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CERTIFIED COPY

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

TUESDAY, FEBRUARY 20, 2024

1:42 P.M.

REPORTED BY: CHELSEA ROJO BERMUDEZ (VIA ZOOM)

CDR 1585, CER-1585

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IN ATTENDANCE

OFFICERS:

Frederick Schenk, President, 22nd DAA

Michael Gelfand, First Vice President, 22nd DAA (appearing
via Zoom)

G. Joyce Rowland, Second Vice President, 22nd DAA

DIRECTORS PRESENT:

Mark Arabo, Director, 22nd DAA (appearing via Zoom)

Lisa Barkett, Director, 22nd DAA

Kathlyn Mead, Director, 22nd DAA

Don Mosier, Director, 22nd DAA

Sam Nejabat, Director, 22nd DAA (appearing via Zoom)

ALSO PRESENT:

Carlene Moore, Chief Executive Officer, 22nd DAA

Josh Caplan, Deputy Attorney General

Katie Mueller, Chief Operations Officer, 22nd DAA

Michael Sadegh, Director of Finance, 22nd DAA (via Zoom)

Donna O'Leary, Executive Assistant, 22nd DAA

Henry Rivera, Moderator/Production Manager

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1 DEL MAR, CALIFORNIA, TUESDAY, FEBRUARY 20, 2024

2 1:42 p.m.

3 -o0o-

4 PRESIDENT FRED SCHENK: Well, I want to apologize for
5 the delay getting started. It was not for a lack of board
6 members being here, but it was some technical issues.

7 So I want to welcome everyone to the February
8 20th, 2024, meeting of the 22nd District Ag Association Board
9 of Directors. We do have a quorum present in the room.

10 We have three of our board members appearing by
11 Zoom, Directors Nejabat, Gelfand, and Arabo. The others are
12 all here so we do have a quorum. And we can take roll call,
13 please.

14 MS. O.LEARY: President Schenk.

15 PRESIDENT FRED SCHENK: Present.

16 MS. O.LEARY: Vice President Rowland.

17 MS. ROWLAND: Present.

18 MS. O.LEARY: Director Arabo.

19 MR. ARABO: Present.

20 MS. O.LEARY: Director Barkett.

21 MS. BARKETT: Present.

22 MS. O.LEARY: Director Mead.

23 MS. MEAD: Here.

24 MS. O.LEARY: Director Mosier.

25 MR. MOSIER: Present.

1 MS. O.LEARY: Director Nejabat.

2 MR. NEJABAT: Here.

3 PRESIDENT FRED SCHENK: Thank you.

4 We.ll move on to --

5 MR. GELFAND: Did you get me?

6 PRESIDENT FRED SCHENK: Oh, we didn.t --

7 MS. MEAD: Gelfand.

8 MS. O.LEARY: I did. Vice President Gelfand. Sorry.

9 MR. GELFAND: I.m here.

10 PRESIDENT FRED SCHENK: So, again, just to be clear,

11 Directors Nejabat, Gelfand and Arabo are appearing remotely.

12 The others are all physically here who indicated they are

13 "here" or "present."

14 So let.s move on to the Consent Calendar. Are

15 there any requests to have any items taken out of the Consent

16 Calendar for separate consideration?

17 Yes.

18 MARTHA SULLIVAN: Do you want me to come up to speak?

19 PRESIDENT FRED SCHENK: Sure. Please. It.s just

20 easier so we can hear you and, you know, have a record.

21 MARTHA SULLIVAN: That.s fine.

22 PRESIDENT FRED SCHENK: Thank you.

23 MARTHA SULLIVAN: Martha Sullivan.

24 I believe that the minutes should be pulled and

25 they need to be revised because they should specifically

1 reflect that last month, a member of the public requested to
2 comment on this board.s agenda and was refused. And I made the
3 request on behalf of Lori Saldana. I think that needs to be
4 expressly reflected in the minutes that this board refused, and
5 specifically, the board president, refused the request by a
6 member of the public to make public comment on a board agenda.

7 PRESIDENT FRED SCHENK: We will have that taken out
8 separately, and we.ll have response and comments appropriately
9 at that time. So we.ll have that done.

10 Assemblywoman Saldana.

11 ASSEMBLYMEMBER SALDANA: Yes. I appreciate the
12 previous remarks, and I was going to make the same
13 recommendation.

14 Once again, today, I hope that you were checking
15 to see if anyone did a last-minute check-in to speak. I signed
16 up to speak at 1:31 last month and never received a response
17 that would allow me the link to speak. There -- I was advised
18 there were technical difficulties. I was advised of a few
19 other problems that occurred. Those are all reasons that I was
20 not allowed to speak on the agenda, but they are not excuses,
21 and, in fact, it is a violation of the state law to deny a
22 person who has submitted a request, which is not required by
23 law. Anyone may come to this meeting, enter the meeting --

24 PRESIDENT FRED SCHENK: Ms. Saldana, are you joining
25 in asking this be put on a separate calendar --

1 ASSEMBLYMEMBER SALDANA: I am using my two minutes,
2 if I could, to --

3 PRESIDENT FRED SCHENK: No. This is not -- this is
4 not the time for that. That.s not what we.re doing right now.

5 ASSEMBLYMEMBER SALDANA: Mr. Schenk, with all due
6 respect, sir --

7 PRESIDENT FRED SCHENK: Public comment -- public
8 comment will come at a later time. There has been a request --

9 ASSEMBLYMEMBER SALDANA: I am responding to your
10 minutes and what they state in the minutes. They do not --

11 PRESIDENT FRED SCHENK: You are not being recognized
12 for that, Ms. Saldana. I.m sorry. You do not have the two
13 minutes now. You do not have the two minutes now. There.s
14 been a request --

15 ASSEMBLYMEMBER SALDANA: Mr. Schenk --

16 PRESIDENT FRED SCHENK: There.s been a request --

17 ASSEMBLYMEMBER SALDANA: I have been in touch with
18 the Attorney General.s Offices about your violations. I don.t
19 know if they.re willful or they.re due to a lack of
20 information. But I think your board needs to have training on
21 the Bagley-Keene Act to avoid these problems and disputes. I
22 am speaking as a former educator --

23 PRESIDENT FRED SCHENK: I will -- I will entertain a
24 motion at this point to do as Ms. Sullivan requested, and you
25 will have an opportunity. I will make sure you have an

1 opportunity to recite all of what you are saying now. But
2 let.s have that taken out as a separate matter, as was
3 requested. I am willing to do that. And you will have your
4 two minutes at that time, please.

5 ASSEMBLYMEMBER SALDANA: You are out of order to do
6 that at this point. There is no motion to do that. There is
7 no second to do that. You are only on a Consent Calendar
8 agenda item. And speaking as a former presiding officer of the
9 State Legislature, you need to know the rules of how to conduct
10 this meeting, and that.s why I am here today, and I will leave
11 it at that.

12 PRESIDENT FRED SCHENK: I appreciate it.

13 All right. There.s been a request. I will
14 entertain a motion to separate that out and have it as a
15 separate item outside of the Consent Calendar and put into
16 general and do the general calendar.

17 MS. ROWLAND: General Business.

18 PRESIDENT FRED SCHENK: General Business.

19 MR. GELFAND: So moved.

20 PRESIDENT FRED SCHENK: It.s been moved. Is there a
21 second?

22 MS. ROWLAND: I.ll second.

23 PRESIDENT FRED SCHENK: It.s moved and seconded. I
24 will take a vote on that.

25 All right.

1 MS. O.LEARY: President Schenk.

2 PRESIDENT FRED SCHENK: Aye.

3 MS. O.LEARY: Vice President Gelfand.

4 PRESIDENT FRED SCHENK: Aye.

5 MS. O.LEARY: Vice President Rowland.

6 MS. ROWLAND: Aye.

7 MS. O.LEARY: Director Arabo.

8 MR. ARABO: Aye.

9 MS. O.LEARY: Director Barkett.

10 MS. BARKETT: Aye.

11 MS. O.LEARY: Director Mead.

12 MS. MEAD: Aye.

13 MS. O.LEARY: Director Mosier.

14 MR. MOSIER: Aye.

15 MS. O.LEARY: Director Nejabat.

16 MR. NEJABAT: Aye.

17 PRESIDENT FRED SCHENK: All right. The motion has
18 been passed, and it will then be discussed. And anyone who
19 wishes to speak on that will absolutely be given an
20 opportunity. It will come up under General Business; okay?
21 Thank you.

22 So aside from that, I will entertain a motion to
23 approve the consent calendar.

24 MR. GELFAND: So moved.

25 PRESIDENT FRED SCHENK: No, that was to have that

1 taken -- yeah. Yeah.

2 MS. MEAD: Second. Gelfand is first.

3 MS. O.LEARY: Did Director Gelfand -- okay.

4 PRESIDENT FRED SCHENK: Any further discussion on
5 that?

6 Hearing none, we'll have a vote.

7 MS. O.LEARY: President Schenk.

8 PRESIDENT FRED SCHENK: Aye.

9 MS. O.LEARY: Vice President Gelfand.

10 MR. GELFAND: Aye.

11 MS. O.LEARY: Vice President Rowland.

12 MS. ROWLAND: Aye.

13 MS. O.LEARY: Director Arabo.

14 MR. ARABO: Aye.

15 MS. O.LEARY: Director Barkett.

16 MS. BARKETT: Aye.

17 MS. O.LEARY: Director Mead.

18 MS. MEAD: Aye.

19 MS. O.LEARY: Director Mosier.

20 MR. MOSIER: Aye.

21 MS. O.LEARY: Director Nejabat.

22 MR. NEJABAT: Aye.

23 PRESIDENT FRED SCHENK: All right.

24 What I'm going to do at this point is because we
25 do have people sitting in the audience here and I don't know if

1 they wish to sit through everything, but as a courtesy, I think
2 we should have this matter moved forward, the General Business
3 part of the calendar, so that we can give our members of the
4 public an opportunity to speak on this because I understand
5 this is something that they wish to have, our audience. And
6 so, as a courtesy, I'm going to move this matter to -- out of
7 number 6 to number 4, and we'll --

8 MARTHA SULLIVAN: Item 4 is not (indiscernible.)

9 PRESIDENT FRED SCHENK: No. We're going to move it
10 up to before public comment so it's going to be the next item
11 in order.

12 MARTHA SULLIVAN: You're talking about the minutes?

13 PRESIDENT FRED SCHENK: Yes. I'm going to move this
14 up now.

15 All right. So I will invite comment on general
16 business with regard to the item that was tabled -- or put into
17 the General Business agenda item.

18 ASSEMBLYMEMBER SALDANA: I will simply read from
19 Bagley-Keene on this matter.

20 "During a meeting, state body members may engage
21 in limited conversations not appearing in the agenda" -- which
22 is what you were attempting to do right now. "However, you may
23 not deliberate on any substantive policy matter not on the
24 agenda."

25 You are also attempting to adjust -- to make

1 changes to an agenda without proper notification to the public.
2 So I believe this is out of order. If you would like to take
3 this matter up at a future meeting, you are welcome to do so,
4 at a future meeting. But it is out of order to change your
5 agenda without specific circumstances in place, without prior
6 notification of doing so to the public.

7 So I will simply make the suggestion that this
8 be taken up at a future meeting and that you comply with the
9 state law and not make a change to the agenda at this time
10 because you have already begun the meeting and you have not
11 given yourself a chance to notify the public in advance.

12 MR. CAPLAN: Chair Schenk, if I may, for the board's
13 benefit, the agenda for today does identify --

14 MS. ROWLAND: Is your mic on?

15 MR. CAPLAN: Can you hear me?

16 PRESIDENT FRED SCHENK: Yes.

17 MR. CAPLAN: The agenda for the board meeting today
18 does include an action item to approve the minutes from the
19 January 9th, 2024, board meeting, and so the board does have
20 the ability to discuss those minutes as part of the approval of
21 those minutes. To the extent there are mistakes or errors in
22 the record, the board and the public can deliberate on making
23 changes. That is an agenda item. And so, the board can
24 take action on pulling the approval of the minutes from the
25 last board meeting and consider and discuss them at the meeting

1 today.

2 With regards to the ability to reorganize items
3 on the agenda and take them in any order, there.s nothing under
4 Bagley-Keene that prevents the board from doing that so long as
5 those items are on the agenda and the proper 10-days. notice
6 was given. Those agendized items can be taken in any order.

7 PRESIDENT FRED SCHENK: Thank you for that advice.

8 Ms. Sullivan, you were about to speak.

9 MARTHA SULLIVAN: As I said, I think that these
10 minutes need to be revised to expressly reflect the fact that I
11 notified this board and the board president that a member of
12 the public was seeking to comment on the board.s agenda and was
13 unable to do so because the board.s remote comment function
14 apparently ceases to function as of some undisclosed time. And
15 there.s nothing anywhere that says you have to register to
16 comment on the board agenda by a certain time.

17 There.s also nothing in Bagley-Keene that says
18 you even have to register or that the body can approve you
19 making a public comment, which is what your email to us with
20 the link to do so expressly says, that you.re approved to make
21 a public comment.

22 I also want to point out, President Schenk, that
23 six times last year, this board started late, as it did today.
24 So your reason for refusing to allow Assemblywoman Saldana to
25 comment last month because she was late, after 1:30, is, you

1 know, laughable on its face.

2 I've attended these board members -- these board
3 meetings in person and remotely for years now, and board
4 members show up late all the time. They aren't prevented from
5 participating. And as far as I know, nobody who's ever walked
6 into a board meeting late has ever been prevented from
7 registering to comment.

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

9 PRESIDENT FRED SCHENK: Would anybody else from the
10 public wish to speak before we have a discussion amongst the
11 board?

12 I'm hearing none.

13 Is there a motion to amend the minutes?

14 I'm hearing none.

15 MR. GELFAND: Well, I'd make the motion to amend the
16 minutes but I'm curious exactly what Ms. Saldana would like the
17 minutes amended to say. Simply that there was a technical
18 problem that prevented her from being able to speak? What
19 exactly -- what kind of amendment to the minutes are they
20 looking for?

21 MARTHA SULLIVAN: This is Martha Sullivan.

22 I made the request, and what I think the minutes
23 need to say is that a member of the public requested to make
24 public comment and was refused. I think that's what the
25 minutes need to say.

1 PRESIDENT FRED SCHENK: Is that the motion?

2 MR. GELFAND: No.

3 PRESIDENT FRED SCHENK: Is that your request, that
4 the motion be made from the board?

5 MARTHA SULLIVAN: I think that Assemblywoman
6 Lori Saldana requested to make public comment on the board.s
7 agenda and was refused by the board president.

8 PRESIDENT FRED SCHENK: Well, I will consider a
9 motion to amend the minutes if that.s what anybody wants to
10 move.

11 MS. BARKETT: Can.t we get our court reporter to
12 replay that from the last meeting and get the exact wording
13 that was used to come into the meeting, not come into the
14 meeting because I.m fuzzy on what transpired.

15 PRESIDENT FRED SCHENK: I know -- I know what
16 transpired.

17 MS. BARKETT: But I think it.s better if we have
18 it -- we know it was confirmed by the court reporter so I think
19 we should do it through that.

20 MS. ROWLAND: I would --

21 MR. GELFAND: That.s kind of what I.m getting at is
22 I.d be happy to make a motion, but I want it to be factual.
23 And I remember vaguely that Martha Sullivan raised the issue of
24 Lori Saldana.s request to speak, but I don.t remember exactly
25 what the board president said in response.

1 MS. BARKETT: Exactly. We're speculating right now
2 so.

3 MS. ROWLAND: I was going to say something similar,
4 that I, too, recall the request that was there, but I know
5 that -- and Henry was looking for where she was --

6 MS. BARKETT: Where she was, many times.

7 MS. ROWLAND: -- I didn't see anything. I mean, I
8 think I want the minutes to say --

9 MS. BARKETT: It should be very exact.

10 MS. ROWLAND: For the minutes to say something, it
11 should describe the incident as we believe it happened.

12 MS. BARKETT: Exactly.

13 MS. ROWLAND: And I think that's, you know,
14 appropriate.

15 MS. BARKETT: I would feel more comfortable with that
16 myself.

17 PRESIDENT FRED SCHENK: I agree. Because all we had
18 was what we heard say and not actually from Ms. Saldana. And
19 based on what we heard say and having no information before us,
20 we didn't have a basis to have someone speak who wasn't even
21 present, digitally or otherwise.

22 MARTHA SULLIVAN: Are you going to read the minutes?

23 PRESIDENT FRED SCHENK: Yes --

24 MS. BARKETT: We're going to read them back.

25 PRESIDENT FRED SCHENK: -- we'll read them back.

1 MS. MEAD: I just --

2 MS. ROWLAND: (Indiscernible) it is the transcript.

3 MS. BARKETT: It.s a transcript, yeah.

4 MS. MEAD: So I guess the motion I.d like to make is
5 that we table approval of this item until such time as the
6 transcripts can be reviewed and an appropriate motion can be
7 carried.

8 PRESIDENT FRED SCHENK: Okay.

9 MS. MEAD: That.s my motion.

10 PRESIDENT FRED SCHENK: Ms. Saldana, I.ll let you
11 have the last words for this until we make the decision on
12 that.

13 ASSEMBLYMEMBER SALDANA: Thank you. I appreciate
14 your deliberative process on this.

15 I did send, during the meeting, an email to the
16 CEO and to the board secretary describing with a screen image
17 of my registration, the time stamp. So I was very clear. And
18 the meeting was a long one last month, but I had registered at
19 1:33 p.m. and never -- it -- I was informed for technical
20 difficulties, it was not added to the queue. But that is
21 documented through an email correspondence with your staff.

22 PRESIDENT FRED SCHENK: Ms. Saldana, while you.re
23 still here, I.m going to apologize to you because obviously,
24 I.ve know you a long time. I would not intentionally deny you
25 an opportunity. I.ve respected your leadership. I.ve

1 supported you as a candidate and in your position.

2 I will say this for the record, without knowing
3 that you were there, having heard say by another member of the
4 public is not good enough. If I knew that you were in the
5 queue, if I knew that your name was listed, it would have been
6 a different circumstance. But based on what we had --
7 information based on what we had at the time, I had no idea
8 that you were somewhere. There were a lot of people who spoke,
9 and everybody else made their presence known.

10 So I apologize to you that, for whatever
11 technical reasons, we did not know. But what I will also say
12 publicly right now is that subsequent to that, I asked our
13 staff to make sure you be given an opportunity to provide a
14 written comment on whatever it was that you wished to speak
15 about, and we'll still consider that -- and we will include
16 that in the record. To this moment, I have not seen that. But
17 it was in an effort to try to make up for our not knowing that
18 you were in the queue. But we will -- I'm going to address the
19 tabling of this motion, and you will have an opportunity, I
20 assure you, to speak to this again. How is that?

21 ASSEMBLYMEMBER SALDANA: I appreciate that.

22 PRESIDENT FRED SCHENK: Okay. Thank you very much.

23 MS. ROWLAND: Can I say also that not knowing -- that
24 Henry looked and didn't see it, technically, searched for it
25 and didn't find it. from what I understand --

1 PRESIDENT FRED SCHENK: Right.

2 MS. ROWLAND: -- and my understanding is also that in
3 terms of, you know, staff doesn.t normally sit and look at
4 email --

5 MS. BARKETT: Exactly.

6 MS. ROWLAND: -- during the meeting --

7 MR. RIVERA: Your microphone is muted.

8 MS. MEAD: I don.t either.

9 MS. ROWLAND: But they have someone now who is
10 dedicated to doing that sort of work, who is not actively
11 involved in the meeting so...

12 PRESIDENT FRED SCHENK: There.s been a motion to
13 table. Is there a second?

14 MS. BARKETT: Second.

15 PRESIDENT FRED SCHENK: There.s been a second.

16 Any further discussion?

17 Hearing none --

18 MR. GELFAND: I have some discussion.

19 PRESIDENT FRED SCHENK: Yes, sir.

20 MR. GELFAND: My understand was, at the time that
21 Ms. Sullivan raised the issue of Ms. Saldana wanting to address
22 us, we technically did not see -- our technicians did not see
23 Ms. Saldana in the queue. What I.d like to know, and I don.t
24 know what the proper timing or format of this is, but what I.d
25 like to know is whether our staff has corrected that problem,

1 and in the future, will people be able to sign up for public
2 comment throughout the entire duration of our meetings?

3 PRESIDENT FRED SCHENK: We will -- I know we've been
4 addressing that, Director Gelfand, so I'm --

5 MR. GELFAND: But do I need to make a motion --

6 PRESIDENT FRED SCHENK: That will be --

7 MR. GELFAND: -- to have staff address --

8 PRESIDENT FRED SCHENK: -- that's going to be
9 addressed.

10 MR. GELFAND: -- at the next meeting?

11 PRESIDENT FRED SCHENK: As you saw today, you know,
12 there were technical issues that -- you know, there -- but I
13 think we do now have someone who's monitoring this separately.
14 Someone outside of being involved in the minute, sitting in a
15 board meeting where we can't be checking our emails, nor should
16 we be checking our emails. But we will have a dedicated person
17 addressing that going forward. So we'll address that when we
18 bring this back up.

19 MR. GELFAND: Thank you.

20 PRESIDENT FRED SCHENK: That's the discussion.

21 Any further discussion from the board?

22 All right. Hearing none, we'll vote on the
23 motion to table.

24 MS. O'LEARY: Okay. President Schenk.

25 PRESIDENT FRED SCHENK: Aye.

1 MS. O.LEARY: Vice President Gelfand.

2 MR. GELFAND: Aye.

3 MS. O.LEARY: Director Rowland -- Vice President
4 Rowland.

5 MS. ROWLAND: Aye.

6 MS. O.LEARY: Director Arabo.

7 MR. ARABO: Aye.

8 MS. O.LEARY: Director Barkett.

9 MS. BARKETT: Aye.

10 MS. O.LEARY: Director Mead.

11 MS. MEAD: Aye.

12 MS. O.LEARY: Director Mosier.

13 MR. MOSIER: Aye.

14 MS. O.LEARY: And Director Nejabat.

15 MR. NEJABAT: Aye.

16 PRESIDENT FRED SCHENK: The motion carries. This
17 matter will be tabled perhaps to next month, and, of course,
18 anyone from the public wishing to participate and address us at
19 that time will be given notice.

20 Let.s move on to contract awards, and -- oh,
21 that.s right; we.ve already -- so we.re now on public comment.
22 Anybody identified on public comment? I see we have
23 Assemblywoman Saldana, please.

24 ASSEMBLYMEMBER SALDANA: I am pleased that -- if my
25 comments and concerns have changed the process to ensure that

1 other people don.t get into this situation, then that really is
2 the goal of my communications.

3 Public participation is an absolute right under
4 these meetings. And the law states, as I.ve said before, that
5 at a meeting, a state body must -- it is not a discretionary
6 option for you -- you must give the public an opportunity to
7 comment on each agenda item before voting on the item. And
8 the reasons for that, I think, are that the public does not
9 give over their power to have some say on this -- on any item
10 that comes before you. And the state recognizes that. The
11 process, as someone who retired from teaching information
12 technology for 20 years with local colleges, technical
13 difficulties are not an excuse for violating the law.
14 Otherwise, somebody who.s speeding can say my brakes failed and
15 I shouldn.t get a ticket because technical difficulties with my
16 car made me violate the law.

17 And for the same reason, if you are working on
18 solving this problem, if your staff is recognizing this is a
19 situation that should not happen again, then I think we are
20 halfway to resolving the concerns. But I do think it should
21 still be part of the record as requested by Ms. Sullivan and
22 reflected in the minutes. The public comments are pretty
23 sparse; they simply note somebody spoke. They don.t give a
24 one-sentence summary of the topic of what was said, and I think
25 that is something that needs to be addressed in the comments.

1 These are public records in addition to the transcripts. Not
2 everyone will go through the transcripts or the video to
3 determine exactly what a person said. It should be part of the
4 minutes as well.

5 Thank you.

6 PRESIDENT FRED SCHENK: Thank you.

7 Next is someone whose email address is
8 DelMarFair@outlook.com.

9 MR. RIVERA: They are no longer -- they are not in
10 the queue.

11 PRESIDENT FRED SCHENK: They declined to state; so
12 that.s why I didn.t identify them otherwise.

13 MR. RIVERA: Yes.

14 PRESIDENT FRED SCHENK: Ms. Sullivan. Good
15 afternoon.

16 MARTHA SULLIVAN: Good afternoon. It.s nice to be
17 here again. I almost -- I thought I was in the wrong place. I
18 didn.t recognize it when I walked in.

19 I just want to offer, as I have, I think, in an
20 email to CEO Moore that the City of San Diego City Council
21 provides -- in their agenda, they provide a phone number and a
22 URL for members of the public to use in order to make public
23 comment on their published agenda. They don.t have to pre-
24 register, they don.t have to go through any kind of preliminary
25 registration, approval, whatever. They can just call into the

1 City Council or log into the Zoom meeting, and they.re able to
2 comment by raising their hand on their phone or on their
3 computer. So I hope that you will look at that and avail
4 yourself of that very simple solution to provide members of the
5 public with an opportunity to comment on this board.s agenda as
6 they.re entitled by law.

7 I also just want to advise you that as of this
8 Sunday, 16 racehorses have been reported dead in California.
9 That.s 16 racehorses dead in California in seven weeks. No
10 legitimate sport would tolerate the deaths of 16 of its
11 athletes in seven weeks in one state. I just want you to
12 remember that. We.re early on this year, and we.re already
13 going at a very deadly pace.

14 Thank you.

15 PRESIDENT FRED SCHENK: Thank you.

16 Ashley McCaughan, please.

17 Hello. Good afternoon.

18 ASHLEY MCCAUGHAN: Good afternoon, everyone. I am
19 here to share some positive news about the Don Diego
20 Scholarship Foundation.

21 First of all, I want to let all of you guys know
22 that we are excited to announce we have three new board
23 members, Director Mark Arabo, Russ Penniman is back on our
24 board, as well as the former executive director, Chana Mannen.
25 So those are some updates, and we.re very happy to have them on

1 our board.

2 Also, our scholarship applications are now
3 available for graduating high school seniors; so anyone who
4 worked at the fair who is graduating, exhibited at the fair,
5 that could be dancing or entering artwork. If you participated
6 in 4-H or FFA or have an animal in the junior livestock
7 auction, you are eligible to apply for one of our scholarships.
8 This year, we are awarding \$86,500; so we are are excited about
9 that. That number has increased. And the application deadline
10 is April 1st, and they can be found on our website,
11 DonDiegoScholarship.org.

12 We.re also gearing up with the fairgrounds for
13 the Plant*Grow*Eat program. And someone might speak about this
14 later, but it.s happening before the fair. And once again, we
15 are going to be providing grants to Title 1 schools to pay for
16 their busses to come to the fair to interact in agricultural
17 exhibits for a field trip, and so we.re currently fundraising
18 for that.

19 And once the acts have been approved, which I
20 believe will be today, during the Fairgrounds, we.re then going
21 to select our date for our annual fundraising gala. And with
22 that, we invite anyone to purchase a ticket. That can be found
23 on our website, DonDiegoScholarship.org. We also have
24 sponsorship opportunities available. And this is our big night
25 where we.ll have a silent auction, a live auction, recognize

1 our scholars, and then enjoy the concert of the fair
2 afterwards. So, again, continue to follow us on social media.
3 We have, always, updates on our scholars, and we appreciate
4 everyone in the community who supports us.

5 Thank you.

6 PRESIDENT FRED SCHENK: Thank you. Well, we hope to
7 have most of them approved today. I don.t know whether we.ll
8 have all the acts but hopefully enough from which the community
9 can select.

10 Next, Carla Hayes.

11 Good afternoon.

12 CARLA HAYES: Hi, everybody.

13 I also am here for good news because I wanted to
14 report on how the Horsepark is doing, given El Nino.

15 First of all, I think on page 200 of the board
16 package, you.ve got a pretty clear outline. The ebb and flow
17 rings worked. Dale Harvey told me that it poured on Friday
18 morning, and within one hour, there was no standing water, and
19 they could run all of the horses in those wonderful rings that
20 conserve water, protect the horses. legs -- and they live very
21 long lives, by the way.

22 The second thing is the Olympics. It was like
23 watching the Olympics without jet lag because I don.t really
24 want to go to Paris to see the Olympics. I.d rather go there
25 for other things. And quite frankly -- so Steffen Peters,

1 who.s Ranch Santa Fe, he.s been in the Olympics five times.
2 He.s over 50 -- 55 years old. But the exciting news is within
3 a half of a percentage point was a wonderful young woman, an
4 athlete named Anna Buffini, whose horse cost a great deal less
5 than Steffen.s horse, and she is number three on the Olympic
6 squad. What -- she.s 28, she.s African-American, her dad
7 sponsors her, not somebody who founded a technical company a
8 long time ago and made a lot of money. So that.s the exciting
9 news.

10 And the other thing I wanted to share with all
11 of you, if you haven.t seen it, is the U.S.E.T. fundraiser for
12 the Olympics at your Fairgrounds in the indoor and it.s going
13 to be a wonderful time and I.m hoping that all of you can come.
14 I.m pretty sure, Carlene, that they.ll probably make an
15 accommodation for the people who are providing the venue, and
16 it.s going to be a great --

17 MS. O.LEARY: Ms. Hayes, your time is up.

18 CARLA HAYES: -- great event, and I.m sorry --

19 PRESIDENT FRED SCHENK: Thank you so much for your
20 comments.

21 CARLA HAYES: -- caught the collateral -- I.ll bring
22 it later.

23 Thank you.

24 PRESIDENT FRED SCHENK: Thank you for your comments.

25 Next is Ms. DeMarco.

1 Good afternoon.

2 LAURA DEMARCO: Good afternoon. Just to echo
3 Carla.s comments, three weeks ago at Horsepark, we witnessed
4 the Olympic team, basically, competing. So you had not only
5 Steffen Peters, but also Anna Buffini, you had Sabine, who
6 is -- really, was the clincher and why the U.S. won the
7 dressage silver medal. She also was there on a new horse.

8 But Anna Buffini -- it.s amazing. I talked to
9 her dad, Brian, who, as Carla said, sponsored her, and he said
10 by the time I talked to him right after it, the horse was
11 already back in their home barn, which is only 10 minutes away.
12 So instead of having to take the horses out to Wellington,
13 which puts a lot of stress on them in Florida -- you know,
14 going out to Florida -- and putting a lot of financial stress
15 on the family, they are able to truck the horse over -- 10
16 minutes -- compete, have the third best score in the entire
17 country, and she.s on her way to the Olympics.

18 She.s a wonderful athlete. She comes from a
19 family of athletes. Her dad was a competitive football player;
20 her mom was a competitive volleyballer. The four other kids
21 all are incredible athletes at the collegiate level. And their
22 daughter is going, likely, to the Olympics in Paris this
23 summer. She.s amazing. She.s 29 years old, totally dedicated
24 to the sport, and she.s active for this generation on TikTok,
25 Facebook, every social media platform, and she loves her horse

1 and the horses and it.s just wonderful to behold.

2 So he wanted to thank you all. He wanted us to
3 thank you all for making it possible that -- so the whole
4 family was there seeing her, cheering her on, which would have
5 not been possible if it was in Florida. So thank you for
6 making a local girl.s Olympic dreams come true, and hopefully
7 you.ll see her in Paris on TV.

8 PRESIDENT FRED SCHENK: Thank you so much for your
9 time.

10 Henry, is the next speaker not in the queue?

11 MR. RIVERA: That is correct.

12 PRESIDENT FRED SCHENK: All right.

13 MR. RIVERA: Koa Newman (spelled phonetically) is not
14 in the queue.

15 PRESIDENT FRED SCHENK: If this individual shows up,
16 we.ll give them -- as we always do, since their presence is
17 known -- we.ll give them an opportunity if they choose to come
18 back.

19 We.ll move on to our Executive Report. And we
20 do have action items so I.m going to take public comment before
21 our action item.

22 MS. MOORE: Right.

23 PRESIDENT FRED SCHENK: So we have Assemblywoman
24 Saldana.

25 MS. ROWLAND: We want to hear the reports.

1 PRESIDENT FRED SCHENK: You want to do the report,
2 and then we'll do -- okay.

3 MS. MEAD: Yeah. Before the vote.

4 PRESIDENT FRED SCHENK: Before we take action.

5 MS. MOORE: Yeah. So to start off with -- in terms
6 of just operational announcement with regard to the volleyball
7 premise update, and the staff report is found on page 27 of the
8 packet.

9 So following -- I'll just give a brief synopsis
10 of that, following last month's meeting at which Del Mar
11 Volleyball Center, you know, kind of appealed to this board,
12 the Del Mar Volleyball Center opted to actually get out of the
13 business of volleyball operations or operating the tent, and
14 they sold their free-standing sport tent with the sport court,
15 the nets, the poles, and the partition curtains to
16 Wave Volleyball, which is the DBA of SET SPIKE LLC. So
17 effective February 1st, we have just one volleyball operator on
18 the premises, and that is Wave Volleyball, with now the two
19 locations.

20 And so, while the existing agreement with Wave
21 is a multi-year agreement, that requires the board's approval,
22 in terms of the amendment. And so, in the meantime, to bridge
23 the gap from February 1st, in essence, until today's meeting,
24 when the board can consider the amendment, I did enter into a
25 month-to-month agreement with them so that, again, operations

1 could continue without any impact to the athletes or their
2 families.

3 So the action -- and that.s why having, then,
4 the action item not typical under the Executive Report, but
5 because it.s connected to this update -- and that is for the
6 board.s consideration would be to approve Amendment 5 to the
7 rental agreement; and the multi-year rental agreement is REV15-
8 00841. With them, this adds the second location to it. It
9 would be concurrent with the terms.

10 If you recall in the January board meeting, the
11 board had Amendment 4 was to exercise the two-years, which is
12 September of 2024 through August 31st of 2025. So this would
13 be concurrent with that. It increases the rent payment to the
14 district, and this is at the same rates that previously for
15 that space in 2024, the site, as well, then a five percent
16 incremental increase in -- come September 1st of 2024. Sorry.
17 They don.t run on an annual -- on a January to December annual
18 contract so...

19 And so, with that, I have that for the board.s
20 consideration.

21 PRESIDENT FRED SCHENK: Okay. So before we move on
22 to Industry News and Updates, now we.ll take public comment.

23 MARTHA SULLIVAN: If we want to make comments on
24 other (indiscernible) items?

25 PRESIDENT FRED SCHENK: Since they.re not -- if

1 they.re not action items, you may. I just want to make sure
2 that we get public comment on the action --

3 MARTHA SULLIVAN: (Indiscernible) public comment now?

4 PRESIDENT FRED SCHENK: Yes, you may, please.

5 MARTHA SULLIVAN: Okay.

6 I just want to point out, as I have done in the
7 past -- this is Martha Sullivan -- on the -- under the standard
8 agreements, review of contracts executed per CEO delegation of
9 authority, two of these agreements had zero dollars listed for
10 them, 24-010, Noise New Media, and 24-906, SET SPIKE LLC dba
11 Wave Volleyball. So I was just curious as to zero dollars
12 listed for these two contracts. And the SET SPIKE LLC,
13 contract doesn.t have cover sheets. It just goes straight to
14 the, like, scope of work thing.

15 So that, and then my final comment is a repeat
16 of my objections in past years to once more a contract under
17 entertainment agreements, with Swifty Swine, for the County
18 Fair, 24-1052, because animal abuse is not entertainment.

19 PRESIDENT FRED SCHENK: Would anybody else like to
20 address the action item under the Executive Report?

21 Assemblywoman Saldana.

22 ASSEMBLYMEMBER SALDANA: Thank you.

23 I just had a question. When the CEO is given
24 authorization to approve these, when do they go into effect,
25 and -- because there are some contracts here where it appeared

1 that an event actually has already taken place. So there.s no
2 date indicated of when the -- it looks like these were executed
3 by delegation of authority. So is the timing of these part of
4 the record? When were these executed?

5 And then, I had a question about an event that
6 the price changed from January to subsequent months. So they
7 were two different contracts for the same event, 24448 and
8 24449, but for one event, it was \$120, and for the subsequent
9 events, it was -- it looks like \$70.

10 So I.m just curious when the execution takes
11 effect and why what appears to be the same event is being
12 charged different amounts of money on different dates.

13 Thank you.

14 PRESIDENT FRED SCHENK: Thank you.

15 Any other public comment?

16 All right. Hearing none, we will -- we have an
17 action item that requires approval. I.ll entertain a motion
18 with regard to the revised 15-008-41 AM5, SET SPIKE LLC, dba
19 Wave Volleyball matter.

20 MR. MOSIER: Move approval.

21 MR. GELFAND: Second.

22 PRESIDENT FRED SCHENK: It.s been moved and seconded.

23 Any further discussion by the board?

24 All right.

25 MS. O.LEARY: Who was the second? I.m sorry.

1 MS. ROWLAND: Gelfand.

2 PRESIDENT FRED SCHENK: Yes.

3 Hearing no further comment, we.ll -- well, let
4 me just say this. I.m glad -- I.m pleased that this issue has
5 been resolved, you know, amicably between the parties, and it
6 didn.t start out that way but our team really did a great job
7 in making sure that this got resolved. And I want to
8 congratulate the parties and Carlene and the team, the
9 executive staff, for making sure that we are where we are right
10 now, able to take a vote on this matter.

11 So congratulations on that.

12 We.ll take a vote.

13 MS. O.LEARY: President Schenk.

14 PRESIDENT FRED SCHENK: Aye.

15 MS. O.LEARY: Vice President Gelfand.

16 MR. GELFAND: Aye.

17 MS. O.LEARY: Vice President Rowland.

18 MS. ROWLAND: Aye.

19 MS. O.LEARY: Director Arabo.

20 MR. ARABO: Aye.

21 MS. O.LEARY: Director Barkett.

22 MS. BARKETT: Aye.

23 MS. O.LEARY: Director Mead.

24 MS. MEAD: Aye.

25 MS. O.LEARY: Director Mosier.

1 MR. MOSIER: Aye.

2 MS. O. LEARY: And Director Nejabat.

3 MR. NEJABAT: Aye.

4 PRESIDENT FRED SCHENK: The motion carries, and thank
5 you.

6 You want to continue with the Executive Report?

7 MS. MOORE: Yes.

8 So it is awards season in the industry, and as
9 included in your packet, the lists are on page 31. Thought I'd
10 just take a moment and just share with you some of the award
11 winners that -- so, in essence, the recognitions that we
12 received for this, primarily around the 2023 San Diego County
13 Fair. So -- and also, too, we'll have a brief presentation of
14 one of the presentations that we gave at the International
15 Association of Fairs and Expositions that they actually reached
16 out to us on our approach to inclusivity with regard to the
17 fair, and that's some of the accolades that we received too.

18 So there's some fun -- this is one of our
19 winning photographs from the fair. And then, we had some
20 second-place awards as well in the areas of agricultural and
21 Hall of Communications contests. This is an example of the I
22 think three-fold brochure that we had promoting the fair, as
23 well as just other activities. In third place, we received
24 additional agricultural awards and also some awards for some of
25 our competitive exhibits. And then, the Western Fairs

1 Association, we received a special recognition for embracing
2 diversity, our community outreach programs, and so what we
3 really took joy in this because in -- at the International
4 Association of Fairs and Expositions, we were given a
5 presentation really of not tied to then receiving these
6 accolades. This was from submissions made back in March. But
7 to have both of these organizations, Western Fairs Association
8 and IAFE, recognize the work that we're doing here in this area
9 was just -- it was really great to see that.

10 And so we also received some general first
11 places, our feature fair program, which is our overall
12 marketing campaign for "Get Out There," which was a lot of fun,
13 as well as in the areas of our competitive exhibits,
14 innovations in management excellence including like our Fair-
15 tastic Food Competition; also our emergency operations plan for
16 the fair. We had a lot of first places, as you can see, again,
17 on the list in the packet. A lot of those for radio ads,
18 social media, just really -- I think what this really shows is
19 just it demonstrates just overall the quality of the San Diego
20 County Fair, whether it's in our photos, it's the work product
21 of our staff and our team, the creativity of people and their
22 exhibits. So just kind of a reminder of what 2023 looked like
23 for us.

24 On our next slide, one of our first-place awards
25 was eating corn. Just looks so excited, he does.

1 MR. GELFAND: Bob will be happy.

2 MS. MOORE: Uh-huh.

3 And then second places, again a lot of
4 photography. We couldn.t -- we didn.t want to take up the
5 entire meeting with this. You know, here are kids enjoying,
6 you know, the petting zoo. For many of them this is their only
7 real experience with animals outside of their own pets and
8 things; so just the opportunity for that.

9 You know, this is one of the stage shows and
10 just shows the audience just memorized (sic) with the activity
11 that is going on.

12 And with that, I.m going to turn it over to
13 Katie, who.s going to give a condensed version of the hour-long
14 presentation at IAFE.

15 So again, this was an invitation that we
16 received, and it was a presentation that Katie was a part of,
17 as our Chief Operations Officer, as well as Henry Rivera and
18 Jennifer Hellman, who are directors of production and
19 entertainment and marketing. So -- and they made a great
20 presentation.

21 MS. MUELLER: Yeah. We were really excited. We
22 hadn.t been to IAFE in a number of years because of state
23 travel bans so this was the first time we were able to go in
24 quite a few years, and they asked us to participate in a number
25 of different presentations and this one was really well

1 received. We had a room -- audience -- a room full of audience
2 from different fairs from all around the country, and we just
3 got to talk about why community inclusion is so important to
4 our fair and some of the ways that we go about it beyond
5 competitive exhibits because we all know everybody from all
6 over participates in the fair when they enter something, a
7 project or an animal or something in the fair. But this is all
8 of the things we do that include that, and it was not just
9 myself. It was also Jennifer Hellman, who put the presentation
10 together and contributed to this a lot, as well as Henry
11 Rivera, who.s in the back there, in charge of our inclusive
12 entertainment program.

13 So I.m going to go through this real quick
14 because this was a lot longer at IAFE, but I.ll get through
15 this really quickly.

16 So the question is always how do we
17 differentiate ourselves and become the premier must-do event of
18 the year, given that there.s so much to do here in San Diego
19 County. So we learned from the success of our program.s
20 competitive exhibit, and we ask why do we want our community to
21 engage? Because that loyalty builds the tradition and
22 ownership of our events, and it also increases the impact of
23 our community programs and the public benefit.

24 So, of course, you know our mission and our
25 vision. This is kind of what we target for our geographic

1 inclusion when it comes to community outreach so you.ll see
2 that it.s not just San Diego County but also Imperial and South
3 Riverside, as well, and a little bit of Orange.

4 So the first one I talked about back in March of
5 2023, our Community Banner Program. We had I think 17 or 18
6 communities throughout San Diego County that participated in
7 this where we go out and take pictures, and then they agree to
8 hang our banners in their main streets and downtown areas. So
9 this is how the banners turned out. It.s a really, really
10 well-received program. We give the banners back to the
11 community at the end. The community is responsible for
12 choosing, you know, worthy members of their community to be
13 featured. So this is just our photoshoot. And these are the
14 banners. We hung some of them up at the fair as well.

15 And then, of course, we have our Plant*Grow*Eat
16 program, which Ashley was just talking about earlier. So
17 that.s how we include members of our community through
18 education, and we have this wonderful partnership with
19 Don Diego, who then raises money for Title 1 schools to receive
20 bus grants to be able to come to the fair.

21 We also -- along the lines of affordability,
22 which is really important to all of us -- we have a number of
23 programs. We have the Fair Cares, where we donate tickets to
24 non-profits who apply. That application is up, if anybody
25 knows of a non-profit looking for that. We allow people to

1 bring their own food and beverage into the fair. A lot of
2 places won.t do that anymore, but you can bring coolers and
3 sealed beverage containers and have a picnic at the fair. We
4 also have our off-site parking, where we have free park-and-
5 ride, usually at Torrey Pines. This year, it.s going to be at
6 Canyon Crest. We have the Fair Tripper, where we partner with
7 NCTD to do an admission mass-transit combo ticket, which is
8 only \$1.00 above regular admission. We.re going to be
9 partnering to do that again this year.

10 We have kids. days every Friday where children
11 12 and younger receive free admission. And then, of course,
12 children five and younger are free every single day. Plus, we
13 have numerous discount opportunities through sponsored
14 promotions, O.Reilly.s, Albertsons, Costco, you name it.

15 We do a number of community partnerships with
16 our non-profits. We have Scout flag-raising, where we invite
17 all Boy and Girl Scout troops in the county to come and do a
18 flag-raising ceremony each morning of the fair, and we order
19 little special fair patch that they earn for doing that.

20 We have non-profit booths where we offer booth
21 space to certified 501(c)(3) groups and government agencies,
22 such as the Sheriffs, Border Patrol, et cetera. They -- for a
23 nominal fee to help cover the cost of the tent rentals, but a
24 lot of them use it for recruiting, as law enforcement does that
25 quite a bit, as well as getting the message out about their

1 non-profit mission.

2 MS. ROWLAND: She looks a little young for --

3 MS. MUELLER: They.re never too young.

4 We also have a firefighter event every single
5 year of the fair. This year, it.s going to be the last Sunday
6 of the fair and the Burn Institute actually sponsors this event
7 and it.s a fundraiser for their organization. And they do life
8 safety education, like CPR, fire safety education. They have a
9 fire truck parade. They have a demolition derby, which is
10 super popular. And then, there.s booths with all different
11 kinds of representation there for the day. Last year, they
12 raised \$105,000 here at the fair just doing their Fill-The-Boot
13 campaign around the fairgrounds. So it.s a really neat
14 program.

15 And then, of course, our Care .n Share Toy
16 Drive. You probably heard us talk about this before, but we.re
17 super proud of it. I think we.re one of the only in the fair
18 industry that does this program where we have donation booths
19 at each of the entrances to the fair, and as people leave and
20 they.ve won those giant prizes in the games, they have the
21 opportunity to donate those in one of the bins. The
22 Torrey Pines Rotary organizes it. They pick up the toys every
23 single day, and they donate them to children.s hospitals,
24 hospitals south of the border, different organizations. Since
25 2009, it.s been around, and 110,000 toys have been collected

1 just from the games that people win at the fair. We thought
2 the first year, there.s no way anyone.s going to do that when
3 they work so hard to win those toys, and they happily do. So
4 really proud of that.

5 Also, we have ADA inclusion that we talked about
6 a little bit at this presentation. So we have our sensory
7 inclusion that we do with Culture City, who works with a number
8 of arenas and stadiums around the country. We provide nice,
9 quiet rooms for people to relax. Also, these bags they can
10 check out that include the headphones for loud noises, fidget
11 spinners, all kinds of things that people can check out to make
12 their stay at the fair a little more comfortable, especially if
13 they.re visiting here with someone with some sensory
14 disabilities.

15 Of course, our theme program is another great
16 way that we engage in community outreach. Just to remind all
17 of you, these are some of our past themes. This gives us a
18 wonderful opportunity to work with organizations that we may
19 not normally have the opportunity to do so with. So last year,
20 with "Get Out There," we worked really closely with state and
21 county parks, and it was a great relationship, something that
22 will probably carry us on into many years in the future. We.ll
23 probably always find ways to partner with them. But we had a
24 Get Out There Challenge that started with state and county
25 parks right before the fair started. You could visit a state

1 or county park, snap yourself on social media, tag the fair,
2 and then those that participated got a little button and they
3 also got entered to win a sporting goods gift card that we gave
4 out at the end of the fair.

5 And then, this was kind of the breakdown of race
6 and ethnicity in our county. Our Hispanic outreach program
7 started in 1997, and we do outreach through the media in
8 San Diego and Baja California with Spanish-language branding.
9 We have a Spanish-language website called FERIASanDiego.com,
10 and we also distribute Hablo Espanol buttons for bi-lingual
11 staff. Every Sunday, we do Dia de La Familia, where we have a
12 day.s worth of Hispanic entertainment programming on our ground
13 stages, and it culminates in a Grandstand show in the evening,
14 become extremely popular.

15 We also have a Gospel Day. That started in
16 2005. We had 16 community gospel musical groups throughout the
17 fair last year, and then we also featured a headliner on our
18 Grandstand -- I mean -- I.m sorry, on our Paddock stage for the
19 evening programming. So we do a ton of outreach for that as
20 well, not just here in San Diego but also in Riverside and even
21 all the way up to L.A.

22 Of course, we have Out At The Fair, which will
23 be returning again this year, and it features LGBTQ+
24 entertainment, from musicians, dancers, Sheer groups, and more,
25 as well as non-profits and support groups onsite. We have

1 interactive contests, and we do outreach through community
2 publications outdoor and online. And that.s in the Paddock as
3 well.

4 And then, we.ve got Asian and Pacific Islander
5 Festival, which we started in 2015, and that.s just what you
6 would expect, more entertainment and community groups from the
7 Asian and Pacific Islander community, which was really, really
8 popular. We worked with a new organization last year to put
9 that event on. It was very well received so we will be
10 bringing that back again this year so.

11 Just some photos from that event.

12 And then, believe it or not, our community
13 performance program is a great form of outreach. We give the
14 opportunity to many musicians, dancers, gymnasts, karate, you
15 name it, to actually have the opportunity to perform in front
16 of people, which those groups, if you think about it, you
17 don.t -- there isn.t a lot of stages around town that, you
18 know, amateurs can just come and perform at. So the fair.s a
19 really, really important opportunity for our community to be
20 able to participate in that. So last year, we had 212 groups
21 that participated. So not only did they provide an important
22 form of programming for us, it.s a way for us to reach out to
23 the community and provide an important service.

24 And then, we.ve just got the most diversity in
25 music you can think of. If anybody.s ever been to the fair,

1 there.s absolutely something for everyone, and we plan it that
2 way on purpose.

3 And then, of course, there.s free entertainment
4 through our Paddock Concert Series. We.ve got tribute bands,
5 4:00 p.m. matinees geared towards the senior groups. Friday
6 night is our electronic dance music. We.ve got attractions,
7 exhibits, walkaround entertainment, arena shows, fireworks,
8 drones. We.ve got it all. And we.re going to talk about some
9 more of our diversity in entertainment coming up.

10 So, anyway, that.s an abridged version of what
11 was presented, and thank you all for your support. And if it
12 wasn.t -- without you, we couldn.t win all those awards and get
13 the recognition that we get. So thank you.

14 PRESIDENT FRED SCHENK: Thank you, Katie.

15 Before -- Carlene, before you move on, I do want
16 to allow the board to comment.

17 Director Rowland.

18 MS. ROWLAND: So one of the statistics I noted in I
19 think it was one of the marketing organizations, they discussed
20 something like 25 percent of the county.s population comes to
21 the fair. And if you think about the cross-section that that
22 creates, I don.t think there.s anywhere like it with that kind
23 of intersection occurs naturally. People want to be here
24 because -- in part -- because of all the things you mentioned,
25 and these are fine place -- some of my favorite parts of the

1 fair.

2 You know, the rides are nice; I don.t get on
3 many of them anymore. Not a good thing for me. The food I can
4 take some of, and I have some special treats that I come around
5 to get, but I can.t eat a lot of it. But this part of it, I
6 mean, it.s fantastic. And what I love about this part of the
7 fair is that people can find their own niche. They love the
8 rides; great. They love the food; great. They don.t love the
9 food, they can bring in their picnic basket or partake of some
10 of the healthier options. There are days when it.s practically
11 free to come in. So the admission isn.t an obstacle.

12 So I just think it.s really great for us to
13 continue to be creative in this space because it adds
14 tremendous value. And I always get my hackles up a little bit
15 when I see someone come in and make a proposal about something
16 they think is better because, you know, who needs the bad food
17 and the rides. This is what they.re giving up as well. And I
18 think that would be a local tragedy for some of the things that
19 are being proposed to come through and usurp the fair like this
20 because it -- there.s nowhere else, I think, that this cross-
21 section of people happens.

22 PRESIDENT FRED SCHENK: Thank you.

23 Director Mead.

24 MS. MEAD: Thank you.

25 Katie, I just want to commend you, thank you for

1 taking what was an hour-long presentation and condensing it for
2 us.

3 And I just want to thank you, Carlene, for
4 making sure this was agendized. This is really valuable for
5 us, as a board, to be able to see the work you are doing. And
6 this isn't because inclusivity has become important and vogue.
7 You've been doing this for 20 years, nearly, that we've seen
8 this, and it just builds on every year. And this inclusivity
9 is just crucial for us as a community. So I just want to
10 commend you and the entire staff for pulling all this together
11 year after year and finding ways to be more inclusive.

12 Thank you.

13 PRESIDENT FRED SCHENK: Director Mosier.

14 MR. MOSIER: Yeah. I think this is a great job.
15 There's one minor adjustment I think you need to work on, and
16 that is getting more people from South San Diego County here.
17 Now that we have the trolley all the way to UCC --

18 MS. MEAD: Yeah.

19 MR. MOSIER: -- that last gap needs to be closed.
20 And I know we've tried to work with MTS unsuccessfully in the
21 past. NCTD might be able to bridge that last gap, but I think
22 it's really important. It used to take almost two hours on
23 public transit from Chula Vista to get to the fair. And now
24 with the trolley, if we can close that last gap, that's under
25 an hour. I think that's a really important demographic to go

1 after. And the challenge has been reduced substantially so...

2 PRESIDENT FRED SCHENK: I.m going to go to our
3 remote, and then finish up here with Director Barkett, if she
4 wishes to have the last word before I speak.

5 So we.ll go with Directors Nejabat, Gelfand, and
6 Arabo, in that order, if you wish.

7 Sam, you.re muted.

8 MR. RIVERA: You.re muted, Sam.

9 PRESIDENT FRED SCHENK: If you wish to make any
10 comment. You don.t have to; I.m just inviting.

11 Raise your hand if you --

12 You.re a very small window so it.s hard for me
13 to see if you.re --

14 MS. MEAD: I think they.re good.

15 PRESIDENT FRED SCHENK: All right. Okay.

16 Director Arabo, I thought I saw your hand up.

17 MR. ARABO: I think it.s Director Nejabat who wants
18 to speak first.

19 MR. NEJABAT: It.s okay. I have nothing to say.

20 PRESIDENT FRED SCHENK: Okay.

21 Michael? Mark?

22 MR. GELFAND: Nothing to add.

23 MR. ARABO: For me, I want to thank the staff. Great
24 work. Thank you for the presentation.

25 The Fair Cares, for me, personally, I want to

1 see what we can do to get that out as far as we can. It.s
2 really important for me, personally, that we try to get as many
3 families and children that really want to attend to attend and
4 know about it.

5 And I had a question. Do we do anything with
6 military families or first responder families to -- like, the
7 outreach. They.re such an important part of our community. I
8 want to see, do we do anything right now with, like, military
9 family matters, something like that?

10 PRESIDENT FRED SCHENK: Yes. Katie will address
11 that.

12 MS. MUELLER: We do a discounted ticket program for
13 military, first responders, and believe, actually, teachers are
14 eligible as well through government -- it.s not a government,
15 but it.s a website called GovX, G-o-v, the letter X, and it.s a
16 discount ticket outlet for those groups of people, and we
17 participate in that.

18 MR. ARABO: Okay.

19 PRESIDENT FRED SCHENK: Thank you, Katie.

20 And thanks for your comments on that, Mark.

21 Director Barkett, anything that you wish to add?

22 MS. BARKETT: Everybody said what I would say. But
23 great job. I.m so impressed. I mean, that list of awards
24 should make us all, you know, really smile and feel good about
25 what.s going on here on our Fairgrounds.

1 Thank you.

2 PRESIDENT FRED SCHENK: So I'll just add very brief
3 comments because I do appreciate everybody else's and the time
4 today that we don't want to hear from me too much.

5 So I just want to say that before the meeting
6 started, Director Barkett and I were outside and we were
7 reflecting on the fact that we've been doing this for 20 years
8 on this board as volunteers.

9 MS. MEAD: Wow.

10 PRESIDENT FRED SCHENK: Yeah. I know.

11 So what I saw today was an evolution. I mean,
12 what we started doing in 2002, we didn't have some of the
13 things that you pointed out. We started in 2007, 2012, 2015.
14 We have evolved into something really spectacular. So kudos to
15 all of you who are responsible for making this evolution so
16 significant, really bringing in the entire community in ways
17 that we never envisioned doing it when we first started on this
18 board 20 years ago. So I'm very proud of all of you and for
19 what we do and thank you for that.

20 So why don't we continue on.

21 MS. ROWLAND: Can I just say one more thing?

22 The price of fantastic success is that you get
23 to do it again and again, and every year bigger and better. So
24 there you go.

25 PRESIDENT FRED SCHENK: And you know what? I love

1 learning about it maybe before everybody else, and I keep that
2 secret until it.s public. But it.s -- I love the challenges
3 that you face and you overcome and you meet with tremendous
4 success. So really very proud of what you guys do, what all of
5 the team does.

6 Carlene, please go right ahead.

7 MS. MOORE: And with that -- and thank you, Katie,
8 for sharing it. It really was an honor to be invited to share,
9 you know, as Katie said, that message of, you know, inclusion
10 and more than just being exhibits and those competitions and
11 things. And I think what we just watched and Katie presented
12 on, to me, speaks to -- and we've talked about this before --
13 and that is the Fairgrounds as that third place; you know,
14 people have home, they have work, and then, there.s just that
15 community gathering place and that cross-section of community
16 really coming together. And so, it truly -- it was an honor,
17 and on behalf of the entire team, this is what brings that joy
18 in what we do on a daily basis is to see the efforts of all of
19 that and the fun that it brings others.

20 So then, the only other thing, in terms -- on
21 the Executive Report, I.ll just speak to it because this came
22 up in public comment with regard to the review of contracts.
23 And just as a reminder, the delegated authority that the board
24 provides to me on an annual basis is to be able to enter into
25 expense agreements that are less than \$50,000, entertainment

1 agreements, less than \$500,000. This includes the Grandstand.
2 Also, it.s a reminder, as we learned, when an offer is made on
3 an entertainer and they accept that offer, at that point, we
4 are already contractually obligated to them.

5 Also, for agreements for revenues that are less
6 than \$250,000, and less than one year. So multi-year
7 agreements and things like that do require the board.s
8 approval. And as well as the individual project agreements
9 through the California Construction Authority, those are done
10 as a joint delegation of authority between the Chair and myself
11 approving those.

12 With that delegation of authority is that the
13 contracts will be brought back to this board for your
14 awareness, and so that.s why they are listed as review items
15 for you to see what has been executed underneath that delegated
16 authority.

17 With regards to the questions on the contracts
18 in the packet, the New Noise Media is a contract that is at no
19 cost to the district, where they are helping to support our
20 marketing efforts and things. But it is at no cost, hence the
21 zero dollars on that.

22 The contract number -- I think it was mentioned,
23 the Volleyball, 24906, this is a rental agreement so it.s a
24 slightly different-looking contract. It begins on page 53. I
25 think it was commented that it.s missing a cover page. There

1 is no cover page to it. It's not a standard service agreement
2 form, but the entire 13 pages are included in your packet.
3 However, with that, I think it's because of how Excel works, it
4 should not have been listed as zero dollars. It was \$4,048 for
5 the month, but that's in the detail of the contract.

6 And then, with regard to contracts, the event
7 agreements for contracts 24448 and -449, which are with the
8 Ranch Santa Fe Democratic Club, this is for use of a meeting
9 room that's done on an hourly rate. The first one was just for
10 the January meeting. The subsequent one is an estimation of
11 that revenue, based on the hourly rate of the use of the space.
12 And so, it's just an estimation of what that would be.

13 And with that, hopefully, that provides some
14 clarification. We have worked to provide reference and
15 supporting documents, you know, to these agreements; so with
16 standard agreements rather than having a board packet that's
17 larger than a ream of paper, we leave out the standard contract
18 terms and conditions, the standard exhibits, and provide you
19 with that cover page, the scope of work. And then, for the
20 year, we've provided a sample of an event rental agreement and
21 what that packet looks like. We'll not include that each
22 month. We started doing this last year.

23 And with that, that concludes my report.

24 PRESIDENT FRED SCHENK: Thank you, very much.

25 Any further comments from the board? Questions?

1 All right. Let.s move on to General Business.

2 Director Gelfand, Finance Committee Report.

3 MR. GELFAND: Finance Committee met, and I.ll turn it
4 over to Carlene to make the presentation.

5 MS. MOORE: All right.

6 So you can find the committee report starting on
7 page 120 of the board packet. The committee reviewed several
8 items that it is making part of its annual review; so in
9 January of each year is to review things such as our accrued
10 leave liabilities report. This is for the accrual of vacation
11 or annual leave. There are two programs within the state that
12 employees can opt to be a part of.

13 The threshold -- the limit for an employee to
14 carry in terms of accrual is 640 hours. And so, we review a
15 report of where we.re at on excess leave liabilities and was
16 very pleased to report that the end of 2023, we only had three
17 employees that were just slightly over that, and they were
18 provided that explanation in terms of why they were over it.

19 And just for reference, in fall of 2019, we had
20 nearly 30 employees that were on that list. So it is something
21 that we continue to manage, are aware of, and we start off the
22 year with employees that may exceed the 640 limit at the start
23 of the year submitting their leave management plan; so vacation
24 requests and things of that nature so that we get that down to
25 having no one on the list at the end of the year.

1 The other thing that the committee discussed was
2 AB 1499, or New Fair Funds. You recall, this is the three-
3 quarters of one percent of the sales generated on fairgrounds
4 throughout California goes into a pool. There are certain
5 workplace policies that we adopted back in 2020 that must
6 remain in effect in order to be eligible for that. And we
7 looked at the comparison of what has -- and the largest of
8 which is a requirement for overtime for temporary employees.
9 Whereas, prior to AB 1499, the DAA -- on an annual basis, we
10 were eligible for an exemption under the Fair Labor Standards
11 Act, with regard to overtime for temporary employees, kind of a
12 recreational and agricultural exemption.

13 So in looking at what we have received to
14 date -- and granted nearly a \$1.5 million check arrived just
15 days before that meeting or right around that meeting time.
16 With that, what we have received has been a little bit more
17 than what we have paid out in overtime over these -- since
18 2021, starting in 2021. So we are -- net-wise, we are ahead,
19 but it.s something that the committee will take -- will monitor
20 and look at each year. It.s an unknown amount. It.s -- we
21 don.t find out until -- well, this distribution of -- where we
22 received \$1,484,500 was at least two years. worth of
23 distribution. We are still waiting on information from the
24 Department of Food and Agriculture.s Fairs and Expositions of
25 the detail of the payouts throughout the industry and the

1 calculations that went into that.

2 And then, in -- and then, I also just want to
3 point out, though, the report does state a couple times
4 throughout, the December financials are preliminary because not
5 only are we closing the month, but we are also closing the
6 year. And so, I want -- you know, working to make sure that we
7 have everything in that year before closing out. The Statement
8 of Operations will be filed with the Department of Food and
9 Agriculture at the end of next month. It's required by the end
10 of March; and so, that will be done.

11 But as an example in terms of that close-out,
12 the report that you have for you does not have the amount that
13 the district had to transfer by February 15th -- so just last
14 week -- from -- to cover the shortfall of the 2024 bond
15 payment. As you recall, the first aspect of that payment comes
16 from the net horseracing revenues, and then, with -- in terms
17 of the pledge -- and then, second to that is net concession
18 revenues of the district. That's about -- it's nearly \$3.3
19 million on an annual basis, and the contribution from the
20 district for 2023 is approximately \$700,000.

21 And then, with -- so that's kind of the -- so,
22 again -- so you'll see these December financials again when
23 we -- probably in April, when we bring back the closed-out year
24 of 2023 and the Statement of Operations.

25 And with that, we do have two action items in

1 terms of the Finance Committee today, the first of which is the
2 capital expenditures budget for 2024. This -- and that report
3 starts on page 126. This really reflects the priorities of the
4 district and DMTC with regard -- with information gathered from
5 multiple sources, including the draft facilities -- current
6 facilities assessment report that we had conducted in 2023, the
7 working knowledge that our employees have with regard to the
8 facilities and/or equipment, as well as health and safety
9 items.

10 So as you can see, again, the report in the
11 packet, there's an ongoing investment in asphalt, which is we
12 didn't fully spend the amount we had intended in 2023, and
13 knowing the condition of our asphalt, keeping with that; so
14 having that carry over, as well as continuing to invest about a
15 million-and-a-half a year in asphalt.

16 Also, ongoing roof repairs at approximately
17 \$500,000 a year. There's also a continued investment in
18 Surfside, in terms of the building structure because the
19 renovation really did not include -- didn't include many
20 aspects of infrastructure investment into that building. So
21 the combination of the items identified for Surfside is about
22 \$813,000 in 2024. There's also investment into the stable
23 area, and this is a lot of miscellaneous things to be done
24 to -- for repairs -- roof repairs to stables and some of the
25 living quarters, the jockey quarters and things in the

1 backstretch, handrails, stair wells, you know, just ongoing,
2 general maintenance in that area in order to maintain. That.s
3 about \$455,000 for the year.

4 And then, the Grandstand, itself, there are a
5 couple of big pieces, one of which is the fire alarm system and
6 the repair that we need to do that. So in 2024, we anticipate
7 about -- just under 1.2 million, about \$1.15 million in the
8 Grandstand. Again, nearly half of that is the fire alarm
9 system and the upgrades that need to be done. You know, the
10 connectivity and communication of devices to ensure a safe
11 experience for any of our guests that are here and visiting us.

12 And let.s see; what else.

13 And then, also, too, just out of the very first
14 project is the emergency project repair at Horsepark. The
15 culvert -- so we had a -- we have a culvert over there that in
16 November we actually had it inspected and evaluated by an
17 engineer to take a look at. And this culvert comes out just
18 under the -- near the River Park Trail. So the report at that
19 time identified that there was scour below the headwall. And
20 then, these recent heavy rains, and especially the one of just
21 a few weeks ago that, in essence, was I think a 25-year, felt
22 like a 100-year, storm event really exacerbated the conditions.

23 MS. ROWLAND: Actually, what is the condition
24 again? -- scouring below --

25 MS. MOORE: They call it scouring below the headwall

1 of the culvert.

2 MS. ROWLAND: Okay.

3 MS. MOORE: So you've got -- so the culvert and --

4 MR. GELFAND: Did you understand it any better the
5 second time she said it?

6 MS. MOORE: The second time I used those same words?

7 MS. ROWLAND: Describe what scouring means.

8 MS. MOORE: I can't. I would have to go back to the
9 report, which I don't have.

10 MR. MOSIER: (Indiscernible) culvert, and it's washed
11 out --

12 MS. MOORE: Washed out.

13 MR. MOSIER: -- both sides --

14 MS. ROWLAND: Okay. Washed out. Thank you.

15 MR. MOSIER: -- so you cannot walk.

16 MARTHA SULLIVAN: It's like when the
17 (indiscernible) --

18 MS. ROWLAND: That's not good.

19 MS. MOORE: No, it's not.

20 So we -- so in that, we declared it an emergency
21 repair because of the conditions, especially in -- like I
22 said -- in the rain. While it was on our plan to fix and
23 repair, we've declared it emergency, moved forward very
24 quickly, and, in essence, got a temporary fix in place while
25 we -- and immediately notified Regional Water Board, Coastal,

1 all of the relevant parties that needed to know, the Army Corps
2 of Engineers, and so on. So they are aware, and now we're in
3 the process of submitting, kind of, the formal permit
4 applications and documentation to them going forward. But that
5 project is one of them that is listed here.

6 And then, the big question always becomes, of
7 course, what are the funds to pay for all of this capital
8 investment that is necessary. So in 2021, the net horseracing
9 revenue contribution to the bonds, if you recall, there was a
10 surplus. And after calculation of turbo payments and things
11 like that, that surplus comes back to the district for
12 investment into the facility. And so, that is about \$2.6
13 million that will fund a portion of this. Again, we also
14 received those AB 1499 or New Fair Funds, that came in that
15 otherwise cover operational expenses. Our budget is already
16 done for 2024; so applying that to this capital investment for
17 this next year. And what that would result in is approximately
18 a \$4 million funding from our 2023 net operations of the
19 district operations to fund the rest of it. So it's this
20 reinvestment from how we operate. If you recall, we set out
21 with this plan last year. You know, how successful we are in
22 the prior year to be able to contribute to and support the need
23 for capital investment in future years.

24 And then -- so we have that item, and then
25 separately, which is also an action --

1 PRESIDENT FRED SCHENK: That will be a separate
2 action item.

3 MS. MOORE: -- with the facilities so --

4 PRESIDENT FRED SCHENK: Yeah. We'll hold off on
5 that.

6 So, Director Gelfand, are -- we're going to
7 have -- are you going to be bringing a motion?

8 MR. GELFAND: Yeah. I'll bring a motion, but do we
9 need public comment first or whatever?

10 PRESIDENT FRED SCHENK: That's exactly what I'm
11 waiting to hear from you, if we're ready for that. Yes?

12 MR. GELFAND: Well, I'm ready to make a motion but --

13 PRESIDENT FRED SCHENK: Okay. All right. In
14 anticipation of that, we're going to have public comment then.

15 And the first person to speak on the 2024
16 capital expenditures is Assemblymember Saldana.

17 ASSEMBLYMEMBER SALDANA: I just wanted to be clear in
18 my understanding that there was a \$700,000 bond payment that
19 was made by the Agricultural District? I guess I didn't quite
20 follow that, even though there was a surplus that was later
21 reported. So I'm trying to -- I know these are -- your reports
22 have a lot going on here. But is that correct, that the
23 horseracing income didn't cover the full bond payment the way
24 that's --

25 MS. MOORE: In 2023 -- for 2023, the district has to

1 transfer 700,000 in. The surplus is from 2021, and it.s just
2 the way that bookkeeping and accounting works for these things.
3 That comes back in a different -- comes back in a different
4 way, a different mechanism, to the district. So when there is
5 an excess, it takes about a year to figure that out, and the
6 calculation of, in essence, turbo payments, then that excess
7 comes back to the district.

8 ASSEMBLYMEMBER SALDANA: Thank you.

9 PRESIDENT FRED SCHENK: I.m going to add an extra
10 30 --

11 MS. MOORE: But it.s two different years.

12 PRESIDENT FRED SCHENK: I.m going to give you an
13 extra 30 seconds because that shouldn.t come out of your time.

14 ASSEMBLYMEMBER SALDANA: I appreciate the
15 clarification, though, but it was, in fact, that that 700,000
16 did come out of a different source than anticipated in the bond
17 payments. So I just wanted clarification on that.

18 And then, in terms of the scouring and the flood
19 damage, I have stated in -- previously -- that I think it.s
20 worth consulting with Scripps Oceanography and other experts on
21 climate-related impacts that you.re going to be seeing not only
22 in the infrastructure above ground that is visible, but what.s
23 happening below ground, if there are some types of inspections
24 they could provide. They are doing this in Imperial Beach to
25 determine the source of some contamination there. They.re

1 doing it in other communities because, as I've mentioned in the
2 past, the sea level rise not only prevents water from draining,
3 as designed, the tolerance and the engineering is not able to
4 match the increased sea level and the king tides, as they are
5 referred to, but also there is pressure coming up from
6 groundwater on infrastructure that may not be visible. The
7 scouring in the culverts, the good news is you can see that and
8 address it. But that's indicating that there's probably
9 additional potential damage in need of repair below ground, out
10 of sight. So I really encourage the board to investigate some
11 expertise and how to determine if that's happening before you
12 get to a point of collapse or failure of major infrastructure.

13 PRESIDENT FRED SCHENK: Thank you.

14 Director Mosier, do you want to address any of
15 that just for information?

16 MR. MOSIER: Yes. For information, the number of
17 organizations monitoring the watershed, including San Dieguito
18 River Park JPA. It's engaged studies. The Southern California
19 Edison continues to monitor the lagoon, as part of their
20 restoration to offset emissions from now closed San Onofre
21 nuclear generating station, and Wild Coast is now studying the
22 watershed. The biggest change in the last decade has been done
23 not only in sea level rise but intrusion of saline, of salt
24 water, deep into the watershed so that wells in Rancho Santa Fe
25 now are too salty to use for irrigation. And that process will

1 continue as sea levels rise. But I would say that there.s a
2 number of scientific groups doing studies so the Regional Water
3 Quality Board has a lot of data on this, as well as Scripps
4 Institute of Oceanography. So the data is there. Wading
5 through it --

6 PRESIDENT FRED SCHENK: So to speak.

7 MR. MOSIER: -- might be -- might take some time.

8 PRESIDENT FRED SCHENK: Yeah. No pun intended, I.m
9 sure.

10 All right. Thank you for the question, and I
11 appreciate your response.

12 All right. Next will be Martha Sullivan. There
13 was one other person that, just for purposes of identification,
14 was D2S, but they.re not in the queue.

15 Henry, is that correct?

16 RIVERA: That.s correct. That was they declined to
17 stay at DelFair@outlook.com.

18 PRESIDENT FRED SCHENK: Okay. So then, we.ll go with
19 Ms. Sullivan.

20 MARTHA SULLIVAN: Okay. I.m really commenting more
21 generally on the Finance Committee report, not on this specific
22 action item. But I don.t want to wait until the next action
23 item to make this comment because I think it.s relevant to the
24 board and I.d like for the board to hear it.

25 I was gratified to see the latest Fitch bond

1 rating analysis included at the end of this board packet. And
2 I want to just quote from that because I think that this board
3 needs to be discussing that Fitch's bond rating report because,
4 as we hear today, what it's predicting is happening.

5 "The BB- rating reflects the elevated
6 vulnerability of Del Mar Race Track Authority's operating
7 profile to the declining popularity of horseracing in
8 California and across the country. Longer-term historical
9 declines in racetrack attendance have resulted in lower margins
10 for racetrack net revenues, ultimately leading to declining net
11 racetrack revenues and increased reliance on concession revenue
12 to support debt service. While Fitch recognizes that Del Mar
13 racing will host the Breeders' Cup in 2024 and 2025, Fitch's
14 rating case assumes continued declines in gross racetrack
15 revenues in 2026 and net concession revenues serving as the
16 sole source of revenues to service debt after 2027."

17 I think this board needs to discuss this
18 analysis. It shouldn't just be appended at the end of your
19 board packet without any discussion of it because this is a big
20 flag for you guys, and I think it needs to be a flag for the
21 public too. I mean, it basically tracks --

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

23 MARTHA SULLIVAN: -- what I've been saying for the
24 last few years.

25 PRESIDENT FRED SCHENK: Ms. Sullivan, thank you for

1 your time. You will -- I know you said you are addressing the
2 entire topic, but you'll still have another two-minutes on the
3 next action item.

4 All right. Seeing no other public comment,
5 Director Gelfand?

6 MR. GELFAND: Yeah. I'd like to move to approve the
7 2024 Capital Expenditures Budget, and I'd just like to add
8 something that Carlene didn't mention which is included in that
9 is that some work on offices that I think is going to be great
10 for the Fairgrounds.

11 And I also want to acknowledge what
12 Martha Sullivan was talking about. One of the things that just
13 needs to be corrected is really, the bonds -- the only source
14 of revenue is not horseracing. I mean, we stand -- the board,
15 itself, stands behind those bonds, and it is certainly
16 something that I think board members are aware of.

17 MR. MOSIER: I'll second Gelfand's motion.

18 PRESIDENT FRED SCHENK: All right. There's been a
19 motion made and seconded. Any further discussion or comments
20 by the board?

21 Director Mead.

22 MS. MEAD: Thank you.

23 Carlene, I know I've raised this question
24 before, but I really believe that the relationship between the
25 finance person and the CEO is crucial. Is there a reason why

1 our finance person isn't with us today?

2 MS. MOORE: So similar to other staff where -- so our
3 finance person is typically with us for the Finance Committee
4 meetings. He was out of the country last month, in terms of
5 this report.

6 MS. MEAD: Okay. And today?

7 MR. RIVERA: He's on the Zoom.

8 MS. MOORE: He's on the Zoom.

9 MS. MEAD: Oh, I -- thank you.

10 MR. SADEGH: Hi, I'm here.

11 MS. MEAD: Great. Hello.

12 MR. SADEGH: Hello, how are you? No, I'm here.

13 MS. ROWLAND: He's ready to jump in and correct --

14 MS. MEAD: He's ready to jump in whenever we need.

15 Thank you, very much.

16 MR. SADEGH: Oh, you're welcome. No, I'm here.

17 You're welcome.

18 MS. ROWLAND: He's just very small.

19 PRESIDENT FRED SCHENK: Did you want to make any
20 comments or observations?

21 MR. SADEGH: No, no. I think Carlene represented
22 everything fairly. And we're doing well. We should be able to
23 finish 2023 by the end of next month, when we prepare our staff
24 report, and we'll have a conclusion to the year at that time.
25 And we'll present it to the board and the public at that time

1 again.

2 PRESIDENT FRED SCHENK: All right. We'll visit then.

3 Thank you.

4 MR. SADEGH: Thank you.

5 MS. MEAD: Thank you.

6 PRESIDENT FRED SCHENK: Any other -- appreciate that,
7 Director Mead.

8 Any other comments? All right.

9 MR. ARABO: I have a comment. I have a quick
10 comment.

11 PRESIDENT FRED SCHENK: Sure. Is that --

12 MR. ARABO: It's Mark.

13 PRESIDENT FRED SCHENK: Director Arabo?

14 MR. ARABO: Yeah.

15 PRESIDENT FRED SCHENK: I heard the voice, but it's
16 hard -- I don't see the mouth moving, you know?

17 MR. ARABO: Okay. I want to thank Assemblywoman for
18 mentioning Scripps Oceanography. I know it's comments, but for
19 the expenditures, I'm a newbie to the board. I think it's very
20 important that we have a lens of a rainy-day fund, anything we
21 do as far as operating budget or even expenditures. The staff
22 and the team is doing a great job, but always think that Covid
23 hit us before. Something like Covid could hit us again, and at
24 the time, if the district was very financially strong and had a
25 rainy-day fund, then a lot of issues we face now, we could have

1 prevented. So now that everything is going good this year,
2 next year, the year after, hopefully, and beyond, I think just
3 that lens of doing well but not just what we -- the revenue
4 comes in but also cutting down expenses to make sure we're
5 prepared in the event we can't have mass gatherings.
6 Hopefully, we'll always be able to have mass gatherings, but if
7 we can't we always have a fund where we could lean on.

8 But other than that, Director Gelfand and the
9 team, great job.

10 MS. ROWLAND: Can I make a comment on that?

11 PRESIDENT FRED SCHENK: Yes.

12 MS. ROWLAND: Because I think one of the most
13 significant changes between pre-pandemic and where we are now
14 is that at the time of the pandemic's beginning, we had about
15 160 full-time regular staff members. And now, we're at what?
16 70-ish?

17 MS. MOORE: Almost 80. About 80. About half that
18 number.

19 PRESIDENT FRED SCHENK: About half that number. And
20 as we all know -- you know, staff, the direct costs and
21 indirect costs of staff are one of the biggest expenses that we
22 carry. So I know there's a movement to hire more in critical
23 areas, but I think everyone has come to the realization that we
24 are never -- in the foreseeable future, we are not going to be
25 at 160 again, and that that significant change I think will

1 help us continue the good cash position that we're in, and I
2 think that's a very high level of awareness on that. It's not
3 something we discuss a lot. As a rainy-day fund, it's not a
4 bad thing to do, but I just want to put it out there that
5 that's been a huge focus in terms of where we're going in the
6 future, generally.

7 Yes, Direct Mead.

8 Thank you, Director Rowland.

9 MS. MEAD: I just want to thank you for making that
10 comment about the staffing levels. And I just want to add to
11 that the work continues, and I want to, again, just acknowledge
12 the fact that the relationships that are being established and
13 the partnerships, for this public-private partnership to put on
14 our events and our activities with other partners while
15 generating the revenue we need with half the staff is really
16 a -- I want to commend you for doing that because that takes
17 time to manage all those relationships as well.

18 PRESIDENT FRED SCHENK: Thank you.

19 All right. If there is no further comments from
20 the board, we'll take a vote.

21 Donna.

22 MS. O'LEARY: President Schenk.

23 PRESIDENT FRED SCHENK: Aye.

24 MS. O'LEARY: Vice President Gelfand.

25 MR. GELFAND: Aye.

1 MS. O.LEARY: Vice President Rowland.

2 MS. ROWLAND: Aye.

3 MS. O.LEARY: Director Arabo.

4 MR. ARABO: Aye.

5 MS. O.LEARY: Director Barkett.

6 MS. BARKETT: Aye.

7 MS. O.LEARY: Director Mead.

8 MS. MEAD: Aye.

9 MS. O.LEARY: Director Mosier.

10 MR. MOSIER: Aye.

11 MS. O.LEARY: And Director Nejabat.

12 MR. NEJABAT: (No audible response.)

13 PRESIDENT FRED SCHENK: Did you get Director
14 Nejabat.s vote?

15 MS. MOORE: He had to step away between 3:00 and 3:30
16 so he.s left the meeting.

17 PRESIDENT FRED SCHENK: Okay. All right.

18 Well, we still have a quorum. We.ll mark him
19 absent for purposes of the vote. But, in any event, the
20 measure passes.

21 We.ll turn now to the proposed facility rental
22 rates.

23 Carlene.

24 MS. MOORE: Yes. So the committee also took into
25 consideration the facility rental rates and really looking at

1 this for a multi-year, in terms of -- because of -- and as you
2 can see by the report that starts on page 132 of your packet,
3 we do get requests and inquiries with regard to, you know,
4 future dates for -- and these are for -- this is for use of the
5 facility outside of the fair.

6 And so, the recommendation here is actually to
7 set a five percent annual increase, kind of consistent with the
8 rental agreements at Surf & Turf and as well as I believe
9 Horsepark. So staying consistent with that would be to just
10 have a standard five percent annual increase for the building
11 rental rates. And so on page 133 demonstrates what our rates
12 are for 2024. And so, if approved by the board, what the rate
13 would be in 2025, and then, in subsequent years like in 2026.

14 PRESIDENT FRED SCHENK: Okay.

15 MS. MOORE: I guess I would just add this is a little
16 bit different of an approach in terms of the consideration of
17 just having an annual increase that.s just already in place
18 versus coming back to the board each year with any proposed
19 increases. And so, it.s a different approach, and so I think
20 the board may want to have further discussion around that.

21 MS. ROWLAND: Yes, I do.

22 PRESIDENT FRED SCHENK: Okay. And we will get to
23 that.

24 Director Gelfand, is this a motion that you.re
25 prepared to make?

1 MR. GELFAND: Yes.

2 PRESIDENT FRED SCHENK: All right. So before we
3 entertain the motion, I will take public comment. And we do
4 have two individuals who are interested in sharing public
5 comment.

6 Assemblymember Saldana, would you like to speak
7 on this?

8 ASSEMBLYMEMBER SALDANA: (Indiscernible.)

9 PRESIDENT FRED SCHENK: All right. If you choose
10 otherwise later, please let us know.

11 But Ms. Sullivan, would you like to speak to
12 this?

13 MARTHA SULLIVAN: Yes, please.

14 PRESIDENT FRED SCHENK: Okay.

15 MARTHA SULLIVAN: I've been checking something in the
16 board packet rather than trying to wade through it on my little
17 telephone screen.

18 PRESIDENT FRED SCHENK: Right.

19 MARTHA SULLIVAN: So I'm just concerned about the
20 Surf & Turf, the people who live there for the majority of the
21 year. How do these rental increases impact them? -- because we
22 heard quite moving testimony from them last year about the
23 impact on them if they had to leave. And I'm sure the impact
24 of rental increases would be similarly very dire for them. So
25 I want to raise that as a concern. I don't see it in this

1 list, but I still want to raise it so it isn't unspoken and
2 that we hear something about what the plan is relative to the
3 rental rates for the seniors and families and others that are
4 living most of the year at the Surf & Turf RV Park.

5 PRESIDENT FRED SCHENK: Thank you.

6 This proposed contract deals with sales and
7 rentals and does not include that, but I appreciate your
8 comments very much. We all do.

9 Ms. Saldana, do you wish to speak on this before
10 we go to our vote?

11 ASSEMBLYMEMBER SALDANA: (Indiscernible.)

12 PRESIDENT FRED SCHENK: All right.

13 Director Gelfand.

14 MR. GELFAND: Yes. I move that we approve the
15 proposed facility rental rates that begin in 2025.

16 PRESIDENT FRED SCHENK: All right. There's a motion
17 made by Director Gelfand. Is there a second?

18 MS. BARKETT: So moved.

19 PRESIDENT FRED SCHENK: By Director Barkett; seconded
20 by Director Barkett.

21 Any further discussion or comments by the board?

22 Yes.

23 MR. GELFAND: I would just add that at the Finance
24 Committee, we did address these rates and whether or not they
25 were market and made sense going forward, and we believe that

1 they do, that they are appropriate.

2 PRESIDENT FRED SCHENK: All right. Thank you.

3 Director Rowland and then Director Barkett.

4 MS. ROWLAND: So I have a lightly different point of
5 view on this, I think. I understand the need for some level of
6 certainty in terms of maximum amount for those who are seeking
7 contracts in 2026 and for planning purposes, but I am -- and I
8 know it's not uncommon for organizations to have a built-in
9 number for a period of time -- but I would feel much better if
10 we did this as up to five percent, as opposed to five percent
11 because to me, that allows consideration of affordability. You
12 know, it doesn't include -- it doesn't push kind of an
13 inflationary-type of automatic increase and lets the facts and
14 circumstances as to what's happening in the marketplace, you
15 know, unfold a bit, allows us to be competitive and not overdo
16 it. So I would just like to take a step -- small step back and
17 say up to five percent, not automatic five percent.

18 MR. GELFAND: I would just add, that was my
19 understanding of the intent of the Finance Committee, that it
20 gives the staff the leeway to go up to five percent.

21 PRESIDENT FRED SCHENK: All right. So with that,
22 would you accept that as a friendly amendment, Director Gelfand
23 and --

24 MR. GELFAND: Yes.

25 PRESIDENT FRED SCHENK: Director Barkett.

1 MS. BARKETT: I have concern, to be honest; because
2 how is -- that become very -- and in terms of objective versus
3 subjective, I don.t know. Is this on a per-basis depending on
4 what group is asking to rent? No?

5 MS. ROWLAND: I think it would be against the
6 building, not against the group.

7 For example, you have buildings here. It would
8 be the building. And then the building would be for everyone
9 who rents that building, whatever it is.

10 MS. BARKETT: Right. Okay. But how do you
11 determine, then, against different buildings if it would go up?
12 Maybe I.m misunderstanding here how it would go up five percent
13 for one building but may not another.

14 MS. ROWLAND: Probably not. All I.m -- my point was
15 that what if market conditions suggest it should be three-and-
16 a-half percent in order to stay affordable, you know, and to
17 stay competitive?

18 MS. BARKETT: Sure.

19 MS. ROWLAND: Why are we going to do five if three-
20 and-a-half is what we need?

21 MS. BARKETT: Okay. I understand that. That makes
22 sense, yes.

23 MS. ROWLAND: It would be against all of these, not
24 pick and choose.

25 MS. BARKETT: I just know -- I.m involved in a lot of

1 fundraisers, to say the least. And I look at the pricing on
2 this and these are reasonable rates. I am floored at what the
3 rental market is like out there. And I -- you know, we're
4 doing one right now, and, you know, they said they're going to
5 give us a 50 percent discount and I said great. And, you know,
6 it's 12,000.

7 MS. ROWLAND: Come to the Fairgrounds.

8 MS. BARKETT: That's what I said. I'm like, well,
9 for that rate, we should move this to that. And I said, is
10 this realistically 12,000 to rent for one event, one night?
11 And it was. And I -- so we might be -- I don't know who the
12 Finance Committee looked to for the rates, but these rates are
13 extremely reasonable. Far less than a number of events that
14 are already, you know, being -- yeah.

15 MS. ROWLAND: And I think it should be. I mean --

16 MS. BARKETT: Yeah. I do, too. To me --

17 MS. ROWLAND: -- as long as we can fund a rainy day,
18 I think our rates should be very reasonable.

19 MS. BARKETT: I totally agree with that because we
20 are state, you know, state lands here, and I think they should
21 be really reasonable to our community. So I'm there with you.

22 But I just wanted you to know, these are very
23 reasonable rates.

24 PRESIDENT FRED SCHENK: Any other comments?

25 MR. MOSIER: Do I understand the amendment is up to

1 five percent?

2 PRESIDENT FRED SCHENK: Are you okay with that?

3 MS. BARKETT: Yes, I am.

4 PRESIDENT FRED SCHENK: I have a question with regard
5 to the note, which says, "These rates do not include private
6 events," and that it.s managed by Premier Foods.

7 Could you explain what role Premier Foods has in
8 either being contractually bound by these numbers or not.

9 MS. MOORE: So -- and there.s two components.
10 There.s a portion -- Premier Food Services as well as the
11 Belly Up, where for those banquet-type of events, large food --
12 in essence, a large food and beverage spend, then we scale the
13 rates based on that food and beverage spend.

14 MS. ROWLAND: Example, please.

15 MS. MOORE: As an example, we had a group -- we had
16 an opportunity for a group who the food and beverage spend
17 alone will be well over \$300,000. So at certain -- so I don.t
18 have the exact numbers in front of me, but let.s just say \$25-
19 to \$50,000 at 25 percent discount, spend on the food and
20 beverage because, in essence, going back to affordability for
21 our community and how we are represented. As a district, we.re
22 making money on that food and beverage and, in essence, some of
23 the ancillary that goes with those events and activities.

24 And so with regard to that, then, we are working
25 with Premier in terms of establishing the rates. So Premier

1 is -- has engaged -- if you recall, last month we talked about
2 it -- but has hired someone who.s really focused on getting the
3 return of those banquet-style events and activities here at the
4 Fairgrounds and really targeting it from kind of an outside
5 sales approach and reaching out. And what they.ve been working
6 on is coming up with a package that.s an all-in of that space,
7 furnishings, and things of that nature.

8 And so, we just started on that process, and
9 we.re working with them to better define what that looks like
10 with regard to -- what we would get from that, at minimum, is
11 our published rate, and then, there.s the food and beverage,
12 then paying for the furnishings like the Rafaels or the party
13 rentals, things like that, that come in. And then, we would
14 get our typical 87-and-a-half, 12-and-a-half split with regard
15 to the food and beverage profitability.

16 PRESIDENT FRED SCHENK: All right. But Premier is
17 not marking up the rental space just for the property -- the
18 use of the property itself above -- for example, in the
19 Paddock, where it.s 2,860 proposed, they can.t charge 5,000
20 just for that physical space, aside from Rafael Rentals and the
21 food and beverage and those other items?

22 MS. MOORE: That.s not our intention to have it
23 expanded on because, again, the profit -- the opportunity for
24 profit is in the food and beverage piece of it.

25 PRESIDENT FRED SCHENK: Right. So the answer to my

1 question is yes?

2 MS. MOORE: Uh-huh.

3 PRESIDENT FRED SCHENK: Okay.

4 All right. Any other questions or comments?

5 Yes. Oh, my goodness. Well, we'll start with
6 Director Rowland and work our way down the line.

7 MS. ROWLAND: Mine will probably be quick. But do we
8 ever have arrangements where we take a percentage of gate
9 versus a rental fee?

10 MS. MOORE: Not that I know of.

11 MS. ROWLAND: Okay.

12 MS. MEAD: Just so that I'm clear, the recommendation
13 is that recommends setting a five-year -- a five percent annual
14 increase for facility rate; but the example is 2024, .25, .26.
15 So is the recommendation for a three-year period, at which
16 point we can revisit this? Or is this forever? Because I'm
17 looking at it and I'm thinking we should probably revisit it in
18 2027 to see if maybe the market would demand -- would allow for
19 a greater rate. I can't tell if this is forever or three
20 years.

21 MS. MOORE: So in terms of the report, it would have
22 been continuing on. Based on the discussion and when it is
23 clarifying that it would be up to five percent, I think what we
24 could do is have where, then, that is brought back to this
25 board on an annual basis to see what that increase would look

1 like.

2 MS. MEAD: I.m comfortable with every three years,
3 not annually. I.m not comfortable with it being forever.

4 MS. ROWLAND: In perpetuity.

5 PRESIDENT FRED SCHENK: Right. And I think that.s
6 where it is right here. And then, with the amendment so that
7 it.s up to five percent. If there.s a decision that.s too low
8 at some point in 2027, that could be revisited by the makeup of
9 the board at that time, I suppose.

10 MS. MEAD: So can I just ask that we look at the
11 language and say committee recommends -- or amend the language
12 setting a five-year annual increase for all facility rates for
13 a period of three years?

14 MS. ROWLAND: Five years, five years.

15 MS. MEAD: Yeah. But the up to five percent for a
16 period of three years, and then we could revisit it in three
17 years.

18 PRESIDENT FRED SCHENK: Director Gelfand, I see you
19 shaking your head.

20 MR. GELFAND: Yeah.

21 PRESIDENT FRED SCHENK: Would that modification, the
22 minutes will reflect --

23 Yes?

24 MS. ROWLAND: Just based on what Carlene said, I
25 don.t think it was -- it certainly was not my intent to have

1 the 3.8 or the 3.2 brought back to the board for approval, if
2 it.s within that range. If it.s a matter of staff reporting on
3 it is good, but I don.t think that we need to then approve it;
4 will we?

5 MS. MOORE: No. No.

6 PRESIDENT FRED SCHENK: I don.t think that.s in
7 the --

8 MS. MOORE: So awareness similar to the delegation --

9 ROWLAND: Because then, it ends up creating work on
10 work.

11 MEAD: Yeah. No more work.

12 PRESIDENT FRED SCHENK: All right. With those
13 helpful comments and with those amendments to the motion, we
14 have a motion.

15 MR. ARABO: I have a quick question; sorry.

16 PRESIDENT FRED SCHENK: Yes, sir.

17 MR. ARABO: Have they thought about with the rates,
18 is there something tied to CPI? Is it like it.s CPI plus a
19 percentage? That way we have an ongoing -- I mean, who knows.
20 Hopefully, CPI is only zero, but you never know. That way, the
21 district could say, okay, the rates will be CPI plus up to this
22 percentage; just so that we have something that.s really
23 directly connected to the economy. Is that in there?

24 PRESIDENT FRED SCHENK: I don.t think it is.

25 MS. MOORE: It.s not.

1 MS. ROWLAND: No, it isn't.

2 [MULTIPLE SPEAKERS.]

3 MS. ROWLAND: (Indiscernible) I guess CPIU. I don't
4 know.

5 MR. ARABO: Because most leases have that.

6 MS. ROWLAND: (Indiscernible) for consideration, but
7 I think that the market and what our actual employee increases
8 are and things that go into building the rate.

9 PRESIDENT FRED SCHENK: Yeah. This is about, you
10 know, what's the competitive market value, and I think that's
11 incorporated in, ultimately, in what the market will bear.

12 MS. ROWLAND: It might be zero, you know.

13 PRESIDENT FRED SCHENK: It might be zero, right.

14 MS. ROWLAND: Like in the pandemic, it was kind of
15 zero.

16 MR. ARABO: Uh-huh.

17 PRESIDENT FRED SCHENK: Director Mosier.

18 MR. MOSIER: I think the CPI is a bad indicator
19 for -- because it has really three volatile components, cost of
20 energy, cost of gas, cost of electricity's gone up, you know,
21 20 percent a year --

22 MS. ROWLAND: Wages.

23 MR. MOSIER: -- that all goes in the CPI, but that
24 doesn't necessarily reflect our costs for operation. Energy,
25 maybe, but not transportation costs and apartment rental costs.

1 PRESIDENT FRED SCHENK: Right.

2 MS. ROWLAND: It could be more; it could be less.

3 PRESIDENT FRED SCHENK: All right.

4 MR. GELFAND: Also, we're -- this is a situation
5 where we're essentially below market. If we were to add the
6 CPI and that was it, we might never reach market. So if, for
7 example, CPI was 10 percent, we'd just -- the staff would just
8 come back to the board and ask for more than the five, you
9 know. So -- and anything less, even at five, we're still just
10 catching up with market. So I think as worded, the motion is
11 appropriate.

12 MR. ARABO: Okay.

13 PRESIDENT FRED SCHENK: Thank you, all of you, for
14 your comments and your insights.

15 Hearing no further comments, we'll entertain the
16 vote.

17 MS. O'LEARY: Okay. President Schenk.

18 PRESIDENT FRED SCHENK: Aye.

19 MS. O'LEARY: Vice President Gelfand.

20 MR. GELFAND: Aye.

21 MS. O'LEARY: Vice President Rowland.

22 MS. ROWLAND: Aye.

23 MS. O'LEARY: Director Arabo.

24 MR. ARABO: Aye.

25 MS. O'LEARY: Director Barkett.

1 MS. BARKETT: Aye.

2 MS. O.LEARY: Director Mosier.

3 MR. MOSIER: Aye.

4 MS. O.LEARY: Director Mead.

5 MS. MEAD: Aye.

6 MS. O.LEARY: And Director Nejabat.

7 MR. NEJABAT: Aye.

8 MS. O.LEARY: I think that.s everybody.

9 PRESIDENT FRED SCHENK: It is.

10 All right. We have approval of the 2024, .25,
11 and .26 facility rental rates. And thank you all for the help
12 in getting this done and support of the staff.

13 Next, we.ll move to Community and Government
14 Relations with Director Mosier.

15 MR. MOSIER: Yes. There.s an excellent review of our
16 meeting in January on page 134 of the staff report. Just a
17 couple of notable things I wanted to point out in that. We
18 have a new representative from -- somebody that.s been a member
19 of Tasha Boerner.s office staff joining the committee. And
20 Dwight Worden from City of Del Mar has replaced Councilmember
21 Terry Gaasterland on the committee. And he.s rejoining that
22 committee after many years on it in the past.

23 The other significant change is we.ve gone to
24 meeting every other month instead of monthly. And we.re going
25 to try to meet in person every other meeting. So three times a

1 year.

2 Any further questions, I.d be happy to answer.
3 And if they.re difficult, I.ll ask Carlene to answer them.

4 PRESIDENT FRED SCHENK: Okay.

5 There is no action item regarding Community
6 Relations. So we.ll move on to Fair Ops.

7 Director Schenk. All right.

8 MS. ROWLAND: Question: Do we have public comment
9 for each of these items?

10 PRESIDENT FRED SCHENK: I don.t -- I have it under --
11 the next one that I show is under 6E.

12 MS. ROWLAND: Usually, when it was set up for me, it
13 was usually one for each report.

14 PRESIDENT FRED SCHENK: Well, we.re not at there yet.

15 I.ll entertain, but I don.t see anybody listed.
16 But I will entertain -- I see someone.

17 Well, I.ll tell you what. I don.t see you on
18 here, Assemblymember Saldana, but --

19 ASSEMBLYMEMBER SALDANA: Which is --

20 PRESIDENT FRED SCHENK: -- but here you are. You.re
21 ready to go. Go for it.

22 ASSEMBLYMEMBER SALDANA: Which is not a requirement
23 to speak so I just wanted to say that in light of several
24 significant changes very close to this property that
25 Assemblymember Boerner -- Boerner -- and Senator Blakespear are

1 working on, it has come to my attention: Does this
2 fairground -- does this board have a climate action plan and a
3 resiliency plan? We're dealing with tracks that are collapsing
4 and proposals to do some tunneling nearby for trains. And I'm
5 just curious, have you approved a climate action plan and
6 resiliency plan in prior board actions? And are we working
7 with the state agencies that have oversight of many of the
8 provisions and requirements of AB 32 to make sure that -- I
9 know the cities do, City of Del Mar does, County of San Diego
10 does, but, you know, this is a big area that really falls under
11 the state. So how do you comply with the state's climate
12 action goals and --

13 PRESIDENT FRED SCHENK: Director Mosier, why don't
14 you bring the mic down a little so it's --

15 MR. MOSIER: Okay. My understanding is even though
16 this is state property, it's within the city of Del Mar and the
17 City of Del Mar's climate action plan applies to this property.
18 That was adopted in 2016 and is due for an update soon.

19 PRESIDENT FRED SCHENK: Okay.

20 Any other comments?

21 All right. Hearing none, we'll move on to Fair
22 Ops.

23 And we finally have some contracts for approval.
24 If you would turn to the board packet on page 137, you'll see
25 the proposed general Grandstand entertainment agreements. And

1 I will entertain a motion, but you know what? We'll first --

2 MS. ROWLAND: (Indiscernible.)

3 PRESIDENT FRED SCHENK: It's not an action item.

4 MS. ROWLAND: (Indiscernible) 500,000 --

5 PRESIDENT FRED SCHENK: It's up to 500,000; right.

6 Right. Okay.

7 MS. ROWLAND: And then over --

8 MS. MOORE: Just because it's not listed as an action
9 item.

10 PRESIDENT FRED SCHENK: Yeah. It used to be
11 different. We used to handle it. Okay. All right. Fair
12 enough.

13 MS. MOORE: .Til we learned about their offer.

14 PRESIDENT FRED SCHENK: But I will still -- if
15 there's any public comment on any of the talent that anybody
16 wishes to speak to, we'll allow that to go forward. If not,
17 we'll move on with the summer social topic.

18 But are there any comments with regard to the
19 Grandstand entertainment that we have? We do have a few dates
20 that are not yet filled, but what I'm really proud of and I
21 would like to comment on is the diversity of the talent that we
22 have. And, again, going back 20 years ago, we didn't have this
23 kind of diversity. So we're really making tremendous progress
24 in -- and that's always been my goal and I know our staff's --
25 is to reflect the community's interest in entertainment.

1 Assemblywoman Saldana.

2 ASSEMBLYMEMBER SALDANA: Well, this is a follow-up
3 on -- thank you for clarifying the climate action plan is the
4 City.s, that you are within the city. And I.m wondering as you
5 increase your entertainment offerings, you increase attendance.
6 Those have tremendous climate-related impacts with more
7 driving, if people aren.t being encouraged to use transit, if
8 you, maybe, as an agency, are not -- in the same way you are
9 trying to encourage more use of transit for the fair operations
10 in the summer, are you doing something similar for these other
11 entertainment operations throughout the year?

12 So as you work to increase your revenues and as
13 the bond ratings are showing, you need to do that to offset a
14 decline in horseracing revenues, are you looking for ways to
15 balance the climate impacts of more people attending events on
16 more dates? If you.re under the Del Mar plan and they are in
17 the process of updating, are they taking into account these
18 increased events? And so, how can you help them comply with
19 their goals regarding transit alternatives, as well as all the
20 things I know you.ve been doing on clean sustainable energy,
21 more solar, more efficient lighting, all of those things that
22 drive energy usage as well as transportation?

23 PRESIDENT FRED SCHENK: Thank you for your comments.

24 All right. Any other comments with regard to --

25 MS. MEAD: Don.

1 MR. MOSIER: Let me just respond very quickly to
2 that.

3 PRESIDENT FRED SCHENK: You don.t have to, but if you
4 want to.

5 MR. MOSIER: The major advantage that.s happening now
6 is San Diego obtaining funding for the bridge across San
7 Dieguito River and the seasonal platform, which is now -- would
8 be scheduled for completion about 2028, maybe 2029. But that
9 will increase the opportunity for rail transit to the
10 fairgrounds and will reduce our parking requirements and is a
11 project that.s long overdue but finally coming to completion.
12 And it looks like it.s at this point fully funded.

13 PRESIDENT FRED SCHENK: That is correct. Thank you
14 for pointing that out.

15 All right. Any comments with regard to Fair Ops
16 as it relates to the entertainment?

17 MS. ROWLAND: And all of these are within the actual
18 fair so it.s not an incremental time or probably not
19 incremental attendance overall.

20 PRESIDENT FRED SCHENK: Correct.

21 All right.

22 MR. RIVERA: Mr. Gelfand has his hand up.

23 PRESIDENT FRED SCHENK: Oh, I.m sorry.

24 Yes, Director Gelfand. Sorry.

25 MR. GELFAND: Yeah. I just wanted to also comment in

1 regards to Ms. Saldana.s comments that as part of our strategic
2 plan and master planning process, climate change will be a
3 crucial part of that consideration. So independent of what the
4 City of Del Mar has done and will continue to do, it will be a
5 key factor in all of our future planning.

6 PRESIDENT FRED SCHENK: Thank you for the comments.

7 Something that we.re going to be doing a little
8 differently, modifying from last summer, is the concept of the
9 summer social where we will be inviting leaders from the
10 community, from all aspects of the community, to come and visit
11 the Fairgrounds to get a sense of what we do, get a real sense
12 of, you know, what Katie presented earlier and share with
13 community leaders to be able to take back to their communities
14 to see how it can -- how they can benefit, how it can be
15 improved. And I want to make sure that all the board members
16 participate in that effort and in being visible and in helping
17 to share that message, not just the staff. But I think it.s
18 incumbent on the board to communicate what we.re doing and the
19 value that the 22nd DAA brings to not just Del Mar but to the
20 entire county of San Diego.

21 Carlene, would you like to comment on that?

22 MS. MOORE: Sure.

23 And so, along those lines, the idea being to
24 have each board member in essence kind of co-host one of those
25 nights that we have it. So we.ll be targeting nine; assuming

1 we.ll end up with nine board members before then, but if not,
2 eight.

3 What we.ll be doing is inviting audiences
4 around, and as President Schenk shared, you know, community
5 thought leaders, leaders within the broader community, groups
6 that, you know, align with our mission work; so agricultural
7 groups and businesses, education, recreation, and so on. So we
8 will be reaching out. As we are fleshing out the program for
9 this year, I.ll be reaching out to each of you so that we can
10 in essence identify the night that you would like to host.

11 PRESIDENT FRED SCHENK: Thank you.

12 All right. That completes the Fair Ops
13 Committee report.

14 Strategic Planning, Director Gelfand.

15 MR. GELFAND: I.m going to turn this over to Carlene
16 to comment on the meeting that we had and our current plans.

17 PRESIDENT FRED SCHENK: Thank you.

18 MS. MOORE: So, again, there is a report in the board
19 packet on page 138. And so just as an update, the committee
20 met with and is preliminarily received the report, a
21 preliminary report from London Moeder Advisors, which were the
22 group conducting the feasibility study. And so, as part of
23 that work and sort of next steps, we also -- and the goal here
24 today would be to try to set a date for our next strategy
25 session with the board. Looking at the week of March 25th for

1 that.

2 If you recall at our November board meeting, we
3 in essence focused on one of our three strategic initiatives,
4 that was the master site plan, setting some goals and things
5 like that. We still have two other initiatives, the business
6 plan and community engagement, which will be large pieces of --
7 as the board and the committee are taking in this information
8 on these reports.

9 So if -- we don't have to set the date today,
10 but if you can be looking at your calendars, we'll send out to
11 get your response. But that is -- I do want to point out, that
12 is the week of Easter, the following Sunday. So looking for
13 the beginning part of the meeting -- the week, versus the later
14 part. So ideally, like, March 25th or 26th, if everybody is
15 open to that.

16 So London Moeder just kind of presented again
17 their draft findings to the committee, which really then
18 engaged -- we wound up engaged in a conversation around, again,
19 sort of next steps, you know, considerations, filtering all of
20 this -- as we've talked about before -- through our lens, you
21 know, through our purpose and our mission work, our vision, and
22 our values. And so, the community will continue to work on
23 that in terms of next steps, you know, with this board and with
24 the community for seeking input into this process as we build
25 toward, ideally, a new master site plan.

1 And, I don.t know, Director Rowland or
2 Director Gelfand, if you anything more to add to that.

3 MS. ROWLAND: No. I think it was a great
4 conversation. You know, there.s a lot of richness to what can
5 occur in the strategic plan around this fantastic site like the
6 Fairgrounds. I think there was respect for tradition as well
7 as looking forward.

8 Certainly, the issues around sea level rise and
9 climate, all of those are, you know, a core part of what we.ve
10 discussed and, you know, will be integrated -- considerations
11 integrated into the final plans, I.m sure. So I think it.s a
12 long and difficult process with a lot of input that is yet to
13 come from the community, all sorts of interests in that.
14 Nothing has been decided and won.t be without a lot of
15 discussion, thought, and input.

16 PRESIDENT FRED SCHENK: Thank you.

17 Any other comments?

18 All right. There.s been no request for public
19 comment on that.

20 Moving on to Affordable Housing. Director Mead.

21 MS. MEAD: Thank you.

22 The Affordable Housing Committee met on February
23 8th. That committee is comprised of Director Mosier and
24 myself. And we had an update from Carlene, who.s done a great
25 job of representing us in conversations with the City of

1 Del Mar.

2 As a result of our meeting -- which you can see
3 the report on page 139 -- as a result of the meeting, we're
4 bringing forward to you today a recommendation to enter into an
5 exclusive negotiating rights agreement. That agreement is
6 intended for us to negotiate with -- exclusively -- with the
7 City of Del Mar, and Carlene will be our representative.

8 Couple things we want you to just feel very
9 comfortable with. This is a negotiation. Carlene would bring
10 back any particular recommendations to the board for
11 consideration and vote. And as you can see, the goals of the
12 agreement are to identify sustainable -- suitable site that is
13 mutually agreeable, to work with state representatives to amend
14 the code and negotiate the terms.

15 Now, I want to be sure that everybody
16 understands, this doesn't necessarily mean we're going to find
17 a site; but this actually puts us in a position where we can
18 have that discussion and hopefully come forward with some
19 recommendations.

20 This is expected to take a period of 24 months,
21 with a six-month extension. And I will ask Carlene to assist
22 me if I missed anything. And if I didn't, we'll open ourselves
23 up for questions.

24 PRESIDENT FRED SCHENK: Any further comments?

25 MS. MOORE: The only one would be the piece with

1 regard to the -- potentially amending the Food and Agriculture
2 Code with regard to the length of years is because what.s been
3 heard in terms of in the development world for affordable
4 housing is needing longer than 55 years. And currently, Food
5 and Agriculture Code limits district ag associations to lease
6 terms of 55 years. So we would be working on that piece of it.
7 But that.s the reason for it. It.s more common to see lease
8 terms for affordable housing in kind of the 65-year mark.

9 MS. MEAD: And, again, in that nego- -- it opens us
10 up to negotiation. Doesn.t necessarily mean that we.ll be
11 successful. All of this just gives Carlene the ability to open
12 up those conversations.

13 Director Mosier.

14 MR. MOSIER: Yeah. I just wanted to call the board.s
15 attention to Schedule B on page 157, which calls out some
16 deadlines for completing different operations or different
17 goals for this negotiation including identifying sites by the
18 end of this year. So even though this is a two-year
19 negotiation period, a significant milestone will be reached at
20 the end of December of this year. And presumably, if that
21 milestone is not reached, then we.re back to square one.

22 MS. MEAD: Thank you for bringing that to everybody.s
23 attention.

24 MS. BARKETT: I have a few questions.

25 MR. RIVERA: Director Arabo has his arm up.

1 MS. BARKETT: Basically, do the directors vote on
2 this also in terms if you decide on a site? Or do we decide on
3 the site too, as directors?

4 MS. MOORE: Yes. So what this -- so if approved
5 today, then what we would be entering into what would actually
6 be -- most likely -- and I'm looking to our deputy attorney
7 general over there -- closed session discussions pertaining to
8 the negotiation of real property.

9 [MULTIPLE SPEAKERS.]

10 PRESIDENT FRED SCHENK: We're getting an affirmation
11 of the head.

12 [MULTIPLE SPEAKERS.]

13 MS. MOORE: All of this being brought back to -- my
14 role in it is to represent --

15 MS. MEAD: Sure. The board.

16 MS. MOORE: Not only does any type of land
17 transaction, lease terms and things like that, require this
18 board's approval, but as you recall, will also ultimately
19 require the review and approval of the Department of General
20 Services as well.

21 MS. BARKETT: Right. So it will be leased; okay.
22 And we will be the owners? The state will only --

23 MS. MOORE: No. What we would -- this would be for a
24 ground lease --

25 MS. BARKETT: Okay.

1 MS. MOORE: -- as compared to selling district -- so
2 this would be to enter into the ENRA, or -- the Exclusive
3 Negotiating Rights Agreement is specific to entering into a
4 lease of district property, as compared to a sale.

5 MS. BARKETT: Right.

6 And then, if they -- okay, if they find a site,
7 how will it go from that?

8 PRESIDENT FRED SCHENK: In other words, at the end of
9 the term, who owns the improvements?

10 MS. MEAD: Exactly.

11 MS. MOORE: So the city and their developer, in terms
12 of the facility that would be built, it.s a ground lease of
13 that space.

14 MS. MEAD: So that property would actually be owned
15 by the City?

16 MS. MOORE: No.

17 MS. MEAD: Or the developer?

18 MS. MOORE: The property would be retained by the
19 district --

20 [MULTIPLE SPEAKERS.]

21 MS. BARKETT: But the improvements would be owned by
22 the developer or the city?

23 MS. MOORE: That would -- well, I don.t know what the
24 terms would be that the city would enter into with the
25 developer.

1 PRESIDENT FRED SCHENK: Typically, what would
2 happen -- and perhaps Director Gelfand can speak to this
3 perhaps better -- but my understanding is typically what
4 happens is after the term of the lease expires, the
5 improvements revert back to the land lessor.

6 MS. MEAD: Right.

7 PRESIDENT FRED SCHENK: I see you shaking your head.
8 Would you like to address that, Director Gelfand?

9 MR. GELFAND: Yeah. I would.

10 All of this is subject to negotiation, which
11 will take place in closed session.

12 MS. MEAD: That.s the answer?

13 PRESIDENT FRED SCHENK: I was saying typically, but
14 you.re right.

15 MR. GELFAND: The other thing I was going to say is I
16 was actually going to ask a question. Because on that issue,
17 just to not be indirect, it can go either way. Sometimes, the
18 improvements are owned and there.s some negotiation at the end
19 of the process. Sometimes they revert back to the landowner;
20 it just depends.

21 But one of my -- two things: One, I want to
22 congratulate the staff on getting this together. I think it
23 was a really great job. The other is, I want to -- I.m just
24 curious how this relates to the City of Del Mar.s statutory
25 timing, in terms of designating a location? Does this give

1 them the two years. leeway, you know? Does this help them
2 satisfy their current concerns?

3 MS. MOORE: I couldn.t answer, in terms of absolutely
4 satisfaction and things. What I would say is that really what
5 this document strives to do is to balance the parties of the
6 district, in terms of flexibility with regard to a thoughtful
7 approach to our master site planning, with the City.s mandated
8 priorities from Housing and Community Development that are
9 related to their affordable housing needs. And this has been a
10 mutual process with the City and with the district and our
11 representatives to bring this forward. So it.s coming forward
12 to this board for approval because it is our land; we have the
13 first say and sort of the final say, and then next, it would be
14 presented to the City Council for their approval as well.

15 [MULTIPLE SPEAKERS.]

16 MS. ROWLAND: But I want to say that staff believes
17 it does.

18 MS. MOORE: Yes.

19 MR. GELFAND: Okay. Also, at the -- as this is
20 progressing, Carlene, are you comfortable commenting at all
21 about potential discussions with other cities that may relate
22 to this?

23 MS. MOORE: No, this is our -- this is the agreement
24 to enter into negotiations with the City of Del Mar.

25 MR. GELFAND: But what I.m getting at is --

1 MS. ROWLAND: We understand what you're getting at.

2 MS. MOORE: I -- your question was in terms if I was
3 comfortable commenting; not at this time.

4 MR. GELFAND: Perfect. Okay. Thank you.

5 PRESIDENT FRED SCHENK: All right.

6 And Director Arabo.

7 MR. ARABO: Yeah. From my side, to reiterate
8 Director Gelfand's plan, but in a different way, I think (audio
9 distortion) entering into any contract, but is there a reason
10 why we're doing exclusive? I mean, there's a -- I know we're
11 next to Del Mar, but we're also next to the city of San Diego,
12 we're in the county of San Diego. Talk to them. I just wonder
13 why we're locking ourselves in when we don't have to. We can
14 negotiate with Del Mar if it doesn't -- unless we can negotiate
15 with Del Mar or the city.

16 Is that correct or are we locked into Del Mar?
17 I know it's just negotiating. But we're exclusively doing
18 that. Is that a reason that we're exclusively talking to Del
19 Mar?

20 MS. ROWLAND: Yes.

21 MS. MOORE: Yes. And this is -- this request has
22 come from the City of Del Mar to negotiate with us to identify
23 a site ideally to satisfy their -- 61 units of the arena
24 housing.

25 MR. GELFAND: But this doesn't prevent us from

1 talking to anybody else.

2 MS. MOORE: No, it does not.

3 MR. ARABO: Okay. I got -- that was my question.

4 Okay.

5 MS. ROWLAND: So I think that this has a history
6 because so much of a portion -- so much of the city land of the
7 City of Del Mar is encompassed in the Fairgrounds.

8 PRESIDENT FRED SCHENK: Right.

9 MS. ROWLAND: And, you know, they're looking for a
10 site that has to relate in some way to the city of Del Mar.
11 And so, this has long been a focus of, you know, what they have
12 requested us to work with them on.

13 There has been no such request from the City of
14 San Diego because they have many places where, you know, low-
15 income housing, Martin housing can be sited. Whether they do
16 it or not, they have many locations. And the same, you know,
17 to the same extent as the county. So this really has become
18 more of an issue for the City of Del Mar, relative to where can
19 they actually go to find a location.

20 Now, there are other locations, but many folks
21 think that this is, you know, a good thing to explore. And
22 this board has been willing to explore that with the express
23 consideration that this has to fit into our master plan, it has
24 to be -- you know, relate to the other activities of the
25 Fairgrounds. So it is a very -- you know, has been a very

1 specific request, and we have had, as a board, no interest in
2 soliciting other jurisdictions to determine whether or not they
3 are so interested. We don't have that currently as a specific
4 focus. It's kind of a one-off focus for the City of Del Mar.

5 PRESIDENT FRED SCHENK: Director Mead.

6 MS. MEAD: I would just like to assure you, however,
7 that Carlene's done a great job of keeping all of the staff at
8 the City of San Diego apprised. We have had several meetings
9 with the City of San Diego and advised them about these
10 conversations. Again, they have not come back to us and said
11 would you consider talking with us. So we're talking --

12 PRESIDENT FRED SCHENK: Right. So the point is --

13 MS. MEAD: -- to Del Mar because of their request.

14 PRESIDENT FRED SCHENK: -- Del Mar approached us. We
15 didn't approach them. Their footprint is overlapping
16 significantly our footprint. And the City of San Diego has --

17 MS. MEAD: Lots of options.

18 PRESIDENT FRED SCHENK: Right, as Director Rowland
19 pointed out, they have opportunities that -- good, bad, or
20 otherwise -- the City of Del Mar doesn't have available to
21 them.

22 MS. BARKETT: Just one more question, if I may.

23 How many -- does anyone know how many affordable
24 housing units Del Mar is required to seek?

25 MR. GELFAND: Sixty-one.

1 MS. ROWLAND: Total now?

2 MS. MOORE: No. Sixty-one is the request with us.
3 You asking about total assignments --

4 MS. MEAD: (Indiscernible) total. Yeah.

5 MR. MOSIER: It.s 113, I believe, if my memory is
6 correct for low. And moderate, they never have a problem with
7 moderate; they become requirements.

8 MS. MEAD: So where are they going to go for that
9 other 60-plus?

10 MR. MOSIER: They have a number of sites identified,
11 but each of those sites is much smaller because they --

12 MS. ROWLAND: A little here, a little there.

13 MR. MOSIER: -- do it piecemeal.

14 MS. MEAD: Do you know what they are, the
15 identifiable sites are currently?

16 MR. MOSIER: I am reluctant to comment on that
17 without having all the data right in front of me.

18 MS. MEAD: And I.ve not paid attention to that. I.ve
19 been concerned only about this site.

20 PRESIDENT FRED SCHENK: All right. So, Director
21 Mead, we.ll take public comment if you.re ready to have a
22 motion be presented.

23 All right. Public comment.

24 MS. ROWLAND: Well, I have one more question about
25 the agreement.

1 PRESIDENT FRED SCHENK: Okay.

2 MS. ROWLAND: So --

3 PRESIDENT FRED SCHENK: Well, do you want to save it
4 for discussion or -- I mean, because we will have discussion.

5 MS. ROWLAND: Oh, okay. That.s fine. That.s fine.

6 PRESIDENT FRED SCHENK: All right. Let.s do it that
7 way, please.

8 All right.

9 MS. MEAD: Well, our committee is actually making the
10 motion. We need a second.

11 PRESIDENT FRED SCHENK: We.re not there yet.

12 MS. MEAD: Oh. Okay.

13 PRESIDENT FRED SCHENK: We.re not there yet. We will
14 get there though. Bear with me.

15 ASSEMBLYMEMBER SALDANA: Thank you. I --

16 PRESIDENT FRED SCHENK: Let me just make the
17 introduction.

18 ASSEMBLYMEMBER SALDANA: All right.

19 PRESIDENT FRED SCHENK: Assemblymember Saldana. You
20 have two minutes for public comment.

21 ASSEMBLYMEMBER SALDANA: Thank you.

22 And I would like to suggest that this board
23 could take -- since you are looking at a serious negotiation on
24 this matter -- as former chair of Assembly Housing, the
25 Regional Housing Needs Assessment has been routinely violated

1 because of short-term vacation rental ordinances by many
2 coastal communities. And as a life-long resident of San Diego,
3 I have seen this in my own neighborhood. And there are
4 extensive problems with the ordinances that have been passed.
5 And some cities are taking those back because they recognized
6 the problem.

7 I would suggest that you ask them how many
8 short-term vacation rentals are in Del Mar because that has a
9 real impact and -- on available housing. And if you're going
10 to be negotiating and they're asking you to help them with
11 their affordable housing, you have every right to say, how many
12 short-term vacation rentals do you have and what have you seen
13 of the impact over time of those affecting housing prices. I
14 can tell you without hesitation, they are driving them up in
15 the city of San Diego. And they are pushing people who would
16 have bought houses in one community to offer the same amount of
17 money in other communities, and then that's a domino effect and
18 a ripple effect that is causing housing prices to rise region-
19 wide.

20 So every time you take a full-time house out of
21 full-time residency that was identified as such under the
22 Regional Housing Needs Assessment at some point in the past and
23 turn it into a vacation rental, you are violating -- after the
24 fact -- that Regional Housing Need Assessment goal and
25 requirement. So if you're going to enter into that

1 negotiation, ask them for their short-term vacation rental
2 numbers, recognizing you're a big driver of those tourism
3 dollars and people coming here, and you want to be good
4 partners in addressing how that's impacting the availability
5 and the cost of housing in this city.

6 PRESIDENT FRED SCHENK: Very much appreciate that
7 input.

8 Ms. Sullivan, you also signed up for public
9 comment on this subject.

10 MARTHA SULLIVAN: Thank you.

11 This is the other cause that's near and dear to
12 my heart, as I think you know now. And I -- it's good to see
13 this progressing. And I understand, because I worked for the
14 state Public Utilities Commission for 20 years, I understand
15 how long these things can take, you know, negotiating and
16 coming to agreements and dotting all the "i"s and crossing all
17 the "t"s.

18 What I want to put forward is the urgency of the
19 need for low-income housing. We are in a housing disaster, and
20 I think that it's very easy to lose sight of just how urgent
21 and dire the need is when we are, you know, sort of embedded
22 and underwater in all the details and working through
23 everything.

24 So I'm just trying to be the voice to remind
25 people that this is about people's lives. We are in a housing

1 disaster, and I want to just put all urgency on moving forward
2 as quickly and deliberately as possible.

3 Thank you.

4 PRESIDENT FRED SCHENK: Ms. Sullivan, thank you for
5 your comments.

6 There are no other public comments so let.s now
7 move to the motion itself.

8 Is there a motion, Director Mead, that you would
9 like to make?

10 MS. MEAD: Yes. I would like to make a
11 recommendation, a motion, to enter into the ENRA with periodic
12 updates, obviously, from Carlene.

13 PRESIDENT FRED SCHENK: The motion is made by
14 Director Mead. Is there a second?

15 MR. MOSIER: I.ll second it.

16 MR. GELFAND: Second.

17 PRESIDENT FRED SCHENK: I heard -- sorry, Michael, I
18 heard Director Mosier --

19 MR. GELFAND: That.s fine.

20 PRESIDENT FRED SCHENK: -- made the second first, but
21 we.ll have you be the third; how.s that?

22 All right. Any further conversation,
23 discussion, comments with regard to the motion that.s been
24 made?

25 Director Rowland?

1 MR. MOSIER: I made -- I have --

2 PRESIDENT FRED SCHENK: I'll look for hands raised
3 from remote board members as well. I'll look for that as well.

4 MS. ROWLAND: I just have one question, and maybe
5 Josh can help with this because it's a legal question and I
6 know there was review on that.

7 So that's the waiver of the lis pendens; and it
8 says that "No lis pendens shall be filed against any person of
9 a development site with respect to this agreement." And
10 development site is a defined term, which is, the precise
11 location where the development would occur. And I just want to
12 make sure that that's what was intended by this or was there --
13 because maybe there's some alternative site? I just want to
14 just make sure that we're good with that.

15 MR. CAPLAN: That was the intent, Director Rowland --

16 MS. ROWLAND: The specific site.

17 MR. CAPLAN: -- to the specific site that's
18 identified by the parties during the process contemplated by
19 this negotiating rights agreement.

20 MS. ROWLAND: Okay. Thank you.

21 PRESIDENT FRED SCHENK: Director Barkett, did you --

22 MS. BARKETT: Yes. I just --

23 PRESIDENT FRED SCHENK: And then, I'll go to Director
24 Arabo.

25 MS. BARKETT: So I want to add just my personal

1 comments to Assemblywoman Saldana.s remarks. And for someone
2 who lives next door to a full-time, quote/unquote, "house" that
3 has turned into a full-time nightmare with parties constantly,
4 and we.ve done so much to -- the whole neighborhood has. It.s
5 really become a big nuisance. And I think the numbers are
6 quite shocking. I think if we did ask -- and they have to file
7 paperwork, too, so that number should be public -- but what
8 prevents someone from leasing their place here and it becoming
9 the same type of issue on our Fairgrounds?

10 MS. ROWLAND: That would be a part of some document
11 somewhere; we hope. We hope.

12 MS. MEAD: Some negotiation.

13 MS. BARKETT: We hope that that.s encompassed in it
14 because they could take a number of the units and decide that
15 it.s going to become --

16 PRESIDENT FRED SCHENK: A fair BnB.

17 MS. BARKETT: During the fair musicals, we have a lot
18 of stuff going on here, it.s a free ticket to them. It.s like
19 pulling up your boat at concerts at Humphreys.

20 PRESIDENT FRED SCHENK: Right. We don.t want it to
21 become a fair BnB.

22 MS. BARKETT: It could really become a nightmare, and
23 I just -- I just want to put that out there because we.re
24 living through it and it.s been years now and it.s tough.

25 MR. MOSIER: It think that.s a few years away. And I

1 did want to report that Del Mar -- City of Del Mar -- is on the
2 verge of passing a short-term rental ordinance, after many
3 years of discussion and lot of public input the last six
4 months. And I think that.s on the agenda for within the next
5 month for final approval. And it would -- if approved by the
6 council -- would limit short-term rentals to fewer than five
7 percent of the total residents, if I.m remembering correctly.
8 But at least, that would be an ordinance, and my understanding
9 is that ordinance would apply to any future property on the
10 Fairgrounds, if it.s adopted.

11 PRESIDENT FRED SCHENK: Thank you for that.

12 Director Arabo, I see your hand up.

13 MR. ARABO: This is for Director Mead.

14 For the motion, do we need the word in there
15 "exclusive"? I know they reached out to us or their city has.
16 I get that part. We.re entering a negotiating agreement with
17 them. Does the motion need to have "exclusive" in there or can
18 we say we.re entering into a negotiating agreement with them,
19 just so they know six months from now, they give an offer to
20 Carlene that.s not that favorable, other cities could come and
21 talk to the district?

22 MS. MEAD: May I seek support of counsel to determine
23 whether or not we could strike the "exclusive"?

24 MR. CAPLAN: Discussion on this concept, Director
25 Arabo, is I think thoughtfully considered by the committee and

1 by staff, in collaboration with the City, to try and achieve.
2 As Carlene pointed out, maximum flexibility for the Fairgrounds
3 is to make sure that the master site planning process could
4 move forward uninterrupted. But also, to give the City of
5 Del Mar what they needed as part of their internal approval
6 process, getting approvals from other city agencies on whether
7 this document met the criteria for their affordable housing
8 requirements.

9 So I understand the concern. What I would say
10 is that this document contains a very narrow exclusivity
11 provision. It's not fraud. If you look to the document, I
12 think it's --

13 MS. MOORE: It is page 145 of the packet.

14 MR. CAPLAN: Page 145 of the packet, Section 1.3(a).
15 The exclusivity piece really relates only to the development or
16 use of prospective sites for affordable housing projects. And
17 again, these are prospective sites that are evaluated and
18 selected as development sites by the city and the district.
19 And so, I won't say more than that. Again, it's very narrow.
20 And again, the negotiations -- the discussions with the city
21 will focus on potential sites that fall within the city of
22 Del Mar.

23 And so, again, this was something that the City
24 said they would need as part of this process. But, again, I'm
25 not the policymaker in this room. I leave that to the board.

1 But at least I thought that would respond to your question. I
2 think if you were to remove the word "exclusive," I think it
3 might defeat a significant objective the City was attempting to
4 achieve in our discussion.

5 MS. MEAD: Thank you.

6 MR. ARABO: Got it.

7 MR. GELFAND: I have a further comment to make.

8 PRESIDENT FRED SCHENK: Director Gelfand, and then,
9 Director Mosier.

10 MR. GELFAND: Yeah. Mark, I appreciate your concern
11 about this. I've actually come at it from a 180 degrees. I'm
12 pleased that we're not going to be, you know, negotiating with
13 anyone else about this. I have very mixed feelings about it.
14 I'm very concerned about the housing crisis in San Diego
15 County. I just don't feel strongly that the Del Mar
16 Fairgrounds is the place to solve the problem.

17 We have this particular, you know, question from
18 the City of Del Mar. We want to cooperate with them for many
19 reasons, which is I think why we are entertaining this. But I
20 would hate for the Fairgrounds to be seen as the place that San
21 Diego's housing crisis is going to be solved. I don't think
22 you're going to see -- there's a housing crisis in New York
23 City. They're not going to build high-rise residential in the
24 middle of Central Park. And I think that's what, you know, the
25 Fairgrounds represents to San Diego County.

1 So I have no problem with this exclusivity
2 language, and I think this agreement should move forward.

3 MS. MEAD: Thank you.

4 PRESIDENT FRED SCHENK: Director Mosier.

5 MR. MOSIER: Yeah. I just wanted to clarify some
6 background information.

7 When the Housing and Community Development state
8 organization approved Del Mar.s six-cycle housing element, the
9 requirement for getting credit for these lower income units, 61
10 units, without any additional modification of state rules,
11 would require them to be in the City of Del Mar. And that is
12 the basis for us negotiating with the City of Del Mar and not
13 considering any other location. There is part of our property
14 in the city of San Diego, but we've already indicated that the
15 City of San Diego is not looking for affordable housing sites
16 here. And if Solana Beach has requirements for affordable
17 housing, but again, they would, under current rules, would not
18 get credit for any housing built on the Fairgrounds. So we're
19 in a unique position that whether you call it exclusive or not,
20 we are basically forced to negotiate with the City of Del Mar.

21 MR. ARABO: Got it.

22 MS. ROWLAND: And my understanding, too, based on,
23 you know, prior conversations, is that it.s a matter of not
24 being in competition for a specific site. So to be -- to meet
25 the requirements that they have, that site that becomes the

1 precise development site, cannot be grabbed away from them by
2 our negotiating with somebody else. That.s why it.s exclusive,
3 and that.s why, you know, taking the word out -- maybe it
4 would -- but could undermine everything that we.ve tried to
5 accomplish with them here. So I think it needs to stay, based,
6 at least, on my understanding of what the exclusivity is about,
7 is to prevent competition on that specific site, which would
8 undermine their status relative to it being, you know,
9 something that they can achieve.

10 PRESIDENT FRED SCHENK: Director Barkett.

11 MS. BARKETT: I feel like I.m not sure what.s coming
12 first, the horse or the cart.

13 Should the question be: Is this a suitable site
14 for low-income housing, period? That should be our question.
15 And then we decide, well, if it is, then we start the process.
16 I just feel like we.re getting ahead of ourselves here. I
17 don.t understand why we.re not determining that first, that,
18 you know, question.

19 MR. GELFAND: Actually, the board has already
20 resolved that question.

21 MS. MEAD: We already did that.

22 MS. BARKETT: No, but in terms of sites.

23 MS. MEAD: We already did that.

24 MS. BARKETT: We.ve already selected sites?

25 MS. MEAD: No, (indiscernible).

1 MS. ROWLAND: We can.t do it that way.

2 MS. MEAD: We gave this -- Carlene the approval to
3 begin the conversations. Assuming a site could be determined
4 to be appropriate for affordable housing, the next step will be
5 to be able -- this step, we.ll be able to look at the various
6 locations and try and determine --

7 MS. BARKETT: And then, come back --

8 MS. MEAD: -- and then come back to us and say --

9 MS. BARKETT: Immediately, before we go any
10 further --

11 MS. MEAD: Before we go any further.

12 MS. BARKETT: Okay. Before we go any further.

13 That.s the key. Is this the proper venue?

14 MS. MEAD: This just essentially takes the property
15 and says, here.s a location we think would be appropriate. The
16 City of Del Mar agrees it.s appropriate, and then we come back
17 and say if we are in agreement.

18 MS. BARKETT: Okay. And if we determine that there
19 is no site that would be appropriate, then it dies there.

20 MR. GELFAND: Right.

21 MS. ROWLAND: I think it.s a possibility.

22 [MULTIPLE SPEAKERS.]

23 PRESIDENT FRED SCHENK: (Indiscernible) in the realm
24 of any of the possibilities, but that.s also (indiscernible).

25 MS. MEAD: Okay.

1 MS. ROWLAND: I think part of it is timing.

2 PRESIDENT FRED SCHENK: We've not committed to the
3 City of Del --

4 MS. BARKETT: Right. I just want to make sure --
5 that.s what I.m saying -- that they don.t take it and run with
6 it --

7 MS. MEAD: No, they cannot --

8 MS. BARKETT: -- and we.re stuck, then, with a big,
9 you know, internal fight.

10 PRESIDENT FRED SCHENK: Remember in contracts,
11 meeting of the minds.

12 MS. BARKETT: Right.

13 PRESIDENT FRED SCHENK: There hasn.t yet been a
14 meeting of the minds.

15 MS. MEAD: Right. Thank you.

16 PRESIDENT FRED SCHENK: Okay. Absolutely.

17 MS. MEAD: One question solved. Thank you.

18 PRESIDENT FRED SCHENK: I don.t see any further
19 hands raised from the digital board members so --

20 MS. MEAD: Vote?

21 PRESIDENT FRED SCHENK: Well, uh, I don.t know if
22 I.ve taken public comment yet.

23 MS. MEAD: Yeah. We did.

24 UNIDENTIFIED SPEAKER: You did, yes.

25 PRESIDENT FRED SCHENK: I have already. That.s

1 right.

2 MS. MEAD: And we have a first and a second.

3 PRESIDENT FRED SCHENK: Yes. We've got a first, we
4 have a second, and now, we'll take the vote. Thank you.

5 MS. O.LEARY: President Schenk.

6 PRESIDENT FRED SCHENK: Aye.

7 MS. O.LEARY: Vice President Gelfand.

8 MR. GELFAND: Aye.

9 MS. O.LEARY: Vice President Rowland.

10 MS. ROWLAND: Aye.

11 MS. O.LEARY: Director Arabo.

12 MR. ARABO: Aye.

13 MS. O.LEARY: Director Barkett.

14 MS. BARKETT: Aye.

15 MS. O.LEARY: Director Mead.

16 MS. MEAD: Aye.

17 MS. O.LEARY: Director Mosier.

18 MR. MOSIER: Aye.

19 MS. O.LEARY: And Director Nejabat.

20 MR. NEJABAT: Aye.

21 PRESIDENT FRED SCHENK: Thank you.

22 Carlene, you have your marching -- or walking --
23 orders.

24 And now, somewhat related, is an issue that.s
25 equally, if not more important to us, is the consideration with

1 regard to the Sandag Rail Realignment Project. So --

2 MS. MEAD: I.m ready.

3 PRESIDENT FRED SCHENK: -- Director Mead, please.

4 MS. MEAD: Sure. Thank you.

5 I.d like to bring everybody.s attention to page
6 159 and 160 in your board book. Essentially, this is a
7 resolution that simply states our interest in consideration of
8 a rail project in Del Mar. I.ll draw your attention
9 specifically to page 160, sections 1 through 3, which indicates
10 that we are opposed to any realignment -- corridor
11 realignment -- that will impact our operations, economic,
12 environmental, or planning needs, as -- given the fact that we
13 are in a planning process today.

14 Number two identifies that public transportation
15 is the top priority, but, as we talked about earlier, a
16 seasonal platform which will reduce the traffic coming into
17 Del Mar during the Fairgrounds (sic) is our top priority.

18 And number three, we want to be very clear that
19 if consideration of a rail project is going -- is being
20 considered, that will take our attention away and ability to
21 consider housing as part of this plan. So all of the work we
22 just talked about, if this discussion about the rail goes
23 forward, this number 3, our resolution would state our
24 attention will be redirected. So...

25 PRESIDENT FRED SCHENK: I think you expressed that

1 well.

2 Director Barkett.

3 MS. BARKETT: So I think Section 3 is in opposition
4 to Section 1.

5 MS. MEAD: Okay.

6 MS. BARKETT: And the reason is -- let's start with 3
7 first. Del Mar should plan and move forward to run train
8 tracks through or across district property. Well, obviously,
9 that would impact our operational, economic, environmental, and
10 planning needs. I mean, I -- those two, to me, don't even make
11 sense. Because there's no way we're going to be able to put a
12 train track through the middle of Del Mar -- right? -- across
13 the property, the Fairgrounds?

14 MS. MOORE: Uh-huh.

15 MS. MEAD: Yeah.

16 MS. BARKETT: And not have --

17 MS. MOORE: That is not what it's saying though. You
18 can't do this.

19 MS. MEAD: And number 3 is probably the most
20 important because if they do that, that's going to redirect all
21 of our attention because of the impact on us financially, as
22 well as --

23 MS. BARKETT: So maybe what's throwing me off is "may
24 be unable to serve as an affordable housing site." You don't
25 even need that in there. I mean, it's not contingent upon the

1 affordable housing; right?

2 MR. GELFAND: Point of information.

3 MS. ROWLAND: It's the other way around.

4 MS. MEAD: Yes, it's the --

5 MS. ROWLAND: That the implementation of a train
6 going through the Fairgrounds may prevent us from being able to
7 site. We won't be able to plan around it. We won't be able to
8 plan our master plan. We won't be able to plan for our
9 affordable housing because we don't know where it's going.

10 MR. GELFAND: Mr. Chairman?

11 PRESIDENT FRED SCHENK: Director Gelfand, please.

12 MR. GELFAND: I believe we're having -- I don't know
13 if, first of all, we need public comment. Second of all, we're
14 having discussion without a motion. So I'm a little lost about
15 where we are in the process.

16 MS. BARKETT: That was my fault; sorry.

17 MS. ROWLAND: You derailed us.

18 PRESIDENT FRED SCHENK: So to speak.

19 MS. BARKETT: I got so excited.

20 PRESIDENT FRED SCHENK: The motion is?

21 MS. MEAD: I was introducing this --

22 MS. BARKETT: You were.

23 MS. MEAD: -- and the committee is coming forward
24 with a motion to approve the resolution.

25 PRESIDENT FRED SCHENK: Okay.

1 MR. GELFAND: And I would second it.

2 PRESIDENT FRED SCHENK: All right. Thank you.

3 MR. GELFAND: And the I have comments, whenever
4 appropriate.

5 PRESIDENT FRED SCHENK: We'll get -- yes, and we
6 will.

7 All right. So our first person to ask for
8 comment is Assemblymember Saldana, with regard to the
9 resolution that is before us.

10 ASSEMBLYMEMBER SALDANA: Yes. And, I mean, to comply
11 with I think the spirit and intent of this is before you make
12 the motion, please do listen to public comment. We might offer
13 something that is useful.

14 And as someone who has reviewed a lot of these
15 resolutions and authored some, I tried to put them in positive,
16 affirmative language, as opposed to what is was opposed so that
17 we support, we recognize the need for the realignment, and we
18 would accept that so long as it protects or does not interfere,
19 and then the items that you have listed, which I think are all
20 essential components of the operations of this property.

21 And -- because if you, speaking as a media -- from a media
22 perspective -- if you are on record opposing this, that will be
23 the message, not that we support this and understand the need
24 for it so long as we also have taken into account these
25 essential elements of our fairground operations.

1 So I think what you are requesting is
2 reasonable, you have concerns how this realignment will impact
3 your property, but, frankly, we're just running out of real
4 estate on the coast. And so opposing it is probably going to
5 get you less into the conversation of a solution versus saying
6 we support this and we want to work as partners to make sure
7 this is done in a way that maintains our operational integrity
8 on all the levels that you have put there. That's my
9 recommendation.

10 Thank you.

11 PRESIDENT FRED SCHENK: Again, appreciate your
12 comments and your experience on this subject.

13 Next is Ms. Sullivan. You have indicated a
14 request to speak on this topic.

15 MARTHA SULLIVAN: Well, I'm kind of speaking to the
16 choir here, I know; but I just want to chip in.

17 It seems like, to me, as an observer of this,
18 that the City of Del Mar is relying on the state fairgrounds,
19 you, to meet city obligations to provide affordable housing
20 under state law. Therefore, the City of Del Mar should
21 reciprocate by helping the state fairgrounds meet its
22 obligations under state law. So maybe that's another thing to
23 try to weave into the message. You know, this needs to be a
24 reciprocal relationship, folks. You're counting on us to meet
25 your, you know, requirements under state law. You need to help

1 us meet state requirements under state law, which has to do
2 with operating a fairgrounds.

3 MS. MEAD: Thank you.

4 PRESIDENT FRED SCHENK: Thank you.

5 Any further discussion?

6 MR. MOSIER: I just have a comment that there was a
7 letter sent by Carlene and Fairground staff to the City of
8 Del Mar expressing basically what.s in this resolution, which
9 caused the City of Del Mar to modify their ten commandments to
10 say that they would not support a tunnel routing through the
11 Fairgrounds that impacted our operations.

12 So, basically, this resolution is reinforcing
13 that message already sent to the City of Del Mar by making it a
14 board resolution so that everyone on the board understands the
15 position. And, in part, I think that is necessary because some
16 councilmembers and some Del Mar residents continue to push for
17 the Fairgrounds route, realignment, and that means that the
18 action that Del Mar City Council took in December has been
19 ineffectual. So I think it.s important that we make it clear
20 that the board takes this position and that City Council
21 members in Del Mar need to speak representing the council
22 action that they.ve taken, and not go off on their own and take
23 independent stands that are against the board through their
24 council action.

25 PRESIDENT FRED SCHENK: Thank you.

1 MS. MEAD: Thank you, Don.

2 PRESIDENT FRED SCHENK: Director Gelfand, your hand
3 is up. But you're also muted.

4 MR. GELFAND: Yeah. This is an interesting,
5 complicated issue. I totally agree with the spirit of this
6 resolution in regards to this rail realignment not negatively
7 impacting Fairgrounds in general, in particular relative to our
8 planning process, et cetera.

9 In that regard, there is this tie-in in the
10 resolution between the City of Del Mar's housing request of us
11 and the rail alignment and how the political entities move
12 forward relative to Sandag. With that tie-in, I understand how
13 this has come up in the Affordable Housing Committee of the
14 board. As this issue moves forward, it seems like maybe it's
15 more appropriate to be handled by Strategic Planning. I just,
16 you know, raise that as a comment. I guess our board president
17 will make those determinations, but I just wanted to put that
18 out there.

19 PRESIDENT FRED SCHENK: Thank you.

20 Director Rowland.

21 MS. ROWLAND: So since we can make adjustments to our
22 motions, I'd like to propose one. I think it's a very simple
23 one, and it does reflect our support and understanding that
24 realignment needs to occur so that on page 160, the second
25 "Whereas," that's entirely on that page, I think that if we

1 just say, "Sandag is simultaneously developing plans for the
2 necessary realignment of the Lossan Rail Corridor." Just --

3 MS. MEAD: Uh-huh.

4 MS. ROWLAND: -- our understanding that needs to be
5 done.

6 PRESIDENT FRED SCHENK: Is that accepted?

7 MS. MEAD: Yes.

8 PRESIDENT FRED SCHENK: Thank you.

9 In my view, this is a classic example of NIMBY.
10 This is a "Not In My Back Yard" experience here. You've got
11 the residents of Del Mar saying don't put this rail track in my
12 back yard, and the City of Del Mar saying don't put the public
13 housing in their back yard. So it's a -- and we're the one
14 whose back yard this is going to be in. So we're going to get
15 to this. We're going to figure it all out one way or the
16 other, but let's just be mindful of what they're --

17 MS. MEAD: Where this is coming from.

18 PRESIDENT FRED SCHENK: -- asking for. Yeah.

19 All right. Any further comment?

20 All right. I see no further hands being raised.

21 Donna.

22 MS. O.LEARY: President Schenk.

23 PRESIDENT FRED SCHENK: Aye.

24 MS. O.LEARY: Vice President Gelfand.

25 MR. GELFAND: Aye.

1 MS. O.LEARY: Vice President Rowland.

2 MS. ROWLAND: Aye.

3 MS. O.LEARY: Director Arabo.

4 MR. ARABO: Aye.

5 MS. O.LEARY: Director Barkett.

6 MS. BARKETT: Aye.

7 MS. O.LEARY: Director Mead.

8 MS. MEAD: Aye.

9 MS. O.LEARY: Director Mosier.

10 MR. MOSIER: Aye.

11 MS. O.LEARY: And Director Nejabat.

12 MR. NEJABAT: Aye.

13 PRESIDENT FRED SCHENK: Carlene, you have direction.

14 All right.

15 MS. MOORE: Thank you.

16 MS. MEAD: Thank you.

17 PRESIDENT FRED SCHENK: And next, we have -- who.s
18 covering the workers. comp bill?

19 MS. MOORE: I will.

20 PRESIDENT FRED SCHENK: Oh. Okay. I didn.t see a
21 name next to it. But it is an action item.

22 MS. MOORE: It is.

23 PRESIDENT FRED SCHENK: All right. Go for it.

24 MS. MOORE: All right.

25 So this is item 6F, Workers. Compensation

1 coverage for volunteers. There is a report on page 162.

2 So when we rejoined the California Fair Service
3 Authority, the risk pool, along with the other fairgrounds
4 throughout California belong to for our general liability and
5 workers. comp coverage, we have the opportunity to extend our
6 Workers. Compensation Insurance to cover volunteers of the
7 district, and that includes board members as well, acting in
8 your -- acting in official capacities doing work on behalf of
9 in essence the district.

10 So the motion would be to extend the Workers.
11 Compensation -- or the consideration is to extend the Workers.
12 Compensation insurance coverage to volunteers, including board
13 members, while performing their work on behalf of the district.

14 Questions?

15 MS. ROWLAND: So does this mean if I staple my hand,
16 I can.t sue you? I have to take the Workers. Comp?

17 MS. MOORE: You have to file a claim.

18 PRESIDENT FRED SCHENK: Just volunteers. Okay.

19 MR. MOSIER: Josh, it seems like we.re voting for
20 something that is a potential benefit to all the board members.

21 MR. CAPLAN: A very small bit of it. I don.t think
22 there.s a conflict of interest. You.re voting to protect the
23 interests of the 22nd DAA. So...

24 PRESIDENT FRED SCHENK: Against third-party
25 liability.

1 MR. CAPLAN: That.s correct. And you.re not just
2 voting on whether the workers. comp should be extended to you,
3 individual, as Don Mosier. It.s -- I.m presuming it.s to
4 protect board members when you are acting within your capacity
5 as a board members. So if you sneak on this property after
6 hours to cause some trouble and you.re injured, my guess is the
7 workers. comp insurance would not cover that injury.

8 MR. MOSIER: I wasn.t planning on that.

9 PRESIDENT FRED SCHENK: Director Mead.

10 MS. MEAD: Thank you, Josh.

11 I.m just curious, how many volunteers do we
12 have? We talked earlier about staff at about 80. But do we
13 have a large volunteer pool?

14 MS. MOORE: We don.t have a large volunteer --

15 MS. MEAD: I didn.t think so.

16 MS. MOORE: But there are many fairgrounds throughout
17 California that do have -- a significant part of their labor
18 force are volunteers. And it.s -- just so you know, it.s a
19 requirement of the California Fair Service Authority for board
20 resolution to extend Workers. Compensation coverage to
21 volunteers. It can be done on an annual basis, or, the way
22 it.s presented here, is it can be done in perpetuity of
23 participating in the workers. comp program.

24 MS. MEAD: Thank you.

25 PRESIDENT FRED SCHENK: I think we can go ahead to

1 public comment at this point. We'll entertain a motion, but if
2 anybody would like to give us some thoughts and direction.

3 ASSEMBLYMEMBER SALDANA: Well, I just --

4 PRESIDENT FRED SCHENK: Assemblymember Saldana,
5 please.

6 ASSEMBLYMEMBER SALDANA: Thank you.

7 There was a recent story in Voice of San Diego
8 about vendors at some of the ball parks and people that were
9 supposedly volunteers. I'm just thinking of sub-vendor
10 situations as well. So if people come in that are under
11 contract to be part of your events and they've been bringing
12 people in who are then volunteers, would this cover that
13 situation as well? And would you have to request or require
14 that they identify who is coming in to volunteer on behalf of
15 their display or their activity?

16 PRESIDENT FRED SCHENK: I appreciate the input and
17 the thoughtfulness of that.

18 Ms. Sullivan. Can't top that one? Okay.

19 MARTHA SULLIVAN: I've got nothing (indiscernible)
20 Workers. Compensation. You guys are going to need it.

21 PRESIDENT FRED SCHENK: Okay. I'll entertain a
22 motion.

23 MS. MEAD: Move approval.

24 MR. MOSIER: Second.

25 PRESIDENT FRED SCHENK: All right. Motion.s made,

1 seconded. Any further discussion?

2 Hearing, seeing none, we'll take a vote.

3 MS. O.LEARY: President Schenk.

4 PRESIDENT FRED SCHENK: Aye.

5 MS. O.LEARY: Vice President Gelfand.

6 MR. GELFAND: Aye.

7 MS. O.LEARY: Vice President Rowland.

8 MS. ROWLAND: Aye.

9 MS. O.LEARY: Director Arabo.

10 MR. ARABO: Aye.

11 MS. O.LEARY: Director Barkett.

12 MS. BARKETT: Aye.

13 MS. O.LEARY: Director Mead.

14 MS. MEAD: Aye.

15 MS. O.LEARY: Director Mosier.

16 MR. MOSIER: Aye.

17 MS. O.LEARY: And Director Nejabat.

18 MR. NEJABAT: Aye.

19 PRESIDENT FRED SCHENK: Motion carries and has been
20 approved.

21 So we'll now turn to matters of information.

22 Carlene, is there anything that you'd like to --

23 MS. MOORE: Just a lot of correspondence in here. So
24 if you've had an opportunity to read all of it, please note
25 with regard to the letters from the Department of Food and

1 Agriculture, what they request is that information that is
2 included in the board packet does not always necessarily
3 pertain to us. So as an example, on page 164, Training
4 Reimbursements, those are only for Class 4 -- I think it's 3-
5 plus, and lower-sized fairs, not for class events; so does not
6 pertain to us.

7 And then, otherwise, just a packet of
8 information.

9 PRESIDENT FRED SCHENK: Okay. Do any of the board
10 members have anything that they'd like to identify under 7?
11 Otherwise, we will adjourn for closed session and reconvene
12 afterward.

13 ASSEMBLYMEMBER SALDANA: There was a matter of
14 correspondence I wanted to mention.

15 PRESIDENT FRED SCHENK: Oh. I don't see you on here,
16 but go for it.

17 ASSEMBLYMEMBER SALDANA: All right. And I did submit
18 a pretty detailed letter regarding what happened at last
19 month's meeting. I really am encouraging the board to
20 consider -- you have mentioned serving for 20 years. It's
21 routine now in many appointed and elected positions to do
22 reviews of procedures. And, you know, to complete these days
23 harassment prevention training, to complete other types of
24 training that could increase the liability of an agency if
25 people knowingly or unknowingly violate some code of conduct or

1 rules related to how they operate.

2 I think if you've served this long, it's worth
3 still reviewing periodically, and any new member who joins the
4 board, make sure that they have a review. And the Attorney
5 General's Office has a video recording that goes over Bagley-
6 Keene. So I don't know that there's any certificate available.
7 As a president of a foundation board, I have done training
8 online and shown the board a certificate that I've completed
9 certain trainings and procedures. But I do think it's
10 important so you don't run into the situation that we had last
11 month and that statements are not made through -- for whatever
12 reason -- that don't comply with the laws that covers the
13 operation of the board.

14 PRESIDENT FRED SCHENK: I appreciate your comments.
15 We do comply. We do have that certification, and we do, I
16 believe, comply. But thank you for your words.

17 Ms. Sullivan? No. All right.

18 We will be in recess for closed session, and we
19 will reconvene at the conclusion.

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21 (Off the record at 4:36 p.m.)

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(On the record at 6:31 p.m.)

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PRESIDENT FRED SCHENK: We're back in session for the

1 February 20th, 2024, 22nd DAA Board of Directors meeting.

2 We were in closed session, and the district.s
3 board of directors considered the advice of counsel and the
4 items listed on the closed session portion of the agenda and we
5 have nothing further to report out.

6 I will entertain a motion to adjourn the
7 meeting.

8 MS. BARKETT: So moved.

9 PRESIDENT FRED SCHENK: Motion is made and seconded.

10 All in favor.

11 All right. We are adjourned.

12 Thank you, all.

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14 (Proceedings adjourned at 6:32 p.m.)

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1 STATE OF CALIFORNIA)
2) ss.
3 COUNTY OF LOS ANGELES)
4

5 I do hereby certify that the testimony in the
6 foregoing hearing was taken at the time and place therein
7 stated; that the testimony of said witnesses were recorded by
8 the electronic reporting method and transcribed into
9 typewriting under my supervision.

10 And I further certify that I am not of counsel nor
11 attorney for either or any of the parties to said hearing nor
12 in any way interested in the outcome of the cause named in said
13 caption.

14 I certify that the foregoing is a correct transcript,
15 to the best of my ability, from the electronic sound recording
16 of the proceedings in the above-entitled matter.

17 IN WITNESS WHEREOF, I have hereunto set my hand this
18 27th day of February, 2024.

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CHELSEA ROJO BERMUDEZ
Certified Electronic Reporter
Number CER 1585