickly, we're proud to have a full
20 roster of -- of sponsors and commercial vendors.
21 They help us get the word out as well as help us put
22 on the fair. We had \$3.4 million this year. They
23 help us put on the best party of the summer. And
24 here's some -- if you want to go to the next
25 slide -- there's photos from our commercial vendors.

1 You know, as a reminder, we had a number
2 of local vendors this year. You know, I think most
3 of you probably are aware of the 2019 San Diego
4 State University study that said when you're having
5 a -- \$236 million direct spending comes through this
6 fair, those are not inflation-adjusted numbers so
7 it's different now. But -- but this is -- this is a
8 way that we bring people in and also help to make a
9 living. So we're definitely making a community
10 impact even just by having things that people love
11 to do at the fair, which includes shopping.

12 So keeping people safe. I'm going to keep
13 this short because, thankfully, there's not a lot to
14 talk about. You know, it's -- it is the priority
15 number one, keep people safe. We had about a
16 million people. You know, you count. Those are
17 just the people who attended. It doesn't include
18 even the workers we had. This was -- this became a
19 million-person event this year. And so keeping
20 people safe, minimizing incidents whenever you have
21 that many people in a confined space, if they're
22 drinking, you're going to have some incidents, you
23 know, people bump, scrapes, bruises, all those kinds
24 of things. But we really had no major incident in
25 2023. Our total incidents were down from 2022. If

1 you take out the number that we had, which was, you
2 know, all minor, relatively minor things when you
3 are talking about per capita, it's -- it's next to
4 nothing.

5 So there's a lot of things that we do.
6 Obviously, when you first come in, you go through
7 the weapon screeners, you barely notice them.
8 You're not being wanded, like -- like you might have
9 been, you know, going to a sports game a few years
10 ago or what have you. But then there's a lot of
11 things that -- that people don't see. And there's a
12 lot of personnel here that help keep people safe.
13 There might even be security personnel in this room.
14 We don't know.

15 But -- Mark -- but it's -- it's paramount
16 to what we do.

17 So as I mentioned, bump, scrapes, bruises,
18 that can happen. Here some fun numbers on our
19 medical responses here. So these were sort of the
20 biggest medical things that we -- in terms of
21 volume. You know, you need people. Also, as I
22 transition here, you do need people to hand these
23 out. So with that -- to dole out the BAND-AIDS --

24 I'll turn it back over to Carlene.

25 MS. MOORE: And I was going to say, and

1 that's -- we really do pride ourselves, you know, we
2 talk about this a lot in terms of this being a safe
3 place for families to come to for, you know,
4 individuals, as well, just the overall -- the fair
5 experience. And so, you know, those last slides,
6 it's -- it's fun to laugh about them and -- and see
7 some of those fun numbers and things. For me,
8 personally, I can say that, you know, every day of
9 the fair when that, kind of, closing bell rings, the
10 fair is over, the, you know, the Ferris Wheel lights
11 and things like that have gone off and, in essence,
12 all of the people who arrived that day have -- have
13 gone home that day, safely, that is a day of
14 success. It doesn't matter what the numbers are
15 going to show. It doesn't matter what the parking
16 and -- and things like that are.

17 But with that, yes, we do need -- we need
18 lots of people for all of this that we do. People
19 to, you know, help disburse the BAND-AIDS. And
20 we're happy to have the medical teams and the
21 security teams and things like that onsite and to be
22 paying them and have them dole out BAND-AIDS.
23 That's -- that's a win for us.

24 This here is a group of our guest services
25 folks who are very much engaged with helping --

1 helping with that experience. And this is one where
2 it really takes an -- an entire, you know, camp full
3 of people to -- to pull this off. And so just a
4 little bit about that and sort of by the numbers.
5 You know so we always have jobs for the fair. But
6 many people don't -- some of those jobs may start as
7 early as -- even as this coming fall in terms of
8 some of our programming work and -- and the building
9 of that and the planning work that's involved. And
10 then we have jobs that come on board around the
11 first of the year and some that come, you know, a
12 few months out. But the majority of our employees
13 really are joining us for about, you know, a four-
14 to six-week time frame. And it takes a little over
15 1200 of those folks to help us be able to deliver
16 on -- on this safe and inclusionary experience for
17 our community.

18 Again, as I mentioned, we launched our
19 BambooHR portal this year, which is how our
20 employees were able to -- to not only apply for
21 jobs, but then complete a lot of their paperwork
22 and, you know, kind of, new hire and on-boarding
23 processes through that. So this year with -- with
24 that, we have -- we have numbers from this year. We
25 have that information, and next year we're going to

1 have some comparative, you know, statistics of, you
2 know, how we're doing it and how we're trending and
3 what's the impact of what's going on in the larger
4 world of, you know, of hiring and recruiting. And
5 by year three, what we'll really be able to do is
6 then really analyze that and -- and know our hiring
7 needs even better. It's a lot of people, again, to
8 bring in -- in a very -- for a very short period
9 of time.

10 And so this year we did a couple of
11 things. We launched -- had an engagement survey,
12 live time, like during the fair with our employees,
13 in terms of how we're doing with them, because this
14 is also a place of fun. I mean, you saw that photo
15 before, which really represents so much of what our
16 employees experience. But, you know, how do you
17 gauge that when our touch points with some of these
18 employees are just during that kind of four- to
19 six-week period. And then, you know, kind of, you
20 hope that they're back again next year. So through
21 that survey, we've received a lot of really great
22 feedback something we're going to be working on
23 throughout this year and as we're planning for next
24 year and engaging with them a little bit more often
25 throughout, as we look to have them back.

1 But one amazing statistic in it was, in
2 terms of from a response rate of, like, a yes or a
3 heck yes, was more than 70 percent of our employees
4 responded their intention to come back next year.
5 And that just, kind of, really also shows, I mean,
6 this fair, it means -- it means so much to everyone
7 who -- who is involved in it. You know, we do some
8 things to recognize their efforts, again, during --
9 during this short window as well and in addition to
10 that, just to celebrate that fun. And a good time
11 that we had was on July 5th, we had an ice cream
12 social, that they were -- that all were invited to.
13 Just, again, to say, you know, thank you. Thank you
14 for helping us to do this, you know, thank you for
15 being -- being a part of it and then, again, making
16 that experience fun. And just, you know, in the --
17 in the theme of it all, our Spirit Squad team put
18 together, during the fair itself, our own scavenger
19 hunt, "Get Out There!" Challenge for our employees.
20 So employees formed teams and groups and, you know,
21 what better way to experience the fair. And when
22 you're working at the fair and you're in -- you're
23 in that area and you're knowing it, but what else is
24 going -- going on around you and being engaged? And
25 we found that our employees really had a ton of fun

1 with this they did it for some -- some great prizes,
2 again, just some more, you know, representation of
3 that. One of my favorites is all of the lost water
4 bottles in the far right corner of this photo, you
5 know, just kind of having some fun. So if ever you
6 have lost your water bottle, there's a good chance
7 it actually turns up, and you can always stop at
8 guest services for that. And so -- but in addition
9 to our employees and us having a little bit of, you
10 know, internal fun in this moment -- which is why,
11 again, you know, over 70 percent say yes, I plan on
12 coming back so this is a really great experience is
13 that experience that our community has and this
14 opportunity we have to share with them.

15 So with that back to Katie.

16 MS. MUELLER: So having fun celebrating
17 the ordinary and the extraordinary in unique ways.
18 And that's really what the fair is all about. We're
19 celebrating not just the things that people enter in
20 the fair but the food creations and the fantastic
21 carnival rides and -- and just all the things
22 that -- that make this very unique.

23 Concessions revenue. Our concessions
24 numbers, which is all of our food vendors were --
25 were up this year. We collected \$5 million in our

1 portion on their rent that they pay us throughout
2 the fair. So we did very, very well in there. And
3 then to remind everybody some of the new foods: We
4 had deep fried chicken pot stickers rolled in
5 Hot Cheetos; that was a theme, Hot Cheetos were a
6 theme. Tasti Papas Locas, cheese on a stick stuffed
7 with jalapeno poppers, cheese curds and chili, and
8 peanut butter and jelly fried chicken sandwich so I
9 cannot wait to see what they come up with next year.
10 So more of our new foods: We had the mermaid float.
11 We had a heart-shaped funnel cake. We had coconut
12 shrimp, that was actually in coconut. And then
13 again, those Hot Cheetos, Hot Cheeto chicken on
14 a stick.

15 The FAIR-tastic food competition that
16 Carlene mentioned earlier, some of the winners -- we
17 had three categories. You could enter a wow item,
18 which is something that was Instagramable and just
19 really over the top. You could enter a value item,
20 something that was a great value for the family.
21 And then you could enter a theme item so something
22 in the -- in the "Get Out There!" theme. So we had
23 a lot of participation from our food vendors, and we
24 really look forward to next year continuing the
25 competition and having even more participation

1 because not only is it a lot of fun and a lot of
2 people like to watch it, but it's great for us to be
3 able to talk about the new foods and celebrate the
4 new foods at the fair because that's one of the top
5 reasons people come is to try those.

6 So here's just some pictures from the
7 judging. It was held on the Paddock stage on the
8 second day of the fair. It was a live judging that
9 the audience could watch. So just some fun food
10 stats: 1100 hot chicken Cheeto sandwiches were
11 sold, 4600 coconuts. Did you guys see that coconut
12 guy with machete? 4600 coconuts he sold that he
13 cracked open personally. We were just waiting for
14 disaster to happen and --

15 MS. MOORE: And didn't lose a finger.

16 MS. MUELLER: Chicken gyro pitas we
17 brought back a Greek stand. We hadn't had a Greek
18 stand since 2018, I believe so that was really
19 popular. 40,000 pot stickers were sold by
20 Chicken Charlie's and a 160,000 chocolate chip
21 cookies were sold by Mom's Bakeshoppe. So just some
22 pictures of family enjoying food. And then our
23 Grandstand summer concert series, our Toyota summer
24 concert series on the Grandstand was really
25 successful. This is just kind of overview of -- of

1 who we hosted. Lynyrd Skynyrd was great. They put
2 on a great show, didn't they? So just kind of a
3 reminder of what we had.

4 And then some statistics about the
5 Grandstand. We sold \$3 million in concert tickets,
6 which was just amazing, above our -- our budget.
7 We were thrilled. 57,000 tickets were sold to the
8 Grandstand. And then these are the most popular
9 shows by attendance. Los Tigres del Norte, they
10 must have released a song recently or something
11 because we've had them in the past, and they've
12 never been as popular as they were this year. So
13 that was a pleasant surprise. And then there's just
14 some fun pictures of the Grandstand and people
15 enjoying the concert rides and games.

16 So like Carlene said, we had a new Midway
17 layout this year. We had new Midway coordinators.
18 We had some new rides this year. So the top rides
19 were, of course, Ferris wheel in terms of number of
20 riders. The Ferris wheel, of course; the Sky Ride,
21 of course; the Crazy Mouse. And we just recently
22 visited the Minnesota State fair, and it was in the
23 top rides there too. People just love the Crazy
24 Mouse and the Fast Trax slide. And then we had two
25 brand new rides this year, the Joker 360. If you

1 had a chance to see that one. I'm too scared to go
2 on rides like that but ask Carlene because she's
3 not. Medusa, I'm three of those 38,539 trips.

4 And the Medusa was right at the front of
5 the Midway. It was a brand new ride. It was just
6 manufactured this year so we were excited to host
7 that. And then, of course, top games are up there
8 as well. And then this is just a shot of the Midway
9 at night. It's really, really gorgeous. People
10 love photographing that. This is the Wave Swinger,
11 very popular ride.

12 And we've got some entertainment so we'll
13 just kind of cruise through these photos quickly.
14 This is our beer fest -- actually our wine -- no,
15 that's our beer festival, some fun at the farm.
16 Just to remind everybody, we revamped the farm this
17 year. We had it -- it kind of went into hiatus
18 during the pandemic. All the plants died, and it
19 wasn't really maintained well. And we were able to
20 put some money into it and reinvigorate it this
21 year, and it was a great place to "Get Out There!"
22 We had cornhole. We had disc golf. We had all
23 kinds of activities, in addition to our usual
24 education. Out at the Fair was really popular again
25 this year, just a lot of fun. The organizers do a

1 great job with that event. Some of our strolling
2 entertainment. And then, of course, a night shot of
3 fireworks and who got out there.

4 So total attendance almost a million, we
5 were just a few shy. But our highest daily
6 attendance was on June 25th. Interestingly enough,
7 it was the third Sunday of the fair. And it was
8 60,173 people, and we had set a capacity for
9 ourselves of 60,000 people. Really proud that we
10 were able to maintain that capacity and maintain the
11 quality of the experience at the fair, you know,
12 maintain the low traffic and the ability to find
13 parking and those kinds of things. So we really
14 were able to achieve our goals of spreading our
15 entertainment out. Our lowest daily attendance,
16 interestingly enough, was the first Thursday, not
17 opening day. It was Thursday, the day after opening
18 day. And that's always -- if you look historically
19 back on our attendance figures, that Thursday is
20 always low. And it's because kids are graduating
21 from school and there's all the end of the year
22 activities that seem to hit on that Thursday and
23 that causes our attendance to be lower. Next year
24 we're moving our dates a little bit later so we're
25 hoping that we don't have that -- that phenomenon.

1 And then where they came from, this is
2 just really interesting, the origin for online
3 ticket buyers. Of course, San Diego makes sense, 30
4 percent, and then it goes down from there.

5 Interestingly enough, the City of Del Mar isn't on
6 this list because -- but their population is only
7 4,000, and 2700 people from Del Mar came to the
8 fair. So I'd say that was pretty successful. We
9 got 50 percent of their -- of their population.

10 Solana Beach also came in really high as well. And
11 then we had, actually, a lot of out-of-state ticket
12 buyers. So you can see Arizona -- people came from
13 Arizona, Texas, Nevada. I ran into a lovely couple
14 from Nevada -- Las Vegas, Nevada. They stopped me
15 on the avenue and said, We come -- we've been coming
16 to the fair every year since we were teenagers --
17 they're, you know, probably my age or a little
18 older, maybe -- and we just love it. We think that
19 you guys just do an amazing job. We come all the
20 way from Las Vegas, specifically to come to the fair
21 every year. I just -- it made my made -- my whole
22 year to hear that.

23 So in -- in conclusion, thank you for
24 getting out there with us. It was a lot of fun.
25 And we're looking forward to an even bigger and

1 better fair in 2024.

2 Does anybody have any questions?

3 MR. MOSIER: And the most amazing
4 butterfly --

5 MS. MEAD: Microphone.

6 MR. MOSIER: -- exhibit was the most
7 amazing exhibit. The butterfly exhibit --

8 MS. MUELLER: Yes.

9 MR. MOSIER: -- where I got 16 butterflies
10 that landed on my head.

11 MS. MUELLER: Yeah. I know. I know.

12 There were so many good things about this fair, we
13 couldn't cram it all in. But the butterfly was a
14 brand new exhibit to us. It has been at
15 Orange County fair for several years. But it was
16 new to us, and it was wildly successful, wildly
17 successful. And if you didn't get a chance to see
18 it, you've got to go to it next year. It will be
19 back, I guarantee. But they have exotic butterflies
20 from all over the world that, you know, you can go
21 in and they land on you. I mean, Don knows because
22 he was in there.

23 MR. MOSIER: The older you are, the
24 more butterflies you get.

25 MS. MUELLER: The more food you have, the

1 more you get --

2 MR. SCHENK: Before moving on to the next
3 topic, I want to invite any other board members to
4 make observations, comment.

5 MR. GELFAND: Well, yeah, it was fabulous
6 fair. I -- I think we need to sell double-day
7 tickets because you can't experience at all in one
8 day. But in terms of ticketing and the new platform
9 for ticketing, I think it's great that you don't
10 have to, like, sign up for that ticketing platform,
11 you know, but are we able to retain email
12 addresses --

13 MS. MOORE: Yes.

14 MR. GELFAND: -- for everybody so we can
15 market to them?

16 MS. MOORE: Yes.

17 MR. GELFAND: Great. Thank you.

18 MR. SCHENK: Any other comments --

19 MS. MOORE: I was just -- I was going to
20 add --

21 MR. SCHENK: -- from the Board?

22 MS. MOORE: Oh, okay.

23 MR. SCHENK: You want to -- because I was
24 going to make some comments but go ahead.

25 MS. MOORE: So Katie and Tristan touched

1 on a number of things from, you know, a revenue
2 standpoint and, you know, whether that's
3 sponsorships or -- or food and things. And -- and
4 we do take in a lot of revenue. And as we know,
5 our -- the fair is a significant contributor to, in
6 essence, us operating year round as well. And so we
7 do have -- with all of those revenues coming in,
8 again, it does -- it takes a lot of people. It
9 takes a lot of power and electricity, you know, and
10 things like that. And so I just wanted to share
11 some of the -- some of those numbers with you, you
12 know, from a payroll standpoint, including our
13 full-time employees and the amount of time, you
14 know, we put towards it.

15 You know, we are looking at expenses of
16 about -- it's about \$7 million in terms of payroll
17 expenses for -- for putting on this event.
18 Utilities will come out around -- because of the
19 timing of them -- still haven't come in -- but
20 around a million, million-five in terms of
21 utilities, water, sewer, you know, electric, things
22 of that nature. Our spend on entertainment, this is
23 for paid as well as the free entertainment, it's
24 about \$4 million a year. Now Tristan mentioned
25 about a million and -- about a million dollar

1 marketing budget to bring in nearly a million
2 people. We're spending about a dollar a head, you
3 know, really to bring folks in and give them this
4 incredible experience.

5 And so with that, one of the questions, at
6 least I always get, but how did the fair do, you
7 know, financially as well? And so this year's fair,
8 you know, there's still probably a few expenses
9 still to come in. But probably what it will
10 contribute to us and our operations for this year is
11 around \$13 million net. Again, but we're headed
12 into our winter months, and as we know that's a time
13 where we don't have a fair going on. It wouldn't
14 sustain like this for, you know, 365 days a year.
15 But just very appreciative, again, of everybody who
16 comes out, who spends their -- who chooses to spend
17 their discretionary, you know, entertainment dollar,
18 whatever it is you want to call it, with us because
19 it allows us to continue to and look forward to
20 programming for the future in that so.

21 MR. SCHENK: Great. Any other comments?
22 I have a few things to say -- yeah, please go ahead.

23 MR. ARABO: Thank you.

24 I do want to compliment Carlene and staff.
25 Great fair. I love the affordability and

1 accessibility part of it.

2 Question I had: Is there a mechanism on
3 the website where the family could apply directly
4 for free tickets as a -- in addition to the
5 non-profits, those that we can't reach? And the
6 other question I had was: We're so privileged in
7 San Diego to have great non-profits, like
8 Make-A-Wish Foundation. Do we ever do, like,
9 Make-A-Wish-Foundation night for the fair?

10 But all and all first-class fair. I just
11 wanted to -- to, hopefully, do more and more of the
12 affordability and accessibility part.

13 MS. MOORE: Thank you. Thank you
14 for that.

15 And in -- in terms that we don't have --
16 currently, no, we don't have an individual way.
17 It's been through, again, kind of mission aligning
18 with non-profits and what that process is. And in
19 terms of -- it's something we have talked about and
20 just haven't yet achieved. It would be that then
21 aligning for those, kind of, special days such as --
22 and whether it's Make-A-Wish Foundation or others, I
23 mean, there are a lot of really great organizations
24 and causes within our community and how can we make
25 that part of -- of this continued success of the

1 community impact and -- and participation that the
2 fair is all about. So something we'll be
3 working on.

4 MR. SCHENK: So a couple of things that I
5 made notes on. Can you -- you spoke about the --
6 the shuttle parking, and I may have missed it, but
7 that shuttle parking is free; correct?

8 MS. MUELLER: Yes -- well, at Torrey Pines
9 High School, yes.

10 MR. SCHENK: So, tell us a little bit
11 about it so the public knows. I saw the numbers
12 were much improved. But how often does the -- the
13 bus -- the shuttle bus run? How frequently? From
14 what time in the morning to what time at night?

15 MS. MUELLER: It runs from opening of the
16 fair eleven o'clock to, I don't know, about -- I
17 think we keep the shuttle buses running about an
18 hour or so after the fair closes. You know, we wait
19 'til the sweep is done. It's a coordinated --
20 coordinated effort. And I believe the shuttles are
21 there, the buses arrive about every half an hour to
22 pick up and drop off here at the fairgrounds and
23 then at Torrey Pines.

24 MR. SCHENK: Great. So the -- I think we
25 really want to encourage more and more people

1 because traffic is always an issue. And -- and mass
2 transit is -- is one of the very good benefits, plus
3 free parking there is great.

4 Care 'n Share, I -- I just had a thought
5 that maybe it would be great to have some challenges
6 with the organizations, perhaps who might want to --
7 maybe fraternities or organizations that want to
8 come out and challenge each other to try -- to, you
9 know, win some of these prizes and then be able to
10 have some bragging rights about how much they were
11 able to contribute. So something to think about
12 perhaps to really encourage, get more people in,
13 give some, you know, some people an opportunity to
14 brag about what they were able to raise and get
15 some --

16 MS. MUELLER: Right.

17 MR. SCHENK: -- competition.

18 Tristan, you -- you mentioned my being
19 at -- at dinners. I think I did go to seven of
20 them. It felt like -- for me, it's like being Bill
21 Murray in Groundhog Day, you know, going to there,
22 bringing different groups of people. I brought
23 the -- the Chair of the Board of Regents. I brought
24 a senior member of the San Diego Police Department.
25 I tried to get a member of our congress, that member

1 couldn't come. But I brought immediate family from
2 that member. And then we do the same thing, we walk
3 the grounds, you know, we just walk the grounds.
4 And I introduced them to, you know, all the
5 different sights and sounds.

6 I would love to see more board members
7 doing that. And I did it 10 days after knee
8 surgery, if you may remember. So, you know, yeah,
9 it's -- it's a hassle parking, getting in there
10 every one of those nights. But it's -- it's part of
11 what we're supposed to do.

12 So, Mark, I encourage you to come as often
13 as you can, bring people, introduce them to the --
14 to the fair if -- especially, if they haven't been
15 there before.

16 And -- but most importantly, I want to
17 thank you all for -- for what you -- for what you've
18 done, what you do. I -- I often say it's -- it's
19 unlike Disneyland or SeaWorld. We have to strike
20 this set and rebuild it. And it's not just there
21 day in and day out, 365 days a year. It's a
22 process. It takes a lot of time, a lot of creative
23 energy, a lot of sweat, and getting this up and
24 running, I -- I use the term, I get to see how
25 sausage is made. You know, it may taste great once

1 it's there but watching that process and -- and
2 seeing and knowing what your team collectively does
3 is so impressive. And I -- I applaud you all.

4 MS. MOORE: Thank you. And I think you
5 said it really well. It it is a collective effort.
6 We get the joy of just -- of sharing the -- the
7 message and -- and the work and, you know, reliving
8 the photos and things and the stories with you, but
9 it truly is a collective effort.

10 So on behalf of -- of everyone, the entire
11 team, our full-time staff, and all those temporary
12 employees and contractors and everybody that makes
13 this happen, you're welcome and thank you as well.

14 MR. SCHENK: Great. And so now that we
15 have we covered 2023 with a recap. All right.

16 MS. BARKETT: (Inaudible).

17 MR. SCHENK: So -- so, folks, what have
18 you done for us lately?

19 MS. MEAD: Cannot tell you.

20 MR. HALLMAN: Yeah, I think it's more
21 about what we're going to do for you.

22 MR. SCHENK: Let me just say, as I look to
23 my left at the Dick Van Dyke TV screen, I -- I'm
24 sure I'm going to be hearing --

25 MR. HALLMAN: Oh, you noticed that?

1 MR. SCHENK: -- yes.

2 MR. HALLMAN: What gave it away?

3 Well, I believe, as you know -- Mark
4 wasn't here -- but the rest of you, it's been a
5 minute. It's been a little while. You have to look
6 back but you did approve the "Let's Go Retro" theme
7 for 2024. So we're proud to -- to show off, as you
8 can see from your trinkets so it's a little bit of a
9 spoiler. But we'll go ahead and talk about it a
10 little bit. I've got a -- our theme description
11 here that I'll -- I'll read for you and then
12 we'll -- we'll formally display on our very old/new
13 television, the new logo and a video for you
14 as well.

15 So the description is "Let's Go Retro" for
16 the summer of '24 at the San Diego County Fair with
17 a nod to nostalgia and focus on fun. The 2024 fair
18 will give our yesteryears another moment in the
19 San Diego sun. Bop your way around the happy days
20 of the '50s. Twist, shout, and shake it to the
21 bewitching '60s. Move and grove through the disco
22 nights of the '70s. Moonwalk it back to the gnarly
23 age of big hair, shoulder pads, and parachute pants
24 of the '80s. And enjoy the era of flannel and
25 floppy drives of the '90s or whatever -- never mind.

1 Our time capsule reveals the content,
2 creature comforts, and cultural moments that defined
3 zeitgeist, captured our imaginations and changed our
4 lives. From hairdos to hangouts, tunes to
5 technologies, we'll relive pop culture's best in
6 media, fashion, art, music, and more.

7 So fashion flashback: Strut your stuff on
8 our cat walk. Poodle skirts, bell-bottoms, polka
9 dots, beehives, mop tops, Jheri curls, hippy hair,
10 fanny packs, and flannel grunge are all in
11 style here.

12 Musical time wrap: Immerse yourself in
13 the melody that shaped each generation, from rock
14 and roll rhythms to soul-soothing ballads. Our
15 lineup of live bands and DJs will have you putting
16 on your dancing shoes, platforms, pumps, go-go
17 boots, or just a fresh pair of kicks.

18 Arcade mania: Rekindle your love for the
19 golden age of video games as you chase ghosts with
20 Pac-Man and fight off aliens in Space Invaders.
21 Engage in friendly competitions with your fellow
22 avid asteroid enthusiast who can get down with
23 Donkey Kong.

24 Diner delights: Relish the flavors of the
25 past. Cheez Whiz and Funyuns casserole anyone?

1 From milkshakes to diner-style burgers, your taste
2 buds are in for a treat. Back to the Future: Learn
3 how pop culture and movies, music, books,
4 television, and art help inspire the innovative new
5 technologies of today and will continue to inspire
6 us in the future. When we look back on today, what
7 will stand the test of time to be considered retro
8 for future San Diegans?

9 You also, once again, will find the joys
10 of both old and new in our family-friendly variety
11 show of fair classics, rides, entertainment,
12 exhibits, agriculture, animals, art, food, music,
13 and all the traditions you've come to expect with an
14 ocean view. Feeling nostalgic yet? Come revive the
15 best of what was and enjoy the best of what is at
16 our -- at our blast from the past. The 2024
17 San Diego County Fair, June 12 through July 7, at
18 the Del Mar Fairgrounds, parentheses, closed Mondays
19 and Tuesdays. Let's look back. Let's have some fun
20 together and "Let's Go Retro."

21 And now let's show the video.

22 (Video plays).

23 MS. MEAD: Very cool.

24 MR. SCHENK: Groovy.

25 MR. HALLMAN: All right. So that -- that

1 video -- so that sizzle reel will have an ad, a TV
2 ad more akin to the ones that you saw this year for
3 the Get Out There! theme later, but that gets us
4 started. We'll have that posted on social media.
5 We've got this logo, the "Let's Go Retro" logo
6 featured on SDfair.com. This is our fair forward
7 version. So we have different versions that can be
8 adapted for different uses. I like both of them.
9 They translate well, as you can see, to Spanish as
10 well. So we're very excited.

11 That ad that you saw was filmed on one of
12 our dark days during the fair this year. So in case
13 you're wondering how we did it, that's how we -- how
14 we pulled it off.

15 MS. MOORE: Don't explain the magic.

16 MR. SCHENK: So thank you.

17 MS. MOORE: June 12 through July 7, 2024,
18 "Let's Go Retro." And, you know, it's just -- this
19 is -- it's not just looking back. But, again, what
20 does today -- what does pop culture today look like
21 30, 40, and 50 years from now as well? So some
22 really fun ideas around, you know, whether it's, you
23 know, fashion, movies, music. I mean, think about
24 all that came out, you know, in these generations
25 from, in essence, the start of television through --

1 okay, who thought -- the Walkman was pretty
2 incredible; right? And -- but now it's -- I still
3 remember that in that Apple movie, you know, it's
4 now condensed down to, you know, little tiny -- it's
5 all on our phones and things like that. You know,
6 thinking that Knight Rider was so cool because he
7 talked to his watch. How many of you talked to
8 your -- we all have that now. So it's going to be a
9 lot of fun.

10 But, again, then -- then that snapshot --
11 so creative minds of, again, what's -- what's going
12 to look cool in the future as people look back on --
13 on us and our lives today?

14 MR. SCHENK: So, Carlene, Knight Rider for
15 you. Dick Tracy for -- for our generation talking
16 to their watch. Great theme.

17 Anything else before opening it up to the
18 Board for questions or observations? I know there
19 will be a lot more because I'm involved with fair
20 ops. We'll -- we'll be rolling out information and
21 talent and all the different aspects over the course
22 of the next eight, nine months but looking forward
23 to it. Thank you all for that.

24 At this point, I'm going to invite
25 Ms. Sullivan to offer public comments on fair

1 operations.

2 Martha?

3 MARTHA SULLIVAN: Hi, this is
4 Martha Sullivan again. And thanks for a very good
5 report on this year's fair and, you know, very
6 informative and for the look at next year's fair.

7 I -- I would like to suggest, I hope, that
8 the report on this year's fair will be made
9 available to the public. I think it's very
10 informative and it's very helpful and useful for the
11 public to know what goes into putting on the fair
12 and, you know, all the various aspects of it
13 because -- I mean, you don't have to share all of
14 the black box and the magic that goes into it. But
15 certainly seeing the level of effort that goes into
16 it, I think, will help people understand, you know,
17 what the 22nd DAA does out here, which a lot of
18 people really don't know.

19 So thank you. Again, congratulations on
20 this year's fair. And good luck on next year's.

21 MR. SCHENK: Ms. Sullivan, I'm going to
22 personally invite you to be my guest at next
23 summer's fair, and I'd be happy to give you a
24 personal tour of what goes on. I don't know when
25 you were last here for a fair, maybe you were here

1 this past summer. But I'd be delighted to show you
2 around with one of our staff members to give you an
3 insider's view, if you'd like to see it.

4 And, by the way -- by the way, on a
5 personal note, I want to acknowledge you for -- I
6 don't know if you noticed, there was a reference to
7 some of the plant-based foods that we added. And,
8 Ms. Sullivan, that was because of a comment you made
9 last year. And I -- I listened and I heard and I
10 made sure that we started to include more
11 plant-based food. So thank you for that.

12 Please accept my invitation.

13 MARTHA SULLIVAN: Thank you very much. I
14 appreciate that.

15 MR. SCHENK: Sure, of course. Absolutely.

16 All right. RTA?

17 MR. MOSIER: Can I ask you question?

18 MR. SCHENK: Sure.

19 MR. MOSIER: What's unusual about the
20 schedule for next year is it goes beyond July 4th.
21 And I see the 4th is on a Thursday --

22 MR. SCHENK: Right.

23 MR. MOSIER: -- and running through
24 the weekend.

25 MR. SCHENK: Yes. Good point.

1 MR. MOSIER: So what -- do you anticipate
2 that you're going to get post-July 4th good
3 attendance or is this a gamble?

4 MS. MOORE: We do anticipate it, and
5 especially because we also know that our Sundays are
6 strong. It's -- it's actually an ideal time for us
7 to go from those -- those early weekends where we
8 have much lighter -- I mean, you can -- as you saw
9 on the slide, basically half the attendance in those
10 early weeks as compared to then as we really push
11 into summers, as school is truly out of session,
12 people are on -- on vacation.

13 And so with -- with the way that the --
14 the schedule will line up and having the 4th of July
15 on -- on a Thursday and then Sunday, the 7th and
16 our, you know, our typical, you know, Hispanic
17 concerts, and this, kind of, the last day of the
18 fair push that we usually have, we are anticipating
19 that we'll pick up that attendance. And based on
20 just the trajectory that the fair typically takes,
21 which is to start off slow and build, we'll be
22 coming in about the mid-mark and then building
23 through that final weekend.

24 MR. MOSIER: Thank you.

25 MR. SCHENK: Yes, Mr. Gelfand?

1 MR. GELFAND: I have a friend,
2 Jess Durfee, who's on the State -- or has been on
3 the State Fair Board. And they have allowed
4 marijuana exhibits and things like that at their
5 fair. And I'm wondering if maybe staff can look
6 into the potential implications of our allowing it
7 instead of banning it.

8 MR. SCHENK: We've done that.

9 MR. GELFAND: Not lately, not since I've
10 been on the board.

11 MS. MOORE: In terms of the -- the
12 cannabis, the cannabis exhibit that they have, it --
13 we did look at that. And we're looking for
14 alternatives in terms of that for what that -- some
15 of the requirements around that particular exhibit.
16 And -- and not because it's cannabis, but just in
17 terms of the -- the vendor who has that exhibit and
18 things. But it is something we have looked at and
19 we will continue to as it is an agriculture product
20 of California.

21 MR. SCHENK: And -- and I do believe that
22 there will be changes on the federal side in the
23 near future, which may allow us to do more than we
24 have been able to do and things that we would like
25 to do. But we have had this conversation in -- in

1 years past --

2 MR. GELFAND: Yeah, I mean, it's --

3 MR. SCHENK: -- at the board level.

4 MR. GELFAND: -- potential great source of
5 revenue. It is agricultural related so okay.

6 MS. MOORE: And along with that, in terms
7 of those conversations and things, as we're going
8 through our -- our policies because they do
9 currently have -- well, not for the fair
10 specifically, as I recall, but like a cannabis event
11 policy and things like that. Those are things we'll
12 be looking at as a part of that process, kind of,
13 that natural process for us as well.

14 And so -- all right, now moving on to the
15 really fun stuff now, back to business. So just an
16 update and the Chair, you know, Richard Valdez, is
17 the Chair of the RTA/SRTLTC Committee. And so in his
18 stead, the Race Track Authority and the
19 State Race Track Leasing Commission both met. They
20 typically meet on -- on the same day. It's the same
21 membership just the composition of the officers
22 changes slightly for that. So they met on August
23 14, which is much later in the year than usual.
24 It's not completely unheard of but it is -- it's
25 later than it typically is. Usually we are meeting

1 around the end of February or -- or March in the
2 past few years; so just as an reminder, and there is
3 a report in your packet on page 37, but just kind of
4 as a reminder for this group; so with the Race Track
5 Leasing Commission, that membership is actually set
6 in statute in Food and Agriculture Code
7 Section 4351. It consists of The Department Of
8 Finance, who is the Chair of the commission. And
9 then the other members are the Department of General
10 Services, the Department Food and Agriculture, and
11 three members of the 22nd District Agricultural
12 Association. And then those positions are appointed
13 separately by the governor. So in addition to being
14 appointed as members of this board, Directors Mead,
15 Barkett, and Valdez are separately appointed by the
16 governor to the Race Track Leasing Commission and
17 Race Track Authority Board.

18 So the primary purpose of this -- besides
19 this -- it's annual kind of business meeting, but
20 the Commission did approve the Breeders' Cup
21 agreement. So Breeders' Cup will be returning in
22 2024, I believe it's November 1 and 2. And so if,
23 you know, think about this, this will be the third
24 time that the Breeders' Cups has been held here in
25 less than a decade and previously had never occurred

1 here before so Del Mar, you know, really being the
2 destination that we are.

3 And then the Race Track Authority had some
4 business before it. It does elect its officers.
5 Again, typically, the 22nd DAA has been the chair of
6 the Authority and then the Department of Finance,
7 who's the chair of the commission as the vice chair
8 of that. So they were both reelected to that. And
9 then there's some work before the Authority and --
10 and staff for that over these coming months in the
11 area of reviewing the bylaws of the Race Track
12 Authority for conformity with the JPA document.
13 There's a little bit of -- of language in there that
14 we need to look to to clean up, as well as then just
15 a review of the assets that -- so these are the
16 capital improvements that have been made through
17 the -- the bond revenues, the bond monies, over the
18 years and just how those assets are being accounted
19 for in terms of district and/or authority assets.
20 And so that's what that -- that meeting was. And
21 then, otherwise, most likely you will hear again,
22 unless something else comes up, but, again, it's
23 typically March -- February or March when this
24 committee is meeting and these two entities. So I
25 don't know if either directors Barkett or Mead have

1 anything you would like to -- to add to it.

2 And then the next we have -- so that
3 concludes the report on the RTA/SRTLCL Committee. I
4 don't know if you have any public comments
5 signed up.

6 MR. SCHENK: We do. And I was just
7 waiting for you to --

8 MS. MOORE: Sorry.

9 MR. SCHENK: No worries. It took me a few
10 minutes, you know, but we got it going now.

11 Thank you. All right. So, Ms. Sullivan,
12 you -- you are the -- the lone voice for public
13 comment on RTA/SRTLCL this afternoon so it's
14 your turn.

15 MARTHA SULLIVAN: Yes, hello. This is
16 Martha Sullivan again. I wanted to share with this
17 board a recent news report from the
18 "Daily Racing Form," which is one of the oldest and
19 most premier, I would say, race industry's
20 publications.

21 Quote, "All-sources wagering at the Del
22 Mar racing summer meet that ended Sunday declined
23 10.9 percent compared to the corresponding meeting
24 in 2022. According to figures compiled by
25 "Daily Racing Form," all-sources total handle on

1 Del Mar racing reached 391.8 million during
2 eight-week season. All-sources handle at the 2022
3 meeting was 439.7 million. Average handle this year
4 was 13.06 million, down 7.9 percent from last year,
5 according to DRF statistics." I think the average
6 handle is a daily figure.

7 So I want to, you know, once again point
8 out and emphasize for this board that, as I said for
9 a few years, horse racing as an industry continues
10 to decline as it has been doing for 20 to 30 years.
11 I also want to remind everybody that
12 Golden Gate Fields, up in the Bay area, is closing.
13 This is the sixth track to close in California since
14 2008. So it's very, very clear that horse racing is
15 on its way out.

16 And, once again, I want to encourage this
17 board to continue to diversify the fairgrounds'
18 activities and sources of revenue to minimize
19 the impact.

20 MS. O'LEARY: Ms. Sullivan, your time
21 is up.

22 MR. SCHENK: Thank you, Ms. Sullivan.

23 We are ready to go on to general business,
24 Topic D; correct.

25 So before we introduce, I -- I just want

1 to make an observation that most of this board was
2 not around -- but the members were not around in
3 2015, Ms. Barkett and I were when we first had the
4 opportunity to vote on a contract to approve KAABOO
5 coming to Del Mar. Perhaps it's ironic,
6 appropriate, or what, I'm sitting in the chair seat
7 again today as we're about to reintroduce a concept
8 of KAABOO Del Mar after a short hiatus. But here we
9 are in 2023, and we're about to have a conversation
10 again with the new board, with new management of
11 KAABOO and, hopefully, a new and improved way of
12 presenting what was a very successful festival,
13 eventually. But it had its struggles at the
14 beginning. So I'm very much looking forward to
15 hearing this presentation.

16 Welcome, folks, from Festival Licensing
17 and Acquisition Corporation.

18 MS. MOORE: All right. So before they
19 present just a little bit for the Board in terms of
20 we do -- this is a new licensee. And as Vice
21 President Schenk mentioned, the company Festival
22 Licensing and Acquisition Corporation or FLAAC,
23 they've called -- and again, it's KAABOO Del Mar,
24 similar to the past in terms of headlining music,
25 and entertainment. One thing I wanted to make clear

1 to this board and -- and before we proceed is that
2 we did receive the necessary assurances from the
3 Padres, in terms of negotiating on -- on this
4 agreement.

5 KAABOO itself was last held in -- in 2019
6 and then a pandemic ensued for a few years in there,
7 and so in terms of disruption. You have some
8 information on your screen in terms of some of the
9 highlights, and included in the packet is -- was
10 the -- is the contract for your review as well. And
11 I just want to point out a few things in terms of --
12 you know, this event, KAABOO Del Mar, this is
13 really -- this is in line with the exact type of
14 events that we are permitted under our Coastal
15 Development Permit. Within the document itself, it
16 has -- contractually, there's a capacity limit of
17 35,000 attendees a day and that falls under --
18 that's actually even slightly under the largest
19 events that we are permitted for, again, to host
20 under our -- our current development permit.

21 And at the time that our Coastal
22 Development Permit was approved by the -- the
23 Coastal Commission and it contemplated these
24 multiple -- multiday festivals here at the
25 fairgrounds, events such as Goodguys and -- and the

1 Breeders' Cup and that goes back to 2014 in terms of
2 our -- our development permit on that. What's also
3 included in the contract, and just want -- our
4 efforts -- so, again, it falls within our -- our
5 development permit. But even going beyond that, in
6 our effort to be good stewards of -- of this area,
7 you know, that we are, this land that we have here,
8 but also good neighbors, we've also factored in a
9 number of things for, kind of, that traffic noise
10 and traffic mitigation efforts just to ensure that,
11 again, this is successful, you know, as
12 non-impactive as possible as an event. We recognize
13 that large events are -- they are impactful. But,
14 you know, if we can keep the traffic moving and --
15 and get the cars in off of the streets and -- and
16 just minimize that impact.

17 So this event, just like several other
18 events that -- that we host, we'll have the usual
19 noise monitoring that we do. But in addition to
20 that and, kind of, as Vice President Schenk
21 referenced, the mitigation efforts because we know
22 that experience from 2015, '16, '17, '18, and '19
23 so with regard to some of the sound mitigation
24 efforts and being proactive about that,
25 contractually, and to be in front of that in

1 bringing this back.

2 So this is, again, a multiday live music
3 and entertainment festival. KAABOO is a strong --
4 it's a strong brand in the marketplace. In -- in my
5 time here and -- and especially in this seat, the
6 number of times that I am asked when are you
7 bringing KAABOO back, which was not necessarily up
8 to us, didn't know that in terms of that interest.
9 But it does have that strong brand in -- in the
10 community. And this really was the birthplace and
11 home of it. It hasn't -- again, it hasn't happened
12 anywhere else, and the pandemic helped make
13 that happen.

14 So this would be for dates in September of
15 2024. The dates would -- specifically, we would
16 carve the -- or set those aside through an addendum
17 each year. It's a one-year agreement with four
18 one-year options for renewal. So based on
19 performance, as well as their interest --
20 performance assessment by -- by us for that -- for
21 renewing each year.

22 This exceeds the delegated authority that
23 I have as your Chief Executive Officer. And so this
24 is an action item before the Board today for two
25 reasons: One is this contemplates a revenue of over

1 \$250,000, the minimum guarantee for it alone is
2 \$250,000 and that's the -- that's the threshold for
3 revenue agreements under my delegated authority. In
4 addition to that, that multi-year potential that it
5 could have. But the -- the approval before you
6 today is, again, that one year. The others are
7 options for the future.

8 The financial benefit to the district, as
9 I mentioned, it's a \$250,000 guarantee or three
10 percent of the net ticket sales, whichever is
11 greater. So their success being a part of ours, and
12 it already contemplates a five percent increase each
13 year, an option year being exercised on that minimum
14 guarantee. In addition to that, and as has been in
15 the past with regard to parking, the district will
16 receive a minimum of \$15 per vehicle. But really it
17 being a 40 percent split of revenue; so if there are
18 any increases, any markups, you know, VIP or
19 preferred parking types of opportunities as well.
20 And if there are any fees that are collected in
21 terms of rideshare opportunities, that would be a
22 50/50 split with the promoters. For concessions --
23 and we think concessions is the -- similar to the
24 fair, it's the food -- think of that as the food
25 stands that are out on -- on the fairgrounds. So

1 for that, it's \$5 per admission ticket issued, and
2 for them to be able to operate those food
3 concessions as -- and bars -- as they have
4 previously. And then separately is catering, which
5 will be -- that will be done by Premier. So, again,
6 similar to 2019. And so this is the backstage
7 areas, the VIP, any of the, kind of, special
8 catering requests and things like that that take
9 place. And Premier has been a part of this -- this
10 contract process with us.

11 And then finally, it would be
12 reimbursement of any expenses that we incur as a
13 result of KAABOO taking place here. So whether
14 that's labor expenses or any use of our equipment
15 and things, they will also pay for -- pay for that
16 as well. And so before -- so before we hear from
17 the organizers, I think we're first going to take a
18 little walk down memory lane with a little bit --
19 for those who haven't experienced it before. Or,
20 again, the last -- it's been a few years since it
21 was here. Just that brand of -- of KAABOO Del Mar.

22 (Video plays)

23 All right. And so without further ado, I
24 would like to introduce you to Festival Licensing
25 and Acquisition Corporation. And we have joining us

1 remotely today, Mark Terry, Greg Young, Chris Racan,
2 and Carl Monzo.

3 MR. SCHENK: Welcome all of you.

4 MARK TERRY: Thank you so much. And thank
5 you, Carlene, for that great introduction. Just so
6 you know, we have three of our four members on
7 the -- on this call today. We don't have Greg but
8 we'll carry the ball for his side.

9 So just to give you a little background,
10 Festival Licensing and Acquisition Corporation is a
11 entity that we put together back in 2019 to pursue
12 mounting premium festivals and premium folk
13 festivals. And Carl, Chris, and myself at that
14 point were looking at potentially trying to acquire
15 the KAABOO brand. And through a variety of of
16 events, we were able to actually in 2021 acquire the
17 prospective -- the rights to mount prospective
18 KAABOO brand -- branded events all over the world.
19 And we looked at that and said to ourselves, it made
20 sense to bring it back to its inaugural home where
21 it had performed so well.

22 And my involvement with FLAAC is really on
23 the corporate development, strategic planning,
24 finance, and business affair side. Carl Monzo and
25 Chris Racan actually are two of the individuals who

1 were responsible for producing and mounting and
2 operating the festival in Del Mar and really took
3 the lead on creating what -- really, what you saw in
4 that video, a really compelling, wonderful consumer
5 experience. Carl has a tremendous amount of
6 background as it relates to festival operations, and
7 he'll go through that as we go through our
8 presentation. Chris Racan, our other partner, is
9 really -- has a wealth of experience when it comes
10 to producing the event, the talent lineups, and the
11 revenue generating capacity from the festival when
12 it comes to ticket sales and sponsorship.

13 So what I'd like to do now, if I can do
14 so, is share my screen with you and walk you through
15 our presentation. Can everyone see this?

16 MR. SCHENK: Yes.

17 MARK TERRY: Okay. Great.

18 MR. SCHENK: And -- and since your -- your
19 screens are small on individuals, if you would just
20 identify yourselves as -- if you're going to be
21 speaking, whoever is going to be speaking just maybe
22 the first or second time, tell us who you are
23 because it's hard to see you as the screen is being
24 shared.

25 MARK TERRY: Understood. So this is

1 again, this is Mark Terry.

2 MR. SCHENK: Thank you, Mark.

3 MARK TERRY: No problem. No problem.

4 So as I said, we want to return it to its
5 inaugural roots. The festival -- I'm not sure how
6 many people there have really experienced it, but it
7 was an amazing festival that would effectively
8 generate an in excess of 80,000 people over the
9 course of three days. And over the course of its
10 growth, a lot of the elements that Carlene was
11 talking about before, in terms of festival
12 operations and production, we really went through
13 some growing pains but got to a place in 2019 where
14 the festival was hitting on all cylinders. And
15 that's one of the reasons that we really were
16 attracted to it in terms of being able to really
17 take that brand and relaunch it in Del Mar and grow
18 it and make it a mainstay, an evergreen property in
19 the market and really a lynchpin as a multiday
20 festival for Del Mar Fairgrounds.

21 As I mentioned earlier, our entity has the
22 rights to mount prospective festivals that are
23 granted by KAABOO going forward. So while Chris and
24 Carl were involved operationally, and we'll talk
25 about that in a moment, with the festival during the

1 2015 through 2019 years. Post-2019 none of us had
2 been involved in any of the activities, any of the
3 controversies associated with KAABOO, with the
4 various parties. But we were very, very lucky to be
5 able to secure the rights to actually mount
6 prospective festivals going forward.

7 I think when you saw the video, you'll see
8 all the different elements what we think will make
9 KAABOO a unique and valuable live entertainment
10 asset as it relates to the diverse talent lineups
11 that we've been able to put together in the past,
12 when it comes to the other elements as it relates to
13 the comedy integration, when it comes to the various
14 ways in which we were able to, kind of, curate the
15 food and beverage offerings of various types to when
16 it comes to the -- to the wellness integration that
17 the festival has and prospectively going forward,
18 talking about increasing, kind of, the integration
19 of the art installations and bringing into that art
20 installation more of, kind of, the digital
21 collectibles, NFTs and the like.

22 So a lot of what made KAABOO such an
23 attractive festival for the attendees, all those
24 elements we expect to maintain going forward. And
25 Chris and Carl, on the phone, which I will turn it

1 over to them in a moment, both of them have been
2 involved very instrumentally in producing not just
3 in this festival in working with the various
4 staffers and executives at Del Mar Fairgrounds to
5 continually improve upon the operations of the
6 festival over time.

7 I think, Chris, this would be a great
8 place for you to start really giving some of your
9 background expertise having worked with festival,
10 historically speaking, and really talking a little
11 bit about production, operational framework and some
12 of the elements that really made this a success and
13 how we see building on that success going forward.

14 CHRIS RACAN: Sure. Good afternoon,
15 everyone. My name is Chris Racan. As mark has
16 instructed, I am a member of FLAAC and couldn't be
17 more excited about bringing this event back to
18 Del Mar. I, myself, am a North County San Diego
19 resident. And like Carlene, I'm asked repeatedly,
20 daily, sometimes berated with the question of when
21 is KAABOO coming back. KAABOO, itself, was a legacy
22 and has built itself on being really important in
23 the North County community and San Diego as a whole.
24 We are really excited for the opportunity to bring
25 this back.

1 I have been a part of KAABOO since year
2 one and been operationally and fundamental to the
3 revenue generation of the partnerships and
4 sponsorship, specifically, most of which have now
5 had a longstanding relationship with the
6 fairgrounds, and hopefully, in part by our good
7 faith and good working with KAABOO. The event
8 itself has, you know, has put its place in the
9 hearts of the people in North County. And, you
10 know, we don't have the stats with us, but we have
11 sold tickets worldwide to this. I believe in 2019
12 something like 27 countries came to this event. Put
13 its mark in the sand in terms of a world class
14 luxury festival. Billboard, Rolling Stones, and the
15 numerous media houses have commented from being
16 guests there and checking it out and doing their
17 write-up on it. The experience of it is, you know,
18 nothing short of luxury. And the actual, you know,
19 location of the fairgrounds couldn't be more perfect
20 for it.

21 I think, as Mark maybe was alluding to,
22 that the lessons learned and some of the things that
23 we -- you know, sort of tripped us up in our
24 learnings in the early years, that we solved as we
25 went into 2019. Luckily, we get to benefit from a

1 lot of those lessons learned and take those with us
2 and make sure that this event goes off without any
3 issues.

4 The first bullet there, the reduced size
5 of the field capacity going forward. One of the
6 ways that we're going to combat that is actually
7 reduce our -- (technical difficulties) --

8 MR. SCHENK: Not sure if this is on your
9 side or if it's on my side.

10 CHRIS RACAN: -- and have a better --

11 MR. SCHENK: You seem like you're breaking
12 up a little bit.

13 CHRIS RACAN: -- experience for attending
14 and also better experience -- (technical
15 difficulties) -- can the Board hear me?

16 MS. BARKETT: We're losing you.

17 MR. SCHENK: We're losing your --
18 you're -- you're crackling.

19 MS. BARKETT: You are going in and out.

20 CHRIS RACAN: How about now?

21 MR. SCHENK: Say something more than "how
22 about now."

23 CHRIS RACAN: Sorry about that, guys. It
24 looks like I have full signal and full strength on
25 my end.

1 MR. SCHENK: Say it again, Chris.

2 MS. BARKETT: Keep going.

3 CHRIS RACAN: I apologize. Mark, do you
4 want to just keep going here for the reduced size
5 for capacity? I'll reconnect.

6 MARK TERRY: Yes. So going back to what
7 Carlene was talking about in terms of, kind of, the
8 capacity constraints for the festival, what we're
9 intending to do is come in significantly under that
10 on, kind of, overall tickets sold and daily
11 attendees. We really want to keep all the various
12 elements of what made KAABOO successful, in terms of
13 the elements, as well as being able to have the
14 offerings to the attendees, that we want to take the
15 opportunity post-pandemic to relaunch it and not get
16 out too far -- too far out over our skis. Totally
17 relaunch it, make sure we hit on all cylinders and
18 grow modestly over time.

19 This is not a festival that we're trying
20 to compete in any way with the -- with the -- with
21 the County Fair. That's not our objective at all.
22 So -- I'm sorry, Chris, go ahead.

23 CHRIS RACAN: Sorry about that. It was
24 suggested I just try shutting off my video. Is the
25 audio better?

1 MARK TERRY: Yeah. It's actually
2 better now.

3 CHRIS RACAN: Fantastic. Sorry about
4 that. Yeah. Just as you were saying, limiting the
5 attendees in terms of making the experience just
6 that much better and also lessening our impact on
7 the surrounding communities is going to be one of
8 our first, you know, sort of lessons learned. Not
9 that we'll be reducing it, you know, dramatically,
10 and we certainly won't be altering any the
11 entertainment capacities or the scope of any of the
12 music or anything offered. But just simply limiting
13 the amount of attendees to keep a cap on it, which,
14 you know, we've talked about with the group.

15 And then, most importantly, the last
16 bullet I come to, keeping a good relationship with
17 and good communication with, not only just the
18 fairgrounds, but the local communities, including
19 Del Mar and Solana Beach, all of the local
20 businesses and specifically the local community.
21 And in the next slide we'll jump into, Carl will
22 talk a bit about how we're going to address some of
23 these things going forward. But most importantly,
24 just working with the community very closely, as we
25 have in the past, and our impact, you know, fiscally

1 to the community has been large, and we hope to
2 continue doing them.

3 CARL MONZO: Good afternoon, everyone. My
4 name is Carl Monzo. I have previously operated as
5 the assistant general manager for KAABOO Del Mar, as
6 well as the general manager for our Grand Cayman
7 event in 2019. And I get to talk about the fun
8 stuff. So I want to just acknowledge the challenges
9 that have come historically with this event and just
10 touch on briefly our prospective on it and how we
11 intend to address and continue to improve moving
12 forward.

13 First is noise abatement. So identical to
14 previous iterations of KAABOO, noise abatement is
15 still going to be a bilateral effort of both
16 mitigation and monitoring and what that means is
17 mitigation on the ground coming from the stages we
18 utilize 'til the late hours would reduce the need
19 for amplification, and therefore, is not as loud.
20 Monitoring, as Carlene alluded to, is the DB --
21 decibel meters placed in surrounding communities so
22 we can monitor the actual noise level in real time,
23 and if necessary, make adjustments within minutes to
24 the stage, if there's something that is protruding
25 or spiking the levels that are allotted within

1 the community.

2 Traffic and parking. As we've done in the
3 past, we'll collaborate closely with all relevant
4 local agencies, including Del Mar Fairgrounds, to
5 ensure both safe practices and minimize disruption
6 to the local community and their daily routines.
7 And it's been touched on multiple times here, with
8 the reduced size in scope and crowd size, that
9 actually reduces the challenges we have and should
10 greatly improve the traffic flow and parking
11 processes.

12 Safety and security. We'll be utilizing a
13 full unified command center as we've done in part
14 before. We're kind of taking that to the next level
15 for this iteration. And what that looks like is a
16 singular command unit with CCTV cameras and a
17 representative from, you know, all relevant agencies
18 and authorities. So there's a singular point of
19 communication, all stakeholders are present and
20 collaborating to address any issues immediately and
21 most efficiently.

22 Trash and recycling. A lot of this, if I
23 remember correctly, it's come from the surrounding
24 areas as guests leave during egress and then a walk
25 to their car. Or if they are local, walking back to

1 their homes, occasionally, drop trash on the ground
2 and made a mess, you know, for our neighbors. And
3 that's obviously not us being good neighbors. So
4 what we've done, historically, and will continue to
5 do is make sure our trash and recycling teams go on
6 a nightly basis and clear these areas. And in
7 addition to that, we have our -- both our info line
8 and the emergency call center, which neighbors can
9 call in in real time if they see trash being left or
10 there's an area that we haven't hit or any problems,
11 whatsoever, in the community; that they can reach
12 out to us and we can respond in real time.

13 The last point here is the food and
14 beverage operations. And as we've done in previous
15 years, the Del Mar Fairgrounds staff, as well as the
16 Premier staff, will have a priority opportunity to
17 be hired for all open positions that can be filled.
18 And what that looks like in practicality is
19 basically first right of refusal and the first
20 opportunity to come and interview for these
21 positions, being that they are already familiar with
22 the grounds and largely the operation as a whole for
23 how we integrate.

24 MARK TERRY: Hey, Carl.

25 CARL MONZO: Yes.

1 MARK TERRY: One -- one more thing I want
2 you to just touch on quickly, and Chris had brought
3 it up a little earlier -- this is Mark Terry
4 speaking -- in terms of the actual festival map and
5 layout and the reduced impact just on the site, the
6 Del Mar Fairgrounds, and how all that plays into how
7 we can mitigate a lot of these other related items
8 that we've been speaking about. So maybe just
9 talking a little bit about what we're anticipating
10 in terms of the festival map without getting into,
11 you know, too much detail, but by providing enough
12 context for what we're -- what we intend to do.

13 CARL MONZO: Yeah. Gladly.

14 The first and most obvious one that I
15 think everyone will remember is in the, you know,
16 the main parking lot off of Jimmy Durante -- sorry,
17 it's been a few years since I've been out there
18 now -- we previously had our second main stage out
19 there, which ate up a huge portion of that parking
20 lot, which added challenges to traffic flow in and
21 out of the event, as well as ate up, frankly,
22 revenue for the Fairgrounds, right, because we
23 weren't selling those parking spaces. So that, we
24 can tell you, without having fully drawn out this
25 map yet, will go away. There's no reason with the

1 reduced size and scale of the event to -- to have
2 that stage out there. We'll still utilize that
3 large funnel for a safe and efficient ingress and
4 egress. But the majority of that parking lot will
5 be utilized for its intended use, which is parking,
6 transportation, et cetera so that -- that minimizes
7 some of the challenges we've had previously in terms
8 of inflow and outflow and parking spaces as a whole.

9 Additionally, I'd say in terms of reducing
10 the scope, we certainly have no intentions of ever
11 going back to the infield. I think that was crossed
12 off years ago as well so it's a -- it's a more
13 efficient, tighter operation with the biggest change
14 coming that the main parking lot will remain as such
15 and not be programmed and filled up with -- for the
16 big stage.

17 MARK TERRY: Thank you, Carl.

18 CARL MONZO: Thank you.

19 MARK TERRY: And then while Chris, Carl,
20 and myself and our fourth partner Greg know, we have
21 the right to -- prospectively to mount
22 KAABOO-branded festivals and are excited to do so
23 for all the (indiscernible). And we, you know,
24 we -- we are aware of some of the controversy that
25 surrounded the 2020 event, and our expectation and

1 our intention is in the event that we are lucky
2 enough to get approval over this event agreement,
3 that all three of us will end up doing some
4 research, review and -- reach out and try to find
5 out more about any controversies that still exist
6 related to 2020 and try to be good brand stewards
7 and assist in the resolution of whatever those
8 controversies are and continuing to be. So just
9 wanted to make sure everyone knew that that was top
10 of mind for us going forward.

11 And that's really it. I hope we've --
12 between the video, giving everyone a retrospective
13 in terms of the various elements of the festival and
14 how it operated, along with us touching on some of
15 the high points when it comes to the production and
16 operation of the festival and our expectations about
17 what we intend to do in the future from a
18 production-operational standpoint. Hopefully, that
19 that -- that's given you kind of context for how the
20 2024 festival -- how we intend to mount it.

21 But happy to take any and all questions
22 that you may have.

23 MR. SCHENK: All right. Thank you very
24 much, gentleman, for that. I'm going to invite the
25 board to ask questions. I'm going to start from the

1 far left, and we'll work our way down.

2 MR. NEJABAT: I don't have any questions
3 at the moment.

4 MR. SCHENK: Go ahead.

5 MR. GELFAND: Yeah. I do. First of all,
6 as a person in his sixties, the elimination of the
7 second stage in the parking lot is going to be
8 helpful to me because walking back and forth for
9 multiple acts was a lot so I think that should work.

10 (Multiple speakers)

11 MR. GELFAND: Yeah, especially when it's
12 hot. I think that works on a lot of levels.

13 My -- my main questions in this -- and
14 they were, you know, before we started, one of them
15 I'm more comfortable with but my -- my two main
16 questions were: Do these people know how to do it?
17 Can they pull it off? Do they have the experience
18 to do it? And I -- I think we've -- we've gotten an
19 answer to that through their presentation.

20 My second question is whether they're
21 sufficiently well capitalized to do it because aside
22 from the money they give us up front, they've got to
23 book a lot of bands. They've got to put a lot of
24 money up front. And there have been festival
25 experiences in the world where the promoters have

1 taken ticket money from people and disappeared. So
2 how do we get comfortable with the capitalization of
3 FLAAC and, you know, feel comfortable that this is
4 really going to come off from a purely financial
5 standpoint?

6 MR. SCHENK: Legitimate questions.

7 MARK TERRY: That directed towards --
8 towards FLAAC team? Or I don't want to jump in.

9 MR. SCHENK: Yeah. I think so. Sure.

10 MARK TERRY: So I think we understand what
11 you're talking about. The -- we've done, you know,
12 we've done some of that research and taken a look at
13 what happened in 2020. And while we don't know all
14 the details, you know, we fully understand where
15 that's coming from.

16 We can say that -- that myself and Carl
17 and Chris all independently have capitalized and run
18 and operated other live events and festivals in the
19 past. And we have a group of investors that are
20 standing by to back us in this endeavor. Quite
21 casually over the last, I guess, 18 months or so,
22 because of some of that controversy that's out there
23 in the marketplace, we haven't been able to move
24 forward as quickly as we would have liked because of
25 everything that you're reading about the brand and

1 what's happened in the past.

2 But we feel confident, based on our
3 history of mounting and capitalizing other live
4 entertainment properties and our relationships with
5 our core investors, that we're going to be able to
6 move forward and mount this festival, especially
7 since we're looking at mounting it in a much more
8 reduced scope and size. So as Chris said, we're
9 still going to make sure we have a compelling talent
10 lineup with all the additional elements. But we're
11 not trying to be everything to all people, as I
12 believe it seemed like the prior operators and
13 promoters were trying to do. And I think that's
14 part of why they ran into those problems is trying
15 to grow too big too quickly. And I think they got
16 out over their skis, my -- my personal opinion.

17 MR. SCHENK: Anyone else wish to respond
18 to the question?

19 CARL MONZO: And -- and see if I could
20 just supplement that a little bit. We've talked
21 about the investors that are standing by.
22 Effectively what they're standing by for at this
23 point is a signed venue agreement. That's really
24 the driver for us to fully capitalize and move
25 forward with the event in terms of sequencing

1 and timing.

2 MR. SCHENK: So -- go ahead, Michael.

3 MR. GELFAND: What we, essentially, would
4 be voting on today is the form of the contract that
5 you supplied us in the packet; right?

6 MS. MOORE: Yes. Yes. This is -- and
7 just for -- just for clarification, this is a rental
8 agreement, again, that exceeds the -- the delegated
9 authority. Just to be sure that this is -- we're
10 not hiring them to produce a music festival on our
11 behalf, but a rental agreement of the property
12 for -- for a music festival.

13 MR. SCHENK: And so there'll be additional
14 contracts at some point going forward?

15 MS. MOORE: The only addition would be
16 specifying the date for each one, and then on an
17 annual basis, determining if they're interested in
18 returning, determining performance for any options
19 to renew. So you would be approving this for
20 September of 2024.

21 MR. GELFAND: So the concern I'm -- I'm
22 getting at is it's not like we're, you know, dealing
23 with a Forbes 500 company. We're dealing with a
24 group of private individuals and investors who will
25 be raising money to produce the show. And so I'm

1 just, you know, on behalf of the DAA, trying to
2 figure out how we cover the downside, the worst case
3 scenario, which is that we enter into a contract
4 with them and (a), they never do get the money to
5 finance the thing. Or (b), even worse, they appear
6 to have the money to finance the thing, they sell
7 tickets, and then they disappear with the money. So
8 I'm just -- I didn't see in reading the contract how
9 the DAA and the public is protected in those
10 regards. And maybe if we move forward with a
11 motion, there could be something added to it that
12 allows you to further negotiate the contract to give
13 us some comfort in those areas.

14 MR. CAPLAN: I can speak up about
15 that point.

16 MS. MOORE: Just a moment, our Counsel --
17 our Deputy Attorney General Counsel is going
18 to speak.

19 MR. CAPLAN: Director Gelfand, I can
20 address your concern directly. There's -- there is
21 language in the contract, it's at page 40 of the
22 board packet, it's paragraph 8. It's the strong
23 standard indemnification language that we include in
24 agreements like this to minimize risks to the
25 public. And what this language will do is if that

1 worst-case scenario happens and you have individual
2 patrons who have a concert ticket but no concert,
3 where will they go for a refund or to get their
4 money back? This language tells the promoters that
5 they're responsible, they're on the hook. And so if
6 the district is sued in court, court claims are made
7 against the DAA, we would invoke this provision.

8 Now, the next question I'm sure someone on
9 the Board will ask is okay, well, if there's no
10 entity left to indemnify us, then what happens?
11 There are also insurance requirements under this
12 contract, like any other contract that we enter
13 into, to provide an added layer of risk avoidance.
14 And so there are, kind of, two layers here, right.
15 So presumably, if -- if the district gets the
16 required -- the insurance requirements that need to
17 be met under the contract for the promoters to move
18 forward with this event, we would be added as a
19 named insured under the insurance policy, which if
20 the entity disappears and the insurance company is
21 still there and we're listed as an additional
22 insured under that policy, we presumably would --
23 could then turn to that insurance company to cover
24 potential losses that we'd have to pay out for folks
25 that have concert tickets but have no concert

1 to go to.

2 The -- is the risk zero? No. But the
3 risk is never zero for any event on this property.
4 Even if the promotor shows up and puts on an event
5 and there's an incident, the risk is never zero.
6 So -- but we did -- we did build in protections,
7 like we do with every contract on the
8 indemnification of insurance.

9 MR. GELFAND: Is that kind of coverage
10 included in the insurance requirements because
11 normally it's slip-and-fall and and that sort
12 of thing.

13 MR. ARABO: And to Director's point. Do
14 they have a specific performance bond that they
15 could put specifically for this event on top of the
16 insurance that they're offering?

17 MR. CAPLAN: This contract doesn't
18 constitute a performance bond. Typically with state
19 contracts, performance bonds are used for
20 construction projects. They're not used for event
21 agreements. And so -- and that's, again, that's --
22 that's coming from contracting manuals from
23 Department of General Services, the Public Contracts
24 Code, which this board has adopted almost entirely
25 through its own contracting guidelines. And so I

1 think requiring a performance bond for an event
2 agreement would be inconsistent with the way that
3 this board has treated event agreements, going back
4 historically, even multiday event agreements with
5 potential risk.

6 As I sit here, I'm thinking about gun
7 shows that used to be on the property, multiday
8 events with significant risk. Performance bonds
9 were never requested or required. So, again, those
10 are typically reserved for construction projects
11 that exceed a certain amount to protect against some
12 sort of loss to the State. This, again, is an event
13 agreement where a third-party promoter wants to rent
14 your space --

15 MR. GELFAND: I understand that --

16 MR. CAPLAN: -- and put on an event.

17 MR. GELFAND: -- performance bond is one
18 potential way to skin the cat. You know, just off
19 the top of my head, another way would be that the
20 ticketing revenues are in an escrow account or
21 something until the event is produced. I mean
22 there's -- all I'm saying is maybe Carlene should
23 have the authority to figure some of these things
24 out as we move forward.

25 MS. BARKETT: Josh, if I May, one -- I

1 remember last time what happened. It wasn't only
2 the people who bought tickets, it was the vendors.
3 Remember, we had all the vendors hounding us because
4 they hadn't been paid, and I think there are still
5 lawsuits going on with vendors today. And so that
6 was -- we have to look at that aspect of it.

7 The other thing I noticed, we don't have
8 the clause about the hundred-mile restriction,
9 radius restriction, in this contract that we had in
10 the prior contract, which helped us a little bit.
11 But, you know, I was at the event that last day
12 where it was announced that KAABOO was joining with
13 the Padres and we had no notice. And here we are
14 out in this big crowd and it's dropped on us and --
15 and we all took, you know, who we saw, we were like,
16 did you hear about that? Did I know something? And
17 we were shocked because everybody was asking us, a
18 lot of the attendees too, and I think food vendors
19 panicked at that point also.

20 So we really have to think about this
21 entirety -- in its entirety because it did come back
22 on us negatively. And it was, you know, it was
23 something that we -- we want to avoid that. I'm --
24 I'm -- I would love to have KAABOO. I enjoyed
25 KAABOO. I really did. I just want to make sure

1 that it's done in a way that this, you know, this
2 fairgrounds is protected.

3 MR. SCHENK: We're going to continue on --
4 yeah, Director Mosier?

5 MR. MOSIER: Yes. I just wanted to come
6 back to the lessons learned from times when KAABOO
7 was here previously. I was on the
8 Del Mar City Council for the -- during the first two
9 KAABOO events. And there were some real hiccups,
10 particularly, with noise control and traffic
11 control. And while I'm happy to hear that the event
12 will be downsized and those noise controls were --
13 got better every year it's still very important to
14 implement those. This contract is much tighter on
15 noise control than the original contract, and I
16 think that's good. But there were certain things
17 that never got fixed.

18 One of the traffic problems was that all
19 the various events sort of shutdown at ten o'clock
20 and everybody left at the same time. And I remember
21 one of the events, the time to get a Lyft or Uber
22 ride away from the fairgrounds, the wait was one to
23 two hours. So that problem was never -- never
24 really solved. And I think the more detail you can
25 put into the traffic control plans, the more people

1 you can hire, the more rides you can -- the more you
2 can space out events so they don't all end at the
3 same time, the better the event it might be. So I
4 know that you learned a lot of lessons in those
5 prior events, but I think there's still some
6 problems to be solved when you start planning any
7 future events.

8 MR. SCHENK: Is there any response to
9 those comments from Director Mosier?

10 CARL MONZO: Happy to. Director, thank
11 you for your feedback. And agree in terms of
12 lessons learned. Done hundreds of major music
13 festivals in the last 25 years, and there's not a
14 single one that we didn't learn something new or
15 encounter something that we had to overcome so
16 you're absolutely right. There are continues to be
17 lessons learned. In terms of addressing traffic,
18 that is paramount to us in working with
19 Del Mar Fairgrounds to do so. And any and all
20 concerns you have, please continue to give us that
21 feedback, and we'll be as proactive as humanly
22 possible to make sure they're addressed and
23 rectified moving forward.

24 MR. SCHENK: Don, anything else any other
25 questions? Director Mead?

1 MS. MEAD: Thank you. I have a couple of
2 questions and a comment. And first question has to
3 do is the fact that there was some items that you
4 teed up, Carlene, at the beginning of your
5 presentation about things, like working with Premier
6 revenue generation, that I don't see in this
7 agreement. Is that handled as a side letter, or is
8 that -- are there --

9 MS. MOORE: I'm sorry, it is in here.

10 MS. MEAD: Did I just miss it?

11 MS. MOORE: It's on the --

12 MS. BARKETT: It's on page 49.

13 MS. MOORE: -- yeah, page 49.

14 MS. BARKETT: At the bottom.

15 MS. MOORE: Starting with -- starting with
16 item 13.

17 MS. MEAD: Okay. So I guess I got too
18 many pages because when I looked at this, I couldn't
19 pick and tie them together. But each of those items
20 are, in fact, identified. Thank you very much. So
21 for everybody else who wasn't keeping track with me,
22 page 49, number 13, is where we talk about this.
23 Thank you. That was very helpful and I will go back
24 and double-check.

25 The second -- the second thing is -- a

1 second question has to do with the one-year nature
2 of the agreement. Certainly for years, having sat
3 on the Fair Ops Committee with Fred, I know that
4 contracting talent, you know, a year ahead is very
5 difficult, that -- if we want to get the best
6 talent. And I'm wondering whether or not we have a
7 timeline that would say when would we agree to a
8 second-year contract. It seems like at the end of
9 the first year, it's probably too late for us to be
10 thinking about an agreement the second year. I'm
11 not fully expecting anybody to answer that question.
12 I'm just wanting us to keep that in mind, that if
13 it's a one-year contract and we want the best
14 outcome in year two, that we may need to look at
15 performance leading up to the agree -- up to the
16 event, not necessarily performance only at the event
17 and then making a decision. So I just think a
18 timeline, and it can't hurt to be able to ensure
19 that if we move forward, we're not doing so too late
20 for year two.

21 MS. MOORE: In terms of that, on -- on
22 page 44 of the agreement, Item Number 2, this is in
23 Exhibit A of the event riders, actually, that
24 because of taking performance into account, that, in
25 essence, they're needing to be written notice

1 provided 60 -- within 60 days after the close of it.
2 And from a -- from a talent buying standpoint, yes,
3 you start those negotiations and things like that in
4 trying to purchase -- you know, buy talent, you
5 know, secure it and things like that. But,
6 oftentimes, I don't think the -- the 60 days, you
7 know, preemptively before executing on any
8 particular festival, I think, would actually be too
9 early to determine that, okay, we're going to go
10 ahead and contract with you the following year
11 because we want to ensure that performance each
12 year. But within 60 days of it, having that -- that
13 information, that determination, should allow them
14 to be able to secure the -- the appropriate talent
15 that's necessary.

16 It is not uncommon -- you know, most
17 festivals are not announcing their talent a year
18 out. Oftentimes, the early bird sales go out before
19 talent is even announced because you're -- you're
20 getting that discount just for -- because, you know,
21 it's a great -- a great experience. And then about
22 four -- four to five months ahead of time, then
23 that's when the announcements start coming out. And
24 so there's time for those -- those negotiations.
25 And in the festival world, it's a little bit

1 different than the fair world, in terms of
2 securing -- securing entertainment, different list
3 of people.

4 MS. MEAD: Sure but I'd like to ask FLAAC
5 to respond to my question, please. Thank you.

6 MARK TERRY: Hey, Chris. Want to
7 take this?

8 CARL MONZO: Yeah, sure. You're
9 absolutely correct -- correct, Director, thanks for
10 addressing that.

11 The talent buying process is longer than a
12 year. And, in fact, you know, the one-year nature
13 of this is just to make sure that everything does
14 align correctly. And all these issues that we're
15 talking about are addressed and that we actually do
16 come through with everything that we need to to make
17 sure this festival goes off without a hitch;
18 however, we will, in anticipation of good faith,
19 begin early negotiations with talent ahead of that
20 renewal, if for no other purpose than to place a
21 hold with talent to get some interest level so that
22 the moment we do sign the addendum for each year, we
23 can actually send our offers for it and secure that
24 talent wholistically.

25 And while we do, typically, announce a few

1 months before the event, that talent negotiation,
2 contracting approvals and all that does take some
3 time. So I appreciate you acknowledging that. And
4 it is pretty tight, we agree. But we can absolutely
5 make this all work in the contract terms that we
6 negotiated.

7 MS. MEAD: Okay. And then there's
8 probably another provision in here that I've missed
9 that I'm thinking about. But I'm also interested in
10 whether there are milestone check-ins for us along
11 the way where, you know, as I said, the -- when the
12 event is done or the event is in process, there's a
13 lot of stuff that led up to that. And are there
14 milestones for us to do check-ins for how things are
15 going so that that can be considered as part of that
16 60-day notice, whether it's on our side or their
17 side so that it's not just based on, okay, how did
18 the event go but what led up to the event that
19 we're -- we're meeting and we're documenting and
20 meeting those milestones. Is such a thing in
21 the agreement?

22 MS. MOORE: There's not in terms of in the
23 agreement, internally, as staff and managing it, as
24 we do with many of our other events and activities
25 that take place, there is that, you know, management

1 of and -- and the check-in points and things like
2 that. It's not spelled out in the contract
3 specifically. It's part of our operation.

4 MS. MEAD: So as part of the -- the
5 request to whether it's continued negotiations, et
6 cetera, I would just love to be able to see FLAAC
7 agree to a provision like that. I agree with you
8 that it's part of our responsibility. But it's
9 really important for FLAAC to participate in those
10 and have a willingness to share information about
11 not only our experience but their experience with us
12 in moving a concert forward. So that we -- if
13 we -- my big concern is that if we establish KAABOO
14 again, like everyone else here, there's not a day
15 goes by when somebody doesn't say to me when is
16 KAABOO coming back? That and bands after the races.
17 Those are the two important things.

18 And, Fred, I was also here at the first --
19 at the first KAABOO --

20 MR. SCHENK: Oh, sorry. Great.

21 MS. MEAD: -- did multiple years. But,
22 you know, I don't know that it does well for us to
23 have a one-year KAABOO is back and then have it
24 disappear again. So I just want to be sure that
25 we're building up to long-term success with this.

1 And then finally, last but not at least, I
2 just am very interested in potentially when the
3 motion comes forward to approve or consider
4 Carlene's consideration, I think that there was so
5 much experience, either on this board with the
6 previous experience, but also it's critical for us
7 to walk away from this with a good outcome for
8 long-term renewals of KAABOO, not just a year one,
9 that I'm wondering whether or not we should have a
10 special committee that has, that moves us along as
11 opposed to just delegating it and just very
12 interested in how we're going to capture all of this
13 experience to be able to build up to a good -- to a
14 good concert and -- or to a good festival but also
15 terms that we all feel very comfortable with. Just
16 the suggestion. That's it.

17 MR. SCHENK: Thank you. Good --
18 good points.

19 MS. BARKETT: I just have a couple
20 more too.

21 MR. SCHENK: Gentlemen, any response
22 before I pass it on to other board members?

23 MARK TERRY: Sure. A couple of notes and
24 thank you for those comments.

25 So going back to the nature of the

1 agreement and kind of checking in. Just as the
2 nature of how we are collaborating with the ops team
3 at Del Mar Fairgrounds, before we get to even a
4 load-in for the festival to bring it through, we're
5 going to have ongoing conversations and
6 communications about what that festival footprint
7 looks like in terms of the map, in terms of the --
8 the allocation of the physical assets, the
9 resources, the placement, and a lot of that. So
10 none of that's done in a vacuum. So during the
11 course of the year, we will be actively -- and
12 really Carl and Chris -- actively kind of
13 communicating with Carlene, Katie, Paul to pursue
14 that planning. So that planning is ongoing.

15 It's not one of those things that we show
16 up, you know, during load-in and, you know,
17 everything starts then. There's a lot that builds
18 up to load-in where we collaborate together to
19 ensure that what we're doing in terms of mounting
20 this festival, from a production and operational
21 standpoint, goes off without a hitch or very minimal
22 hitches.

23 But Carl or Chris, would you add anything
24 to that or counter any of that, what I said?

25 CHRIS RACAN: No. It's well said, Mark.

1 I think it's in all of our best interest to work in
2 lockstep together. It only functions that way, in
3 our opinion and our previous experience, right. So,
4 you know -- we'll definitely, you know, that's up to
5 you guys to build a committee or whomever we
6 decide -- you guys decide who is our point folks to
7 work with. But we'll definitely work in lockstep,
8 hand-in-hand and, especially, as it relates to
9 traffic and operational functions, you know, we must
10 do that together.

11 And I'll just make a quick note to your
12 other question, that is, you know, obviously, not
13 our intent to have KAABOO just be a one-year
14 function. So, you know, we will be contributing a
15 ton of marketing dollars and energy in bringing this
16 back home and, you know, it belongs there, right.
17 So it is not our intention to have one-year event by
18 any means so wouldn't issue the contract with
19 that intent.

20 MS. MEAD: Thank you.

21 MARK TERRY: Our perspective is that this
22 looks, even though it's one year with four one-year
23 consecutive options, you know, in terms of what
24 we're looking to build in terms of the festival, we
25 view it holistically as a five-year deal. But we

1 understand that each of those years, there's
2 performance on our side that has to make you feel
3 comfortable in moving forward with us in terms of
4 these successive options, right. But our
5 perspective is that we view this and success as a
6 five-year deal and then potentially going thereafter
7 to continue to build upon the festival.

8 MS. MEAD: Thank you so much. And I just
9 want to just reiterate something that my colleague
10 Mr. Gelfand shared earlier, and that is you enter
11 these agreements not with the expectation of, you
12 know, when it goes well, it's when it doesn't go
13 well and what's the worst case. And we have had
14 situations where we've had other vendors that, you
15 know, end up coming in saying, we want to work with
16 you. And we end up walking away with -- they're not
17 wanting to meet with staff or be good partners. And
18 I just think that these partnerships, sort of the
19 rules of engagement for how we interact with one
20 another for mutual success, is something that's just
21 worth documenting so we can hold each other to.

22 So thank you very much.

23 MR. SCHENK: Thank you, for us ending up
24 to buy a tent.

25 MS. BARKETT: Exactly.

1 MR. SCHENK: I know. I knew you'd
2 remember that one.

3 MS. BARKETT: Yes, I did. A red one.

4 MR. SCHENK: A red tent.

5 All right. Director Barkett?

6 MS. BARKETT: So just going back, I think,
7 my radius milage would go in -- page 46, number
8 seven, lopped on to number two, something in there
9 would have to go into. And it's talking about the
10 licensee communicates at any time, directly or
11 indirectly, but preferred directly in advance, not
12 indirectly in front of a crowd of 30,000. So intend
13 to host the festival at another location, and the
14 location should be, you know, within a certain
15 radius, just going back to what we had before.

16 So my question is on page 40, number nine,
17 sporting events, release and waiver. I don't
18 remember any sporting events happening in the past.

19 MS. MOORE: That is standard --

20 MS. BARKETT: Is that just standard --

21 MS. MOORE: -- language --

22 MS. BARKETT: -- (indiscernible) --

23 MS. MOORE: -- in what we've taken --
24 because, again, this is a rental agreement.

25 MS. BARKETT: Right.

1 MS. MOORE: Taken our rental agreement and
2 have the standard that we have with all of our
3 events and added to it. So this is --

4 MS. BARKETT: Thank you.

5 MS. MOORE: -- that is standard contract
6 language.

7 MS. BARKETT: So my question is if a band
8 decides to have any fire or pyro tech- -- technical
9 stuff going on, would that fall within this --

10 MS. MOORE: No. And actually there's a
11 clause in here that pyro technics --

12 MS. BARKETT: Oh, is it in here?

13 MS. MOORE: -- must be --

14 MS. BARKETT: Oh, I missed one, see.

15 MS. MOORE: Yep.

16 MS. MEAD: It's not just me.

17 MS. MOORE: Let me go to -- see if I can
18 pull up here quickly.

19 MS. MEAD: I think -- (indiscernible) --

20 MS. BARKETT: Yeah.

21 MS. MOORE: Pyro tech, they're pro- --
22 prohibited. It's on page 52, pyro technics,
23 licensee is prohibited to have any pyro technics of
24 any kind without --

25 MS. BARKETT: Right.

1 MS. MOORE: -- Association's --

2 MS. BARKETT: Thank you.

3 MS. MOORE: -- written approval.

4 MS. BARKETT: That's great. My last
5 question: So licensing -- just correct me if I'm
6 wrong -- was licensing transferred, the rights to
7 the licensee to Live Holdings and your group
8 in 2021?

9 MARK TERRY: I'm sorry, Lisa, can you
10 rephrase that question?

11 MS. BARKETT: Yeah. In 2021, it said that
12 there were transferred licensing rights to
13 Live Holdings and Festival Licensing and
14 Acquisition Corporation.

15 MARK TERRY: I can't -- I can't speak to
16 the former. I know that under our license agreement
17 that we have the exclusive rights to promote and
18 mount prospective KAABOO branded events. And -- and
19 we actually have shared redactions of that
20 privileged and confidential license agreement with
21 the executives, with Carlene and with your counsel.

22 MS. BARKETT: Okay. Okay. So you have
23 them? Okay. Great. Thank you.

24 MARK TERRY: Sure.

25 MR. SCHENK: Director Arabo.

1 MR. ARABO: Thank you. I am excited about
2 the opportunity but I also share some of the
3 concerns that the other directors have. So
4 hopefully we could strike a balance and do what's
5 best to protect the Association and, hopefully, we
6 could -- we could strike the balance. Thank you.

7 MR. SCHENK: Thank you. So -- and then
8 there's me.

9 I wanted to -- I know you'd mentioned
10 something about Premier employees having first right
11 of refusal and that went by rather quickly. And I
12 didn't see that specific language in the contract.
13 Is it there or is that an impression or an intent?

14 CHRIS RACAN: Yeah. There's -- I can't
15 speak to previous years. But we want to make sure
16 that it's very clear and make good partnership with
17 Premier and that they are our catering partner and
18 our preferred vendor for everything you can do in
19 the Grandstand. And then when we actually have our
20 job fair and hire our hundreds of people that we
21 hire for this event, we will offer, you know, to be
22 determined exactly what it looks like, but some sort
23 of priority or loyalty hiring opportunity
24 for Premier.

25 So just in initial thoughts that if we

1 have a job fair, we would have, initially, a
2 Premier -- folks have an opportunity to come to the
3 bar jobs first and -- and, you know, do a fair
4 interview process with them, first and foremost,
5 before we release to the general public. Something
6 on those lines that everyone is protected, including
7 us and all the general public for hiring. But we do
8 want to work with Premier in all regards.

9 MR. SCHENK: Right. Last -- last time we
10 had issues with that process. And the Premier
11 employees were not happy. They were not given, you
12 know, first opportunities, nor any -- any priority,
13 and many of them were dismissed. They feared
14 because they didn't fit a certain image of the kind
15 of bartenders that KAABOO was looking for in terms
16 of creating a, you know, a certain particular image,
17 yeah, message.

18 So I want to make sure if you -- if you're
19 going to get my vote, I want to hear from you here
20 that you're committed to working with Premier and
21 making sure that their current employees will be
22 given every opportunity, if they meet the -- the
23 criteria that is put out there. I know it's -- it's
24 going to be fair for everybody. And -- and you're
25 not -- you're not looking for people that are of a

1 certain race or height or age or any of those things
2 for which you're not allowed to discriminate. But I
3 want to make sure that the Premier employees will be
4 given every opportunity and preference, for jobs for
5 which they are qualified, to be considered.

6 That's very important to me and, I
7 suspect, to some of my colleagues.

8 MARK TERRY: It's important to us as well.
9 And, you know, there will be no discrimination of
10 any kind against anyone, obviously. And, like I
11 said, I wasn't personally involved in that hiring
12 process previously so I can't speak to it. But I
13 can say that our group will do our best here and
14 make sure that we give priority to working with the
15 Premier staff and the Del Mar staff that works year
16 round and, you know, Del Mar Fairgrounds is their
17 home. We want to make sure that they have an
18 opportunity to work with us and help us support this
19 event, first and foremost.

20 MR. SCHENK: All right. I'm glad I have
21 your commitment on that.

22 CHRIS RACAN: You do.

23 MR. SCHENK: Up next, Brian Gordon, you
24 know, presented himself as being someone who had the
25 financial wherewithal to put on KAABOO every year.

1 And as Director Barkett shared, we were, at about
2 3:00 in the afternoon on a Sunday, told by
3 management, KAABOO is going downtown next year. And
4 they still had another year left on their contract.
5 So I want to know -- and I -- and I haven't seen it
6 here, maybe it is, and -- and you'll point it out if
7 I'm missing it -- I'd like to know about the
8 financial backing that your group has and who are
9 the -- who will be the people financing this and --
10 and I'd like to see, you know, some documentation
11 about capacity to finance this undertaking because
12 it -- you know, and I -- and I appreciate as with
13 Mr. Gordon, it took a year or two or three to build
14 up to a place where, you know, it was bigger and
15 more people. But we're not looking for a one-off
16 situation. That's not good for our brand.

17 As you've heard now over and over again,
18 people keep asking about it and, you know, there's a
19 shelf life. So, you know, five, six years, people
20 may start asking less and less. But if we're going
21 to be bringing it back in '24 and it doesn't work
22 out in '25, people will not be attacking you or
23 criticizing you, they're -- they're going to be
24 criticizing us for not bringing back and not
25 performing because the public doesn't understand

1 necessarily, you know, who is the -- the financial
2 backing of -- of these enterprises. So I would like
3 to know, and I'm sure my fellow board members will
4 insist on knowing, who is KAABOO in '24? And with
5 that question, who else will be making up your
6 management team? I'd like to know who they are and
7 CVs and resumes and -- and, you know, with
8 Mr. Gordon, it was not as transparent as I would've
9 liked from the beginning. And those are, you know,
10 those fool-me-once moments, and I don't want to be
11 fooled again.

12 MARK TERRY: Understood. I think -- by
13 the way, we understand all of the concerns that
14 you're sharing at the board level, and I understand
15 why you're bringing it up. But at the end of the
16 day, there, you know, there are people that will do
17 things that, you know, aren't in keeping with the
18 patterns and practices that you all expect. And
19 there are those that will, right. We believe we're
20 those people.

21 Chris, Carl -- Chris and Carl,
22 specifically, have been with the brand since
23 inception. And from an operational standpoint,
24 they've stood up and they've done everything that
25 they were tasked with doing. And I believe if you

1 ask your executives at Del Mar Fairgrounds, that
2 they've been great collaborators on the ground with
3 your staff to bring the festival to life. So I
4 think both their backgrounds and skill sets and
5 working with KAABOO, and my background and my other
6 partner, who is not on the phone, Greg Young, we've
7 actually previously provided summary CVs on all --
8 all of us of what we've accomplished in the live
9 entertainment field in the past.

10 As it relates to financing, like many
11 private investment organizations, there's a certain
12 amount of confidentiality and privilege associated
13 with the nature and the identity of certain
14 investors. But we're perfectly happy to provide
15 bona fides, in terms of how we're able to finance
16 the festival on a going forward basis.

17 So I wouldn't expect that we would be
18 giving you a list of individuals and capital
19 commitments. But we certainly could provide
20 investors who have backed us in the past and who are
21 ready to back us moving forward with this festival,
22 should we actually get the approval for the event
23 agreement to move forward.

24 MS. BARKETT: Thank you.

25 MR. SCHENK: Thank you. And my one last

1 question on the insurance. Whoever is going to be
2 underwriting, AAA-rated plus insurers; correct?

3 MARK TERRY: Carl, from an operational
4 standpoint, you want to take this one because I
5 know -- you know, right now, with some of our
6 planning, you're knee-deep in that.

7 CARL MONZO: Yeah. Absolutely. And --
8 and I think also to add from a previous question, we
9 do -- I don't recall if the -- the current agreement
10 specifies it but we always provide cancellation
11 insurance for the event, which covers that downside
12 loss on our end and your end as well. So that is
13 something that we not only intend to do, we will
14 do. We do it for all events, contractually
15 obligated or not.

16 MR. GELFAND: Can I ask some questions
17 related to that?

18 MR. SCHENK: Sure. Please.

19 MR. GELFAND: Okay. The existing
20 insurance requirements section, that's part of this
21 contract for concerts over 5,000 attendees, it's
22 only 2 million and that's general liability
23 insurance, that's like slip-and-fall kind of stuff.
24 There's nothing in -- this is our boilerplate
25 insurance for somebody who wants to rent a meeting

1 room here for 200 people. There's nothing that I
2 see in here that relates to cancellation insurance
3 that would cover ticket holders who spent money for
4 a ticket for an event that was cancelled. And I'm
5 guessing you're expecting ticket sales in excess of
6 \$10 million, at least.

7 And so I'm just wondering how you can
8 protect us in that regard, specifically? I mean,
9 what -- what level of cancellation insurance, for
10 example, would you have?

11 MARK TERRY: Carl, you want to speak to
12 that?

13 CARL MONZO: I'm sorry?

14 MARK TERRY: Is it your -- is it too early
15 to go into specifics, or do you have an idea?

16 CARL MONZO: I can speak at a general
17 level. But I can kick it back to you and see if
18 there are more specifics here in that. And I can't
19 speak to the gross ticket sales number. But
20 ultimately, cancellation insurance does cover that,
21 plus operational costs, full refunds, service fees,
22 across the board. And that's something we do
23 standard for every event.

24 MR. GELFAND: Great. Thank you. That --
25 that would make me a lot more comfortable with this.

1 And -- and like, I think, everyone on the Board, I
2 really would like this to happen.

3 MS. MOORE: And just for some
4 clarification in terms of the -- yes, the
5 boilerplate, you know, contract information that is
6 included, that is from -- but just for everybody's
7 awareness -- that comes from our insurance provider,
8 the pool that we are a part of that contemplates.
9 And so those thresholds at the different things,
10 whether it's concerts, rodeo events, or things like
11 that, and that comes from the experience, the
12 payouts, things like that, on those types of events.
13 So that's where that information comes from.

14 MR. SCHENK: And those are minimums; you
15 can certainly ask for more. Okay. So if you're
16 looking for a motion -- well, Josh, were you going
17 to --

18 MR. CAPLAN: I just -- I want to address
19 Director Gelfand's point because you are correct,
20 and I feel like I didn't effectively respond to it
21 when you first raised it, which is, yes, the
22 insurance requirements do not cover event
23 cancellation. They cover slip-and-fall. They cover
24 issues related to alcohol, there's liquor insurance
25 that's required here. And so to the extent the

1 board needs to see that type of coverage for this
2 event, that's not part of this contract before you.
3 And so any sort of motion to approve needs to build
4 in some flexibility for Carlene to address whatever
5 issues this board needs to see in this contract.
6 And that will then give Carlene the flexibility to
7 work with the FLAAC team to -- to make whatever
8 changes this board deems appropriate for an event
9 like this.

10 MR. GELFAND: Okay. One other question or
11 concern and that, you know, as we're moving forward,
12 year to year, the financial capacity of FLAAC can
13 change. They could be well-financed the first year,
14 but by the third year, they're not, you know; we
15 don't know. And there's really nothing in here that
16 gives us any flexibility in terms of the continuing
17 approvals in that regard. I don't -- at least I
18 didn't notice it.

19 And along those same lines, I don't think
20 there's anything in here that talks about them
21 potentially defaulting financially with vendors, you
22 know, and it puts us in a weird position if they got
23 one discontented vendor who sues them or whatever,
24 you know. I wouldn't want to get into that, but it
25 it seems like they should be operating with

1 integrity with everyone, not just us, and somehow
2 that ought to be built into this. But I agree with
3 you, Josh, I mean in terms of a motion going
4 forward, I think it should incorporate -- it should
5 authorize Carlene to amend the contract to reflect
6 these concerns.

7 MR. SCHENK: Would you include, if you
8 were to bring the motion, creation of an ad hoc
9 committee to work with Carlene, two members of
10 the Board --

11 MS. MOORE: Okay.

12 MR. SCHENK: -- to, you know, oversee
13 the issues?

14 MR. GELFAND: I don't think it's
15 necessary.

16 MR. CAPLAN: I would just -- if a motion
17 is going to create a two-person ad hoc committee
18 to -- with authority to work with Carlene, that
19 delegated authority is going to trigger Bagley-Keene
20 for that two-person committee. So if this -- if the
21 board chair -- Fred, you're the acting board chair
22 today, or we can wait until Chair Rowland is back in
23 town -- if the board chair, he or she -- in this
24 case she -- can appoint any two-person ad hoc
25 committee at her discretion, which isn't required to

1 comply with -- with the open meeting laws, and then
2 that committee could then work directly with staff
3 and FLAAC over the course of the coming months.

4 MR. SCHENK: I don't know that
5 it's necessary.

6 MS. BARKETT: You know, Rich Valdez,
7 chaired that committee --

8 MS. MEAD: Yeah.

9 MS. BARKETT: -- last time. I'm trying to
10 think of who the other director was on the
11 committee. Does anybody remember? It was Rich --
12 it wasn't me.

13 MR. CAPLAN: I think it was Russ Penniman.

14 MS. BARKETT: Was it Russ Penniman?

15 MR. SCHENK: Yeah.

16 MS. BARKETT: Okay. So -- but Rich Valdez
17 might be a good one to sit on that committee and
18 then, you know --

19 MR. SCHENK: Mark, would you be willing
20 to -- not Mark -- Mike, would you be willing to?

21 MR. GELFAND: Sure.

22 MS. BARKETT: Yeah.

23 MR. SCHENK: Michael, you'd be willing to
24 do that with Rich, if --

25 MR. GELFAND: Sure.

1 MS. BARKETT: If Richard wants to.

2 MS. MEAD: Yeah.

3 MR. SCHENK: If Richard --

4 MS. BARKETT: But he has a wealth of
5 information from being on the committee in the
6 first set.

7 MS. MEAD: But as I understand it, we're
8 not -- if we are going to make a motion today, it's
9 not going to include the formation of an ad hoc
10 committee. We'll -- our motion will give Carlene
11 the authority to negotiate this, and then we can
12 make a recommendation to the chair as a secondary
13 step.

14 MR. SCHENK: Right. Yeah.

15 MS. MEAD: We just want to make sure that
16 stuff doesn't get missed.

17 MR. SCHENK: Exactly.

18 MR. GELFAND: The fact is, I mean,
19 there -- there's this cancellation insurance notion
20 that relates to the financing of the group. And
21 there's this overall financial integrity question.
22 Frankly, I trust you, Carlene, to amend this and
23 work that out. But if a committee is, you know,
24 necessary to consult with you, great.

25 MR. CAPLAN: I think you probably

1 would welcome --

2 MS. MOORE: Yeah.

3 MS. BARKETT: -- other voices.

4 MS. MOORE: And I think it's good -- in
5 terms of, you know, the motion so we can move
6 forward with this. Because as of --

7 MR. GELFAND: Right.

8 MS. MOORE: -- previously discussed, and
9 we're talking a year from now so the -- you know,
10 FLAAC will be able to move forward. And then yes,
11 circle back and that committee could be established
12 at -- at next month's meeting if -- if necessary.
13 But in the meantime I can work with you, like I can
14 work with you, Director Gelfand, on these items --

15 MR. GELFAND: Okay.

16 MR. SCHENK: All right.

17 MS. MOORE: -- from the finance committee
18 standpoint.

19 MR. SCHENK: There you go. So --

20 MR. ARABO: Quick question.

21 MR. SCHENK: Go ahead.

22 MR. ARABO: Then does it go to the
23 committee and comes back to the board to approve it?
24 And then these are the parameters for the committee
25 to do?

1 MS. MOORE: Parameters for staff.

2 MR. ARABO: For staff. Make sure that's
3 in the contract.

4 MR. SCHENK: So before we have a vote,
5 I -- we do have public comment. I would like to
6 invite the public to give their thoughts on this
7 before we put it to a vote.

8 So, Ms. Sullivan, you have the floor.

9 MARTHA SULLIVAN: Yes, hello. This is
10 Martha Sullivan again. Quickly, I just want to
11 point out at the top of page 56 in the board packet,
12 there is a cannabis policy which says the
13 association prohibits the possession, use, or sale
14 of cannabis, cannabis products and accessories or
15 drug paraphernalia. And I just find this, to be, in
16 2023 in California where recreational cannabis is
17 legal, to be ridiculous. And given your earlier
18 conversation today, I find it, you know, the harsh
19 language of this to be completely at odds with
20 discussing that earlier today.

21 I mean, this is just ridiculous. And I
22 encourage this board to withdraw this paragraph and
23 put in something else, if there has to be some -- I
24 mean, there's got to be boilerplate in there about
25 complying with all the applicable laws, which should

1 cover everything that needs to be covered.

2 Thank you.

3 MR. SCHENK: Thank you. Appreciate the --
4 the comment.

5 Next is Joseph Lim.

6 JOSEPH LIM: Can you all hear me?

7 MR. SCHENK: Yes. Thank you.

8 JOSEPH LIM: Thank you, board.

9 My name is Joe Lim. I'm with the City of
10 Solana Beach. I'm the Community Development
11 Director here.

12 In looking at the staff report, it -- it
13 noted that there was no environmental review at this
14 time, I believe. And I acknowledge, I think,
15 Carlene's note about the original permit possibly
16 having analyzed the environmental impacts associated
17 with the festival, or this KAABOO and past. But I'm
18 not sure that it included the expanded hours. Even
19 though that -- it's not amplified music to
20 1:00 p.m., [sic], there are still an impact to both
21 Del Mar and Solana Beach residents on the clearing
22 of the event later in the evening.

23 So that -- that's a definite concern for
24 us here in Solana Beach. And we believe that, you
25 know, the approval of this agreement should include

1 a thorough environmental review as it relates to any
2 changes in the permitting of this event. At least,
3 I believe, that's what Carlene seemed to indicate in
4 her presentation. She can speak to that after I'm
5 done. The -- the later closing of the events will
6 certainly impact us Solana Beach residents, and
7 clearly and we've had -- had issues in the past.

8 I think the board members have
9 acknowledged some of the challenges that the past
10 events have had. And I'm not saying FLAAC is not
11 going to make an effort to -- to address those. I
12 would certainly encourage the City of Solana Beach
13 being part of the operations plan, more involved
14 than maybe we were included in the past. I know the
15 last couple -- couple years of the events, there
16 were some challenges. And I think we would have
17 liked some additional assistance in addressing some
18 of our concerns. So we'd like to be a part of that
19 process as well. But at the very least, as part of
20 this action, we'd like the Board to address the
21 environmental review as relates to any changes in
22 the operations that -- (indiscernible).

23 MS. O'LEARY: Mr. Lim, your time is up.

24 MR. SCHENK: Thank you, sir.

25 Last is Scott Fisk.

1 AV TECH: Mr. Fisk, it's star six.

2 Scott, you're in the meeting room.

3 SCOTT FISK: Sorry. The neighbor's doing
4 construction next door. I was trying to get on.

5 Yeah. So I agree with the multiple event
6 schedule. It is hard to plan one event one year and
7 then not have it the next, from a partisan side of
8 things and also from a planning side of things --
9 I'm just excited to have it possibly come back.

10 So how -- how is that addressed when when
11 looking at multiple years?

12 MR. SCHENK: Mr. Fisk, this is public
13 comment. And so the Board doesn't respond to
14 questions. But if you have a comment regarding
15 that, please share it with us.

16 You're welcome to continue on.

17 SCOTT FISK: Yeah. I'm just, I mean, my
18 comment, I guess, is to -- to really look at it as a
19 multiple year event versus just a one-off.

20 MR. SCHENK: Right. Okay. And -- and
21 that is appreciated. Thank you, sir.

22 Anything else?

23 All right. Hearing none. And those are
24 the -- the individuals who have signed up to provide
25 public comments.

1 We are shy Mr. Gelfand so why don't we --
2 oh, here he comes.

3 Thank you all for voting on that. And,
4 Mr. Gelfand, welcome back.

5 Sorry.

6 MS. BARKETT: We haven't voted yet.

7 MR. SCHENK: We haven't voted yet.

8 All right. So maybe in your absence --
9 although, I'm not sure if you were -- there was a
10 suggestion that we modify the cannabis policy. I
11 conferred with counsel during your absence, and I
12 would propose if there is going to be a motion and a
13 second, that we modify the language on page 56 with
14 regard to the cannabis policy to read something such
15 as the pol- -- the association will require
16 compliance with all state and federal applicable
17 laws as of the date of the event as it relates to
18 possession, use, or sale of cannabis, cannabis
19 products, cannabis accessories, et cetera, up until
20 the word or "drug paraphernalia." And then --

21 MS. BARKETT: And our no smoking policy.

22 MR. SCHENK: Well, we have a no smoking
23 policy on the property, other than during, I guess.

24 MS. MOORE: We have a no smoking policy
25 for the fair. So just for point of clarification,

1 this language is taken exactly from the policy, and
2 we've not brought the policy forward to the board at
3 this time for revisions to it. And so as to make
4 any changes to this, it's not specific to this
5 agreement. It's actually a policy that was adopted
6 by this Board in 2019. It's in all of our rental
7 agreement contracts. And the cannabis policy that
8 was referenced in public comment that can be found
9 on page 56, is that specific language.

10 Again --

11 MR. SCHENK: I understand.

12 MS. MOORE: -- this is consistent with all
13 of our rental agreements at this time. And as I --
14 I think during the course of our policy reviews, we
15 could be looking at it. But I guess a question of
16 counsel in terms of amending policy, that wasn't on
17 the agenda.

18 MR. CAPLAN: So I think Director Schenk's
19 recommendation, that would need to be only for this
20 contract --

21 MR. SCHENK: Correct.

22 MR. CAPLAN: -- because changing the
23 policy is not on the agenda. So the Board couldn't
24 vote to make -- to change this language for all
25 future event agreements moving forward, just for

1 this specific contract.

2 MR. GELFAND: So I have a suggestion in
3 that regard. Because your suggestion included
4 federal, that just means we can't do it, for now,
5 and for the foreseeable future. I would suggest that
6 if we're going to change as it relates to this
7 contract that we say that we'll follow the DAA's
8 policy. That gives us the flexibility to consider
9 an overall policy change that could be applicable to
10 this contract.

11 MS. MOORE: So this is the -- this is the
12 policy of the DAA.

13 MR. GELFAND: But what I'm saying is
14 instead of stating the policy --

15 MS. MOORE: Oh.

16 MR. GELFAND: -- say we -- the -- the --
17 FLAAC will comply with the Board's policy that's in
18 effect at the time of the event.

19 MS. MOORE: Right so striking this
20 language?

21 MR. GELFAND: Right. And I'm fine
22 with that.

23 MR. SCHENK: Perfect.

24 MR. GELFAND: It's not an amendment
25 because we don't have a motion yet. But -- but I

1 think that -- that's a good --

2 MR. SCHENK: Gives room with flexibility.

3 MR. SCHENK: Yeah. Okay.

4 MR. MOSIER: I think you have to make the
5 motion --

6 MR. SCHENK: So you're -- if you're
7 prepared to make the motion and whoever seconds it
8 would have to adopt that as well.

9 MR. GELFAND: Okay. So let's see. I move
10 that we give Carlene the authority to enter into
11 this agreement with the following potential changes:
12 One, that there be some consideration of
13 cancellation insurance or some other mechanism to
14 protect the DAA and its customers from a financial
15 default on the part of FLAAC; two, that the
16 reference to cannabis policy simply refer to the
17 board's policy in effect at the time of the event;
18 and, three --

19 MR. SCHENK: At the beginning of
20 the event.

21 MR. GELFAND: Yeah. At the beginning of
22 the event. And I think -- was there anything else?

23 MS. MEAD: Insurance.

24 MS. MOORE: Vendor default.

25 MR. GELFAND: And -- yeah, and then also

1 some reference to vendor default be integrated into
2 the agreement, enabling the Board to make future
3 decisions about renewal based on that.

4 MS. BARKETT: So do we want to do a radius
5 festival, in case they do back out and go somewhere
6 down the road, again, or up the road that, they
7 can't do so we could fill our -- our position in
8 with another festival, potentially.

9 MR. SCHENK: Carlene?

10 MS. MOORE: I know you're in the middle of
11 a -- of a motion but with regard to that we did have
12 some conversation around that because this is
13 one-year agreements, in essence, the radius clause
14 has no effect. It's -- it's not a multi-year
15 agreement.

16 MS. BARKETT: Yeah.

17 MS. MOORE: Right. But then -- but,
18 again, because it's one-year agreement, each year we
19 would be bringing, you know, those -- the festival
20 dates and the renewal option by this board because
21 this board is -- is approving it. So, in essence,
22 the radius clause, they simply would not renew with
23 us if they were moving to another location. It's
24 not a five-year agreement.

25 MR. GELFAND: They -- yeah, they can back

1 out the way it's written.

2 MS. MOORE: Yeah.

3 MS. BARKETT: Right.

4 MR. GELFAND: The bigger issue in terms of
5 radius is, you know, can they do a KAABOO at the
6 Orange County Fairgrounds, which is within a hundred
7 mile radius? That might dilute this one. But I'm
8 not too worried about that.

9 So here's my motion --

10 MR. SCHENK: The -- well, I'll just speak
11 to that. The bigger concern is not that in
12 September, it's they're -- there is Coachella, you
13 know, there are other festivals, not just a fair,
14 that might be more -- more of a concern. But
15 you know --

16 MS. BARKETT: And, Michael, how about on
17 your capitalization and the paperwork
18 surrounding that?

19 MR. GELFAND: I think that really would be
20 covered -- my concern would be covered by
21 cancellation insurance, if it's of a sufficient
22 amount.

23 MS. BARKETT: Okay.

24 MS. MEAD: I'd like to second the motion
25 with language that is included that --

1 MR. GELFAND: You can't do that.

2 MS. MEAD: -- I'm not done. You don't
3 know what I'm doing, dude.

4 MR. GELFAND: Yeah. I do.

5 MS. MEAD: I can't -- I can't ask for a
6 friendly amendment?

7 MR. GELFAND: After -- after it's
8 voted on.

9 MR. SCHENK: First, you have to propose
10 the -- the second --

11 MR. GELFAND: No. No. You can do a
12 friendly amendment.

13 MS. MEAD: Yeah.

14 MR. GELFAND: Oh, that's what --

15 MS. MEAD: That's what I'm doing.

16 MR. GELFAND: All right. Offer it up as a
17 friendly amendment.

18 MS. MEAD: My friendly amendment is just
19 to add language that would be including, but not
20 limited to, the provisions that Michael raised --

21 MR. SCHENK: Yeah.

22 MS. MEAD: -- because Michael's raising
23 some provisions that Carlene will add. But those
24 may not be the only provisions that need to
25 be added.

1 MR. SCHENK: Perfect.

2 MS. BARKETT: Including these but
3 not limited.

4 MR. GELFAND: I'm okay with
5 that amendment.

6 MR. SCHENK: There we go. That's what
7 needed to be said. Okay. Thank you.

8 MR. ARABO: Also the -- the potential
9 changes, if you take out potential so it changes --

10 MR. SCHENK: Yeah.

11 MR. ARABO: -- in the language. So these
12 are the changes.

13 MS. MEAD: Yeah.

14 MR. SCHENK: All right. Does everybody
15 have the motion in mind? Okay. Any further
16 discussion?

17 All right. Hearing none. Do we want to
18 read back? We should have --

19 MS. O'LEARY: I have. So what you're --
20 what you're -- you're delegating authority to
21 CEO to --

22 MS. MOORE: Enter into the agreement.

23 MS. O'LEARY: -- enter into the agreement
24 and add cancellation insurance to protect the DAA
25 and the --

1 MR. SCHENK: Customer.

2 MS. O'LEARY: -- customers. And then.
3 First, this is all included -- including but not
4 limited to these items. And then the other --

5 MS. MOORE: The cannabis policy in effect
6 at the beginning of the event, vendor default,
7 especially, those then that relates to renewal, and
8 the cancellation insurance. And, again -- and then
9 adding that additional language of including but not
10 limited to these provisions.

11 MS. BARKETT: Right.

12 MR. SCHENK: Thank you for reciting it.
13 With that in mind, any further discussion?
14 Hearing none.

15 MS. O'LEARY: We have a motion made by
16 Director Gelfand. Do we have a second?

17 MR. SCHENK: We have a second by
18 Director Mead.

19 MS. O'LEARY: Mead.

20 MR. SCHENK: Along with the friendly
21 amendment, which you've referenced and which were
22 adopted by the movement. Okay.

23 MS. O'LEARY: Vice President Schenk?

24 MR. SCHENK: Aye.

25 MS. O'LEARY: Director Arabo?

1 MR. ARABO: Aye.

2 MS. O'LEARY: Director Barkett?

3 MS. BARKETT: Aye.

4 MS. O'LEARY: Director Gelfand?

5 MR. GELFAND: Aye.

6 MS. O'LEARY: Director Mead?

7 MS. MEAD: Aye.

8 MS. O'LEARY: Director Mosier?

9 MR. MOSIER: Aye.

10 MS. O'LEARY: And Director Nejabat?

11 MR. NEJABAT: Aye.

12 MR. SCHENK: The motion carries.

13 Congratulations, gentlemen. We're looking forward
14 to working with you.

15 MARK TERRY: Thank you. So are we.

16 Very much so.

17 MR. SCHENK: All right. With that, we
18 will move on to a public comment.

19 I have, Ms. Sullivan. So if you would
20 like to take the floor for public comment, keeping
21 in mind, public comment is, essentially, unrelated
22 to any of the topics about which we met today,
23 specifically.

24 MARTHA SULLIVAN: Yeah. I've been doing
25 this for a few years now so I think I

1 understand that.

2 MR. SCHENK: I don't question that.

3 MARTHA SULLIVAN: This is Martha Sullivan.
4 I want to, for the record, to memorialize the seven
5 horses that died in Del Mar's summer meet. And the
6 DMCC is not on today's agenda.

7 Nevisian Sunrise died on July 28.
8 (Indiscernible) suffered a catastrophic shoulder
9 injury and was euthanized. Ghostem died on July 28
10 of a non-operable right-front leg injury during
11 training. On August 4th, pony horse Dallas, who had
12 a jockey club name of "MiketheDealer," died. The
13 CHRB, who has recorded all these deaths on listings,
14 doesn't say anything about what happened to Dallas.
15 But pony horses are very hard working. They
16 accompany race horses to the starting gate in an
17 attempt to calm them.

18 July 29th, Episode Five, went wrong,
19 vanned off during a race, did not finish, was on the
20 vet list as unsound, and was reported dead by the
21 CHRB a week later after surgery. August 20th,
22 Vagabond Prayer died of a shoulder fracture in
23 training. August 26th, Pastor T, again, a
24 catastrophic injury near the end of his training
25 workout. This was a two-year old colt trained by

1 Bob Baffert, by the way. September 5th,
2 Peace of Mind, two-year old colt, never raced,
3 listed as a musculoskeletal --

4 MS. O'LEARY: Ms. Sullivan, your time
5 is up.

6 MARTHA SULLIVAN: -- injury.

7 MR. SCHENK: Ms. Sullivan, thank you for
8 your comments.

9 All right. I'm going to suspend the --
10 the meeting, the public meeting as we move into --

11 MS. O'LEARY: We have more public comment.

12 MR. SCHENK: -- was there -- oh, I'm so
13 sorry. Yeah. You are so right. There are several.
14 I just didn't scroll.

15 (Multiple speakers)

16 Goodness. I'm not going to suspend.
17 Hermes Castro. And my apologies. There are --
18 there are four others -- five other speakers. Good.
19 Okay.

20 MR. SCHENK: Mr. Castro, I presume.

21 HERMES CASTRO: Thank you.

22 Good afternoon, everybody. My name is
23 Hermes Castro.

24 MR. SCHENK: Welcome.

25 HERMES CASTRO: I work for an agency

1 called Access to Independence. This agency is ran
2 by people with disabilities, and we work for people
3 with disabilities. I wanted to thank all you guys
4 for setting up an amazing Del Mar Fairgrounds this
5 year. I had a ton of fun. I attended a couple
6 times. But some of my work with my agency is to
7 look for barriers within the community. And I have
8 encountered one. I wanted to share one with you
9 guys to see if we can learn and maybe do something
10 in regards.

11 The amusement rights are not accessible.
12 I have encountered steps and not being able to
13 really ride any of these rides, not just myself but
14 my entire wheelchair community can back me up on
15 this. And I'm not here to bag on anybody or say
16 anything wrong. I love the fair. I just want to
17 create that awareness to everybody. And I want to
18 make it here be known that there's room for
19 improvement when it comes to accessibility needs.

20 MR. SCHENK: Thank you, Mr. Castro for --
21 for your comment and for that enlightenment.

22 Next is Lunden Attisha. Mr. Attisha?

23 LUNDON ATTISHA: Everyone, my name's
24 Lunden Attisha. I'm a Del Mar resident.

25 MR. SCHENK: I'm sorry. Did I

1 mispronounce your --

2 LUNDON ATTISHA: It's okay. You
3 were close.

4 MR. SCHENK: Well, I'm just reading from
5 what is written here.

6 LUNDON ATTISHA: It's a testament to my
7 poor penmanship.

8 MR. SCHENK: You're -- you're kind. It --
9 it could've been my poor eyesight.

10 LUNDON ATTISHA: Okay. Just to make a
11 brief comment as to Mark Arabo's appointment. I've
12 known Mr. Arabo for over ten years. He gave me my
13 first real big boy job in college interning with
14 him. It was there that I learned the value of
15 always returning phone calls, being prompt with
16 meeting times, and how to make the best possible Hot
17 Pocket out of the microwave. The trick is you
18 sprinkle a bit of water on a reheat.

19 But more importantly, he taught me the
20 value of truly caring. I remember him staying at
21 the office late -- ten, eleven o'clock at night --
22 because that's when certain store managers would get
23 off. Most of these members -- we didn't have
24 employees -- they would run the stores themselves
25 for most of the day. They wanted to speak with him

1 about the issues they were experiencing, whether it
2 was homelessness or problems they were experiencing
3 as new fathers. No matter what, no matter how
4 small, Mark would always leave the light on for
5 them. He would always give them a place to go, and
6 he'd always be someone that they could speak to.

7 One time I asked them, what are you doing?
8 Why would you wait around the office all night to
9 speak to one or two store owners? What he told me
10 was that being a leader doesn't always mean doing
11 the biggest and greatest things. It's about
12 empowering those around him to do great things.
13 That always stuck out to me. My whole life I've
14 been taught that being a leader was about trail
15 blazing and being brash. It was the first time that
16 I learned that you could lead from behind. You
17 could lead with the conversation, and from what I
18 saw, you could lead with a hug.

19 Seeing Mark's appointment to the
20 association was a special moment for me to witness
21 because -- because it was a culmination of this body
22 of leadership he had worked on for so long. It was
23 a culmination of sleepless nights in the office,
24 countless handshakes, and constant phone calls. I
25 can say that he will lead as an appointee here the

1 same way he led throughout his entire life. And
2 that's by empowering everyone around him.

3 Thank you. And good luck, Mark.

4 MR. SCHENK: We appreciate that.

5 Thank you.

6 Mark, you did something well there. You
7 have a good mentee.

8 Thank you, Lundon. My apologies for
9 mispronouncing.

10 All right. Carla Hayes. Now you get to
11 stretch your legs, Carla.

12 (Multiple speakers)

13 CARLA HAYES: You guys are used to my
14 cheerleading for Horsepark. The community loved it.
15 The entire horse community loved it. It was a
16 sellout. And every grand prix on Saturday, where
17 it's \$20 for parking and the rest of it was free,
18 which is great entertainment, there were more and
19 more and more members of the public showing up.

20 I also wanted to say that, Carlene, it
21 does fit with the fair tradition. When I was a kid,
22 we used to go to the fair and then go to what used
23 to be, well, but became the Del Mar National over --
24 after we were done with the fair, and I was scared
25 of the rides anyway. We would go watch all kinds of

1 classes. We'd have ladies in the costumes on
2 Arabian horses, and we'd have saddlebreds and we'd
3 have jumpers, and we'd have (indiscernible) Western,
4 and it was absolutely fantastic. As a kid. Of
5 course, I did get addicted to an extremely expensive
6 thing to be in.

7 But it really is part of the whole fair
8 tradition to support Horsepark. And I'm so
9 grateful. And on behalf of the entire community,
10 I'm so grateful that all of you allow this tradition
11 to continue here with the 22nd DAA. It is
12 absolutely fantastic. Thank you so much. And we
13 are very much looking forward to the Del Mar
14 National here at Horsepark next year; right? That
15 is happening?

16 Cool. Thank you so much. And how do you
17 get tickets to KAABOO?

18 (Multiple speakers)

19 MS. MOORE: So you can sign up now
20 for information.

21 MR. HALLMAN: So we don't have -- there's
22 not tickets for sale yet. But we will have a page
23 on our website where you can sign up to receive
24 updates whenever there are announcements regarding
25 tickets or talent. So we'll provide those emails to

1 KAABOO to send out.

2 MS. MOORE: Delmarfairgrounds.com.

3 MR. HALLMAN: Slash KAABOO.

4 CARLA HAYES: I kind of know that.

5 MR. HALLMAN: If can go direct, it'll

6 be -- it's up now -- but

7 DelMarFairgrounds.com/KAABOO, double-A, double-O,

8 one B, one K.

9 CARLA HAYES: Thank you.

10 MR. SCHENK: Thank you. Next is

11 Ali Nilforushan. I -- I had a feeling --

12 (Multiple speakers)

13 I've been sitting here studying that.

14 ALI NILFORUSHAN: That's why you were

15 calling the meeting so you don't have to --

16 MR. SCHENK: I admit it.

17 ALI NILFORUSHAN: -- say it publically.

18 I really just mainly wanted to come to

19 thank all of you guys for allowing me to have my

20 first horse show here. You know, after the show

21 finished, we didn't -- I didn't get a chance to

22 thank you guys. So mainly, I just wanted to say

23 thank you on behalf of my company and the equestrian

24 community. This -- this facility means the world to

25 us, to our industry, in -- in an industry where it

1 just keeps shrinking. I'm -- I'm very passionate
2 about expanding that. And I'm really beyond
3 grateful for what you guys did for -- for all of us.
4 And if there's any feedback you guys had, I hope you
5 guys got to, at least, walk by it. I know or get
6 to see -- yeah --

7 MS. MEAD: Fabulous.

8 MS. BARKETT: Great job.

9 ALI NILFORUSHAN: Well, I appreciate it.
10 And I look forward to expanding and growing that
11 moving forward next year. I'm already signed on and
12 and hopefully we just keep growing this together.

13 MR. SCHENK: Great.

14 ALI NILFORUSHAN: Thank you very much.

15 MR. SCHENK: Thank you.

16 Mr. Duckworth? You get to close the --
17 the show out here.

18 JACK DUCKWORTH: (Indiscernible).

19 MR. SCHENK: Oh, come on.

20 JACK DUCKWORTH: I've been waiting. I
21 thought there would be a break in the middle there.

22 (Multiple speakers)

23 MS. MEAD: Director Schenk, there's
24 someone else.

25 (Multiple speakers)

1 MR. SCHENK: All right. Well, all right.
2 Well, I respect that.

3 I've now gone through all of the names,
4 but is there --

5 Ma'am, why don't you come out? You're not
6 on the list. I didn't mean to exclude you, but
7 you're not on the list.

8 MS. O'LEARY: Oh, came in later.

9 MR. SCHENK: Oh, you came in later?
10 That's all right. Welcome. And -- and because I
11 don't have your name, if you wouldn't mind spelling
12 it for us?

13 KATHLEEN HARMON: Of course.

14 MR. SCHENK: Thank you.

15 KATHLEEN HARMON: Good evening, Board.
16 I'm K-A-T-H-L-E-E-N H-A-R-M-O-N, 92 years old. I
17 stand here this evening, as I sit here for five
18 hours listening to you, I have learned a lot. I --
19 I've been bringing my children to the Del Mar Fair
20 for 40 years. And it's the first time I really had
21 the opportunity to really see what you guys were all
22 about. And I take my hat off to you. A job
23 well-done for 40 years, not just this 2023.

24 Okay. I'm here to give a shout-out to our
25 governor, as you mentioned, who appointed Mike --

1 Mark Arabo to your board. Our governor is a great
2 governor. He knows what the board needed. And
3 believe me, I stand here to tell you you've got what
4 you needed. You had an empty seat. You have
5 elected a man who will work hard all day, all night.
6 He will bring the resource. And I guarantee you,
7 Mr. Chair, he will bring you some political
8 figures here.

9 I've been knowing Mark for over 40 years.

10 MS. MOORE: Are you even that old?

11 KATHLEEN HARMON: Or maybe longer than
12 that, however how old he was because his father --
13 his father had a store in my neighborhood. I was a
14 single parent raising seven children. And his
15 father -- his father helped me with my children. It
16 was very difficult to be a mother and a father. And
17 he had the grocery store. And I went to him. And I
18 said, Will you let me run a running tab to feed my
19 children? He said, Get out of here. I will do more
20 than that.

21 That's the kind of man you have. From the
22 foundation builds the child and that's where Mark
23 came from. The other guy gave -- said a whole lot
24 more than what I was going to say, how long he is
25 and what he is. But you have a jewel. And I'm

1 going to come back and ask you in a year, Aren't you
2 glad that you have Mark on your board?

3 MR. SCHENK: Thank you so very much.

4 Mark, you're allowed to go and give her a
5 hug. Go ahead.

6 Well, thank you so much for -- for those
7 comments. We are very grateful to have him on -- on
8 our board. And you are always welcome to come back
9 and praise him or to criticize as you feel
10 appropriate.

11 KATHLEEN HARMON: And I just want to say,
12 I'm a community activist. And I really want to get
13 involved. I have a 501(c)(3). I have a lot of
14 children that I help. And I want you to help me
15 help my community.

16 MR. SCHENK: We look forward to seeing all
17 of them at the fair next summer. How is that, Dear?

18 KATHLEEN HARMON: Okay.

19 MR. SCHENK: All right. All right.

20 Now I will suspend the meeting and we will
21 be going into executive session and we will return.

22

23 (The meeting adjourned to closed session
24 at 5:27 p.m.)

25

1 (The meeting reconvened from closed session)

2

3 MR. SCHENK: We are back in session, in
4 the general session for the 22nd DAA. And the
5 district's board of directors considered the advice
6 of counsel on the items listed on the closed session
7 portion on the agenda, and we have nothing further
8 to report out.

9 With regard to matters of information,
10 we -- I'd take everybody's attention to page 59, we
11 have the -- changed times and dates for the October
12 meeting. The strategic planning portion of it will
13 take place on October 13th as well as will the board
14 meeting. The strategic planning session, part one,
15 will occur between 9:00 a.m. and noon. And
16 between -- at 1:30 the board of directors meeting
17 will convene. Notices will go out on Tuesday,
18 October 3, of this year.

19 Aside from that, anything further from the
20 Board or from staff?

21 Hearing none. I'll enter in a motion to
22 adjourn -- terminate the meeting for today.

23 There's been a motion made. A second?

24 All in favor?

25 (Unanimous agreement)

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We are adjourned. Thank you.

(The meeting of the 22nd DAA was adjourned)

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CERTIFICATE OF REPORTER

I, Chelsea Rojo Bermudez, do hereby certify that the meeting was audiographically taken by me and thereafter reduced to typewriting under my supervision; that said digital audio recording of said proceedings are a true and accurate record to the best of my knowledge, skills, and ability; that I am neither member for, related to, nor employed by any of the district in which this was taken; and, further, that I am not a relative or employee of any member or staff employed by the district hereto, nor financially or otherwise interested in the outcome of this action.

Chelsea Rojo Bermudez, CDR-1585, CER-1585

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CERTIFICATE OF TRANSCRIBER

I, Chelsea Rojo Bermudez, do hereby certify that this transcript was prepared from the electronic sound recording of the foregoing proceeding, that said transcript is a true and accurate record of the proceedings to the best of my knowledge, skills, and ability; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this was taken; and, further, that I am not a relative or employee of any counsel or attorney employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Chelsea Rojo Bermudez, CDR-1585, CER-1585