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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

FRIDAY, OCTOBER 13, 2023  
1:30 P.M.

REPORTED BY: CHELSEA ROJO BERMUDEZ (via Zoom)  
CDR-1585, CER-1585

1 IN ATTENDANCE

2 OFFICERS:

3 G. Joyce Rowland, President

4 Frederick Schenk, First Vice President

5 Richard Valdez, Second Vice President

6 DIRECTORS PRESENT:

7 Mark Arabo, Director

8 Lisa Barkett, Director

9 Michael Gelfand, Director

10 Kathlyn Mead, Director

11 Don Mosier, Director

12 DIRECTOR ABSENT:

13 Sam Nejabat

14 ALSO PRESENT:

15 Carlene Moore, Chief Executive Officer, 22nd DAA

16 Molly Arnold, Executive Assistant, 22nd DAA

17 Josh Caplan, Deputy Attorney General

18 Katie Mueller, Chief Operations Officer,  
22nd DAA

19 Melinda Carmichael, Chief Administrative  
20 Officer, 22nd DAA

21 Tristan Hallman, Director of Marketing,  
22nd DAA

22 Henry Rivera, Moderator/Production Tech Manager

23 Doug Forsyth, Director of Facilities,  
24 WAVE Volleyball

25 Brennan Dean, Owner and Executive Director,  
WAVE Volleyball

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DEL MAR, CALIFORNIA

FRIDAY, OCTOBER 13, 2023

1:30 p.m.

PRESIDENT JOYCE ROWLAND: Good afternoon. I'm President Joyce Rowland of the 22nd DAA. I'm calling the meeting to order. This is our October regular meeting, and today we're going to start with a roll call, go to the consent calendar and then we're going to move to closed session. We believe that we'll be back here about 2:30; so with that, may we have the roll call, please.

MS. ARNOLD: President Rowland.

PRESIDENT JOYCE ROWLAND: Present.

MS. ARNOLD: Vice President Schenk.

MR. SCHENK: Present.

MS. ARNOLD: Vice President Valdez.

MR. VALDEZ: Present.

MS. ARNOLD: Director Arabo.

MR. ARABO: Present.

MS. ARNOLD: Director Barkett.

MS. BARKETT: Present.

MS. ARNOLD: Director Gelfand.

MR. GELFAND: Present.

MS. ARNOLD: Director Mead.

1 MS. MEAD: And accounted for.

2 MS. ARNOLD: Director Mosier.

3 MR. MOSIER: Present.

4 MS. ARNOLD: And Director Nejabat has an  
5 excused absence.

6 PRESIDENT JOYCE ROWLAND: Okay. Moving to the  
7 consent calendar. One mention I'd like to make on the  
8 minutes for the regular meeting on September 12 is that  
9 our practice is to have a reference in the minutes to  
10 where in the transcripts public comments can be found.

11 We received the transcripts very late and  
12 needed to get the minutes out before we could make  
13 that -- make that clear where the -- where the  
14 transcripts -- where the public comment can be found in  
15 the transcript; so we -- we will amend the minutes to  
16 include the reference to the transcripts for all the  
17 public comments so people can easily find a public  
18 comment.

19 But -- and then I'll just ask the board if  
20 there's anything else relative to the consent calendar  
21 that you would like to address or have moved  
22 off consent.

23 Okay. Hearing nothing from the board, we have  
24 one member of the public signed up to speak on the  
25 consent calendar, and that's Martha Sullivan.

1           MARTHA SULLIVAN: Hello. This is  
2 Martha Sullivan.

3           Thank you very much for explaining the absence  
4 of the transcript for references because I was going to  
5 speak to that; so thank you. And I'll look forward  
6 to -- I guess it will be the revised version will be  
7 on -- online.

8           PRESIDENT JOYCE ROWLAND: Yes.

9           MARTHA SULLIVAN: Thank you.

10          PRESIDENT JOYCE ROWLAND: Okay. And so  
11 that's -- concludes public comment on the consent  
12 calendar.

13          Now I need a motion and a second.

14          MR. SCHENK: So moved.

15          MS. BARKETT: Second.

16          PRESIDENT JOYCE ROWLAND: Okay.

17          Roll call, please.

18          MS. ARNOLD: President Rowland.

19          PRESIDENT JOYCE ROWLAND: Yes.

20          MS. ARNOLD: Vice President Schenk.

21          MR. SCHENK: Aye.

22          MS. ARNOLD: Vice President Valdez.

23          MR. VALDEZ: Aye.

24          MS. ARNOLD: Director Arabo.

25          MR. ARABO: Yes. Aye.

1 MS. ARNOLD: Director Barkett.

2 MS. BARKETT: Aye.

3 MS. ARNOLD: Director Gelfand.

4 MR. GELFAND: Aye.

5 MS. ARNOLD: Director Mead.

6 MS. MEAD: Aye.

7 MS. ARNOLD: And Director Mosier.

8 MR. MOSIER: Aye.

9 PRESIDENT JOYCE ROWLAND: Okay. Thank you.

10 And now we'll move to closed session. As I  
11 mentioned, I believe, we'll be back around 2:30 for  
12 open session.

13 (Whereupon, the meeting adjourned to  
14 closed session at 1:33 p.m.)

15  
16 (Whereupon, the meeting reconvened from  
17 closed session at 2:47 p.m.)

18  
19 (Inaudible introduction - audio muted)

20  
21 PRESIDENT JOYCE ROWLAND: And to begin the  
22 rest of our meeting, and as far as the closed session,  
23 the board considered the advice of counsel and the items  
24 listed on the closed session portion of the agenda and  
25 has nothing further to report from the closed session.



1           And so we'll now move to the executive report  
2 with CEO Carlene Moore.

3           MS. MOORE: Okay. And so -- so similar to  
4 last month, we actually have slides so that our virtual  
5 audience can also be following along with regard to  
6 where we're at in the meeting, and so first step, I'm  
7 very excited to have joining us today for a brief  
8 presentation, the folks from WAVE Volleyball Club.

9           So for those who may not be as aware, WAVE is  
10 one of the -- one of the operators over at the  
11 Surf & Turf campus, in essence, there's indoor as well  
12 as beach volleyball lessons, activities, club sports,  
13 and I don't want to -- I'm not going to take away from  
14 from what their presentation is.

15           So if you, guys, want to come on up to the --  
16 the podium here.

17           But they've had a -- will say, they've had a  
18 pretty incredible season that they're going to share  
19 with you, but I actually have personal experience with  
20 WAVE Volleyball that goes back many, many years ago  
21 because in a previous life I coached some volleyball and  
22 continually came up against WAVE Volleyball Club at the  
23 time; so when I came here, I remember being -- when it  
24 was said, oh, yeah, we have this volleyball club and it  
25 was WAVE. And I went really, WAVE? No --

1 DOUG FORSYTH: Sorry.

2 MS. MOORE: That's all right. No apology  
3 necessary, whatsoever. And so I just -- I take a lot of  
4 just excitement in what they have to share just  
5 understanding truly what it has taken to accomplish what  
6 they have to share with us. But they've been a  
7 long-time operator for us and some really great news to  
8 share with the board.

9 So with that, gentleman.

10 DOUG FORSYTH: Great. Carlene, thank you so  
11 much. Thanks to the entire board for your time today.  
12 We'll be brief. I've sat on that side of the -- in the  
13 chairs and that brevity is always appreciated but it is  
14 a good year.

15 It's a very good time for us to give you a  
16 quick update. A number of years ago, I sat in front of  
17 the board with Brennan, who is the director and owner of  
18 WAVE Volleyball, and talked about expanding from that  
19 north facility into what we call WAVE South with the  
20 indoor courts and the beach facilities. And lo and  
21 behold, we found a -- the Tony Hawk Skate Park  
22 underneath when we started that; so a six-month project  
23 took two-and-a-half years. But we're very pleased that  
24 we did it, and Brennan is going to share some of those  
25 highlights.

1 I was a finance background but it's just so,  
2 literally, heartwarming for me to be involved with  
3 WAVE Volleyball, not just their success in some of the  
4 top teams and some of the accolades that we'll share in  
5 a moment, but just how many kids in the community we're  
6 able to help and be part of the team and the scholarship  
7 funds, as well, that we have a lot of kids who might not  
8 have the opportunity to play to be part  
9 of it.

10 So with that, I'll pass it to Brennan.

11 BRENNAN DEAN: Hey, there. Thanks for  
12 having us.

13 Like Doug said, my name is Brennan, grew up in  
14 Carmel Valley, went to Torrey Pines High School, and  
15 thought my path was going to be a high school counselor,  
16 did that for ten years at Torrey Pines. I was the head  
17 counselor there, always coaching, played in college. My  
18 wife played as well and then we had this unique  
19 opportunity to become the owners of WAVE and we -- we  
20 jumped into it. And with Doug's help, we were able to  
21 expand, and we just had a fantastic year. I was excited  
22 to come and let you guys know about it.

23 So we have this gold standard of a ranking  
24 system that the entire country uses to rank all of the  
25 volleyball clubs, and there's probably close to a

1 100,000 volleyball clubs out there. But here in San  
2 Diego we probably have about 40. And going through that  
3 ranking system this year, we just found out this summer  
4 because of the success, international tournaments, we  
5 had our 18s, which is our seniors -- this is our senior  
6 class here -- we had our females, our girls, 18 ones, we  
7 call them, they won the national championship.

8 MS. BARKETT: Wow.

9 PRESIDENT JOYCE ROWLAND: Wow.

10 BRENNAN DEAN: Our 17s were top ten. Our 16s  
11 were in the top 25. Our 15s were top five, and we just  
12 had a great year. And with those -- the metrics that we  
13 all use as the gold standard, we came out as number one  
14 club in the country.

15 (Applause)

16 Yeah. Super fired up. We -- we work with  
17 roughly around, about a thousand families at WAVE. And  
18 we have nine-year-olds, all the way up to seniors in  
19 high school. And we have classes like this every single  
20 year where you can see they're proud to wear the  
21 schools' colors that they're going to be attending.

22 If you come into our facility -- which we'd  
23 love to have you guys anytime you'd like to come over --  
24 you'll see dozens of class photos just like this where  
25 we have about 30 to 40 kids that are going on to play

1 volleyball at the next level.

2 So we wanted to come in and share that great  
3 news, wanted you guys to be proud of it just as much as  
4 we are in the community and just thank you for all the  
5 support that you've given us.

6 MR. SCHENK: Can you share some of the -- it's  
7 hard for us to see.

8 BRENNAN DEAN: Yeah. Absolutely.

9 PRESIDENT JOYCE ROWLAND: I see Williams.

10 MR. SCHENK: I think I see UCLA, perhaps. I  
11 can't see any of the others but --

12 MS. MEAD: I'm sure there's a USC up there.

13 MR. SCHENK: Well, we'll find out. We'll  
14 find out.

15 BRENNAN DEAN: What's -- what's great about  
16 volleyball is that you have the D1s, like the Texas and  
17 the Stanfords, of course, the UCLAs.

18 MR. SCHENK: Of course.

19 BRENNAN DEAN: And then we have our D3s, like  
20 Vassar and some others schools that are listed up here.  
21 Real high academic. We send a lot of kids to the  
22 Ivy Leagues, which we're very proud of. But we also  
23 have a lot of kids, like Stanford this year, Texas this  
24 year. There could be -- they could possibly win a  
25 national championship in their freshman year of college

1 too so pretty exciting.

2           And we have boys volleyball. We have beach  
3 volleyball and girls volleyball. And our beach program  
4 had a lot of success this year, and this summer they won  
5 the 16-and-under national pair championship and the  
6 12-and-under national pair championship; so not only are  
7 we super successful on the indoor side but our beach  
8 side is fantastic. And it's -- that program is run by  
9 another friend of mine, former teammate and LCC grad; so  
10 it's a lot of local guys coming back and trying to give  
11 back to the community so...

12           PRESIDENT JOYCE ROWLAND: Great.

13           MR. SCHENK: Congratulations.

14           PRESIDENT JOYCE ROWLAND: Yeah.

15           MR. ARABO: Amazing.

16           MS. MEAD: Thank you.

17           (Multiple speakers)

18           DOUG FORSYTH: And just, you know, from when I  
19 look at metrics of, like, success and -- and we talk  
20 about the kids that we're helping that are nine- or  
21 15-year-olds that never have a chance to play in  
22 college, but they're part of a team and the community,  
23 that's a big part of it. But also -- I think, when we  
24 were talking to Carlene and having our meeting around  
25 the 12th -- it was important also to share the metrics

1 and success, of what I've observed now being part of it,  
2 with how many kids go on to collegiate play.

3           So if you look at any major sport, boys or  
4 girls, and you think of either one high school, if it's  
5 football -- because they don't play club football -- or  
6 basketball, you know, play regionally and get your  
7 McDonald's All Americans or, you know, baseball, you go  
8 on down the list of all the major sports, there are very  
9 few clubs or specific businesses or operations that  
10 would send 20 to 40 athletes to college per year out of  
11 one organization.

12           MS. MEAD: Wow.

13           DOUG FORSYTH: So when we did a global -- not  
14 globally -- regionally national search for a new  
15 director of recruiting -- and we used a headhunter, who  
16 came out of Oregon and he worked with the AD there and  
17 he's worked with different clubs -- and working with  
18 those that are trying to place at the college level, he  
19 has never heard of a single organization that has this  
20 type of output from high school to collegiate play.

21           So I think just as the board and just knowing  
22 what's going on at the facilities at the fairgrounds, I  
23 think, it's a good takeaway for you just to be brought  
24 up and think about it and share it with your neighbors  
25 and friends. And, you know, we try to advertise but

1 volleyball isn't necessarily on the radar of the entire  
2 San Diego greater community; so it's just, you know,  
3 something we're really proud of and wanted to  
4 share today.

5 PRESIDENT JOYCE ROWLAND: Thank you.

6 MS. MOORE: Thank you. Congratulations.

7 (Multiple speakers)

8 (Applause)

9 BRENNAN DEAN: If you need anything, we'll be  
10 right across the street.

11 DOUG FORSYTH: I would be horribly  
12 underachieving if I didn't mention this: Master campus  
13 plan. If, down the line things, opportunistically, come  
14 up for more youth development sports, we are a great  
15 partner for you. We're already tenants. We're already  
16 here. We're clients. Capital, that we could bring in,  
17 third-party, we'd be happy to participate. We know  
18 that's a long-term view but we would love to be a part  
19 of it.

20 MR. MOSIER: You're saying more than  
21 volleyball, other sports?

22 DOUG FORSYTH: Well, meaning that -- we need  
23 more space today. Certainly, we are out -- we turn away  
24 a number of athletes per year that would like to play;  
25 so ourselves, but also there's a multi-sport facility



1 that could be beneficial going forward. I'll leave it  
2 at that.

3 BRENNAN DEAN: We have agility and strength  
4 already imbedded in our system, but I've got a  
5 six-year-old that I can't get into dance or gymnastics  
6 right now.

7 PRESIDENT JOYCE ROWLAND: Wow.

8 BRENNAN DEAN: So I would love to look at  
9 multiuse, I mean, it is just -- it is crazy.

10 DOUG FORSYTH: There's an incredible demand in  
11 the region, and it's I think --

12 PRESIDENT JOYCE ROWLAND: Interesting.

13 DOUG FORSYTH: -- it'd be a great opportunity  
14 for the fairgrounds as well.

15 MR. SCHENK: Yeah.

16 MS. MEAD: Yeah.

17 MR. SCHENK: I have a question. Could --  
18 could the arena be a possible facility for any of that?

19 BRENNAN DEAN: The covered --

20 MS. MOORE: The covered arena.

21 BRENNAN DEAN: Yeah. So we talked, probably,  
22 about ten years ago -- so a different group of people --  
23 about bringing in sand and doing beach events. You  
24 know, we have a lot of connections with the AVP, which  
25 is the professional beach volleyball. But there are a

1 couple of limitations there that don't make it ideal,  
2 like the Wyland Center, we've actually rented space for  
3 about six months and brought in a couple of courts there  
4 as well. And you -- you could because of that space put  
5 a pretty nice grandstand and bring in some talented  
6 teams. Absolutely.

7 PRESIDENT JOYCE ROWLAND: Thank you.

8 MR. SCHENK: Great.

9 MS. MOORE: Thank you.

10 (Multiple speakers)

11 DOUG FORSYTH: Thank you, all. Have a  
12 great day.

13 MS. MOORE: Yeah. It was just -- they  
14 really -- I think, it's a big deal. It is a big deal.  
15 There --

16 PRESIDENT JOYCE ROWLAND: I'm glad you brought  
17 them in.

18 MS. MOORE: -- are --

19 Yes.

20 PRESIDENT JOYCE ROWLAND: I really didn't know  
21 about their -- the --

22 MS. MOORE: It really is.

23 PRESIDENT JOYCE ROWLAND: -- success.

24 MS. MOORE: The national -- the success at the  
25 national level. And that's where -- and like I said, as

1 a club for a long time, they've had a longstanding  
2 reputation and others have come up against them and so  
3 to achieve that and with so many teams at so many  
4 different levels, I think, also just demonstrates the --  
5 how it's going to continually feed into, you know, that  
6 program. And whether these kids go -- go on to play  
7 again, you know, anywhere from Division 1 to Division 3  
8 schools, or it even just opens up the opportunity, and  
9 the exposure from a -- from an education standpoint and  
10 the opportunity that it can create too. They're not all  
11 necessarily athletic scholars many of them become --

12 PRESIDENT JOYCE ROWLAND: Sure.

13 MS. MOORE: -- educational scholars. But  
14 their participation in things like this helped -- helped  
15 open those doors as well so very excited to share that.

16 (Inaudible comment)

17 PRESIDENT JOYCE ROWLAND: Carlene?

18 MS. MOORE: So -- well, that's where they  
19 practice at and then they have -- so what he was talking  
20 about, like, the 18 ones to -- so your ones team, those  
21 are -- those are your top competitive teams, and those  
22 teams travel nationally, across the country, play in  
23 tournaments from, literally, Baltimore and Atlanta at  
24 the Olympic Park to, you know, Seattle, Anaheim, even,  
25 and -- and other places in between. And then you have

1 twos, threes, fours, lower levels, which they ranged,  
2 and they may travel just intrastate. They might travel  
3 regionally and/or just local where you're building  
4 those -- those programs and things so...

5 MS. BARKETT: Have -- have we updated those  
6 facilities at all ever? Do you know?

7 MS. MOORE: So the -- the con- -- what they  
8 were referring to and -- and uncovering the, you know,  
9 first skate park -- one of the first skate parks,  
10 apparently, that Tony Hawk ever skated at when that  
11 happened -- so that facility is about ten years --  
12 around, not quite ten years old and so -- but they made  
13 that investment in -- into --

14 MS. BARKETT: They did. Okay.

15 MS. MOORE: -- that facility. And then  
16 separate from that, though, they utilize -- that space  
17 is -- is the other tent area. And I think as we're, you  
18 know, embarking on our strategic plan and -- and, you  
19 know, master site planning --

20 MS. BARKETT: Right. That'll be --

21 MS. MOORE: -- and things.

22 MS. BARKETT: -- included.

23 MS. MOORE: And it was just -- it was just,  
24 kind of, circumstance that it just worked out so well of  
25 like, you know what, when is the last time, if ever,

1 that you've just updated our board --

2 MS. BARKETT: Yeah.

3 MS. MOORE: -- on this.

4 MS. BARKETT: Absolutely. Yes.

5 MS. MOORE: And just the lives that we're  
6 impacting, in terms of youth, boys and girls,  
7 throughout, and families as well.

8 MS. BARKETT: Great.

9 MS. MOORE: So really great story in there.

10 MS. BARKETT: Thank you.

11 MS. MOORE: I don't have any updates for you  
12 at this time on the KAABOO Del Mar contract.

13 We are -- have been working through that, in  
14 terms of some language, getting further information, you  
15 know, from last month's meeting. And if you recall, the  
16 board in approving that basic -- but that authorized me  
17 to continue those negotiations so we could get some  
18 other language and things built into it. You know,  
19 looking for things around, you know, just insurances and  
20 assurances with regard to -- and protection, not only  
21 for the district, but thinking about, you know, the  
22 consumer and -- and the community as well. And so we're  
23 working on that language now with assistance of our own  
24 counsel too; so would anticipate that we'll have -- I  
25 will have something for you next month. We just didn't

1 have it in time for -- for this month.

2 And then just a few other things, though, not  
3 on the agenda, but just kind of, in terms of my report  
4 and some updates. The Audit and Governance Committee is  
5 aware of this but at last month's meeting we had  
6 anticipated bringing the 2021 audit report forward at  
7 this meeting. But unfortunately, unexpectedly, our  
8 finance -- our own finance director was out of the  
9 office for a couple of weeks, has only -- has only just  
10 gotten back; so that has delayed -- so we will be  
11 bringing that forward at the November board meeting.

12 We also -- and I'll mention it when we get to  
13 the Finance Committee report -- did not wind up having a  
14 Finance Committee meeting either as a result of that.

15 The others I just wanted to point out to you  
16 as board members --

17 PRESIDENT JOYCE ROWLAND: And by the way, we  
18 are aware that we're talking about the 2021 audit.

19 MS. MOORE: Yes.

20 PRESIDENT JOYCE ROWLAND: And ticktock --

21 MS. MOORE: Yes.

22 PRESIDENT JOYCE ROWLAND: -- you know, these  
23 need to get in so we can do our reporting to CDFA and --  
24 and kind of stay on the right side. And we know why we  
25 were delayed, but I -- I'm sure our auditor is

1 completely aware that the expectation is that they're  
2 going to get things done.

3 MS. MOORE: Yes. And that we immediately roll  
4 into the 2022 --

5 PRESIDENT JOYCE ROWLAND: Right.

6 MS. MOORE: -- audit to be wrapped up.

7 PRESIDENT JOYCE ROWLAND: Right.

8 MS. MOORE: Yes.

9 I wanted to point out to you: If you have  
10 not, as board members, checked in the past day or two,  
11 your SDFair.com emails, please do so. But you'll see we  
12 received -- have been receiving a number -- it's well  
13 over a dozen at this point -- emails regarding from --  
14 primarily from residents of Del Mar, some Solana Beach,  
15 just really imploring the -- the board's consideration  
16 of the City of Del Mar's Affordable Housing request.

17 Just as a reminder that's not a matter before  
18 the board at this time. We -- we're not there yet  
19 and -- and what we are working through is entering into  
20 the -- into actual negotiations on -- on the City of  
21 Del Mar's timeline but most likely in -- in 2024. So --  
22 but please be aware of those. Because they just came in  
23 the last day or two, they were not part of your board  
24 packet. They will be included in next month's board  
25 packet as well.

1           And then just a reminder, that we have our  
2 Water Quality Initiative event coming up on  
3 October 24th. And this is kind of our -- our clean, you  
4 know, Clean California Coastlines event where we have  
5 invited a number of stakeholders and, you know, kind of,  
6 key stakeholders and media, elected officials, for this  
7 showcase and tour. It is by invitation. We are  
8 anticipating approximately 40 guests for it, along with  
9 our own staff and -- and board members that are able to  
10 attend as well; so just looking forward to seeing many  
11 of you there. I know some of you are not able to  
12 make it.

13           But we see this -- this showcase as, in  
14 essence kind of starting an initiative for us to -- as  
15 we go through this tour -- of how we can then offer  
16 opportunity in the future -- for, you know, whether  
17 that's public tours or, you know, during the fair,  
18 educational information around our environmental  
19 stewardship and, especially, around, you know, this  
20 pretty amazing project that we've undertaken and the  
21 first of its kind in California; so I'll have more  
22 information coming out of -- out of that experience.

23           And then with that, next step -- and so I'm  
24 going to have -- Melinda is going to go ahead and give  
25 an update on the various construction projects and



1 facility updates that we have going on.

2 MS. CARMICHAEL: Keep this from falling over.  
3 Let's see. Here we go.

4 All right. Well, good afternoon.

5 So it's been a few months, I think, since  
6 we've updated you on where we're at with some of our  
7 projects. So currently under construction, we have our  
8 Wyland Hall roof repair so they're working on that now.  
9 We have, roughly, 65 skylights and several of them were  
10 leaking and so they're repairing those.

11 We are also in the process, and should start  
12 next month, with some asphalt repair; so we're going  
13 to --

14 PRESIDENT JOYCE ROWLAND: May I ask a  
15 question? On the skylights, there was discussion about  
16 taking the skylights out. It sounds like you decided  
17 not to.

18 MS. CARMICHAEL: Yes.

19 PRESIDENT JOYCE ROWLAND: We're leaving them  
20 in and repairing them?

21 MS. CARMICHAEL: Yes. Correct. We were  
22 advised by CCA that it would make more sense to seal  
23 them and there was some concerns about taking them out  
24 and what -- what that would be.

25 PRESIDENT JOYCE ROWLAND: The integrity of the

1 roof as it was left?

2 MS. CARMICHAEL: Correct.

3 PRESIDENT JOYCE ROWLAND: Yeah. Okay.

4 MS. CARMICHAEL: Exactly. Yes.

5 And so moving on to the asphalt, we -- we are  
6 repairing and filling all potholes and slurrying and  
7 then re-striping two areas next month, which will  
8 include all of Surf & Turf across the street, as well as  
9 the fire department.

10 And then looking to schedule -- I think that's  
11 on the next slide. I'll save that one for the next one  
12 because there's more -- we also have a handrail that  
13 needs to be replaced in The Sound. So if you'll recall  
14 when we did the floor fill-in with the concrete and  
15 bringing that up eight or so inches, to be ADA  
16 compliant, we made some temporary modifications. But  
17 now we're in the process of really fixing those  
18 handrails that have the pretty, colorful lights in  
19 there, and that will be starting soon. They're --  
20 they're actually in the process of starting to build  
21 those out, construct them, and then they'll install  
22 them.

23 In addition, we have a Surfside office space  
24 that has been under construction, more specifically the  
25 HVAC repair. So when they did the construction of

1 The Sound, the outer offices were de-scoped, and so that  
2 AC does not work. And so they will be tying that in and  
3 updating the HVAC system. In addition, we had found  
4 that they had left out the reheat coils in the green  
5 rooms for artists; so I don't know if you've all been  
6 back there --

7 PRESIDENT JOYCE ROWLAND: Nice cold reception  
8 for our artists.

9 MS. CARMICHAEL: Yes. Yes. Welcome,  
10 come freeze.

11 So we added those to the scope of that work so  
12 we could get those operating and get some heat in those  
13 greenrooms.

14 And then what we have coming up and completed,  
15 we have in -- well, let me start with the completed. We  
16 actually just fixed the O'Brien Hall roof. So they  
17 spent about three three weeks up there sealing, and so  
18 fingers crossed, we're waiting for the next rain to make  
19 sure all those repairs were -- were done well.

20 And in the design phase, we are still in the  
21 process of evaluating and getting DMTC a new AC unit.  
22 And the reason for that is we originally contracted with  
23 a vendor through CCA and when they actually went to go  
24 look at it, they found that the replacement was actually  
25 larger than the existing and it would cover the entrance

1 to come up through the manhole. So we had looked at  
2 different options of moving that, changing the units,  
3 and what it came down to is having two structural  
4 engineers to come out and look at that. And so we have  
5 one quote back from them. We're waiting for the other,  
6 and then we'll make a determination and move forward  
7 with that to get that replaced.

8           And then another exciting thing that's going  
9 to be coming in the design phase is what Carlene likes  
10 to call the Promenade. So where we had the prior  
11 front-side housing, we still have that ugly wall up  
12 there that separates the property, but we are looking at  
13 tearing that down and making that a new entrance for our  
14 fairgrounds; so we've been spending time with staff and  
15 our partners, DMTC, looking at that -- the opportunity  
16 and what everyone has in mind for that and how it works  
17 best for us as an organization. And so we'll be moving  
18 forward soon with looking to an architect to help design  
19 some initial drafts of what that could be.

20           PRESIDENT JOYCE ROWLAND: So that would be an  
21 actual entrance that we could use for the fair,  
22 et cetera, to kind of keep traffic coming off of --

23           MS. CARMICHAEL: Yes.

24           PRESIDENT JOYCE ROWLAND: -- Jimmy Durante  
25 even more quickly; is that --

1 MS. CARMICHAEL: Well, more so the beauty  
2 of -- you know, we have that choke point of the avenue  
3 that when people are coming through, it's so tight; so  
4 if we open up that entrance, it will give us almost  
5 three different directions to go so there'll be this  
6 grand entry. Hopefully, it'll look something like a  
7 California Adventure or Disneyland entrance where it's,  
8 like, welcome, and then you can choose the path you want  
9 to go: Do you want to go see livestock; do you want to  
10 go get some food or anything else of that nature.

11 MS. MOORE: But with that, there is -- there's  
12 an opportunity to rethink, even our parking lot flow for  
13 how -- because, in essence, changing rather than just  
14 kind of coming up right there to the O'Brien gates but  
15 that -- that option over there. And so we're looking at  
16 having, in essence, parking lot study done for how  
17 should we -- how should our -- our parking lot lay out?  
18 You know, how do people -- how do they safely access,  
19 you know, from their cars so that we don't wind up like,  
20 oh, we have this really great gate, but yet you're  
21 having to, you know, cross over the cars that are  
22 entering into the parking lot, which may lead to -- may  
23 or may not lead to some changes to be able to facilitate  
24 getting cars off of Jimmy Durante faster. Being able  
25 to -- you know, whether or not we can also accomplish

1 queuing more cars internally --

2 PRESIDENT JOYCE ROWLAND: Right.

3 MS. MOORE: -- versus right now, we're kind  
4 of --

5 PRESIDENT JOYCE ROWLAND: On the street.

6 MS. MOORE: -- right near the gates just  
7 because of the way that you're -- you're entering our  
8 parking lot right in the middle of it --

9 PRESIDENT JOYCE ROWLAND: Right.

10 MS. MOORE: -- and stuff; so there's  
11 opportunity --

12 PRESIDENT JOYCE ROWLAND: You have to be  
13 able --

14 MS. MOORE: -- within --

15 PRESIDENT JOYCE ROWLAND: -- to fan out.  
16 Yeah. Yeah.

17 MS. MOORE: -- as we look at this design, as  
18 well as we also have, and take into consideration -- and  
19 as Melinda mentioned -- you know, so in meeting with the  
20 Thoroughbred Club of, you know, kind of what their needs  
21 are in that area --

22 PRESIDENT JOYCE ROWLAND: Right.

23 MS. MOORE: -- which can be different from,  
24 you know, fair time or non-fair time access and use of  
25 the grounds and how, in essence, you know, they utilize

1 and have -- have the -- have traffic flow. In front,  
2 currently, like, in front of that area that we're  
3 talking about is a major thoroughfare for their  
4 vehicle traffic.

5 MR. GELFAND: How does this -- how will the  
6 planning process unfold, in terms of, you know, you're  
7 hiring an architect. Is -- is the design of that a  
8 total -- totally handled by staff? Does that design  
9 come to the board? Will there be a coastal development  
10 permit required to build that or, you know, how does the  
11 whole process unfold?

12 MS. MOORE: Part of that will depend on --  
13 and -- and really what that looks like, in terms of,  
14 with coastal approvals and -- and what that means and  
15 we're not quite there yet. But in terms of the design  
16 and what we're looking at, it's definitely something  
17 we'll be bringing back to this board.

18 I mean, this is just such an incredible  
19 opportunity. Though, you know -- as we talked about  
20 master site planning and projects like that are further  
21 out, this is really a project that -- it's not just a  
22 temporary fix. It has the potential, really, and -- and  
23 it's -- and it's such a sizable opportunity -- to be in  
24 place for a decade or more. And so how -- how does  
25 that -- what all was considered; so as we have some

1 design elements, we'll be bringing that back to the  
2 board.

3 And then, again, and through this process  
4 we'll be identifying various, you know, necessary  
5 approvals, including, you know, coastal commission and  
6 whether or not -- because there may or may not be a need  
7 for that, since it's really just -- it's the access  
8 within. It's not an expansion of, you know,  
9 opportunities or -- or programs and things.

10 MS. CARMICHAEL: All right. And then lastly,  
11 we have our new connection center that we're in the very  
12 initial stages of looking into, which is the old OTBB  
13 building. So the top side of The Sound, we have a ton  
14 of office space upstairs that has been unused for years;  
15 so we're looking to redesign that to get all of our  
16 staff, aside from facilities, into that building.  
17 And -- so we're on the perimeter, which will make it  
18 easier for guests and patrons or people coming into our  
19 offices, such as HR, marketing, or admin staff to find  
20 us instead of looking in the middle of our fairgrounds.

21 MR. GELFAND: So you'd not only move Carlene's  
22 office and that whole area but also HR and everything  
23 that's in this building over there?

24 MS. CARMICHAEL: Yes. Everybody that's in the  
25 admin building today --



1 MR. GELFAND: That'd be great.

2 MS. CARMICHAEL: -- would be --

3 MS. MOORE: Potentially --

4 MS. CARMICHAEL: -- in that building.

5 MS. MOORE: -- well, as well as -- so we  
6 currently have -- we've had employees in  
7 approximately -- and this is smaller than it used to  
8 be -- but about four and right now even five different  
9 locations, in terms of clusters of offices. So whether  
10 it's public safety, it's been marketing, human  
11 resources, administrative functions, and so looking to  
12 finally have a place -- and as Melinda said, outside of  
13 the facilities department because we're not moving the  
14 warehouse into it and activities like that -- but really  
15 in one place, that also has meeting room space  
16 gatherings, you know, small and large.

17 Currently, right now, when we want to have  
18 outside of, you know, four or five people being able to  
19 meet, it's a trek across property to a meeting room  
20 location even for -- to bring staff together; so that'll  
21 really bring some more efficiencies, as well as just  
22 kind of team building of togetherness.

23 MR. GELFAND: So what would you do with this  
24 building and that space and the -- the spaces you're  
25 moving out of?

1 MS. MOORE: So then we -- we wind up  
2 renting -- bringing in, especially for the fair  
3 operation or DMTC, even with some of their operations  
4 for the races and things -- we wind up bringing in  
5 trailers and other office support things. Or we have  
6 sort of nooked and cranned them into places within our  
7 own operations that, again, don't necessarily make  
8 sense, perhaps are not as readily and easily available,  
9 like during the fair and other activities, that these  
10 spaces can be used for.

11 But a big piece of that will be, in essence,  
12 they'll serve as satellite offices for us because while  
13 having our operations out there most of the year is  
14 really great, for example, during the fair, much of our  
15 team needs to be deployed --

16 PRESIDENT JOYCE ROWLAND: Inside.

17 MS. MOORE: -- in essence, yes, in. Or as we  
18 gear up, you know, leading up to the fair and we're  
19 bringing on more, you know, of our temporary staff and  
20 those support roles, and we need that additional space;  
21 so it'll be, like, flexible office space but with --  
22 with a purpose of -- of who, like, how many of you know  
23 where guest services is located during the fair?

24 MR. GELFAND: I do.

25 MS. MOORE: Do you?

1 MR. GELFAND: But it's a fluke --

2 MS. MOORE: Right.

3 MR. GELFAND: -- to know about it.

4 MR. SCHENK: Down the hall --

5 PRESIDENT JOYCE ROWLAND: Inside the  
6 offices --

7 MR. SCHENK: -- access --

8 PRESIDENT JOYCE ROWLAND: -- yeah. Right in  
9 front.

10 MR. SCHENK: -- between Chicken Charlie and  
11 the main --

12 MS. MOORE: That's the information booths.

13 MR. SCHENK: They're not a booth. It's an  
14 office.

15 MS. MOORE: Guest services is located in the  
16 grandstand --

17 MR. GELFAND: Yeah, on the east side of the  
18 grandstand.

19 (Multiple speakers)

20 MS. MOORE: Oh, the other Chicken Charlie.

21 MR. GELFAND: So where would the boardroom --

22 MS. MOORE: But not necessarily the easiest  
23 for the public to always find services --

24 MR. SCHENK: As fair ops chair, I --

25 (Multiple speakers)

1 MS. MOORE: -- like that.

2 MR. SCHENK: -- better know the answer to that  
3 one.

4 MS. MOORE: Thank you.

5 MR. GELFAND: Where would the boardroom end  
6 up, same place or in the other building?

7 MS. MOORE: Mostly likely still -- still being  
8 here in terms of the space, ease of the public access,  
9 and things, as compared to, again, more of those  
10 internal meetings. But that's part of what, you know,  
11 will be determined as they look at the overall size and  
12 what our space needs are.

13 MR. MOSIER: Doing (inaudible) upgrades --  
14 (inaudible) -- (inaudible) --

15 MS. MOORE: Turn your mic on.

16 MR. MOSIER: Oh, sorry, and I'm not going to  
17 repeat that.

18 MS. CARMICHAEL: I got it.

19 PRESIDENT JOYCE ROWLAND: Mini splits.

20 MR. MOSIER: Mini splits are -- are really  
21 good for these kinds of office spaces.

22 The other thing is we need to deal with  
23 traffic. If you look at the picture over there, I don't  
24 know what day that was taken, but there's traffic  
25 backups north and south on the I-5 exit ramps and --

1 MS. MOORE: Yes.

2 MR. MOSIER: -- CHiP doesn't like that.

3 Nobody likes that.

4 MS. MOORE: Nobody does. Yes.

5 MR. MOSIER: So that's a problem we need  
6 to cure.

7 MS. CARMICHAEL: All right. I'm -- and if  
8 there are no more questions, that's our project update.

9 PRESIDENT JOYCE ROWLAND: Great. Thank you.  
10 Okay. Let's see, I think that --

11 MS. MOORE: And then -- well, a couple of  
12 other -- so some industry --

13 PRESIDENT JOYCE ROWLAND: Industry news.

14 MS. MOORE: -- news and updates, primarily on  
15 legislate -- some legislative updates. So while --  
16 while -- good news -- and it's really good news -- there  
17 are -- the SB 544, the Laird bill, was signed into law  
18 by Governor Newsom on September 22nd. This is the bill  
19 that we previously talked about in terms of amending  
20 the -- well, Government Code and -- but The Bagley-Keene  
21 for allowing for, kind of, greater remote participation.  
22 However, there are some -- there are some very specific  
23 requirements within that remote ability, the biggest one  
24 of which is that the majority of the -- the members, in  
25 essence, the -- the majority of the board has to be

1 physically present at the same teleconference location;  
2 so either all, you know, five of you at someone's house.

3 But -- and so that would be something that  
4 going forward, and as we look at this, just -- but  
5 making sure that we have a majority of board members  
6 that are able to attend board meetings; and otherwise,  
7 board members would be able to -- to join remotely.  
8 There's -- there are then -- without having to disclose  
9 remote location; however, you do -- would have to  
10 disclose, if from that, kind of, teleconference or, you  
11 know -- and teleconference includes both telephone as  
12 well as video for that -- but from a remote location,  
13 you do have to disclose if -- will have to disclose if  
14 there are many individuals over the -- 18 years of age  
15 or older in the room with you, and if so, just  
16 disclosing that they are and just, sort of, the general  
17 nature of that person's relationship with -- with the  
18 individual. So if it's that, you know, your adult son  
19 is there visiting or your -- your partner or whoever it  
20 is, if they're going to be at the -- in the -- in the  
21 room at that location.

22 Additionally, it does require that video  
23 appearance, in terms of, visibly appearing on the camera  
24 during the open portion of the meeting. It calls for  
25 roll call votes, which we already do, in terms of -- so

1 whether it's -- you know, these are teleconference  
2 meetings or they're in-person. And then if at any time,  
3 if there's a failure of the access to the remote  
4 technology, if once we were to discover that -- that the  
5 means of the public's access and ability to participate,  
6 if that fails during the meeting and it cannot be  
7 restored, then we would need to end or adjourn the  
8 meeting and -- and schedule a new -- and if you recall,  
9 we had something like that one time. It was really  
10 close, but the weather -- the weather held out for us.

11           And then SB 544, as it was signed into --  
12 signed into law, this remains in effect until  
13 January 1st of 2026, and as of that date would be --  
14 would be repealed; so it would take additional -- any  
15 additional legislation beyond that. In the meantime --  
16 so this goes into effect on January 1.

17           In the meantime, and I had sent out to all of  
18 you, SB 189 was passed, which, in essence, was an  
19 urgency clause to this bill, meaning that even,  
20 currently, board members can join just -- but, again,  
21 with these parameters -- can participate remotely  
22 through the end of the year, and then SB 544 goes into  
23 effect on January 1.

24           PRESIDENT JOYCE ROWLAND: Carlene, question on  
25 the definition of majority of members: Does that mean

1 the majority of members as appointed, or does that mean  
2 the majority of members who are attending that day?

3 So if you have seven who -- two who can't  
4 attend, seven who are attending, does that mean four  
5 have to be present if three are out, or does it always  
6 have to be five? So the majority -- majority of  
7 appointed members or a majority of members in attendance  
8 that day?

9 MR. CAPLAN: That's an excellent question,  
10 Chair Rowland.

11 And I think -- I think the statute intends to  
12 mean the majority of the appointed board members, which  
13 would be five, but I will confirm that --

14 PRESIDENT JOYCE ROWLAND: Okay.

15 MR. CAPLAN: -- and -- and update the board at  
16 the next meeting.

17 PRESIDENT JOYCE ROWLAND: All right.

18 MR. SCHENK: In other words, a quorum, there  
19 has to be a true quorum.

20 MR. CAPLAN: Yes.

21 MR. SCHENK: Live.

22 PRESIDENT JOYCE ROWLAND: Yes. True quorum,  
23 in attendance together.

24 MR. GELFAND: Okay. So does this mean that we  
25 could have a board meeting with nobody in attendance



1 together but it would be under a different set of rules?

2 PRESIDENT JOYCE ROWLAND: No.

3 MR. SCHENK: No.

4 (Multiple speakers)

5 MR. GELFAND: No.

6 MR. SCHENK: Five have to be together.

7 MS. MOORE: A majority has to be together.

8 MR. SCHENK: (Indiscernible).

9 PRESIDENT JOYCE ROWLAND: Right.

10 MS. MOORE: They have to be -- yes. They have  
11 to be in the same tele- -- they have to be in the  
12 same --

13 PRESIDENT JOYCE ROWLAND: Teleconference  
14 location.

15 MS. MOORE: -- teleconference location.

16 MR. GELFAND: Okay.

17 PRESIDENT JOYCE ROWLAND: Interesting.

18 MS. MOORE: Okay.

19 MR. SCHENK: But if you're not serving those  
20 donuts, don't invite us.

21 PRESIDENT JOYCE ROWLAND: Only be at --

22 MS. MOORE: Might have to come up with a  
23 schedule of who's -- who's rotating out each month  
24 for it.

25 And then the other is, in terms of and really

1 just impacting our operations, was that SB five -- 447,  
2 which was the Atkins bill. It was also signed into law  
3 by Governor Newsom on September 13th. This is the  
4 Go-Biz BRIDGE project, which, in essence, it's known as  
5 the -- repealing the travel ban. So it authorizes  
6 GO-Biz to establish the Building and -- and Reinforcing  
7 Inclusive, Diverse, and Gender-Supportive Equity  
8 Project, or the BRIDGE project, to really promote social  
9 equity, you know, civil rights, and antidiscrimination  
10 through marketing and advertising campaigns outside  
11 of -- outside of California. And it officially repeals  
12 AB 1887, which as you know, that -- which has been in  
13 effect since 2016, and that is the prohibition on  
14 state-sponsored travel to states with laws that  
15 discriminate. It was signed with an -- it has an  
16 urgency clause so it went into effect immediately.

17 MR. SCHENK: So does that mean, for example,  
18 as we used to go to the conventions in Las Vegas to work  
19 with the -- the talent agents to help us contract for  
20 talent during the summer fair, but it had moved to a  
21 state that was on the ban -- that was banned -- was it  
22 Tennessee or --

23 MS. MOORE: It had moved to Texas originally.

24 MR. SCHENK: Texas.

25 MS. MOORE: So you're referring to the

1 International Association of Fairs and Expositions.

2 MR. SCHENK: Correct.

3 MS. MOORE: Yes. Which first moved to Texas,  
4 starting in 2016, and then after three years there, then  
5 moved to Indianapolis --

6 MR. SCHENK: Indianapolis, yeah.

7 MS. MOORE: -- which wound up on the list, and  
8 then this year is in Salt Lake City. But yes, so it  
9 allows travel to -- it allows travel to those  
10 professional development and networking opportunities  
11 again. Some of the programs that are also offered by  
12 the International Association of Venue Management, as  
13 well as -- as other possibilities --

14 MR. SCHENK: Okay.

15 MS. MOORE: -- for state-sponsored  
16 travel again.

17 MR. SCHENK: Do we have an intention of -- of  
18 going -- or will there be staff going this year then?

19 MS. MOORE: Yes. And so if you recall back in  
20 January, when the board approved the budget and approved  
21 out-of-state travel, it was of what was the -- it was  
22 inclusive of the list of possibilities, with the caveat  
23 of so long as, you know, that opportunity was -- so long  
24 as the opportunity was available and in a state that we  
25 could travel to. Now we can travel to all 50 states.

1 MR. SCHENK: Great. So do I understand that  
2 what used to take place in Las Vegas, that we could go  
3 to, we're now going to be invited to go to  
4 Salt Lake City?

5 MS. MOORE: Yes.

6 MR. SCHENK: Yeah. Okay. I just want to make  
7 sure I understood that.

8 MS. MEAD: You understand that correctly.

9 MR. SCHENK: Yeah. All right.

10 MS. MOORE: Yes. And next year Phoenix.

11 MR. SCHENK: Slightly better than  
12 Salt Lake City.

13 PRESIDENT JOYCE ROWLAND: Maybe.

14 MS. MOORE: Yes.

15 MS. MEAD: In November, Phoenix is better.

16 MR. SCHENK: I don't know.

17 Las Vegas/Salt Lake City.

18 MR. VALDEZ: Actually --

19 PRESIDENT JOYCE ROWLAND: Depends on what you  
20 want to do.

21 MR. VALDEZ: -- Fred, Salt Lake is cool.  
22 Great jazz, great skiing --

23 PRESIDENT JOYCE ROWLAND: All right.

24 MR. VALDEZ: -- you know.

25 MR. SCHENK: Okay.

1 PRESIDENT JOYCE ROWLAND: All right. Moving  
2 right along.

3 MS. MOORE: Yes. So that's the legislative  
4 bills updates.

5 And then there were just in -- in your packet,  
6 in terms of, the contracts that were executed per my  
7 delegated authority, there's one that was not included.  
8 And so on page 16, you'll see that it's actually been  
9 lined through and that's because it was still in  
10 progress at the time that the board packet was being  
11 issued and that's for the fire gate repair; so contract  
12 23-072 has actually not been executed yet.

13 And then, otherwise -- and this -- I wanted to  
14 just point out that this agreement 23-07 -- 073 for the  
15 State Travel Participation Program, this is a program  
16 that we learned about over this -- this past year that  
17 provides us access to the program that state employees  
18 can travel through that gets state rates on --  
19 primarily, on hotels and rental vehicles; so there's  
20 savings in there. So this actually works off of, and  
21 you'll see it listed as a state master agreement, and  
22 then we just have to do a participatory -- a  
23 participation agreement then with Department of General  
24 Services to -- to access -- to access that program.

25 And then, otherwise, we have, as you can see,

1 a number of upcoming event agreements, and we're well  
2 into issuing contracts for 2024. And we had set the  
3 rental rate increase again when we did our budget back  
4 in January for those increases for 2024.

5 And I think with that that concludes my  
6 executive report.

7 PRESIDENT JOYCE ROWLAND: Any questions from  
8 the -- from the board on the executive report?

9 Okay. We have one member of the public signed  
10 up to speak on the executive report. We have  
11 Martha Sullivan.

12 MARTHA SULLIVAN: Hello, again, this is  
13 Martha Sullivan.

14 I wanted to -- I was interested to hear about  
15 the Water Quality Initiative event that's now scheduled,  
16 I think I heard October 24th because, as you know, I've  
17 been very interested in being able to get a tour of that  
18 facility.

19 I understand that this event is invite only,  
20 it sounds like, for legislators and the media and so  
21 forth. I do really encourage you -- I was encouraged  
22 that there was a mention of doing some kind of public  
23 tour. And I -- I really want to encourage you to do  
24 that, particularly because we had the tropical  
25 storm/hurricane in August, which was certainly a test of

1 this system. So I think it would be very instructive,  
2 you know, to talk about how it did through that weather  
3 event, even though it wasn't as serious as it had been  
4 forecast.

5 So I hope that you'll, you know, keep us  
6 posted and try to schedule something in the  
7 not too distant future.

8 Thank you.

9 PRESIDENT JOYCE ROWLAND: Thank you.

10 Anybody else have crawdads show up in their  
11 backyard after the tropical storm? I did.

12 MR. SCHENK: Crawdads?

13 PRESIDENT JOYCE ROWLAND: Yeah. Oddly, bunch  
14 of them.

15 Okay.

16 MR. SCHENK: You've got a neighbor with  
17 some ponds.

18 MS. MEAD: Yeah.

19 PRESIDENT JOYCE ROWLAND: Okay. Then our next  
20 item on the agenda is General Business.

21 MS. MOORE: And so, again, just for -- and so  
22 that our -- our viewing audience knows where we're at,  
23 again, we just do have slides for carrying us through up  
24 to public comment, but it's more just knowing what that  
25 item is.

1           PRESIDENT JOYCE ROWLAND: Right. And the  
2 first up, Item A, is our Finance Committee report.

3           MR. GELFAND: I'm going to turn it over to  
4 Carlene.

5           MS. MOORE: And, again, as I mentioned with  
6 our Director of Finance being out, we did not -- Finance  
7 Committee did not meet this -- this past month but we  
8 will.

9           The financial report -- going forward -- the  
10 financial reports are included in your board packet on  
11 pages 19 through 24. And so these are just some of the  
12 highlights from the -- from the executive summary and --  
13 and which then references both the balance sheet as well  
14 as the income statement. The reports, which begin on  
15 page 22, includes the consolidated balance sheet. So  
16 this is really looking at the picture of overall  
17 operations of the -- the district, the Race Track  
18 Authority and the Race Track Leasing Commission. Cash  
19 position continues to remain strong. And the first line  
20 of cash is the DAA's, as compared to the restricted cash  
21 of the RTA, which is approximately three lines down on  
22 the -- on the balance sheet. I think, you know, one of  
23 the biggest -- again, our position still remains strong.  
24 Activities -- by and large, we are, you know, meeting at  
25 or, you know, tracking well with regard to our financial



1 goals of what the budget was this year, and that's  
2 reflected on the -- the income statement on page 23.

3 And otherwise, as we're, you know, starting to  
4 look toward -- looking ahead toward -- to the end of the  
5 year. And, of course, then 2024, you know, we just  
6 really continue to manage those leave balances, which is  
7 a line that's on -- on the balance sheet. And we have  
8 begun our budget work, currently, so staff is in the  
9 process of developing that. We'll be reviewing it with  
10 the Finance Committee in November in advance of the  
11 December meeting for then presenting the 2024 operating  
12 and capital improvement budgets to the board.

13 PRESIDENT JOYCE ROWLAND: So if -- if I'm  
14 reading this correctly, in terms of our net income,  
15 we're close to \$8 million in net income year-to-date?

16 MS. MOORE: Yes, through August.

17 PRESIDENT JOYCE ROWLAND: Against a -- a  
18 full-year budget anticipated of about 2.2 million?

19 MS. MOORE: Yes. Yes. So we --

20 PRESIDENT JOYCE ROWLAND: Is there a lot of  
21 expenses coming in at the end of the year?

22 MS. MOORE: Yes. A lot of expenses. And as  
23 we know, you know, our biggest -- our largest, you know,  
24 really revenue driver is the fair and so that's an  
25 activity that is -- is behind us now. As well as -- and

1 then horse race -- the summer race meet. Now granted  
2 this is August, there is part of the race meet continues  
3 over into September and that's actually when their rent  
4 comes in. But we, in essence, are now entering our slow  
5 season, if there is such a term and a belief that we  
6 ever do slow down. And so what we start finding is,  
7 yes, that we are expending more this time we'll be going  
8 into the the dark months of winter, as compared  
9 to the --

10 PRESIDENT JOYCE ROWLAND: The utility bills  
11 will go up. No, they won't because we had the fair.

12 MR. SCHENK: Well, you got the Christmas  
13 lights.

14 MS. MOORE: Yeah. But -- but more of just  
15 the, you know, in terms of -- of activity and -- and  
16 what that --

17 PRESIDENT JOYCE ROWLAND: Sure.

18 MS. MOORE: -- activity looks like.

19 PRESIDENT JOYCE ROWLAND: Yeah. I would just  
20 say for, you know, budget preparation for next year --  
21 and I know that everybody's already thinking about  
22 that -- if we see truly stable results where you have  
23 actual net income that's almost four times what we  
24 anticipated for the full year and budget, it probably  
25 means we need to be thinking about how we budget for

1 next year because variances in the positive direction  
2 are more positive than the negative direction. But, you  
3 know, they should not be that far off budget.

4 MS. MOORE: Right.

5 PRESIDENT JOYCE ROWLAND: Once we're -- you  
6 know, we're now out of the pandemic, we have a little  
7 bit more of a understanding of what we can expect;  
8 probably should be closer to what we actually realize at  
9 the end of 2023 than what we budgeted for in 2023.

10 MS. MOORE: Yes. And we'll be making those --  
11 those adjustments, again, under -- knowing, too, though,  
12 that we don't anticipate ending the year at this --

13 PRESIDENT JOYCE ROWLAND: I understand.

14 MS. MOORE: -- at this four times.

15 PRESIDENT JOYCE ROWLAND: That's why I was --

16 MS. MOORE: Right.

17 PRESIDENT JOYCE ROWLAND: -- careful in how I  
18 stated that.

19 MS. MOORE: Yes. So -- and -- and I  
20 appreciate it. But I think also too what may be helpful  
21 would be for us to also then be presenting not only the,  
22 kind of, the income and the P&L side of things, the  
23 balance sheet, but also that progress of -- because  
24 what's not reflected in the income statement are capital  
25 expenses because those are really balance sheet items,

1 in essence, cash.

2 PRESIDENT JOYCE ROWLAND: I understand.

3 MS. MOORE: Right. I think we need to be  
4 providing a -- what I'm saying is to provide a report on  
5 that so that it's showing -- because if you recall, we  
6 said that, in essence, this is part of what is funding  
7 our ability to invest back into the property, how we're  
8 doing that --

9 PRESIDENT JOYCE ROWLAND: Sure.

10 MS. MOORE: -- as well because we will be  
11 bringing both of those -- those budgets forward  
12 together --

13 PRESIDENT JOYCE ROWLAND: Right.

14 MS. MOORE: -- so I think --

15 PRESIDENT JOYCE ROWLAND: Yes. And to the --

16 MS. MOORE: -- we can provide you with better  
17 information going forward.

18 PRESIDENT JOYCE ROWLAND: And to the extent  
19 that you have capacity, you know, you can put more  
20 capital projects --

21 MS. MOORE: Yes.

22 PRESIDENT JOYCE ROWLAND: -- in the budgets.  
23 I understand that there's use for the funds.

24 MS. MOORE: Yes.

25 PRESIDENT JOYCE ROWLAND: I get that part of

1 it. But -- but if I did this consistently, my boss  
2 would tell me I'm sandbagging.

3 MS. MOORE: Yes.

4 MS. MEAD: Yeah.

5 PRESIDENT JOYCE ROWLAND: Right, I'm just  
6 saying.

7 MR. GELFAND: Well, the other side --

8 PRESIDENT JOYCE ROWLAND: I like the success  
9 but --

10 MR. GELFAND: -- the -- the other side of it  
11 is you have to look at all the different sources of  
12 income and make a determination about --

13 PRESIDENT JOYCE ROWLAND: What's stable,  
14 what's undocumented --

15 MR. GELFAND: -- yeah. How likely that is to  
16 occur again because --

17 PRESIDENT JOYCE ROWLAND: -- (indiscernible).  
18 Absolutely.

19 MR. GELFAND: -- you know, racing income could  
20 go down, fair income could, you know --

21 PRESIDENT JOYCE ROWLAND: Yeah.

22 MR. GELFAND: -- you don't know.

23 PRESIDENT JOYCE ROWLAND: I don't expect,  
24 like, necessarily every single cent of this year's net  
25 income -- it has to be, you know, analyzed.

1 MR. GELFAND: Right.

2 PRESIDENT JOYCE ROWLAND: But probably will be  
3 closer.

4 MS. MOORE: And we will be -- we will be  
5 making adjustments because keep in mind one thing that  
6 was very much unknown was The Sound.

7 PRESIDENT JOYCE ROWLAND: Yes.

8 MS. MOORE: And the success of that, and that  
9 may be an area --

10 PRESIDENT JOYCE ROWLAND: Very much.

11 MS. MOORE: -- whereas we are working --

12 PRESIDENT JOYCE ROWLAND: Growth.

13 MS. MOORE: -- and analyzing through this, you  
14 know, were we too conservative on that, and especially  
15 as we look to have even more shows --

16 PRESIDENT JOYCE ROWLAND: Right.

17 MS. MOORE: -- in the future and how we're  
18 netting out so --

19 PRESIDENT JOYCE ROWLAND: Yes.

20 MS. MOORE: -- yes.

21 PRESIDENT JOYCE ROWLAND: And it's a yes.

22 MS. MOORE: Yes.

23 MR. GELFAND: In that regard, would it be  
24 appropriate at some point to have representatives from  
25 the Belly Up come and talk to us about how it's going

1 and what their anticipation is for the -- the next year?

2 MS. MOORE: Yes. We're planning on that for  
3 the December board meeting, keeping in mind that  
4 November, the plan being really focusing on strategic  
5 planning, and so December being, kind of, a bit more of  
6 a robust program of presentations wrapping up the year  
7 as we're introducing the budget, as well, because  
8 they're a part of that process with us too for what  
9 we're forecasting.

10 PRESIDENT JOYCE ROWLAND: And to address the  
11 comment that was made about the best acts going to the  
12 Belly Up. That was kind of --

13 MR. GELFAND: Yeah. That's -- that's --

14 PRESIDENT JOYCE ROWLAND: We digress.

15 MR. GELFAND: -- doesn't make sense.

16 MS. MOORE: 700 people versus 2000.

17 (Multiple speakers)

18 MR. ARABO: Carlene, I have a question on the  
19 expense for -- this question: Bank and service fees.  
20 Am I reading that: Is that 1.4 million the bank  
21 charges? Is that -- is that more --

22 PRESIDENT JOYCE ROWLAND: Loan repayments  
23 or --

24 MR. ARABO: -- is that credit card  
25 processing fees?

1 MS. MOORE: This is credit -- yeah --

2 (Multiple speakers)

3 MR. ARABO: Got it. Got it.

4 MS. MOORE: -- credit card processing, which,  
5 you know, is a significant area in a day of where  
6 you're --

7 MR. ARABO: Sure.

8 MS. MOORE: -- not taking -- taking as much  
9 cash payment so.

10 MR. ARABO: Sure.

11 Do we -- do we -- is this standard practice,  
12 we just shop it out every few years, every year? How is  
13 it -- I don't know how -- how -- or is it there's one  
14 provider we've always used?

15 MR. GELFAND: You're talking about the  
16 credit card processing?

17 MR. ARABO: Yes, credit card processing.

18 MS. MOORE: Yeah. So we -- we do. It's  
19 something that we just analyzed about two years ago but  
20 as a best practices is to look at that every few years.  
21 We don't look to change it every year but we did  
22 consolidate -- we had -- we consolidated a lot of our  
23 processing in order to reduce fees over these past  
24 two years.

25 MR. ARABO: Got it.



1           Then for utilities, have we ever thought --  
2           has the board considered solar? Was that ever --  
3           would --

4           PRESIDENT JOYCE ROWLAND: Welcome to the  
5           coast.

6           (Multiple speakers)

7           MR. GELFAND: Constantly.

8           MS. MEAD: Speaking our language --

9           PRESIDENT JOYCE ROWLAND: And where in the  
10          master plan would you like to put that?

11          MR. ARABO: Okay. Business plan and climate,  
12          everywhere.

13          MS. MOORE: And we do -- we actually do have  
14          solar, granted now those panels are 20 --

15          MR. SCHENK: Yeah.

16          MS. MOORE: -- close to 20 years old.

17          MR. SCHENK: I was on the board.

18          MS. MOORE: Yes.

19          MR. SCHENK: Lisa and I were on the board when  
20          we first had the conversation about photovoltaic, and it  
21          was a term I had never heard before.

22          MR. ARABO: Where are they at?

23          MS. MOORE: They're not generating  
24          correctly -- yeah.

25          MR. SCHENK: It's old.

1 MS. MOORE: So you can't see it on the map on  
2 the wall, but the, kind of, eastern, I don't know, maybe  
3 third of the backstretch, those -- those darker roofs,  
4 that's actually where the solar -- where the solar was.

5 But it is something that's -- you know, as we  
6 talk about environmental stewardship or, you know, we  
7 talk about good, you know, business planning and -- and  
8 economic soundness and things like that, is definitely  
9 something that is on our radar, right.

10 PRESIDENT JOYCE ROWLAND: You know, there's --

11 MS. MOORE: And will continue to be.

12 PRESIDENT JOYCE ROWLAND: -- there's been, you  
13 know, really -- you heard about the construction on the  
14 roofs. They have to be engineering -- from an  
15 engineering perspective, you know, able to take the  
16 solar; that's been an issue so it's -- it's a  
17 step-by-step process for us but definitely a lot of  
18 conversations just not recently.

19 MR. ARABO: Or -- or even they have those -- a  
20 lot of schools have it where the parking, like a  
21 pergola, on top of the parking, it's shade for parking  
22 for cars but also the solar is on top different so  
23 there's different ways.

24 PRESIDENT JOYCE ROWLAND: Right.

25 MS. MOORE: And well -- and, again, so things

1 like that really needing to -- being able to take that  
2 into consideration with regard to sort of master site  
3 planning because we also utilize parking lot areas.

4 So, for example, and parking lot area is our  
5 Midway operation during --

6 MS. ROWLAND: Right.

7 MS. MOORE: -- our fair. But, otherwise, it's  
8 actually the close -- you know, we talked about close  
9 proximity, you know, for some people who come and attend  
10 events outside of the fair, that's a parking area that  
11 we use. Solar panels there wouldn't work.

12 PRESIDENT JOYCE ROWLAND: R- -- R-, you know,  
13 your RV shows wouldn't fit --

14 MS. MOORE: RV shows coming --

15 PRESIDENT JOYCE ROWLAND: -- if you make them  
16 too low.

17 MS. MOORE: -- in. Right.

18 PRESIDENT JOYCE ROWLAND: I mean so you've got  
19 a lot of --

20 MS. MOORE: You know, we've had  
21 Cirque du Soleil here in the past, in the main --

22 PRESIDENT JOYCE ROWLAND: The tent.

23 MS. MOORE: -- parking lot and, you know, and  
24 activities like that. So the -- there's an amount of  
25 flexibility about our space as well and we're just going

1 to need to be very thoughtful.

2 PRESIDENT JOYCE ROWLAND: Mobile panels.

3 MS. MOORE: Yep.

4 MR. VALDEZ: I'm going to go back to a quick  
5 question -- I'm sorry, Mark, were you done? Did you  
6 have anymore questions?

7 MR. ARABO: No.

8 MR. VALDEZ: I didn't mean to interrupt.

9 MR. ARABO: No.

10 MR. VALDEZ: Going back to the variance on the  
11 net income. So I -- I see to-date we're a couple  
12 million over what you had projected, and then I'm  
13 looking at the concessions revenue and that is a  
14 \$4 million, you know, we're over by four million; so  
15 that -- that kind of explains a large part the -- the  
16 variance.

17 Do you -- do you have an explanation on the  
18 concessions?

19 MS. MOORE: Yes. That's -- a lot of that's  
20 The Sound so, in essence, so Premier falls into that --  
21 that concessions piece. While our -- our concessions  
22 during the fair were up, not -- they were not up that  
23 significantly. It's really how we conservatively  
24 planned for The Sound and really how it has performed  
25 from a food and beverage standpoint.

1           If you look down below as well, in terms of  
2 expenses, as you can see, our food and beverage expense  
3 is also up about \$4 million.

4           MR. VALDEZ: Okay. There you go. That's  
5 helpful. And I didn't mean it like, wow, that was a  
6 teed up question.

7           MS. MOORE: Right.

8           MR. VALDEZ: Because we did have a lot of  
9 conversation about The Sound and what we would budget,  
10 and -- and to echo what you said, we erred on the side  
11 of being very, very conservative so --

12          PRESIDENT JOYCE ROWLAND: Which made sense.

13          MR. VALDEZ: -- that's -- that's good.

14          PRESIDENT JOYCE ROWLAND: Right.

15          MS. MOORE: Yes.

16          And with that --

17          MR. SCHENK: Will we be able to make any  
18 predictions with regard to KAABOO and the impact it  
19 might have if they do come back?

20          MS. MOORE: Yes. And so that'll be in our --  
21 in our 2024 budget plan as we -- and when we present  
22 that in December.

23          MR. SCHENK: So the question is by December  
24 will we have a better idea, though?

25          MS. MOORE: With KAABOO?

1 MR. SCHENK: Yeah.

2 MS. MOORE: Yes. KAABOO is planning to come  
3 back. The, you know, the matters that we were still  
4 working out were really more, again, of those  
5 assurances. But they're moving forward as a promoter.

6 MR. GELFAND: Given the lead time they need to  
7 book acts and stuff, it's got to be done this year, the  
8 contract.

9 MS. MEAD: Yeah.

10 MR. GELFAND: Yeah.

11 MR. SCHENK: Okay.

12 MS. MOORE: Yes.

13 MR. ARABO: I have a question for the program  
14 revenues, it's 1.1. Is it just less traffic count and  
15 the parking's down compared to the previous year -- or  
16 the budgeted -- is that just traffic count, head count?

17 MS. MOORE: Yes. And so in the first part of  
18 the year in 2022, we had the Beyond Van Gogh exhibit.  
19 In 2023, we had Beyond King Tut. It was not as highly  
20 attended; so, right, in the first part of the year, we  
21 were already seeing where we were trending behind.

22 It's actually -- with the fair, it actually  
23 came back just slightly, but we're anticipating not  
24 hitting our -- our parking number in terms of the budget  
25 from those -- that, kind of, first five months of the

1 year operation.

2 MR. ARABO: And then sponsorships, was that a  
3 big sponsor that dropped out?

4 MS. MOORE: No. So sponsorships is actually  
5 kind of in -- in two places. It's a -- it's a  
6 correcting of things because if you look up above where  
7 commercial -- under facility rentals revenue and then  
8 commercial. So in the past our -- our sponsorship  
9 revenue recognized all, like, kind of true sponsorship  
10 as well as sort of the premium commercial space sales  
11 because those are done through that. And in the -- the  
12 past two years we have been working to separate that out  
13 to accurately reflect what is truly sponsorship --

14 MR. ARABO: Got it.

15 MS. MOORE: -- meaning, you know, they're  
16 providing, in essence, that contribution towards the  
17 program versus the, you know, larger spa -- the like spa  
18 sales, the backyard, you know, barbecues and things like  
19 that of premium space sales; so it's just -- it's  
20 an accounting adjustment --

21 MR. ARABO: Got it.

22 MS. MOORE: -- that has been made.

23 Okay. Are there -- are there any other  
24 questions?

25 MR. ARABO: And the program --

1 MR. VALDEZ: I don't have a --

2 MR. ARABO: -- expense --

3 MR. VALDEZ: -- question -- go ahead.

4 MR. ARABO: -- for the program expense for  
5 the, like, 1.7 difference for -- is that -- oh, that's  
6 the Midway operator, it looks like?

7 MS. MOORE: So then -- yeah. So the -- the  
8 program expenses is a lot of our fair activity outside  
9 of, like, for example, professional services or other  
10 kind of specific areas. And so our Midway operations,  
11 our Midway revenue, was up significantly; therefore, the  
12 split with the ride and game operators is also up from  
13 what we had anticipated in the budget.

14 MR. ARABO: Got it. Great job.

15 MS. MOORE: Thank you.

16 MR. VALDEZ: I was just going to make a  
17 comment that I think it's really exciting to have such a  
18 robust conversation around the boardroom about the  
19 finances and being able to ask those sorts of questions  
20 and staff being able to give really good comprehensive  
21 responses. I'm really impressed with that.

22 Thank you. Thank you for that.

23 MS. MOORE: You're welcome.

24 MR. VALDEZ: Both board and staff.

25 MS. MEAD: And I'd just like to tag on that --



1 not a question but a comment -- that coming out of the  
2 pandemic, we just had no idea how we were going to come  
3 back. And I absolutely agree with Joyce that we have  
4 more information now, as we're building the budget, but  
5 for us to have created a budget, worked towards it, and  
6 have the kind of outcome we have, none of us could  
7 really see. And I'm just delighted with you and the  
8 staff and your work.

9 I would also like to offer a suggestion. It  
10 would be great if our finance person could present  
11 these. I know he's been out. But I would -- I love --  
12 as -- as you said, Richard -- that it's great to have  
13 you, Carlene, and the team, but I also would feel a  
14 sense of confidence and comfort with having our finance  
15 person present these financials monthly.

16 MS. ARNOLD: If I might, he's still under the  
17 weather and asked to be excused today.

18 MS. MEAD: Thank you. And I knew that.

19 PRESIDENT JOYCE ROWLAND: Okay.

20 MS. MOORE: Thank you.

21 PRESIDENT JOYCE ROWLAND: So on to our  
22 Community and Government Relations Committee report.

23 MR. MOSIER: Yeah. I was absent for the last  
24 meeting but Michael Gelfand was there. And I'm --

25 MR. GELFAND: I'm, again, going to turn it

1 over to Carlene. Talk about robust discussions.

2 MS. MOORE: It was. So -- and I thought it  
3 would be helpful for -- for the board just to see. So  
4 these -- so as you can see here, these were the general  
5 topics that we discussed with -- this was our first  
6 meeting back with the group since May, in terms of the  
7 Community and Government Relations -- and so with our --  
8 our neighboring communities, also the City of San Diego,  
9 City of Solana Beach, City of Del Mar, and the County,  
10 as well as some of our state offices participate as  
11 well. So --

12 MR. RIVERA: Carlene?

13 MS. MOORE: -- we gave them --

14 MR. RIVERA: I'm sorry to interrupt you but we  
15 have a hand raised, and we did have a public comment  
16 for 5(a).

17 MS. MOORE: Oh, sorry.

18 MS. MEAD: Oh.

19 PRESIDENT JOYCE ROWLAND: Oh, I'm sorry. It  
20 was -- it was broken down; that was my error. We should  
21 go back to the General Business, under Finance Committee  
22 report. Okay. Yeah. I see we have 5(a) -- just -- so  
23 clarify, 5(a), then 5(b) and then 5(c). We all have  
24 separate public comment on those; so we'll go back to  
25 the General Business, Finance Committee report and we

1 have one member of the public who signed up to speak on  
2 on 5(a) and that's Martha Sullivan.

3 MARTHA SULLIVAN: Hello, this is  
4 Martha Sullivan again. Thank you very much. I  
5 appreciate it.

6 On 23 -- on page 23 of the board packet in the  
7 financial report, I'm just not understanding a couple of  
8 columns I'm seeing under operating revenue. Well, I  
9 guess this nonoperating revenue -- contributions and  
10 sponsorship. So under the -- this is for 2023, and I  
11 guess I haven't really ever seen a negative budgeted for  
12 an item. So there's 495,400 negative under the budget  
13 column for contributions and sponsorship; so I'm just  
14 kind of curious about what that is --

15 PRESIDENT JOYCE ROWLAND: Carlene is going to  
16 explain --

17 MARTHA SULLIVAN: -- what that represents.

18 MS. MOORE: Yes.

19 PRESIDENT JOYCE ROWLAND: I'm sorry,  
20 Ms. Sullivan, did you have another comment on this that  
21 you wanted to get out so we can give responses all at  
22 the same time?

23 MARTHA SULLIVAN: The only other thing I  
24 wanted to do, just as an aside, was just compliment  
25 CEO Moore on the PowerPoint for her executive report

1 because that's really helpful.

2 MS. MOORE: Thank you.

3 PRESIDENT JOYCE ROWLAND: Okay. Then to the  
4 question -- thank you for your comments -- to the  
5 question on the negative on -- on actual negative on  
6 budget and then, of course, the positive variance  
7 because the negative actual is a lesser negative than  
8 the budgeted negative. Got that?

9 MS. MOORE: Yes. Oh, got it completely.

10 And it -- it is odd to see a negative in terms  
11 of a revenue. So going back to -- it -- actually, this  
12 ties to the sponsorship discussion. We have a number of  
13 sponsorships that -- that we do in -- in concert with  
14 the Thoroughbred Club because as a combined effort, in  
15 essence, we receive -- receive more because of what is  
16 able to be packaged up and offered to those -- those  
17 sponsors. And so this is actually the anticipated  
18 budgeted split of what would then be -- of what we  
19 collect, that then we would be transferring to the  
20 Thoroughbred Club.

21 And on the opposite, there are some monies  
22 that they receive directly that then get transferred to  
23 us as the district. So it was anticipated that that  
24 true-up, for example, would have occurred in the month  
25 of August. Not all of it did because it's also based on

1 when those pay -- when the actual sponsorship monies and  
2 things come in. It did not occur, but a portion of it  
3 did; that's why the actual is less of a negative than --  
4 than the budget itself.

5 PRESIDENT JOYCE ROWLAND: So the funds -- the  
6 funds came in to us --

7 MS. MOORE: Yes.

8 PRESIDENT JOYCE ROWLAND: -- in total and then  
9 we're required to create -- to make a split?

10 MS. MOORE: Yes.

11 PRESIDENT JOYCE ROWLAND: But the split wasn't  
12 as large in the month of August as we anticipated it  
13 would be; that's why the budget is set up that way?

14 MS. MOORE: Correct. So for -- and so we will  
15 have some still -- we will still have some split  
16 occurring, our actual transfer funds occurring, in  
17 September and even October, again, based on when the  
18 actual payments are received from the sponsors.

19 PRESIDENT JOYCE ROWLAND: And then those  
20 months we're going to have a variance because you did  
21 not anticipate such a large split.

22 MS. MOORE: Correct.

23 PRESIDENT JOYCE ROWLAND: It's the gift that  
24 keeps on giving.

25 MS. MOORE: Yes.

1 PRESIDENT JOYCE ROWLAND: So we'll see an  
2 oddity in those --

3 MS. MOORE: Yes.

4 PRESIDENT JOYCE ROWLAND: -- results as well.

5 MS. MOORE: In those months.

6 PRESIDENT JOYCE ROWLAND: Okay.

7 MS. MOORE: Yes. Like, for -- so, for  
8 example, in September, the budget may be zero but you  
9 would see activity for what occurred in that month.

10 PRESIDENT JOYCE ROWLAND: A big negative  
11 number. Yeah.

12 MR. ARABO: I have a quick comment. For  
13 page 24, it has the 2022, plus the budget, plus 2023 for  
14 August. Is there a way that we could get a  
15 year-to-date -- so page 23 has the actual against the  
16 budget and the variance. Can we add also 2022 so it  
17 shows the details?

18 MR. GELFAND: You mean for the month?

19 MR. ARABO: For the year.

20 MR. GELFAND: Because you have --

21 MR. ARABO: No. No. We have the month on  
22 page 24. On page 23 for a year-to-date, there's no  
23 2022, like, snapshot. Can they add that?

24 MS. MEAD: So we can see every year.

25 MR. GELFAND: Oh.

1 MS. MOORE: So page 24 is the food and  
2 beverage report -- is Premier's food and beverage  
3 report.

4 MR. ARABO: Right.

5 MS. MOORE: If you would like additional  
6 columns -- and perhaps this is something we -- we can  
7 look at with the Finance Committee because it will make  
8 the data on this page smaller.

9 MR. ARABO: No.

10 MR. GELFAND: He's talking about something  
11 else.

12 MR. ARABO: No -- yeah. My question is  
13 page 23, if we could add --

14 PRESIDENT JOYCE ROWLAND: Add a column.

15 MR. ARABO: -- a column of 2022?

16 PRESIDENT JOYCE ROWLAND: 2022 actuals.

17 MR. ARABO: Yeah.

18 MR. GELFAND: Where --

19 MR. ARABO: Right.

20 MR. GELFAND: -- on the far right where you  
21 have full 2023 budget, you'd have the full 2022 actual.

22 MR. ARABO: Full 2022 -- exactly. Yeah.

23 PRESIDENT JOYCE ROWLAND: I think we used to  
24 have that, didn't we?

25 MR. GELFAND: Yeah.

1           PRESIDENT JOYCE ROWLAND: Because remember we  
2 had the whole discussion but we never really put on 2020  
3 or 2021 because we went back to '19, remember, because  
4 that was the most relevant year.

5           MS. MOORE: Yes.

6           PRESIDENT JOYCE ROWLAND: And we didn't want  
7 to look at pandemic years.

8           MR. GELFAND: It's good to have the  
9 information but to actually be able to read it  
10 font-wise, you might have to turn everything sideways.

11          PRESIDENT JOYCE ROWLAND: Well, you could  
12 always do -- you could always --

13          MR. ARABO: Two pages.

14          PRESIDENT JOYCE ROWLAND: -- do a landscape  
15 and just unfold it.

16          MR. GELFAND: That's what I'm saying. Yeah.

17          MR. ARABO: If you could do larger font  
18 also -- but that way you could also right away look at  
19 the budget to see how accurate the budget was compared  
20 to the actuals because if you have 2022, you can say,  
21 okay, that was 2022. Our budget's kind of on and we  
22 surpassed the budget --

23          MS. MOORE: Yes.

24          MR. ARABO: -- if we have the column.

25          MS. MOORE: Yeah. We can do a -- a



1 prior year.

2 MR. ARABO: Okay. A larger font if -- if  
3 possible. That way, these two pages --

4 MS. MEAD: Or all four books just come with a  
5 magnifying glass.

6 MR. ARABO: Right. Because it is really  
7 little.

8 MS. MOORE: This will be solved by having  
9 tablets --

10 MR. ARABO: Thank you.

11 MS. MOORE: -- for you in the future and you  
12 can zoom in.

13 MR. GELFAND: There you go.

14 MS. MEAD: I have a question about the budget  
15 spread, though, and maybe I misunderstood the comment  
16 earlier from the distribution of funds; that September  
17 there was nothing and then we could expect more from  
18 DMTC -- September, October, maybe August, it was all  
19 budgeted -- but don't we have enough past information  
20 that would show us that we could spread that over those  
21 three months as opposed to budgeting it one month and  
22 having it come in over three?

23 MS. MOORE: Typically, this settlement has  
24 occurred in -- in --

25 MS. MEAD: Oh, in one a month.

1 (Multiple speakers)

2 MS. MOORE: -- one or more maybe, kind of, a  
3 month and a half -- right. As -- or at least I should  
4 say, historically -- because nothing anymore is  
5 typical -- so right now we really just have 2022  
6 and 2023 to look at. But a lot -- for example, through  
7 the pandemic a lot of deferred payments and things like  
8 that, you know, trips that -- that took place. But,  
9 again, that's where -- as we, you know, now have just  
10 more robust information, and as we go forward, yes,  
11 we'll be making those types of adjustments.

12 Part of our budgeting approach that we have  
13 changed is having -- rather than starting with, you  
14 know, departments, where do you think you'll be up for  
15 the year, and then go back and figure out how it should  
16 be by a month, is we actually build for each month --

17 MS. MEAD: Month, and then roll it all up.

18 MS. MOORE: -- of what is anticipated in terms  
19 of that -- that business so that it's that -- that --  
20 versus splitting it out, it'll be the same every month  
21 for 12 months, and it's it's always off. So we'll  
22 continue to adjust those as our financial reporting  
23 continues to improve from having that -- just that  
24 data now.

25 MS. MEAD: Perfect. Thank you.

1 MR. ARABO: And one last -- sorry -- request,  
2 if we can get a balance sheet year-to-date as well?  
3 Granted this is the August balance sheet.

4 MS. MOORE: That is -- but a balance sheet  
5 that is year-to-date as of August 31st.

6 MR. ARABO: As of August 31st, got it.  
7 Thank you.

8 PRESIDENT JOYCE ROWLAND: Just produced in  
9 August.

10 MR. ARABO: Yeah, you're right. Thank you.

11 MS. MOORE: Yes. It's not just for --

12 MR. ARABO: I understand.

13 MS. MOORE: -- the month of August.

14 MR. ARABO: Got it. Got it. Got it.  
15 Thank you.

16 PRESIDENT JOYCE ROWLAND: And there we do have  
17 2021 and 2022.

18 MS. MOORE: Yes.

19 PRESIDENT JOYCE ROWLAND: Okay. So, I think,  
20 we can go to our Community and Government Relations?

21 MR. GELFAND: Wait, there's no more public  
22 comment for the other items for B and C?

23 MS. MOORE: We're on B now.

24 PRESIDENT JOYCE ROWLAND: We're not done  
25 with B yet.

1 MR. GELFAND: Oh.

2 PRESIDENT JOYCE ROWLAND: This is B.

3 MR. GELFAND: Okay.

4 PRESIDENT JOYCE ROWLAND: Yeah, we're done  
5 with A. We had the public comment. And now we're on  
6 to B. So we'll report out and then we'll take more  
7 public comment.

8 MS. MOORE: Yes. And so -- so what we covered  
9 with the Community and Government Relations groups was  
10 just recapping. So, oftentimes, we're -- kind of update  
11 on what we -- what was discussed at the board -- and if  
12 you recall the September board meeting was the 2023 fair  
13 recap, as well as then, you know, we debuted -- and  
14 really it was about -- the logo for 2024, the "Let's Go  
15 Retro"; so reminding them of the dates, the theme, and  
16 sharing that information with them.

17 We also had discussion around KAABOO Del Mar's  
18 return in 2024, and subsequent to that meeting, I have  
19 reached out to both city managers. So one, it sounds  
20 like, is maybe in a professional transition, as -- as  
21 was recently announced -- but to engage them so that  
22 going back to that authority in terms of the KAABOO  
23 agreement, taking into consideration just some of their  
24 concerns, much of which were -- were already addressed  
25 in it with regard to approvals of traffic plans and

1 noise mitigation within it. But we'll be meeting with  
2 them in the -- in the coming weeks.

3           And then we also had -- and there was some  
4 discussion around, and it was mentioned in our meeting  
5 earlier today, but the SANDAG rail realignment project  
6 through -- through the City of Del Mar, in essence,  
7 moving the tracks off of the bluffs and the various  
8 options that are being explored there. There has been  
9 the introduction of an -- of an idea and that is to have  
10 the train tracks -- rather than tunneling somewhere  
11 through the City of Del Mar, have the train tracks run  
12 through the fairgrounds in order to cut over -- to cut  
13 over I-5; so there was some discussion around that.

14           There's been various news articles and things  
15 as Councilmember Terry Gaasterland continues to be  
16 interviewed on that. There are -- there are some in the  
17 community in -- in Del Mar residents, who are interested  
18 in that being explored further. SANDAG has previously  
19 studied tunneling, and it's in their reports, tunneling  
20 under the fairgrounds but that's a very extensive  
21 project that would require going back even further.  
22 There's a lot of issues around that. But we're staying  
23 abreast of it, we're following this project very closely  
24 and are engaging with SANDAG on it as well. This is a  
25 project separate and apart from the double-tracking and

1 seasonal platform.

2 MR. SCHENK: Can you show us on the map where  
3 or do we know where they --

4 MS. MOORE: Proposed it coming through the --  
5 coming through the fairgrounds?

6 MR. SCHENK: Yeah.

7 MS. MOORE: It would be basically through the  
8 Midway and right down the main avenue of the fair.

9 MR. SCHENK: Not quite like a Disneyland ride.

10 MS. MOORE: That's -- that is the drawing that  
11 was circulated.

12 MR. SCHENK: But under -- but underground?

13 MS. MOORE: No.

14 MR. GELFAND: No. No. This -- this would  
15 be --

16 MS. MOORE: What was --

17 MR. GELFAND: -- level.

18 MS. MOORE: -- introduced was -- so that there  
19 is discussion now about underground. What was -- what  
20 was introduced is the train tracks through the  
21 fairgrounds, surface level, possibly, even an  
22 elevated -- elevated track. And the drawing is -- the  
23 drawing that was -- was distributed in the community.

24 Correct, Don?

25 MR. MOSIER: This is confusing because there's

1 the Gaasterland plan, which is -- has no validation from  
2 anywhere. And there was a SANDAG option that was  
3 studied and, basically --

4 MS. MOORE: Which is under.

5 MR. MOSIER: -- get the lowest possible  
6 priorities for because it would require redoing the  
7 track -- the double tracks all the way through  
8 Solana Beach to raise them up to get high enough to get  
9 across the river and then drop down, and that route goes  
10 more along San Dieguito Drive, south of the river.

11 The Gaasterland -- let's call it a pendency  
12 plan -- is the one that makes a sharp turn, which is  
13 incompatible with train traffic, and it goes right  
14 through the middle of the fairgrounds and right through  
15 the lagoon and ends up somehow over at the I-5  
16 corridor --

17 MR. GELFAND: So -- so that's new from the  
18 time we had our meeting because at our meeting  
19 Gaasterland was saying it was going to go under.

20 MS. MOORE: So -- so she's -- she has since  
21 adjusted, in terms of -- but what was originally put  
22 forward and sent out into the community was through the  
23 fairgrounds. So there's uncertainty around -- and  
24 because it's been pointed out that she has -- this is  
25 through, then it became under. But, in essence, kind of

1 both ideas floating around.

2 MR. GELFAND: Well, okay. Wait a minute,  
3 prior to our Community Relations meeting --

4 PRESIDENT JOYCE ROWLAND: Can -- can, you  
5 know, Josh, are we, I mean, I know we're discussing what  
6 occurred in a Community Relations -- Government  
7 Relations meeting, that's what we're reporting on.  
8 We're now, kind of, having a more general conversation  
9 about routing. Are we still --

10 MR. CAPLAN: No. So long as --

11 PRESIDENT JOYCE ROWLAND: Okay.

12 MR. CAPLAN: -- it is confined to a report out  
13 on what was discussed in the Community Relations  
14 meeting, you're fine. You cannot discuss as a board  
15 your thoughts on next steps regarding proposals related  
16 to track placement. If that's something you want to  
17 have robust discussion on --

18 PRESIDENT JOYCE ROWLAND: Yeah.

19 MR. CAPLAN: -- you have to set -- set it on  
20 the next agenda that's posted for the public.

21 MR. GELFAND: Okay.

22 PRESIDENT JOYCE ROWLAND: I just wanted to  
23 make sure we stay --

24 MR. GELFAND: I went into the Community  
25 Relations meeting thinking that it was going to be an



1 above -- some kind ground or above train track.

2 MS. MOORE: Right.

3 MR. GELFAND: And I had concerns about that.

4 At the meeting Terry Gaasterland said, No, no, no. It's  
5 going to be a tunnel.

6 MS. MOORE: I meant -- what she was saying,  
7 was I meant under.

8 MR. GELFAND: Under.

9 But you're saying after the meeting, she has  
10 revised her concept and now it's back above?

11 MS. MOORE: There's no -- I would say there  
12 isn't clarity around it because, in essence, it was --  
13 yes, it was introduced that way, and there are some  
14 running with that idea, and then, and perhaps, she is  
15 trying to retract somewhat on, "No, I meant underneath."  
16 But she -- she sent out an email, prior to that meeting,  
17 with a drawing of it through the fairgrounds -- and --  
18 and anyhow -- so that's just kind of -- but either way  
19 both -- it's something, like I said, we'll be monitoring  
20 this in terms of with the project, engaging with  
21 SANDAG on it. Clearly, it has impacts to us; even under  
22 the fairgrounds has potential impacts.

23 And as, you know, Director Mosier mentioned,  
24 SANDAG has -- has previously studied that. And in  
25 addition to having to go back -- all the way back to at

1 least Encinitas for being able to do that work. It  
2 would also have required portholes, in terms of, as it  
3 went underneath the fairgrounds, one of which would have  
4 come out in -- in the middle of our Midway; so there are  
5 a number of reasons why, you know, cost and other things  
6 like that.

7 But it's really -- it truly has just been  
8 introduced as an -- as an idea for this. And so there  
9 was some discussion about it and --

10 MR. GELFAND: It was introduced as an idea  
11 from an individual who happens to be on SANDAG, but it  
12 wasn't official, like --

13 MS. MOORE: She's -- yes.

14 MR. GELFAND: -- it wasn't the position of the  
15 City of Solana Beach or Del Mar or anything else. It  
16 was just her personal --

17 MS. MOORE: Yes.

18 MR. GELFAND: -- idea.

19 MS. MOORE: So this is one where, just to  
20 clarify, Councilmember Terry Gaasterland, brought this  
21 idea into the community as a resident of the community.  
22 She is also, though, the SANDAG representative for the  
23 City of Del Mar on the SANDAG -- on the SANDAG board and  
24 any of the news stories and things that come out  
25 reference it as Councilmember Gaasterland. But no,

1 officially, like, this is not a city position --

2 MR. GELFAND: Right.

3 MS. MOORE: -- on it at this time.

4 MR. GELFAND: That -- I wanted that to be  
5 emphasized.

6 MS. MOORE: Yes.

7 MR. SCHENK: I appreciate that clarification.  
8 Thank you both.

9 MS. MOORE: Yes. And so with that -- that  
10 really was the -- that was -- there was -- good  
11 discussion.

12 MR. GELFAND: I would add one thing. And that  
13 was -- there was concern expressed by representatives  
14 from both Solana Beach and Del Mar about the concept of  
15 two weekends in a row for KAABOO just in terms of noise  
16 and traffic impacts and whatever, which is, you know,  
17 built into the draft of the contract that we've seen; so  
18 I just wanted to mention that.

19 PRESIDENT JOYCE ROWLAND: Yeah. And I think  
20 this is -- did you talk about the traffic engineering  
21 study -- parking lot study as part of this as well? To  
22 help --

23 MR. GELFAND: Related to KAABOO?

24 PRESIDENT JOYCE ROWLAND: Yeah. Related,  
25 generally, but helping KAABOO?

1 MS. MOORE: No. Not -- not in terms of at  
2 the time in that meeting --

3 MR. GELFAND: We did point out that the second  
4 major stage that -- that had been at KAABOO in -- in our  
5 main parking lot was not part of the current contract.

6 MS. MOORE: Right.

7 PRESIDENT JOYCE ROWLAND: Okay.

8 MR. GELFAND: I don't -- I don't know if they  
9 really digested that.

10 MR. SCHENK: But what about The Sound?

11 MS. MOORE: Oh, activity at The Sound during  
12 KAABOO?

13 So KAABOO does not put out, you know, a lineup  
14 yet, exact location, but they have been -- they're  
15 holding dates and working with the Belly Up, in terms of  
16 for what their plan with regard to The Sound might look  
17 like. But we did emphasize that, you know, in terms of  
18 not taking up parking lot area for a stage.

19 MR. GELFAND: Right.

20 PRESIDENT JOYCE ROWLAND: Okay. Thank you.

21 We do have -- if there's nothing else from the  
22 board, we do have one member of the public signed up to  
23 speak on 5(b), Community and Government Relations  
24 Committee report and that is Martha Sullivan.

25 MARTHA SULLIVAN: Yes, hello, again. It's

1 Martha Sullivan.

2 I wanted to bring up, again, the tent vigil  
3 that's been discussed in board meetings, probably for  
4 the last year or so, and that the last offer we had from  
5 CEO Moore, I believe -- and I think it was supported by  
6 the board -- was to try to do something at the  
7 fairgrounds this fall or winter.

8 World Homeless Day has passed, and that's fine  
9 because we once, again, participated in the big event  
10 down at the county Waterfront Park on Harbor Drive. But  
11 another possibility is Homeless Memorial Day, which is  
12 December 21st, it's a Thursday. It's the longest night  
13 of the year, and that's traditionally observed as a  
14 night to -- to memorialize unhoused residents who have  
15 died, basically, on our streets or otherwise. So I  
16 wanted to put that back on your radar, particularly CEO  
17 Moore's, and ask for your consideration. Perhaps we can  
18 talk about it directly.

19 PRESIDENT JOYCE ROWLAND: Okay.

20 MARTHA SULLIVAN: Thank you.

21 PRESIDENT JOYCE ROWLAND: Thank you very much.  
22 I'm -- you know, I'm sure that CEO Moore or staff --  
23 staff will get back to you on that.

24 MS. MOORE: Yes. And thank you for the -- the  
25 the reminder.

1           PRESIDENT JOYCE ROWLAND: So our -- our last  
2 item under general business is the DMTC Liaison  
3 Committee report.

4           MR. GELFAND: Any public comment?

5           MR. VALDEZ: Yes. We have Josh --

6           PRESIDENT JOYCE ROWLAND: That was public  
7 comment.

8           MR. GELFAND: Oh, sorry.

9           MR. VALDEZ: We have Josh -- we have Josh  
10 Rubinstein from DMTC here to report.

11           JOSH RUBINSTEIN: Good afternoon, Directors  
12 and district staff. I know it's been a long day for you  
13 guys so I'll be brief.

14           We recent -- DMTC recently completed our  
15 summer meet, and it was very successful, extremely safe  
16 racing, and very competitive with full fields. Our  
17 out-of-state horse recruitment efforts continue to yield  
18 very strong results. And what we've seen, especially  
19 over the last five to six years is Del Mar is the place  
20 where owners and trainers choose to run their horses.

21           Average attendance increased by two-and-a-half  
22 percent this summer and even with the cancellation of  
23 racing due to Tropical Storm Hilary on August 20th,  
24 total on-track revenues in parking, admissions, food and  
25 beverage and sponsorship have all increased

1 from 2022, most racetracks having about 80 percent of  
2 their revenues are through wagering. DMTC, we are very  
3 fortunate to be diversified, and the fact that 50  
4 percent of our revenues come from wagering, the other 50  
5 percent are admissions based.

6 After record wagering levels the last two  
7 years, we did see some -- some softness in handle this  
8 year. We were off about five percent and that was  
9 pretty much industry standards. Saratoga, New York,  
10 also the premiere meet in the summer, they were off nine  
11 percent. However, if you compare wagering results to  
12 pre-pandemic numbers of 2019, total wagering is up 23  
13 percent and Internet betting, which is a very strong  
14 profitable segment for us, is up 63 percent over the  
15 same time period.

16 We did institute a new program this summer,  
17 feeding the -- the backstretch community. And there's  
18 an article in your board package that the San Diego  
19 Union Tribune highlighted this effort. And it was -- we  
20 certainly didn't do it for -- for the accolades but the  
21 feedback we received has -- has really been rewarding,  
22 being able to take care of the men and women who take  
23 care of the industry's horses on a year-round basis.

24 Moving on to the fall meet, which runs  
25 November 10th through December 3rd -- that's 13 days of

1 racing over four weeks -- Del Mar will be the premiere  
2 signal in the country over this time. There's always  
3 some debate in the summer, you know, who's the best,  
4 Del Mar or Saratogo, but there's no debate during the  
5 fall that we will be the premiere signal in -- in  
6 racing. The highlight of the fall meet is our Turf  
7 Festival and that's over Thanksgiving weekend, really  
8 terrific racing. Nine graded stakes over the four-day  
9 weekend, and, not only do we see the best horses in the  
10 country compete, we'll also see some international  
11 participants.

12 And in 2024, our fall meet will be hosting the  
13 Breeders' Cup -- and in addition to being a substantial  
14 financial benefit to the district, in years when DMTC  
15 hosts the Breeders' Cup, the economic impact from horse  
16 racing at the fairgrounds, there's over \$300 million to  
17 the local community so hotels, restaurants. It's really  
18 great to see the activity that we'll experience  
19 next fall.

20 So that is all I have. Like I said, just want  
21 to be brief. I know you guys have had a long day, and  
22 happy to answer any questions that you may have.

23 PRESIDENT JOYCE ROWLAND: Yes, Mr. Gelfand.

24 MR. GELFAND: The -- the food program that you  
25 provided, was that -- it -- was Premier the -- the



1 provider of the food or was it another independent  
2 source?

3 JOSH RUBINSTEIN: Actually, we have an outside  
4 contractor that -- that handle -- handles the -- the  
5 stable cafeteria so we -- we work with them on that  
6 program.

7 MR. VALDEZ: Just want to reiterate one of the  
8 facts that Josh brought forward, and that was the  
9 decrease in the handle and -- and I appreciate you  
10 referring back to pre-pandemic because I think we did  
11 see a strong uptick in handle during the pandemic years,  
12 and we attributed that large -- largely in part to  
13 people's reduced ability to have other options and so  
14 there was just a huge uptick there and we expected that  
15 to kind of flatten out. But to your part point, we're  
16 still much higher than we were pre-pandemic so I  
17 thought -- I think, that's really relevant to point out.

18 JOSH RUBINSTEIN: Yeah. And -- and like I  
19 said, the last two years have been record wagering  
20 levels for us. And this is consistent, you know, not  
21 just within horse racing, but if, you know, if you look  
22 at overall, you know, gaming revenues, you know, the  
23 economy is still a little soft, higher interest rates,  
24 inflation; so with less discretionary income, you know,  
25 that has been a -- a trend across the industry.

1 MS. MEAD: And I just want to say how much I  
2 appreciate that diversification of our revenue. During  
3 a tour this summer at the races, you mentioned that to  
4 me, and it stuck with me and I liked hearing it again  
5 today; that people are coming also to just enjoy  
6 themselves and have lunch and -- and, you know, really  
7 spend their time and their money together, not just on  
8 the wagering. So I just love that statistic. I'm glad  
9 you brought it up again today.

10 JOSH RUBINSTEIN: Thank you.

11 We -- we work very closely, you know, with  
12 Premier on what I'll call our -- our non-core wagering  
13 audience. And as you said, you know, folks are coming  
14 out for -- for beer festivals, wine festivals,  
15 barbecue/taco events. And for the most part our --  
16 those weekend events are selling out; so we're getting,  
17 you know, two, three, four thousand people. And we're  
18 exposing them to racing but they are also producing  
19 revenue for the district, Premier, and DMTC.

20 MS. MEAD: Thank you.

21 PRESIDENT JOYCE ROWLAND: Okay.

22 MS. BARKETT: I was going to say, are you  
23 going to tell Josh about what you discovered  
24 (indiscernible) -- mainly at large about after the  
25 racing, having the concerts?

1 MR. SCHENK: On the Friday nights?

2 MR. GELFAND: Oh, yeah.

3 MS. BARKETT: Yeah.

4 MR. GELFAND: Well, yeah. And it's just --  
5 people love, really, love and still think about the  
6 concerts after racing, and it's, you know, it's a --  
7 it's a recurring theme when we talk to people.

8 MS. MEAD: Yeah.

9 JOSH RUBINSTEIN: It's -- it's something we  
10 discuss internally quite a bit. You know, coming out of  
11 the pandemic we -- we chose not to. The -- you know,  
12 you guys are close to it with -- with The Sound. Coming  
13 out of the pandemic, the talent fees, production fees  
14 were extremely high in 2022 when we were seeing it this  
15 year.

16 And, you know, another reason is we -- we  
17 don't want to compete with The Sound. I mean, you guys  
18 are doing extremely well and, you know, I'm -- I'm close  
19 with -- with the guys at the Belly Up. And ultimately  
20 we would be competing for similar acts.

21 MR. GELFAND: Yeah.

22 JOSH RUBINSTEIN: So -- and, you know, at the  
23 end of the day, as well as -- and this is not, you know,  
24 hard no concerts forever, but we really don't have a  
25 proper concert venue. And now we do over at The Sound,

1 and just from a customer experience and, you know,  
2 liability, you know, having those shows at a venue  
3 specifically built for music we thought was better for  
4 the facility.

5 MR. SCHENK: Well, maybe we can find  
6 opportunities to joint venture --

7 MS. MEAD: Yeah.

8 MR. SCHENK: -- on something like that.

9 JOSH RUBINSTEIN: Absolutely. And -- and  
10 we've spoken to the Belly Up about that, you know,  
11 creating, you know, a day package where people come to  
12 the races and then, you know, move on to the evening  
13 activities at The Sound.

14 MR. GELFAND: I really like that idea --

15 MS. BARKETT: I do too.

16 MR. GELFAND: -- particularly because the  
17 concerts after racing, as a 69-year-old person, standing  
18 up for a couple hours to watch a show is not fun and  
19 having seats is preferable.

20 JOSH RUBINSTEIN: It's interesting -- so we've  
21 gotten, you know, similar feedback from folks that  
22 enjoyed coming to -- to concerts. But we've also  
23 received feedback from restaurants, bars in town, they  
24 like it, right, because if we were keeping people here  
25 till 10:00, 10:30 at night, they're losing out on

1 business. And Friday is, obviously, a big night for  
2 them; so it -- it's definitely a balance.

3 PRESIDENT JOYCE ROWLAND: There's probably  
4 some market segmentation on that, though. I think there  
5 might -- might not be as much of a win-lose as they --  
6 as a win-win, if you get some people doing one and some  
7 people doing the other so.

8 MR. SCHENK: Yeah.

9 MS. BARKETT: Bars might stay open later too  
10 if they hear your music coming that way.

11 PRESIDENT JOYCE ROWLAND: Okay.

12 Thank you very much.

13 MR. ARABO: Thank you.

14 JOSH RUBINSTEIN: Thank you very much.

15 PRESIDENT JOYCE ROWLAND: So we have three  
16 members of the public who signed up to speak on the DMTC  
17 Liaison Committee report. And the first member of the  
18 public signed up to speak is Martha Sullivan.

19 MARTHA SULLIVAN: Hello, this is  
20 Martha Sullivan again.

21 So Del Mar racing acknowledges how poor the  
22 workers in horse racing are for the first time in its  
23 84-year history, feeding them dinner five nights a week  
24 during the summer meets.

25 Oh, and by the way, seven horses died there

1 this summer compared to four last summer. The four last  
2 summer were all training deaths, and one this year was a  
3 racing death. This is a 75 percent increase in horse  
4 deaths in 2023 in the summer meet over the 2022 summer  
5 meet. All but one of the seven 2023 horse deaths were,  
6 musculoskeletal. They were Nevisian Sunrise in  
7 training, Gostem in training, Episode Five in racing,  
8 Vagabond Prayer in training, Pastor T in training,  
9 Peace of Mind, other -- which was on the track -- and  
10 non-musculoskeletal and other was Mikethedealer, which  
11 was a gastrointestinal death.

12 I also want to repeat what I said earlier  
13 today, the Daily Racing Form reported that Del Mar's  
14 summer wagering handle was down 10.9 percent, and  
15 frankly, I trust the industry's media standard more than  
16 I do Del Mar Thoroughbred Club.

17 You know, right now, basically, horse racing  
18 is swirling the drain. California racing is  
19 contracting. And, you know, they can party on the deck  
20 of Titanic until the sinking happens but that's what is  
21 going to happen.

22 MS. ARNOLD: Ms. Sullivan, your time's up.

23 PRESIDENT JOYCE ROWLAND: Thank you.

24 The next member of the public signed up to  
25 speak is Oscar de la Torre.

1 OSCAR DE LA TORRE: Hello. Good afternoon.  
2 This is Oscar de la Torre.

3 I'm calling to acknowledge and congratulate  
4 the Del Mar Thoroughbred Club for a safe and successful  
5 summer -- summer race meet. Various indicators show  
6 that DMTC has been effective in directing resources and  
7 staff to produce the results that we see both  
8 economically and, in terms of safety for horses,  
9 workers, and spectators. All stakeholders, including  
10 those protesting horse racing, should be proud of the  
11 fact that Del Mar is recognized as one of the safest  
12 major racetracks in America many years in a row. In  
13 fact, Del Mar is recognized as a leader in horse safety  
14 reform, and other racetracks are following Del Mar's  
15 example, which will ultimately lead to greater  
16 protections for horses throughout our country.

17 I had the opportunity this summer to  
18 collaborate with backstretch workers to organize weekly  
19 demonstrations during the summer meets at Del Mar to  
20 support their jobs and livelihood. Workers are offended  
21 by the mischaracterization of their work by those who  
22 are opposed to horse racing. One worker asked me in  
23 Spanish, "It seems like they care more about the horses  
24 than those of us who take care of the horses. Do they  
25 prefer that we end up homeless or on welfare?"

1 Another worker hearing the conversation chimed  
2 in, "So we will be out of work, in the street, and who  
3 knows what happens to the horses. I don't think that  
4 the horses would want that to happen; so tell them they  
5 should let the horses vote."

6 Live horse racing generates a revenue that  
7 provides jobs, medical and dental benefits and housing  
8 for low income immigrant workers. These are jobs that  
9 require skills and experience, skills that are not  
10 easily transferrable to other entry-level positions.  
11 Aside from the income and benefits, these are jobs that  
12 workers love because of the horses they get to take care  
13 of. These jobs provide stability for vulnerable workers  
14 during very uncertain times. The DMTC should be  
15 commended for more than its horse safety record, but  
16 also for its responsiveness to the needs of workers.  
17 Last summer DMTC provided free meals every evening for  
18 all workers. This support is appreciated at times when  
19 inflation has hurt every household's budget.

20 So I just want to congratulate the 22nd DAA  
21 for very -- for the success of bringing back the budget,  
22 you know, to bringing back stability, and horse racing  
23 is definitely part of that.

24 Thank you.

25 PRESIDENT JOYCE ROWLAND: Thank you.



1           The last member of the public signed up to  
2 speak is Maria Luisa.

3           MARIA LUISA: Good afternoon, board members  
4 and staff of the 22nd DAA. My name is Maria Luisa and  
5 I'm calling to applaud the DMTC for a successful and  
6 safe summer race meet.

7           As many people have stated before, we should  
8 all be proud of Del Mar's safety record. Del Mar's not  
9 perfect but it is a leader in terms of showing that  
10 safer horse racing is possible. Some people with  
11 extreme views will never accept Del Mar being recognized  
12 as the safest racetrack in America. Even if Del Mar was  
13 perfect, they would still be calling for an outright  
14 prohibition on horse racing. Instead of applauding the  
15 successes of horse safety reform efforts in California,  
16 they continue to advocate for the elimination of horse  
17 racing without any thought of that consequence suffered  
18 by the many working families whose jobs depend on the  
19 success of live horse racing.

20           Many of my family members wake up early each  
21 day to take care of the horses at the racetrack. They  
22 are truly the animal rights advocates. But they do  
23 their work with their hands and hearts, not with protest  
24 and dishonest picket signs. The backstretch workers  
25 love their job taking care of horses and are offended to

1 see people equating their jobs to animal abuse. These  
2 hardworking people are the people that would be hurt the  
3 most if the extreme views of those opposed to horse  
4 racing have their way.

5 I -- aside from the jobs -- aside from the  
6 jobs, housing, and health benefits that are provided at  
7 the racetrack to workers, the DMTC this summer provided  
8 free meals to all backstretch workers. In a time of  
9 high inflation, these meals are appreciated and  
10 contribute to the overall well-being of the workers who  
11 take care of the horses at Del Mar. On behalf of the  
12 family members who work at the racetrack, I want to  
13 express our appreciation for the thoughtful support of  
14 the DMTC has provided to backstretch workers.

15 DMTC continues to show that that it is  
16 responsible --

17 MS. ARNOLD: Ms. Luisa, your time is --

18 MARIA LUISA: Thank you very much.

19 PRESIDENT JOYCE ROWLAND: Okay.

20 MR. GELFAND: I got a question.

21 PRESIDENT JOYCE ROWLAND: Yes.

22 MR. GELFAND: Are -- are the backstretch  
23 workers employees of the Thoroughbred Club or the  
24 individual horse owners?

25 PRESIDENT JOYCE ROWLAND: Yeah. I think

1 they're -- well, go ahead, Josh.

2 JOSH RUBINSTEIN: They work for the individual  
3 trainers.

4 PRESIDENT JOYCE ROWLAND: Yeah.

5 MR. GELFAND: Okay. But you, nonetheless,  
6 provide food to all of them?

7 JOSH RUBINSTEIN: Correct.

8 MR. GELFAND: Okay.

9 JOSH RUBINSTEIN: And the -- and the industry  
10 provides healthcare benefits for -- or healthcare  
11 services for the backstretch workers, medical, dental  
12 vision.

13 MR. GELFAND: Thank you.

14 MR. VALDEZ: You know, I just want to make a  
15 statement because it just doesn't sit well with me to  
16 have somebody suggest that providing people with meals  
17 equates to a recognition that they are poor or  
18 impoverished.

19 I think it -- it was a -- it was a gesture  
20 that DMTC offered in a recognition of the hard work that  
21 these people put in and just a recognition of being kind  
22 of part of a family; so that, I'm sorry, that just  
23 didn't sit particularly well with me for that suggestion  
24 because I don't think it's particularly fair.

25 MR. GELFAND: Yeah. I've done the same thing

1 at some of my properties just because it's more  
2 efficient for the employees to have to leave the  
3 property and go find food and get back quickly and  
4 whatever.

5 MR. SCHENK: I would -- I would share that  
6 there are a number of law firms, accounting firms,  
7 businesses throughout the United States that offer lunch  
8 and dinner to their employees, many of whom are very  
9 well paid; so that suggestion, also, doesn't -- maybe it  
10 reflects good intentions but not a good understanding of  
11 intentions of others.

12 MS. BARKETT: And today we were the benefit of  
13 meals provided to us so thank you.

14 PRESIDENT JOYCE ROWLAND: So the last item on  
15 the agenda is public comment on items that not -- were  
16 not otherwise on the agenda. And so we have four  
17 members of the public who signed up to speak in our  
18 general public comment section.

19 And the first member -- oh, chair failure  
20 here -- first member of the public signed up to speak --

21 MR. SCHENK: Welcome to my world, Mark.

22 PRESIDENT JOYCE ROWLAND: -- is Martha  
23 Sullivan.

24 MR. SCHENK: I got a good one today.

25 MS. ARNOLD: Somebody is always

1 (indiscernible).

2 MARTHA SULLIVAN: This is Martha Sullivan  
3 whether folks are ready.

4 Over 40 tracks have closed in The United  
5 States since 2000, including five in California, to be  
6 joined by Golden Gate Fields in 2024. In 1989, there  
7 were 74,000 races, last year there were only 33,453.  
8 The annual foal crop, meaning horses bred to race, has  
9 declined by nearly two-thirds since 1986. The number of  
10 trainers has dropped by half since 2000. This is a  
11 industry on life support for a long time. This isn't --  
12 you know, certainly animal activists have pointed out  
13 the inherent cruelty of the industry, but this has been  
14 driven by economics, more than anything.

15 And I want to share with you a quote from a  
16 recent letter to the editor and the Paulick Report by a  
17 horse player and an owner of horses from Beverly Hills.  
18 And he basically said, quote, "Now the track usually  
19 resembles that empty restaurant. And when I ask friends  
20 to join me for a day at the races, they mention the  
21 racing deaths they read about while looking at me like  
22 I'm an axe murderer." And that's by Mark Paul, Beverly  
23 Hills, from the Paulick Report, recently.

24 You know, I see poor people every week. If  
25 Del Mar was doing this just for its employees, why did

1 it take 84 years for them to do it?

2 MS. ARNOLD: Ms. Sullivan, your time  
3 is up.

4 PRESIDENT JOYCE ROWLAND: Thank you.

5 The next member of the public signed up to  
6 speak is Judith Strang.

7 MR. RIVERA: Star 6, Judith, to unmute. I'm  
8 asking her to unmute so just give her a minute, if not  
9 we'll go to the next.

10 Unresponsive.

11 PRESIDENT JOYCE ROWLAND: Okay. The next  
12 member of the public signed up to speak is Oscar de la  
13 Torre.

14 OSCAR DE LA TORRE: Yeah, I just wanted to  
15 respond, you know, to the comments made by  
16 Martha Sullivan regarding poor people.

17 You know, the -- the backstretch workers,  
18 these are workers that show up to work every day with  
19 dignity. This is dignified work. They take pride in  
20 their work. They -- they -- they are very -- they are  
21 very proud workers and they do not want welfare, that's  
22 something that they've made comments time and time  
23 again.

24 They say, look, We want our jobs. We don't  
25 want welfare and without a job, you -- that -- that's

1 how you create poor people. Poor people don't have  
2 jobs.

3           You know, poor people are -- are -- are  
4 struggling in our streets right now. We have a homeless  
5 crisis, not just in San Diego, I mean, all over  
6 California, right; so an -- a job provides, you know,  
7 income -- the income that keeps people housed and, you  
8 know it's just offensive to hear anyone, you know,  
9 trying to characterize, you know, the workers in the  
10 backstretches as "poor people" that, you know, are  
11 hungry for -- for food. I mean that's -- that's not the  
12 case, you know, the -- the -- the meals provided build  
13 community. It's appreciated. It's a positive gesture,  
14 you know, and -- and we should applaud that type of  
15 behavior, you know, from any organization.

16           You know, so in any case, just wanted to let  
17 let -- let everyone know that the workers, they'd rather  
18 show up to work taking care of horses than being  
19 unemployed or living in a tent or -- or being out on the  
20 street. We have a crisis that -- that if we -- if we  
21 prohibit horse racing, we would only be contributing to  
22 that crisis of homelessness, and -- and this is part of  
23 the solution is to keep people employed.

24           So thank you very much.

25           PRESIDENT JOYCE ROWLAND: Thank you.

1           The last member the public signed up to speak  
2 under the general public comment is Maria Luisa.

3           MR. RIVERA: She has dropped out of the queue.

4           PRESIDENT JOYCE ROWLAND: Okay. Then that  
5 concludes our public comment.

6           The remaining items on the agenda include our  
7 correspondence, which I think has been referenced, so  
8 take a look at the correspondence that has -- is in the  
9 packet. And the correspondence has come into your fair  
10 mailboxes.

11           And with that we need a motion to adjourn.

12           MR. MOSIER: So moved.

13           MR. ARABO: Second.

14           MS. MEAD: Thank you.

15           PRESIDENT JOYCE ROWLAND: Thank you.

16

17                           (Whereupon, the meeting of the 22nd DAA  
18 adjourned at 4:29 p.m.)

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Chelsea Rojo Bermudez, CDR-1585, CER-1585

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Chelsea Rojo Bermudez, CDR-1585, CER-1585