

NOTICE OF MEETING

22nd District Agricultural Association Board of Directors meeting May 14, 2024, at 1:30 p.m.

Boardroom

Del Mar Fairgrounds 2260 Jimmy Durante Boulevard Del Mar, California 92014

While the 22nd District Agricultural Association Board of Director's meeting will be conducted in person, per Government Code section 11133, the 22nd DAA will also provide for remote participation by Board members and members of the public. If you prefer to participate remotely, please check the 22nd DAA's website (<u>Public Meetings</u>) for the ZOOM link and/or ZOOM dial-in instructions on how to participate and/or view this meeting.

OUR PURPOSE

We are a timeless community treasure where all can flourish, connect, and interact through year-round exceptional experiences.

OUR MISSION

We connect our community through shared interests, diverse experiences, and service to one another in an inclusive, accessible, and safe place with an emphasis on **entertainment**, **recreation**, **agriculture**, and **education**.

22nd DAA BOARD OF DIRECTORS

Frederick Schenk, President

Michael Gelfand, 1st Vice President
G. Joyce Rowland, 2nd Vice President
Mark Arabo, Director
Lisa Barkett, Director

Phil Blair, Director Kathlyn Mead, Director Don Mosier, Director Sam Nejabat, Director

<u>Secretary-Manager</u> Carlene Moore Chief Executive Officer 22nd DAA Counsel
Joshua Caplan
Office of the California Attorney General

OUR GOALS

THE LENS

Treat the campuses of the fairgrounds as one ecosystem where all activities are complementary and aligned with the purpose, mission, vision, and values of the San Diego County Fair & Event Center.

MASTER PLAN

Create an environmentally and fiscally responsible land use plan for the San Diego County Fair & Event Center, aligning with purpose, mission, vision, and values of the organization.

BUSINESS PLAN

Acknowledging the short-term need to plan for fiscal recovery and stabilization, create a 5-to-10-year business plan that rebuilds a strong financial base, contemplates new business activities and partnerships, provides program accessibility, and leads to a thriving San Diego County Fair & Event Center.

COMMUNITY ENGAGEMENT

Incorporate community engagement within the Business Plan and Master Plan processes to enhance understanding and expand opportunities.

Persons wishing to attend the meeting and who may require special accommodations pursuant to the provisions of the Americans with Disabilities Act are requested to contact the office of the Chief Executive Officer, (858) 755-1161, at least five working days prior to the meeting to insure proper arrangements can be made.

Items listed on this Agenda may be considered in any order, at the discretion of the chairperson. This Agenda, and all notices required by the California Bagley-Keene Open Meeting Act, are available at www.delmarfairgrounds.com. Public comments on agenda items will be accepted during the meeting as items are addressed.



22nd District Agricultural Association Board of Directors Meeting AGENDA May 14, 2024, at 1:30 p.m.

1. **CALL TO ORDER** – PRESIDENT FREDERICK SCHENK

All matters noticed on this agenda, in any category, **may be considered for action as listed**. Any items not so noticed may not be considered. Items listed on this agenda may be considered in any order, at the discretion of the Board President.

2. ROLL CALL

3. **CONSENT CALENDAR (ACTION ITEMS)**

All matters listed under the Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They will be enacted in one motion. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff, or public request specific items to be discussed separately and/or removed from this section. Any member of the public who wishes to discuss Consent Calendar items should notify the Chair of the Board at the time requested and be recognized by invitation of the Chair to address the Board.

•	Mi	nutes, Regular Meeting April 9, 2024	9-14
•	Co	ontract Approvals	15
	0	Standard Agreements from Competitive Solicitation	16-30
		24-020 Janitorial Services; 24-022 Trash Labor Services; 24-023 Waste Hauling	
		Services; 24-026 Ground Power Washing; 24-031 Pest Control Services	
	0	Standard Agreements Exempt from Competitive Solicitation	31-38
		24-032 Fair Decorations; 24-033 O'Brien Gate Design, Theme Décor, and Lighting	
	0	Sole Source Standard Agreements	39
		23-054 AM1 On-Site Veterinary Services	
	0	Sponsorship Agreements	40-73
		SPO-17-056 Hollandia Dairy; SPO-22-057 AM2 Patio Resort Lifestyles; SPO-24-	
		002 Anheuser-Busch; SPO-24-006 Anheuser-Busch FMB; SPO-24-013 Pizza	
		Port; SPO-24-056 SponsorSource for Kanji Chairs	

4. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

This item is for public comment on issues **NOT** on the current agenda. No debate by the Board shall be permitted on such public comments and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item. Speaker's time is limited to **two** minutes and may be modified based on the number of public speakers. No speaker may cede their time to another speaker.

5. **GENERAL BUSINESS**

Α.	Strategic Planning Committee Report – Michael Gelfand, Chair	75-77
	1. Consideration and vote on a resolution in support of a robust community input	
	process and related actions to guide the Master Site Plan initiative (Action)	
В.	Audit & Governance Committee Report – Sam Nejabat, Chair	78-126
	1 Presentation and vote to accept the 2022 Audit Report (Action)	

	 Consideration and vote to approve policies as recommended: 4.01 Public Records Act Requests, 4.02 Records Management (Action) 	127-137
	 Consideration and vote to amend Policy 3.01 Board Composition and Officers (Action) 	138-140
C.	DMTC Liaison Committee Report – Mark Arabo, Chair	
	DMTC Audit Report (Informational)	141-174
_	2024 Summer Race Meet preview (Informational) The state of the s	175-180 181-190
D.	Finance Committee Report – Michael Gelfand, Chair	191-190
	 Consideration and vote to approve policies as recommended: 4.03 Contracts and Procurement, 4.03.01 Sponsorship Acquisition (Action) 	191-223
F	Fair Operations Committee Report – Frederick Schenk, Chair	Verbal
	2024 San Diego County Fair Overview Presentation	
F.		226-228
	Consideration and vote to delegate authority to President Schenk to approve	229
	ntracts that exceed the CEO's Delegation of Authority, beginning May 15, 2024	
th	ough the next regularly scheduled and noticed District board meeting (Action)	
EX	ECUTIVE REPORT (INFORMATIONAL) – CEO Carlene Moore	
•	Operational Announcements	
	o 2023 Annual Report (Presentation)	Verbal
	o Premier Food Services Inc. 2023 Annual Report (Presentation)	Verbal
•	Construction Projects & Facilities Updates	Verbal Verbal
•	Industry News & Updates Review of Contracts Executed per CEO Delegation of Authority (Informational)	231-233
•		244-263
	24-011 Plant Rental; 24-018 Community Banner Installation; 24-019 Base Loader	244 200
	Repair; 24-024 Large Roll-Up Door Repair; 24-025 Ground Sweeping ; 24-027 Fair	
	Photography; 24-029 Portable Restrooms and Sinks ; 24-030 Livestock Small	
	Animal Coordinator; 24-035 Plant Rental	
	o Individual Project Agreements (IPA) with California Construction Authority	264-271
	(CCA)	
	022-23-108 Del Mar Surfside Mechanical Roof Repair; 022-23-113 Horsepark	
	Culvert Assessment and Repair; 022-23-507703 Del Mar Frontside Promenade o 2024 San Diego County Fair Entertainment Agreements	
	24-1092 Jackson Hines; 24-1093 Kelsey Boncato; 24-1094 Kevin Manuel; 24-	
	1095 CR Music Service Inc; 24-1096 3 Car Garage f/s/o Eye-To-Eye	
	Communications, Inc; 24-1097 Sara Petite; 24-1098 Molly Kruse; 24-1099 April	
	Mosebrook f/s/o April and the Funk Junkies; 24-1100 John Lowery; 24-1101	
	Encore Vocal Ensemble of SD Inc; 24-1102 Pete Macias; 24-1103 Sam Bearpaw;	
	24-1104 Julie LaBrake; 24-1105 Daniel Razo f/s/o Gabriel Razo; 24-1106 Winter	
	Begay; 24-1107 Julie LaBrake f/s/o Jaxton La Choppa; 24-1108 Cynthia Valdez	
	f/s/o Willow Sky Garfield; 24-1109 Ivan Sam; 24-1110 Glen Begay; 24-1111 Terry	
	Hinsley; 24-1112 Walter Ahhaitty; 24-1113 Adam Loya; 24-1114 Richard DeCrane; 24-1115 Adolfo Artega; 24-1116 David Duro American Indian Veterans	
	Association of Southern California; 24-1117 David Salomon; 24-1118 Chuck	
	Cadotte; 24-1119 Carla Tourville; 24-1120 Abel & Ana Jacome; 24-1121 Mel	
	Vernon; 24-1122 Steven Mojado; 24-1123 Kameron; 24-1124 Tim Redbird; 24-	
	1125 Paul Cuero Jr.; 24-1126 Marlene Fosselman; 24-1127 David Spitzfaden; 24-	
	1128 On Trend Apparel, Inc; 24-1129 PSQ Productions; 24-1130 Dellinger	
	Entertainment; 24-1209 A Simpler Time; 24-1210 Foyil Farms LLC; 24-1211	
	Margaret Tyler; 24-1212 Sand and Soleil Landscape	

6.

o 2024 San Diego County Fair Judging Agreements

24-53J Zane Bone; 24-54J Drew Lobenstein; 24-55J Lisa Shepard; 24-56J Dr. Joan Dean Rowe; 24-57J Joey Airoso; 24-58J Scott Schaake; 24-59J Austin Langemeier; 24-60J David Dillabo; 24-61J Myrna Cadena; 24-62J Amanda Hughes; 24-63J Allen Messick; 24-64J Jake Parnell; 24-65J Jim Weseloh; 24-66J Harvey Pool; 24-67J Denise Aragon; 24-68J Manny Antonacci; 24-69J Armando Cabrera; 24-70J Allen Barr; 24-71J Eric Kutch

o Sponsorship Agreements

SPO-24-011 SponsorSource for Images Everywhere; SPO-24-015 TCM International; SPO-24-017 SponsorSource for the Zespri Kiwi Tour; SPO-24-024 San Diego FC; SPO-24-027 Redfern Home + Health; SPO-24-030 Automobile Club of Southern California; SPO-24-039 Red Blind Media for Kirschenmann Mobile Food Service; SPO-24-043 Super Dentists; SPO-24-062 True Frequency Products

o **Event Agreements**

24-668 Giant Shows, Inc; 25-476 Boulevard Trash; 25-477 Bitwell Inc; 25-478 Jurassic Quest Holdings, LLC; 25-481 FJS Productions; 25-496 Gem Faire; 25-498 Gem Faire; 25-499 Tiny Fest, LLC; 25-500 Silver Bay Kennel Club of SD; 25-528 Goodguys Rod & Custom; 25-573 TC's Rockets; 25-577 SCEGA; 25-769 San Diego Cat Fanciers; 25-771 Plumbing Heating Cooling Association; 25-830 Westward Expos; 25-831 Westward Expos; 25-832 Just Between Friends

Commercial Vendor Agreements

24-462 Action Orthotics; 24-463 Cal Spec Enterprises Inc. DBA Calbath Renovations; 24-464 A Blend Above LLC; 24-465 Action Promotions; 24-466 Advanced Exteriors, Inc.; 24-467 All Around Products; 24-468 Amazon Wonders; 24-469 Amazon Wonders; 24-470 American Home Remodeling; 24-472 Avi Unique Jewelry; 24-473 Yurivilca's Made; 24-474 Wild's Creations LLC; 24-475 Weststar Chimney Sweeps; 24-479 West Coast Rocks; 24-480 West Coast Innovations Int'l: 24-482 West Coast Innovations Int'l: 24-483 We Have Your Flag: 24-484 Vitamix; 24-486 Vesper LLC; 24-487 Nick Motosko dba Versa Products; 24-488 Nick Motosko dba Versa Products; 24-489 AC Bees Honey; 24-490 Airplanteria LLC; 24-491 All About Dips; 24-493 Azero Monogram LLC; 24-501 Angelo's Comics; 24-502 Bath Fitter; 24-503 Belt Bonanza; 24-504 Bhu Namdol; 24-505 Bhu Namdol; 24-506 Black & White Art Studio; 24-507 UNCOMMON USA; 24-508 Ultra Dzolik; 24-509 U.S. Jaclean, Inc.; 24-510 Tropical Attitudes Gear; 24-511 Sunny West; 24-512 Sunshine Kitchen Products; 24-513 Sunshine Kitchen Products; 24-514 Sunshine Kitchen Products; 24-516 System Pavers; 24-517 T-Town B&C Ventures, LLC DBA Happy Place; 24-518 Teema; 24-519 TGS Trading Company: 24-520 The Amber Gift Shop: 24-521 The Caricature Entertainment; 24-522 Cynthia Gustafson DBA The Larimar Stone; 24-523 The Supra Store; 24-524 TLG Adhesives LLC; 24-525 TLM International Inc; 24-526 Traeger Pellet Grills LLC; 24-527; Traeger Pellet Grills LLC; 24-529 Trimlight San Diego Inc.; 24-530 Borgil Enterprises; 24-531 Bosky Hat Co LLC; 24-532 Branch and Vine; 24-533 Buddha's Gift; 24-534 Buddha's Gift; 24-535 Cali Charmz; 24-536 California Gemstones: 24-537 California Solutions: 24-538 CanU Marketing DBA Fab Brows: 24-539 Careco LLC; 24-540 Castillos Inc.; 24-541 Castillo's Wireless Sunglasses; 24-542 Castillo's Wireless Sunglasses; 24-543; Cats & Crystals; 24-544 Cayamoon; 24-545 CE Harper Enterprises; 24-546 Chapman Fashion Int.; 24-547 Chapman Fashion Int.: 24-548 Chia Handcrafted: 24-549 Child Evangelism Fellowship; 24-550 Remember When Photos; 24-551 Renewal by Anderson; 24-552 Renewal by Anderson; 24-553 RIKI CO. (Sock Empire); 24-554 RM Art Designs; 24-555 Epstein Industrial Supply Inc.; 24-556 Rosemary and Sage; 24-557 Rufio's Socks Inc; 24-558 Rufio's Socks Inc; 24-559 Sameday Heating & Air Conditioning; 24-560 Scotlin Scents LLC; 24-561 ForgePro 3D Prints; 24-562

272-307

234-240

Shader Productions; 24-563 Shane Lee; 24-564 Smart Age Inc. | Shasta Fashions: 24-565 Sheena Chou DBA Patchy Patchenstein: 24-566 Bath Makeover by Shugarman's, Inc; 24-567 So Relax California, Inc.; 24-568 Solatube Home; 24-569 Adventureful Inc. dba Collectivescents.com; 24-570 Corky's Signs; 24-571 Country Wide Liquidator; 24-572 Creative Henna; 24-574 Di-Lar Industrial Supply Inc.; 24-575 Diploma Artwork; 24-576 doTERRA essential Oils-Wellness One Drop At A Time; 24-578 Creative :LegacyX; 24-579 Cutco; 24-580 D & M Rock & Gem; 24-581 CRH California Water, Inc.; 24-582 Crown US Inc.; 24-583 D'Moncayo Investments, LLC; 24-584 DamonArts Event Caricatures; 24-585 DamonArts Event Caricatures; 24-586 Dandy Souvenirs; 24-587 DaVinci LLC; 24-588 San Diego Crystals & Jewelry LLC; 24-589 Delara Fine Gems and Jewelry; 24-590 Deoja Creations, LLC; 24-591 Deoja Creations, LLC; 24-592 Rock of Israel; 24-593 Poppers Toy Store; 24-594 Precious Petals Clothing; 24-595 Premium Cashmere; 24-596 Primera Enterprises; 24-597 Pristine Promotions LLC dba Gadgets & Neat Stuff: 24-598 Progressive Security Screens: 24-599 Psychic Shoppe: 24-600 Ralph's Sportswear, LLC dba Allegiance Clothing: 24-601 Rama Handicraft; 24-602 Randy's Pet Supply; 24-603 Rayne Water; 24-604 Reborn Cabinets; 24-605 Redfern Ent. Inc.; 24-606 Redfern Ent. Inc.; 24-607 Redfern Ent. Inc.; 24-608 Redify Enterprises Inc; 24-609 Refreshed Enterprise; 24-610 My Green Home, Inc.; 24-611 Nani's Bonita Beauty Supply; 24-612 Navera LLC; 24-613 New England Leatherworks; 24-614 Nifty 50's; 24-615 Norwex; 24-616 Ocean Sales Ltd.; 24-617 Ocean Sales Ltd.; 24-618 Ocean Sales Ltd.; 24-619 Omar Industries; 24-620 Matthew Mohammadi dba Own Your Own Arcade Game; 24-621 PaperPie; 24-622 Paul's Products; 24-623 Peruvian Wonders; 24-624 Pet Walker Plus; 24-625 Photo brick; 24-626 Pibe Sports; 24-627 PNW International Inc; 24-628 PONTIGO; 24-629 Advanced Marketing Int'l, dba Kitchen Craft; 24-630 L.A. International Marketing, Inc.; 24-631 Lakeside Product Inc.; 24-632 Laser Bob's; 24-633 Leabrig; 24-634 LeafFilter North, LLC; 24-635 Lea's Chinese Gifts; 24-636 LILI AND ME; 24-637 Luxe Retail LLC; 24-638 M & E SALES; 24-639 Mark Enterprises Inc; 24-640 MCS Jewelry; 24-641 MCS Jewelry; 24-642 MDS Products; 24-643 Mexican Candy; 24-644 Mi Amor Vintage & Décor; 24-645 Modern Sunshine; 24-646 Mule Inc; 24-647 Khausak; 24-648 Kelly Styles; 24-High Seas Trading Co.; 24-650 Hortencia Purses; 24-651 House of 649 Pistachios; 24-652 Howard Industries; 24-653 Huaraches Artesanales Sahuayo; 24-654 Hydro Magnetic Systems (Superior Water); 24-655 Ikon Associates; 24-656 Infinity Lights; 24-657 Inka's Art; 24-658 Innovated Designs; 24-659 Instant Shine Cleaners; 24-660 International Leather; 24-661 J.H. Store; 24-662 Jan Cates dba The Cates Company; 24-663 Jan Cates dba The Cates Company; 24-664 Jana Mcknight DBA My Fair Photo; 24-665 Jhana International Inc; 24-666 Keep it Safe of California: 24-667 Dreamstyle Remodeling: 24-669 DThao shop: 24-670 Ego Electric Bikes San Diego; 24-671 ELAUN; 24-672 Mahlon Moore (Elephants Etc.); 24-673 Elizabeth Shutters; 24-674 JCD Enterprises; 24-675 Calipso Enterprises; 24-676 Ella Bella Collection; 24-677 Embroidery Unlimited; 24-678 Euroshine USA, Inc. I; 24-679 Euroshine USA, Inc. I; 24-680 Exmore Inc.; 24-681 Face Painting by KC; 24-682 Fallbrook Gem and Mineral Society; 24-683 Fickle Finger Airbrush; 24-684 Fickle Finger Airbrush; 24-685 First 2 Market Products; 24-686 Florida's Best Inc.; 24-687 Forest Art; 24-688 Health Quest Enterprises; 24-689 Francesco Palmieri; 24-690 Fun Water Outdoor Inc.; 24-691 GE Roofing Inc., dba A-1 Rain Gutters; 24-692 Generations; 24-693 Geodes Jean P Bucher; 24-694 Geoshi Designs; 24-695 Geoshi Designs; 24-696 Ghost Scream Hot Sauce; 24-697 Ghost Scream Hot Sauce; 24-698 Glittery LLC; 24-699 Glittery LLC; 24-700 Gnome Hollow Candle and Soap Co.; 24-701 Green Acres Nursery; 24-702 Grizzly Joe's Seasoning; 24-703 H.I.S.C., Inc; 24-704 Hawaiian Jewelry Inc.: 24-705 Hawaiian Moon; 24-706 Jensen Taueu; 24-707 K&M Brothers LLC;

24-708 Loria Enterprises; 24-709 Marketing Management Inc.; 24-710 Nicholas Ivins Art & Illustration; 24-711 SUPERIEUR Electrolytes; 24-721 Brogdon Concessions Inc.; 24-817 Crystal Psychic Reader; 24-818 Euroshine USA, Inc. I; 24-819 Fay Brothers Inc. dba Granite Transformations; 24-820 Garlic Festival Foods; 24-822 Happy Day Pony Ride; 24-823 House of Kashmir, Inc.; 24-824 INDOCRAFT; 24-825 Mojo Sports LLC; 24-826 SAFETY-KLEEN SYSTEMS, INC.; 24-828 Tupperware; 24-829 Wimberly Flying Toys

o Concession Agreements

241-243

24-438 The Copper Kettle; 24-471 Australian Battered Potatoes LLC; 24-485 Victor Marcus Inc. DBA Vics Concessions; 24-492 ARH Treats, LLC; 24-712 Alamo Amusements; 24-713 Alamo Amusements; 24-714 B & J Concessions LLC; 24-715 BackyardBBQ Village; 24-716 BackyardBBQ Village; 24-717 BackyardBBQ Village; 24-718 Brander Enterprises Inc.; 24-719 Brander Enterprises Inc.; 24-720 Brogdon Concessions Inc.; 24-722 C&C Concessions Inc.: 24-723 C&C Concessions Inc.: 24-724 C&C Concessions Inc.: 24-725 Castillos Inc.: 24-726 Chan's concessions; 24-727 Chicken Charlies Enterprises; 24-728 Chicken Charlies Enterprises; 24-729 Chicken Charlies Enterprises; 24-730 Chuckwagon; 24-731 Chuckwagon; 24-732 West Coast Weenies Inc.; 24-733 West Coast Weenies Inc.; 24-734 Vartanian Concessions Mgmt; 24-735 Vartanian Concessions Mgmt; 24-736 Vartanian Concessions Mgmt; 24-737 Universal Kimdom dba Hawaiian Honey Cones; 24-738 Unique Concessions; 24-739 Unique Concessions; 24-740 Unique Concessions; 24-741 Trinity Concessions; 24-742 Timbo's Beef Jerky, Sticks, & Dill Pickles; 24-743 The Snax Shack; 24-744 The Copper Kettle; 24-745 TC Dugan Enterprises, Inc.; 24-746 TC Dugan Enterprises, Inc.; 24-747 Stizzy Works LLC; 24-748 Stizzy Works LLC; 24-749 SHN INC (Roxy's); 24-750 Rock's Concessions; 24-751 Rock's Concessions; 24-752 Robert Jackson Enterprises; 24-753 Robert Jackson Enterprises; 24-754 D&D Country Fair Cinnamon Rolls; 24-755 Dee's Concessions; 24-756 Duggans Concessions; 24-757 Event Food Services (ICEE); 24-758 Event Food Services (ICEE); 24-759 Family A Fair (Pink's Hot Dogs); 24-760 Fazackerley's Fudge dba Timbos Licorice; 24-761 Fruit Caboose Inc.; 24-762 Fruit Caboose Inc.; 24-763 Fun Biz Concessions Inc.; 24-764 Fun Biz Concessions Inc.; 24-765 Fun Biz Concessions Inc.; 24-766 Fun Time Foods (Mom's Bake Shop); 24-767 Fun Time Foods (Mom's Bake Shop); 24-768 Gina Lockaby Concessions; 24-770 Gina Lockaby Concessions; 24-772 Golden West Concessions Inc.; 24-773 Hallak Sisters Inc.; 24-774 HDS Fair Co. (Hot Dog on a Stick); 24-775 HDS Fair Co. (Hot Dog on a Stick); 24-776 Helm & Sons Amusements; 24-777 Helm & Sons Amusements; 24-778 J&A Foods LLC; 24-779 J. Crutch LLC; 24-780 J. Crutch LLC; 24-781 Joe Mestmaker Enterprises; 24-782 JP's Old West Cinnamon Rolls; 24-783 Juicy's; 24-784 Juicy's: 24-785 Juicy's: 24-786 Leap of Faith Adventures, Inc. (JK Dots); 24-787 Leap of Faith Adventures, Inc. (JK Dots); 24-788 Little T Concessions; 24-789 Lopez Concessions, LLC; 24-790 Lopez Concessions, LLC; 24-791 Lori's Concessions Inc.; 24-792 W&R Country Fair Cinnamon Rolls; 24-793 Maverick Concepts; 24-794 Maverick Concepts; 24-795 Maverick Concepts; 24-796 Melissa Cagle Concessions; 24-797 Melissa Cagle Concessions; 24-798 M. Hill Enterprises, Inc.; 24-799 Ryan Needham Concessions; 24-800 Ryan Needham Concessions; 24-801 Ryan Needham Concessions; 24-802 Odyssey Foods, Inc.; 24-803 Leavitt Family Trust dba Odyssey Foods, Inc.; 24-804 Odyssey Foods, Inc.; 24-805 Leavitt Family Trust dba Odyssey Foods, Inc.; 24-806 Odyssey Foods, Inc.; 24-807 RCS; 24-808 Pacific Coast Concessions; 24-809 Pacific Coast Concessions; 24-810 Paradise Management LLC; 24-811 Paul's Products; 24-812 PHD & ME; 24-813 PHD & ME; 24-814 PHD & ME; 24-815 R & K Concessions, LLC; 24-816 Rico's Manjares Mosita; 24-821 Uptown Photos, Inc.; 24-827 Smart Age Inc.

7. MATTERS OF INFORMATION

• Correspondence 317-330

8. CLOSED EXECUTIVE SESSION (NOT OPEN TO THE PUBLIC)

Pursuant to the authority of Government Code section 11126(a), (b), and (e) the Board of Directors will meet in closed executive sessions. The purpose of these executive sessions is:

- A. To confer with and receive advice from legal counsel regarding potential litigation involving the 22nd DAA. Based on existing facts and circumstances, there is significant exposure to litigation against the 22nd DAA.
- B. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party.
- C. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. Talley Amusements, Inc., et al., v 22nd District Agricultural Association, et al., San Diego County Superior Court, Case No. 37-2021-00032169.
- D. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. City of Solana Beach v. 22nd District Agricultural Association, et al., San Diego County Superior Court, Case No. 37-2024-00011380.

9. RECONVENE TO OPEN SESSION

Report on actions, if any, taken by the Board in closed executive session.

10. **ADJOURNMENT**



22nd DISTRICT AGRICULTURAL ASSOCIATION Board of Directors Meeting Del Mar Fairgrounds 2260 Jimmy Durante Boulevard Del Mar, CA 92014 April 9, 2024

MINUTES

The following minutes are a summary of the Board action and proceedings. For a full transcript please click on the link below or visit the delmarfairgrounds.com website: https://www.delmarfairgrounds.com/p/public-information1

OFFICERS PRESENT

Frederick Schenk, President Michael Gelfand, 1st Vice President G. Joyce Rowland, 2nd Vice President

DIRECTORS PRESENT

Mark Arabo Lisa Barkett Phil Blair Kathlyn Mead (via Zoom) Don Mosier Sam Nejabat

OTHERS PRESENT

Joshua Caplan, Deputy Attorney General Carlene Moore, Chief Executive Officer Melinda Carmichael, Chief Administrative Officer Katie Mueller, Chief Operations Officer Tristan Hallman, Chief Communications Officer Donna O'Leary, Office Manager

CALL TO ORDER

President Schenk called the meeting to order at 1:30 p.m. with a quorum present and announced a change in the order of items for the meeting, moving Public Comment up to follow Roll Call, followed by the Closed Executive Session.

ROLL CALL

President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mosier, and Nejabat were present. Director Mead joined a short time later.

<u>PUBLIC COMMENT ON NON-AGENDA ITEMS</u> (see pages 5-11 of transcript)
Mike Schafer, Mack McAvania, Alan, Laura DeMarco, Martha Sullivan

RECESS TO CLOSED EXECUTIVE SESSION

The Board recessed to Closed Executive Session at 1:43 p.m.

RECONVENE TO OPEN SESSION

The Board reconvened to Open Session at 2:50 p.m. President Schenk stated that there was nothing to report from the Closed Executive Session.

CONSENT CALENDAR

<u>PUBLIC COMMENT ON CONSENT CALENDAR (see pages 13-15 of transcript)</u>
Martha Sullivan

Sponsorship agreement SPO-24-004 was removed from the Consent Calendar for further discussion.

Vice President Gelfand moved to approve the Consent Calendar with the removal of SPO-24-004. Director Barkett seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor and the motion carried 9-0.

CEO Moore clarified that sponsorship agreement SPO-24-004 with Sharp Business Systems supplies the District and the Del Mar Thoroughbred Club with all-in-one machines used for printing, copying, scanning, faxing, emailing, and file storage. The agreement was entered into after a cost analysis revealed it would be less expensive than the District paying for the machines without a sponsorship.

<u>PUBLIC COMMENT ON SPO-24-004 (see pages 17-18 of transcript)</u> Martha Sullivan

Director Nejabat called attention to a typo in the agreement that omitted the year 2025 from the contract term. President Schenk asked that the error be corrected before executing the agreement.

Director Blair moved to approve SPO-24-004 with the correction to include the year 2025 in the contract term. Director Mosier seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor and the motion carried 9-0.

In the interest of presentation speakers in attendance, General Business was moved ahead of the Executive Report.

GENERAL BUSINESS

Item 6-A: Affordable Housing Committee Report

Del Mar City Manager Ashley Jones and Principal Planner Amanda Lee gave a presentation on the City's 6th Cycle Housing Element and explained the state requirement for the City to build 113 lower income housing units.

<u>PUBLIC COMMENT ON ITEM 6-A (see pages 53-56 of transcript)</u> Laura DeMarco, Martha Sullivan, Whitney Hodges

Item 6-B: Audit & Governance Committee Report

CEO Moore reported that the committee was unable to meet before the April Board meeting and referred to the report beginning on page 112 of the Board packet.

Item 6-B-1: Consideration and vote to amend Policy 3.01 Board Composition and Officers, to authorize the Board Officers to conduct bank transactions, including check signing authority, on behalf of the District

CEO Moore requested approval to amend Policy 3.01 to authorize Board officers to conduct bank transactions on behalf of the District.

Vice President Gelfand moved to amend Policy 3.01 Board Composition and Officers, to authorize the Board Officers to conduct bank transactions, including check signing authority, on behalf of the District. Vice President Rowland seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor and the motion carried 9-0.

Item 6-C: Community & Government Relations Committee Report

Director Mosier reviewed the topics discussed during the committee's meeting in March, which included the affordable housing exclusive negotiating rights agreement with the City of Del Mar, a lawsuit involving the City of Solana Beach, and plans to realign railroad tracks in the LOSSAN corridor. The committee will meet again in May.

<u>PUBLIC COMMENT ON ITEM 6-C (see page 60-61 of transcript)</u> Martha Sullivan

<u>Item 6-D: Fair Operations Committee Report</u>

President Schenk reminded the Board that the 2024 San Diego County Fair will take place from June 12 through July 7. Chief Communications Officer Tristan Hallman gave a presentation on the Community Banner Program. This year 920 banners will be installed in 23 cities up 11% from last year.

<u>PUBLIC COMMENT ON ITEM 6-D (see pages 78-80 of transcript)</u> Laura DeMarco, Martha Sullivan

<u>Item 6-D-1: Consideration and vote to approve 2025 and 2026 San Diego County Fair</u> dates and themes

Chief Operations Officer Katie Mueller presented the proposed Fair dates and themes for 2025 and 2026. Vice President Gelfand moved to approve the recommended 2025 and 2026 San Diego County Fair dates and themes. Director Blair seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor and the motion carried 9-0.

Item 6-E: Finance Committee Report

CEO Moore reviewed the financial reports on pages 118-136 of the Board packet.

<u>PUBLIC COMMENT ON ITEM 6-E (see pages 92-94 of transcript)</u> Martha Sullivan

Item 6-E-1: Consideration and vote to delegate authority to Vice President Gelfand, to consult with staff to review, select, and procure insurance policies for 2024-25 and to report back on those selections to the full Board at the May meeting CEO Moore requested delegation of authority be given to Vice President Gelfand to work with staff to select and procure insurance policies for the District for 2024 through 2025.

Director Blair moved to delegate authority to Vice President Gelfand to consult with staff to review, select, and procure insurance policies for 2024-25 and to report back on those selections to the full Board at the May meeting. Vice President Rowland seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mead, Mosier, and Nejabat were all in favor and the motion carried 9-0.

<u>Item 6-E-2: Consideration and vote on rental rates for Del Mar Premier Events Private</u> <u>Event Sales Program</u>

Premier Food Services Director of Private Event Sales, Sarina Moretti, gave a presentation on the proposed Private Event Sales program, which would be a new line of business for the District.

Vice President Gelfand moved to approve rental rates for Del Mar Premier Events Private Event Sales Program as presented. Director Blair seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mosier, and Nejabat were all in favor. Director Mead was absent for the vote. The motion carried 8-0.

Item 6-E-3: Consideration and vote to approve Hacienda Room renovation project CEO Moore requested approval of plans to renovate the Hacienda Room to enclose the space and add climate control. The project would allow the District to relocate off-track betting from Mission Tower to the Hacienda Room.

PUBLIC COMMENT ON ITEM 6-E-3 (see pages 129-130 of transcript) Martha Sullivan

Vice President Gelfand moved to approve the Hacienda Room renovation project. Director Barkett seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mosier, and Nejabat were all in favor. Director Mead was absent for the vote. The motion carried 8-0.

<u>Item 6-E-4: Consideration and vote on 2024 Operating Budget adjustment to authorize additional civil service position openings</u>

CEO Moore reviewed the report on pages 146-148 of the Board packet and requested approval to adjust the 2024 Operating Budget to authorize the opening of additional civil service positions beyond those originally approved by the Board. The adjustment would allow for flexibility in job classifications but would not exceed the previously approved budget amount.

Vice President Gelfand moved to approve authorizing CEO Moore to open civil service position classifications beyond those originally approved in the 2024 Operating Budget, not to exceed the approved budget. Director Barkett seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mosier, and Nejabat were all in favor. Director Mead was absent for the vote. The motion carried 8-0.

Item 6-F: Strategic Planning Committee Report

Vice President Gelfand reported that the committee met in March. The Board met for a strategy session on March 26 to discuss the communications plan around the District's Master Site Plan initiative. More information will be presented at the May Board meeting.

<u>PUBLIC COMMENT ON ITEM 6-F (see pages 137-139 of transcript)</u> Martha Sullivan

<u>Item 6-G: Sustainability Committee Report</u>

Director Mosier reported that the committee did not meet in March, and had nothing new to report.

<u>Item 6-H: State Race Track Leasing Commission and Del Mar Race Track Authority Meetings Report</u>

Director Arabo reported that the Commission and Authority met on March 20, voting to exercise the final option of the Operating Agreement with the Del Mar Thoroughbred Club, to accept the terms of the Breeders' Cup in 2025, and to amend the RTA bylaws to conform to the JPA document. Director Arabo was elected as RTA President.

<u>PUBLIC COMMENT ON ITEM 6-H (see pages 141-142 of transcript)</u> Martha Sullivan

Item 6-I: Comprehensive Policies Development & Review

CEO Moore referred to the draft policies included on pages 152-169 of the Board packet and welcomed feedback from the Board.

PUBLIC COMMENT ON ITEM 6-I (see pages 143-144 of transcript)
Martha Sullivan

22nd DAA Board Meeting Minutes April 9, 2024 Page 6

Item 6-J: Consideration and vote to appoint a Member Entity Representative and an Alternate to the California Fairs Financing Authority dba California Construction Authority Board of Directors per Section 8 (a) and (b) of the Joint Exercise of Powers Agreement CEO Moore referred to the report on pages 170-172 of the Board packet and recommended that the Board reappoint CEO Moore as the Member Entity Representative and Vice President Gelfand as the alternate for the next five-year term.

Director Mosier moved to reappoint CEO Moore as Member Entity Representative and Vice President Gelfand as an alternate to the California Fairs Financing Authority dba California Construction Authority Board of Directors per Section 8 (a) and (b) of the Joint Exercise of Powers Agreement. Director Blair seconded the motion. President Schenk, Vice Presidents Gelfand and Rowland, and Directors Arabo, Barkett, Blair, Mosier, and Nejabat were all in favor. Director Mead was absent for the vote. The motion carried 8-0.

EXECUTIVE REPORT

CEO Moore reported that:

- The District's Annual Report and Premier's Annual Report presentations will be held over to the May Board meeting.
- A tree planting event is planned for April 18 along Jimmy Durante Boulevard, in support of the City of Del Mar's climate action plan goals.
- The District is working with the Solana Center for Environmental Innovation, and more information will be provided at a future Board meeting.
- Updated committee assignments will be presented at the May Board meeting to take effect after the Fair.
- The 75th annual Del Mar National Horse Show is scheduled from April 11 through May 5 at Horsepark.
- City councils throughout San Diego County are proclaiming June 12 as San Diego County Fair Day.

MATTERS OF INFORMATION

Correspondence can be found on pages 173-183 of the Board packet.

ADJOURNMENT

There being no further business to discuss, President Schenk adjourned the meeting at 6:20 p.m.

Carlene Moore	
Chief Executive Officer	

ITEM 3 - CONSENT CALENDAR May 2024

CONTRACT AWARDS AND APPROVALS

Expense Contracts

Standard A	Standard Agreements from Competitive Solicitation						
Contract #	Contractor	Purpose	Acquisition Method	Effort Type	Term	Not to Exceed	
24-020	Priority Building	Janitorial Services	IFB	Fair, year round	5/16/24 - 5/15/26	\$1,000,000.00	
24-022	Lopez Works Inc	Trash Labor Services	IFB	Fair, year round	6/1/24 - 5/31/26	\$898,500.00	
24-023	Republic Services	Waste Hauling Services	IFB	Fair, year round	6/1/24 - 5/31/26	\$296,404.70	
24-026	Lopez Works Inc	Pressure Power Washing Services	IFB	Fair, year round	6/1/24 - 5/31/26	\$138,600.00	
24-031	K&M Pest Solution Inc	Pest Control Services	IFB	Fair, year round	PROTEST	PROTEST	

Standard Agreements Exempt from Competitive Solicitation							
Contract #	Contractor	Purpose	Exception	Effort Type	Term	Not to Exceed	
24-032	Main Street Banners USA	Fair Decorations	Revenue Generating Event	Fair	5/15/24 - 7/11/24	\$65,000.00	
24-033	Pacific Event Productions	O'Brien Gate Design, Theme Décor and Lighting	Revenue Generating Event	Fair	5/15/24 - 7/30/24	\$135,932.34	

Sole Source	Sole Source Standard Agreements						
Contract #	Contractor	Purpose	Sole Source Justification	Effort Type	Term	Not to Exceed	
23-054 AM1	Group	Onsite veterinary services - exercise option year approved in original sole source justification	Only viable vendor	Fair	6/1/23 - 7/7/25	AM1 = \$54,000 (Total contract value \$154,000)	

Revenue Contracts over \$250,000 or greater than one year

Sponsorsh	Sponsorship Agreements					
Contract #	Sponsor	Purpose	Effort Type	Term	Amount	
SPO-17-056 AM2	Hollandia Dairy	This amendment agrees to share in the cost of the tent for the milking display and increases the tickets and parking	Fair	7/10/20 - 7/10/26	\$228,000 cash / \$332,000 cash in kind	
SPO-22-057 AM2	Patio Resort Lifestyles	This amendment reduces both the amount of space this sponsor will use and subsequently their investment.	Fair	6/8/22 - 7/10/24	\$145,000.00	
SPO-24-002	Anheuser Busch	This is a 5-year agreement which give domestic beer marketing exclusivity and marketing assets to two craft products	Fair, year- round, DMTC	3/1/24 - 12/31/28	\$2,960,693.00	
SPO-24-006	Anheuser Busch FMB	This is a 5-year agreement which gives Anheuser Busch marketing exclusivity in the Flavored Malt Beverage category	Fair, year- round, DMTC	3/1/24 - 12/31/28	\$838,542.00	
SPO-24-013	Pizza Port	Pizza Port will be the local craft partner of the fair, fairgrounds and DMTC for 3 years	Fair, year- round, DMTC	6/1/24 - 3/31/27	\$144,224.00	
SPO-24-056	SponsorSource for Kanji Chairs	This is a 2-year agreement for Kanji chairs to sell their massage chairs	Fair	6/12/24 - 7/10/25	\$65,000.00	

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES GL ACCOUNT NUMBER (If Applicable) AGREEMENT NUMBER STANDARD AGREEMENT GL#: 600100-10 STD 213 (Rev. 04/2020) 24-020 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTOR NAME Priority Building Services LLC 2. The term of this Agreement is: START DATE May 16, 2024 THROUGH END DATE May 15, 2026 3. The maximum amount of this Agreement is: \$1,000,000.00 One Million Dollars and Zero Cents 4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement. **Exhibits** Title **Pages** 7 Exhibit A Scope of Work Exhibit B **Budget Detail and Payment Provisions** 1 2 Exhibit B, Pricing Tables Attachment I Exhibit C* General Terms and Conditions (April 2017) 4 5 Exhibit D Special Terms & Conditions

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

22nd DAA Resource Conservation Policy

Insurance Requirements

Preventing Storm Water Pollution

Exhibit D, Attachment I

Exhibit E

Exhibit F

	ONTINACTOR		
CONTRACTOR NAME (if other than an individual, state whether a corpora Priority Building Services LLC	ation, partnership, etc.)		
	CITY	STATE	ZIP
CONTRACTOR BUSINESS ADDRESS	CITY		1
1524 W. Mable Street	Anaheim	CA	92802
PRINTED NAME OF PERSON SIGNING	TITLE	I	
Eddie Rocha	Manager		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

CONTRACTOR

4

1. SERVICES OVERVIEW

A. This Agreement is the result of a competitive solicitation incorporated by reference and made part of this Agreement.

The contract term shall be for two (2) years with the possibility of three (3) One-year options to renew, at the sole and absolute discretion of the 22nd DAA. The initial contract term is anticipated to begin May 16, 2024 and run through May 15, 2026. The last option year expires May 15, 2029. The contract is subject to annual evaluation and certification that the contractor has met all contract requirements. The 22nd DAA may decide, in its sole and absolute discretion, whether to exercise any contract option under the contract.

B. Priority Building Services, LLC, hereinafter referred to as the ("Contractor"), agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as ("District"), with services as described herein:

The Contractor shall provide janitorial cleaning services as outlined below to support the San Diego County Fair (Fair) and other large events throughout the year.

- C. The services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar, CA 92014.
- D. The services shall be provided to support the San Diego County Fair and our interim events throughout the year such as FoodieLand Night Market, Good Guys, KAABOO, and alike. The Fair runs about three to four weeks beginning in early-to-mid June and ending Fourth of July weekend. The 2024 Fair runs from June 12th through July 7th A high volume of staff are needed to cover increased demand in services starting a week prior to the Fair, everyday during the run of the Fair, on days the Fair is closed to the public (Mondays and Tuesdays), and approximately two weeks post the Fair. Services shall begin in May.
- E. Contractor must be able to respond to District's staffing requirements. Staffing shall consist of no more than 8-hour shifts per workday for each cleaning staff. Overtime shall not be incurred due to insufficient staffing by Contractor. Any merit raises, bonuses, or other employee salary, or benefit increases, deemed necessary by Contractor during the term of this Agreement, are at the sole expenses of the Contractor.
- F. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Contractor: Priority Building Services, LLC
Name: Brad Mason, Facilities Director	Name: Eddie Rocha
Address: 2260 Jimmy Durante Boulevard	Address: 1524 W. Mable Street
Del Mar, CA 92014	Anaheim, CA 92802
Phone: (858) 308-2215	Phone: (714) 255-2963
e-mail: bmason@sdfair.com	e-mail: eddie@priorityservices.net

Page 2 of 7

EXHIBIT A SCOPE OF WORK

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED:

A. Background and Goals

The San Diego County Fair is open to the public and runs for twenty (20) days in 2024, utilizing the entire Fairgrounds property. The San Diego Fair takes place from June 12th through July 7th in 2024 and will run for 20-25 days in subsequent years, at approximately a similar date range. The San Diego Fair is closed to the public on Mondays and Tuesdays; however, cleaning services are required on those days, at a reduced capacity and a week prior the start of the Fair and approximately two weeks after.

The estimated attendance during Fair-Time is approximately 1,000,000 patrons over twenty (20) days. The average attendance per day is approximately 45,000 patrons. Weekday attendance could be as low as 40,000 patrons per day and weekend days attendance could be as high as 70,000 patrons or more per day. Attendance varies depending on weather, entertainment, promotions, and day of the week. During the Fair, the District hosts various types of events and exhibits including agricultural education, concessions, festivals, concerts, animal shows, entertainment, sporting events, etc.

B. Tasks and Deliverables

(1) Tasks:

Services shall include cleaning, disinfecting, and maintaining District restrooms, buildings, and fairgrounds tables and benches (seating areas), and other areas as assigned.

Contractor shall provide all labor necessary to effectively clean and disinfect all areas of the Del Mar Fairgrounds outlined in the 'Janitorial Labor Sample' listed below, in a timely manner.

The District will provide all consumable supplies such as, paper products, waste receptacles, waste receptacle sleeves and liners, soap, disinfectant and cleaning tools.

Contractor shall provide a determined number of staff for everyday of the during the run of the Fair. The District will determine the number of staff the Contractor will provide and hours of operation for any given day. The District cannot guarantee a minimum and/or maximum number of hours. All scheduling of Contractor's services will be determined and managed by the District's Facilities Department.

There are ten (10) zones, depicted in the Janitorial Zone Map below, with 22 buildings and 15 seating areas for which the Contractor shall provide janitorial services: The Activity Center, Arena Complex, Avenue/Charmin Restrooms, Backside Housing

Restrooms & Showers, Backstage, Bing Crosby Hall, Carnival Restrooms, Exhibit Hall, First Aid Restrooms, Grandstand East, Grandstand West, Infield Restrooms, Livestock Building, Mission Tower, O'Brien Hall, O'Brien Gate Restrooms, Paddock Tavern Restrooms, Paddock 17 Hands Restrooms, Seaside Pavilion, The Sound, West Lawn Restrooms, and Wyland Hall.

(2) Task Deliverables:

Contractor is responsible for the following performance components, including, but not limited to:

- a. Contractor shall provide facility and venue attendant services to maintain all restrooms and building interiors at the start of each day of the Fair (approx. 11:00am) and up to one (1) hour after the close of the Fair (Sun., Wed. and Thur. 11:00pm and Fri. and Sat. 12:00am) or as directed by the District, and shall provide required staffing as needed for other interim events.
- b. Contractor shall clean, disinfect, and stock all restroom facilities, including cleaning sinks, toilets, floors, and picking-up and removing trash.
- c. Contractor shall remove all trash and food items from dining tables, benches, and bleachers. Contractor shall wipe down and disinfect all tables, benches, and bleachers.
- d. Contractor shall maintain building floors, clean-up spills, clean glass doors, mirrors, and empty and reline waste receptacles.
- e. Contractor shall deploy fixed staff to remain in high-traffic restroom(s) and building interiors, as determined necessary by the District.
- f. Contractor shall deploy roaming staff to clean less-frequented restrooms and buildings as well as provide coverage for fixed staff that may be on break, in order to ensure continuous coverage.
- g. Contractor shall pick up trash in the immediate area outside of restroom and/or building facilities.
- h. Contractor shall provide a reduced janitorial crew for the backside Housing Area (Zone 9) on Mondays and Tuesdays (June 12th through July 7th for 2024 six (6) days), pre and post Fair services as needed.
- Contractor shall provide daily timesheets to District for each and all shifts employees worked. Timesheets must be reviewed, approved, and signed by District's Facilities Management daily, and submitted with invoices for payment.
- j. Contractor shall provide daily photos to verify acceptable cleanliness standards are met and maintained throughout each day.

Janitorial Zone Map

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 24-022

GL ACCOUNT NUMBER (If Applicable) 600100-10

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Lopez Works Inc.

2. The term of this Agreement is:

START DATE

June 1, 2024

THROUGH END DATE

May 31, 2026

3. The maximum amount of this Agreement is:

\$898,500.00

Eight Hundred Ninety Eight Thousand Five Hundred Dollars and Zero Cents.

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	9
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit B, Attachment I	Pricing Tables	2
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Lonez Works Inc.

CONTRACTOR BUSINESS ADDRESS 21195 Prairie View Ln.	CITY Trabuco Canyon	STATE CA	ZIP 92679
PRINTED NAME OF PERSON SIGNING Andre Lopez	TITLE President		ı
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

1. SERVICES OVERVIEW

- A. This Agreement is the result of a competitive solicitation incorporated by reference and made part of this Agreement.
- B. Lopez Works Inc., hereinafter referred to as Contractor, agrees to provide the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services described herein:

The Contractor shall provide trash labor services, as outlined below, to ensure the fairgrounds remain clean and free of litter during San Diego County Fair (SDCF) and other large interim events throughout the year as needed. Contractor shall begin providing services on the opening day and continues through the closing day of the San Diego County Fair (SDCF). Although not guaranteed, services may be needed approximately one week before and after the SDCF.

- C. The services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar, CA 92014.
- D. The services shall be provided to support the annual SDCF and our large interim events throughout the year such as FoodieLand Night Market, Good Guys, KAABOO, and other events, as needed. Each year, the SDCF runs for about three to four weeks beginning in early-to-mid June and ending on the Fourth of July weekend or shortly thereafter. In 2024, services will run from June 12 through July 7, with minimal services provided on days the SDCF is closed to the public (Mondays and Tuesdays). The specific dates for future Fairs will be provided to the Contractor once they are determined.
- E. Contractor must be able to respond to District's staffing requirements. Staffing shall consist of no more than 8-hour shifts per workday for each cleaning staff. Overtime shall not be incurred due to insufficient staffing by Contractor. Any merit raises, bonuses, or other employee salary, or benefit increases, deemed necessary by Contractor during the term of this Agreement, are at the sole expense of the Contractor.
- E. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Lopez Works Inc.
Name: Brad Mason	Name: Andre Lopez
Address: 2260 Jimmy Durante Boulevard	Address: 21195 Prairie View Lane
Del Mar, CA 92014	Trabuco Canyon, CA 92679
Phone: 858-792-4285	Phone: 949-470-9351
e-mail: bmason@sdfair.com	e-mail: lopezworksinc@gmail.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED:

A. Background and Goals

The SDCF is open to the public and runs for twenty (20) days in 2024, utilizing the entire Fairgrounds property. The SDCF takes place from June 12 through July 7 in 2024 and will run for 20-25 days in subsequent years, at approximately a similar date range. The San Diego Fair is closed to the public on Mondays and Tuesdays; however, cleaning services are required on those days, at a reduced capacity.

The estimated attendance during Fair-Time is approximately 1,000,000 patrons over twenty (20) days. The average attendance per day is approximately 45,000 patrons. Weekday attendance could be as low as 40,000 patrons per day and weekend attendance could be as high as 70,000 patrons or more per day. Attendance varies depending on weather, entertainment, promotions, and day of the week. During the Fair, the District hosts various types of events and exhibits including agricultural education, concessions, festivals, concerts, animal shows, entertainment, sporting events, etc.

B. Tasks and Deliverables

Contractor is responsible for the following performance components, including, but not limited to:

Tasks:

- 1. Services shall include emptying over 600 outdoor trash containers with trash push carts (blue whales), replacing trash liners and using hand-operated pickers and trash blowers for litter collection and removal. The graveyard shift laborers will move and put back trash containers and seating benches to coordinate passage for the street sweeper truck and power washing vehicles along the main throughfares.
- Contractor shall provide all labor necessary to effectively remove trash and litter in all areas outlined on the Fair Trash Zone Map. A 'Trash Laborer Schedule Sample' is listed below. The District will provide all consumable supplies and tools such as brooms, dust pans, cleaning tools, waste receptacle sleeves and trash can liners. The District will provide trash wheeled carts (blue whales).
- 3. Contractor shall provide a determined number of staff for each day of the Fair. The District will determine the number of staff the Contractor will provide and hours of operation for any given day. The District cannot guarantee a minimum and/or maximum number of hours. All scheduling of Contractor's services will be determined and managed by the District's Facilities Department.

- 4. Contractor is responsible for the following performance components, including, but not limited to:
 - a. Contractor will provide services to maintain all trash containers and pick up litter within areas 1 through 6 on the designated Fair Trash Zone Map.
 - b. The Contractor will move the trash to the District-provided compactors and 3-yard dumpsters.
 - c. Each zone has designated compactors and dumpsters to deposit the trash. There will be a trash compactor on the West and East end of the Grandstand building in Zone 3. An organic waste compactor, recycling compactor and trash compactors will be in the Zone 7 recycling yard. All the compactors will have powered tippers.
 - d. Contractor shall provide services to maintain blue recycling and green waste containers. Contractor shall empty and reline recyclable containers and empty and spray wash green organic food waste containers.
 - e. On the night shift, a District employee will drive a truck with Tommy Lift for the Contractor to load / unload recycling and organic waste containers.
 - f. Contractor shall perform litter pick up services with handheld picker tools, blowers, and empty and reline landfill waste receptacles.
 - g. Contractor shall deploy fixed staff to remain in high-traffic areas as deemed necessary by the District.
 - h. Contractor shall deploy and schedule coverage for staff that may be on break to ensure continuous coverage.
 - i. Contractor shall pick up all trash outdoors and in the immediate areas outside all buildings in the designated zones.
 - j. Contractor shall provide daily timesheets to District for each and all shifts employees worked. Timesheets must be reviewed, approved, and signed by District's Facilities Management daily, and submitted with invoices for payment.
 - k. Contractor shall provide daily photos to verify acceptable cleanliness standards are met and maintained throughout each day.
 - I. Contractor shall provide three (3) supervisors for both the Day and Swing shifts during fair operating hours and one (1) supervisor for the Graveyard Shift.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020) 24-023

GL ACCOUNT NUMBER (If Applicable)
GL#: 670100-10

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Tayman Industries Inc., dba Republic Services, Inc.

2. The term of this Agreement is:

START DATE

June 1, 2024

THROUGH END DATE

May 31, 2026

3. The maximum amount of this Agreement is:

\$296,404.70

Two Hundred Ninety Six Thousand Four Hundred Four Dollars and Seventy Cents.

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

AGREEMENT NUMBER

Exhibits	Title	Pages
Exhibit A	Scope of Work	2
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit B, Attachment I	Pricing Tables	6
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Tayman Industries Inc., dba Republic Services, Inc.

CONTRACTOR BUSINESS ADDRESS 5692 Eastgate Dr.	CITY San Diego	STATE CA	ZIP 92121
PRINTED NAME OF PERSON SIGNING Brishen McGuire	TITLE General Manager		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

1. SERVICES OVERVIEW

- a. This Agreement is the result of a competitive solicitation that is incorporated by reference and made part of this Agreement.
- b. Republic Services, Inc., hereinafter referred to as the Contractor, agrees to provide the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services described herein:
- c. Contractor shall provide waste hauling and recycling services, including providing recycling data, during the San Diego County Fair (Fair) and other interim events throughout the year as needed. In 2024, services for the Fair shall be provided from June 12 through July 7. Although not guaranteed, services may be needed approximately one week before and after the Fair. The specific dates for future Fairs will be provided to the Contractor once they are determined.
- d. The services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar CA 92014.
- e. The contractor shall provide hauling and recycling services for waste, cardboard, mixed recycle, and organic compactors, in addition to 40-yard and 3-yard dumpsters as needed.
- f. Contractor shall be properly licensed to perform all services described herein in accordance with the laws of the State of California.
- g. Contractor shall provide all equipment and fuel necessary to pick up waste and recyclables from the District.
- h. Contractor shall only receive service requests from approved personnel authorized by the Facilities Director. All scheduling of Contractor's services will be determined and managed by the District's Facilities Director.
- i. Contractor must follow all laws regarding California SB 1383 requirements.
- j. Contractor shall dispose of/recycle all generated waste, in accordance with State and local laws and regulations.
- k. The Fairgrounds and Horsepark are located within environmentally sensitive wetlands. Therefore, any equipment/machinery that is leading fluid (battery, coolant, diesel, gas, hydraulic, motor oil, power steering, transmission, etc.) will immediately either be repaired or removed from District Property by the Contractor. Furthermore, Contractor agrees to dispose of/recycle all generated waste in accordance with State and Local laws and regulations including Exhibit E Preventing Storm Water Pollution.

- I. District does not guarantee a minimum or maximum amount of services needed.
- m. Project representatives during the term of this agreement will be:

22 nd District Agricultural Association	Republic Services, Inc.
Name: Brad Mason	Name: Julieta Delgado
Address: 2260 Jimmy Durante Boulevard	Address: 5692 Eastgate Dr.
Del Mar, CA 92014	San Diego, CA 92121
Phone: 858-792-4285	Phone: 858-249-8795
e-mail: bmason@sdfair.com	e-mail: jdelgado@republicservices.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES AGREEMENT NUMBER GL ACCOUNT NUMBER (If Applicable) STANDARD AGREEMENT GL#: 600100-10 STD 213 (Rev. 04/2020) 24-026 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTOR NAME Lopez Works Inc. 2. The term of this Agreement is: START DATE June 1, 2024 THROUGH END DATE May 31, 2026 3. The maximum amount of this Agreement is: \$138,600.00 One Hundred Thirty Eight Thousand Six Hundred Dollars and Zero Cents 4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement. **Exhibits** Title **Pages** Exhibit A Scope of Work 4 Exhibit B **Budget Detail and Payment Provisions** 1 Exhibit B. 2 **Pricing Tables** Attachment I Exhibit C* General Terms and Conditions (April 2017) 4 5 Exhibit D Special Terms & Conditions Exhibit D. Attachment I Insurance Requirements 4 Exhibit E Preventing Storm Water Pollution Exhibit F 22nd DAA Resource Conservation Policy

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Lopez Works Inc. CONTRACTOR BUSINESS ADDRESS STATE ZIP 21195 Prairie View Lane CA 92679 Trabuco Canyon PRINTED NAME OF PERSON SIGNING TITI F President Andre Lopez CONTRACTOR AUTHORIZED SIGNATURE DATE SIGNED

1. SERVICES OVERVIEW

A. This Agreement is the result of a competitive solicitation incorporated by reference and made part of this Agreement.

The contract term shall be for two (2) years with the possibility of three (3) One-year options to renew, at the sole and absolute discretion of the 22nd DAA. The initial contract term is anticipated to begin June 1, 2024 and run through May 31, 2026. The last option year expires May 31, 2029. The contract is subject to annual evaluation and certification that the contractor has met all contract requirements. The 22nd DAA may decide, in its sole and absolute discretion, whether to exercise any contract option under the contract.

- B. Lopez Works Inc, hereinafter called the Contractor, agrees to provide 22nd District Agricultural Association / Del Mar Fairgrounds, hereafter called District, commercial pressure power washing services outlined below.
- C. Services shall include, but not be limited to power washing asphalt and concrete areas during the run of the San Diego County Fair (Fair), post the fair, and providing power washing services throughout the year as requested.
- D. The services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar, CA 92014.
- E. The 2024 Fair will run from June 12th through July 7th. The specific dates for future Fairs will be provided to the Contractor once they are determined.
- F. Work Hours: The power washing shall begin 12:00 am midnight and be completed by 7:00 am that same morning.
- G. Contractor must be able to respond to District's staffing requirements. Staffing shall consist of no more than 8-hour shifts per workday for each worker. Overtime shall not be incurred due to insufficient staffing by Contractor.
- H. The project representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Company: Lopez Works Inc.
Name: Brad Mason, Facilities Director	Name: Andre Lopez
Address: 2260 Jimmy Durante Blvd. Address: 21195 Prairie View Lane	
Del Mar, CA 92014-2216	Trabuco Canyon, CA 92679
Phone: 858-755-1161 X 4285	Phone: 949.470.9351
Email: bmason@sdfair.com	Email: Lopezworksinc@gmail.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED:

A. Background and Goals

The 22nd District Agricultural Association (Del Mar Fairgrounds) hosts many events all year on its 212-acre main campus. The largest event being the self-produced San Diego County Fair, as well as other events produced by third-party promoters, which range from concerts and festivals, trade shows and consumer expos, equestrian competitions and animal shows, sporting events, fundraisers, and personal celebrations.

The San Diego County Fair is open to the public and runs for twenty (20) days in 2024, utilizing the entire Fairgrounds property. The San Diego Fair takes place from June 12th through July 7th in 2024 and will run for 20-25 days in subsequent years, at approximately a similar date range. The San Diego Fair is closed to the public on Mondays and Tuesdays. Power washing is not required on Monday and Tuesday.

The estimated attendance during Fair-Time is approximately 1,000,000 patrons over twenty (20) days. The average attendance per day is approximately 45,000 patrons. Weekday attendance could be as low as 40,000 patrons per day and weekend attendance could be as high as 70,000 patrons or more per day. Attendance varies depending on weather, entertainment, promotions, and day of the week. During the Fair, the District hosts various types of events and exhibits including agricultural education, concessions, festivals, concerts, animal shows, entertainment, sporting events, etc. It is the intention of the District to hire a Contractor to provide Power Washing Services for the run of the Fair, post-Fair, and optional power washing services available throughout the year, as requested.

B. Tasks and Deliverables

Tasks:

- Power washing is required on Wednesdays, Thursdays, Fridays, Saturdays, and Sundays, beginning at 12:00 am midnight and completing by 7:00 am on the same morning day.
- b. The contractor shall provide an adequate number of staff, equipment, and materials to ensure the areas outlined on the map are clean and free of debris before 9:30am in the morning.
- c. The contractor shall provide power washing on asphalt surfaces and concrete surfaces on the main throughfare streets. Locations include but not limited to Plaza De Mexico, Paddock Entrance, Turf Club Entrance, Garden Shop, Mission Tower entrance stairs, Grandstand peripheral concrete sidewalks, and other areas as required by the Facilities Director. See Maps on Section 3.
- d. Contractors shall only receive service requests from approved personnel authorized by the Facilities Director.
- e. The contractor will provide all equipment and materials necessary to perform power washing.

- Commercial Pressure Power Washer producing at least 4000 psi (pound per square inch) of pressure and a flow rate of at least eight (8) gallons of water per minute.
- Rotary power washers producing at least 3000 psi and a flow rate of at least four (4) gallons per minute are required on the concrete surface.
- f. Contractor shall provide two (2) Commercial Pressure Power Washing Trucks with two (2) experienced operators per Truck.
- g. The power washing cannot begin until after the trash has been removed and power sweeping is finished. The power washing can follow immediately behind the power sweeping truck.
- h. Post-Fair power washing will be required approximately 1-week after the last day of the Fair (July 7th in 2024).
- i. The District may request power washing during the pre-fair set-up or other times throughout the year.
- j. The District cannot guarantee a minimum and/or maximum number of hours. All scheduling of Contractor's services will be determined and managed by the District's Facilities Department. Scheduled locations may be changed upon District's direction.
- k. Contractor shall provide the services outlined in this Agreement in accordance with the rates and fees listed in Exhibit B, Attachment 1, Pricing Table which shall include all services, labor, equipment, fuel, delivery, insurances, and taxes.

Deliverables:

Contractor is responsible for the following performance components, including, but not limited to:

a. Contractor shall provide daily photos to verify acceptable cleanliness standards are met and maintained throughout each day.

3. Power Washing Locations

Asphalt Map: Depicted in Green color.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER 24-032

GL ACCOUNT NUMBER (If Applicable) 600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Wonderful Things, Inc. dba Main Street Banners USA

2. The term of this Agreement is:

START DATE

May 15, 2024

THROUGH END DATE

July 11, 2024

3. The maximum amount of this Agreement is:

\$65,000.00

Sixty Five Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	2
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Wonderful Things, Inc. dba Main Street Banners USA

CONTRACTOR BUSINESS ADDRESS 525 Maple Avenue	CITY Carpinteria	STATE CA	ZIP 93013
PRINTED NAME OF PERSON SIGNING Jonathan Alburger	TITLE General Manager		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

1. SERVICES OVERVIEW

A. Wonderful Things dba Main Street Banner USA, hereinafter referred to as the Contractor, agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall be responsible for installing and then removing all Decor, Flags, Pull-Downs, Flagpoles, Brackets, Strapping, and Hardware as part of the Decorations for the 2024 San Diego County Fair.

- B. The services shall be performed at the Del Mar Fairgrounds located at 2260 Jimmy Durante Boulevard, Del Mar, CA 92014.
- C. The services shall be provided from May 15, 2024 through July 11, 2024.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Wonderful Things dba Main Street Banner USA
Name: Rachelle Weir, Director of	Name: Jonathan Alburger, Project
Agricultural & Education Department	Manager
Address: 2260 Jimmy Durante Blvd	Address: 525 Maple Ave
Del Mar, CA 92014	Carpinteria, CA 93013
Phone:858-755-1161 ex4211	Phone: 805-684-8111
e-mail: rweir@sdfair.com	e-mail: jonathan@mainstreetbanner.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

E. Cleaning, Mending, & Storage:

From July 11, 2024 to May 15, 2025: All items are removed from Fairgrounds and taken offsite to vendors' warehouse for cleaning, Mending, Re-Making any lost or damaged items, and Storage.

Even though vendor may not be awarded contract for following year, Contractor must store and maintain all items above From July 2024 to May 2025.

F. Insurance:

General Liability, Auto, Workers Compensation insurance coverage required in accordance with Exhibit D, Attachment I – CFSA Insurance Requirements. Additionally, warehouse and storage insurance must be procured and maintained during storage period.

2. WORK TO BE PERFORMED:

Contractor shall be responsible for installation and removal of all Decor, Flags, Pull-Downs, Flagpoles, Brackets, Strapping, and Hardware as part of the Decorations for the 2024 San Diego County Fair. Installation shall begin May 15, 2024 and complete by June 10, 2024.

REMOVAL: July 8–10, 2024: Crew Arrival for Tear-Down and Load Out of all Decor, Flags, Pull-Downs, Flagpoles, Brackets, Strapping, Hardware

A. SPECIFICATIONS for DECOR

- All Flags are to be made of outdoor UV treated 200-Denier Oxford Weave DuPont USA-made Nylon using USA-sourced inks and labor.
- TURNKEY OPERATION: All materials, connectors, tapes, ties, banding straps; manpower labor, tools, equipment, trucks, man-lift boom truck expense shall be INCLUDED in cost for installation, removal, cleaning, mending & storage of above.
- Each Flagpole and Flag is the sole responsibility of the Contractor; and in the event of loss or damage due to wind, weather, Acts of God, or vandalism or theft, District shall not be liable for cost or replacement. Contractor shall consider this breakage and repair or replace at Contractor's sole expense.

Area, Description, Quantity Required

1. FENCE LINE

100 Ea 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance

- Each Flagpole to have one 9-ft. Vertical by 5-ft. Horizontal custom San Diego Fair-Del Mar Solid Colors Nylon Flag
- Each Flag is to have 4" sleeve with top reinforcement vinyl patch stitched in top to resist friction wear-&-tear
- Each Flag is sewn shut at top; Open at the Bottom with 4" Webbing "tab" for securing to flagpole
- Each Flagpole is attached vertically to Fairgrounds Perimeter Fences in designated spots (directed by Creative team)
- Affixed with Stainless steel Ratchet Head Worm Drive Banding straps; secured against high winds and vandalism

2. SUNFLOWER FARMS

Farm Entrance

Install the entrance signage and decorated garlands on the front of the farm gazebo entrance. All hardware, supplies needed, installation and removal are to be supplied by Contractor.

The Craft Barn

Install (4) decorated overalls on front of barn. All hardware, supplies needed, installation and removal are to be supplied by Contractor.

Goat Cottage and Playground

Install (5) shade sails for the goats. Shade sail will be supplied by fair. All hardware, poles and supplies needed for installation and removal to be supplied by Contractor.

Chicken Coup

Install (1) shade sail for the Chicken Coup. Shade sail will be supplied by fair. All hardware, poles and supplies needed for installation and removal to be supplied by Contractor.

Peter Rabbits Bunny Hutch

Install (1) shade sail for the Bunny Hutch. Shade sail will be supplied by fair. All hardware, poles and supplies needed for installation and removal to be supplied by Contractor.

Flags

Install (12) sunflower flags, on black 20' poles around the inside perimeter of the farm. Contractor shall supply flags, hardware, poles and installation and removal.

Backyard Bug Adventure

Print and install (7) Di-bond panels 24" w x 6' tall for the Backyard Bug Adventure Stage, 3D wall panels. All hardware and supplies needed for installation and removal are to be supplied by Contractor.

Bees & Honey

Install a shade structure for the top of the walk-through Beehive. Black and white striped shade sails will be supplied by fair. All hardware, poles and supplies needed for installation and removal to be supplied by Contractor.

3. GATES - Color-Identified & Coordinated ENTRY & EXIT FLAGS

1) SOLANA GREEN GATE

- 10 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 4 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE GREEN nylon, 2 Shade Split Flag with WHITE STITCHED front & back "SOLANA GATE" Lettering
- 6 each 3-ft. Wide by 10-Tall Vertical solid color green nylon flags
- 7 each 3-ft. X 6-ft. Scallop-Fans of Emerald Green nylon with reinforcement webbing and 3 Brass Grommets along top

2) FIRE RED GATE

- 12 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 4 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE RED nylon, 2 Shade Split Flag with WHITE STITCHED front & back "FIRE GATE" Lettering
- 8 each 3-ft. Wide by 10-Tall Vertical solid color red nylon flags
- 34 each 3-ft. X 6-ft. Solid RED Nylon bunting FANS

3) **STABLE YELLOW GATE**

• 10 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance

- 4 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE YELLOW nylon, 2 Shade Split Flag with WHITE STITCHED front & back "STABLE GATE" Lettering
- 6 each 3-ft. Wide by 10-Tall Vertical solid color yellow nylon flags

4) MAIN MULTI-COLOR GATE

- 10 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 4 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE BLUE nylon, 2 Shade Split Flag with WHITE STITCHED front & back "MAIN GATE" Lettering
- 6 each 3-ft. Wide by 10-Tall Vertical solid color blue nylon flags

5) CROSBY/RIDE SHARE PURPLE GATE

- 10 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 4 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE PURPLE,
 2 Shade Split Flag with WHITE STITCHED front & back "CROSBY GATE"
 Lettering
- 6 each 3-ft. Wide by 10-Tall Vertical solid color yellow nylon flags

6) CARNIVAL AREA ENTRANCE & EXIT BLACK & WHITE

- 6 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 3 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE BLACK & WHITE, 2 Shade Split Flag with BLACK STITCHED front & back "ENTRANCE" Lettering
- 3 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE BLACK & WHITE, 2 Shade Split Flag with WHITE STITCHED front & back "EXIT•EXIT" Lettering

7) **GIFT SHOP** ORANGE/GREEN/WHITE

- 2 each 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance
- 2 each 3-ft. Wide by 10-Tall Vertical Flags: custom SEWN APPLIQUE ORANGE-GREEN-WHITE, 2 Shade Split Flag with WHITE STITCHED front & back "GIFT SHOP" Lettering

4. ARENA GATE — Main Entrance for Foot Traffic into Fair from Jimmy Durante Blvd.

30 Ea 20-ft. Aluminum Flagpole with .125" wall heavy-wind resistance

- Each Flagpole to have one 9-ft. Vertical by 5-ft. Horizontal custom San Diego Fair-Del Mar Solid Colors Nylon Flag
- Each Flag is to have 4" sleeve with top reinforcement vinyl patch stitched in top to resist friction wear-&-tear
- Each Flag is sewn shut at top; Open at the Bottom with 4" Webbing "tab" for securing to flagpole
- Each Flagpole is attached vertically to Fairgrounds Perimeter Fences in designated spots (directed by Creative team). Affixed with Stainless steel Ratchet Head Worm Drive Banding straps; secured against high winds and vandalism.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020) 24-033

AGREEMENT NUMBER

24-033

GL ACCOUNT NUMBER (If Applicable) 600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Pacific Event Productions, Inc.

2. The term of this Agreement is:

START DATE

May 15, 2024

THROUGH END DATE

July 30, 2024

3. The maximum amount of this Agreement is:

\$135,932.34

One Hundred Thirty Five Thousand Nine Hundred Thirty Two Dollars and Thirty Four Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Page
Exhibit A	Scope of Work	2
Exhibit A, Attachment I	O'Brien Entrance Gate	4
Exhibit A, Attachment II	Flower Show Entrance	3
Exhibit A, Attachment III	Fair Theme Building Lighting	2
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Pacific Event Productions, Inc.

CONTRACTOR BUSINESS ADDRESS 6989 Corte Santa Fe	CITY San Diego	STATE CA	ZIP 92121
PRINTED NAME OF PERSON SIGNING George R. Duff	TITLE Chief Executive Officer		•
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

EXHIBIT A SCOPE OF WORK

A. SERVICES OVERVIEW

- Contractor agrees to design, build and install the O'Brien entrance structure, Flower Show creative and Fair theme building lighting at the 2024 San Diego County Fair hereinafter referred to as "SDCF".
- 2. Services shall be performed onsite at the 22nd District Agricultural Association doing business as Del Mar Fairgrounds, hereinafter referred to as "District", located at 2260 Jimmy Durante Boulevard, Del Mar, California 92014.
- 3. The project representatives during the term of this Agreement will be:

District		Contractor	
Name:	Rachelle Weir, Director of	Name:	George Duff, Founder, Chief
ivame.	Agriculture, Arts and Education	ivame.	Executive Officer
Address:	2260 Jimmy Durante Boulevard Del Mar, California 92014	Address:	6989 Corte Santa Fe San Diego, California 92121
Phone:	(858) 792-4211	Phone:	(858) 450-7703
Email:	rweir@sdfair.com	Email:	george.duff@pacificevents.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

B. WORK TO BE PERFORMED

- 1. Contractor shall be responsible for the completion of all services specified in this Exhibit A.
- 2. Contractor shall install the entire base structure of the O'Brien Gate Entrance (Exhibit A, Attachment I). Entrance shall include the following:
 - a. Truss Structure
 - b. Lighting and Cables
 - c. One (1) Double Swivel Gate
 - d. Expandable Gates for each of three (3) EXITS
 - e. Header and End Cap Hard Signage
 - f. Sign Mounting Custom Builds
 - g. Leg Wrap Lockers Printed Fabric
 - i. Four (4) 10-foot high x 25-foot wide
 - ii. Four (4) 10-foot high x 20-foot high
 - iii. Eight (8) 10-foot high x 5-foot high
 - h. Scaffolding (Fabric Structure)
 - i. Stretch Shapes / Shade 8-foot x 8-foot
 - i. Total of eight (8) two (2) per flanking arches and four (4) per central arch

EXHIBIT A SCOPE OF WORK

- 3. Contractor shall provide necessary engineering report to the District, prior to the commencement of any work at the District.
- 4. Contractor shall provide lighting and décor for the Flower Show (Exhibit A, Attachment II). Flower Show shall include the following:
 - a. Décor and lighting for 30-foot x 30-foot tent frame
 - i. Market stringer LED 48-feet pulled over tent structure in an "X" pattern
 - ii. Floral Groupings/Three (3) Per Tent to include two (2) 30-inch bouquets, one (1) 44-inch high by 14-inch wide flower, one (1) 18-inch bee
 - iii. Three (3) single 44-inch high by 14-inch wide flowers per tent leg
 - iv. Twelve (12) 28-inch wingspan faux butterflies
 - v. Wrap tent pipes with District supplied velon
 - vi. Install and power District's oversized floral decorations in canopies, stage and trellis.
 - b. Wine Décor to include six (6) 28-inch wingspan butterflies and sixteen (16) bees
 - c. Main Stage to include five (5) 28-inch wingspan butterflies attached to chevron wall
- 5. Contractor shall provide turn-key lighting for the theme building including power, cables, rigging lighting, labor and production services (Exhibit A, Attachment III).
- 6. Contractor shall be responsible for all labor and materials, including all equipment rental necessary for the installation and strike of all facades or structures at the fairgrounds.
- 7. Contractor shall be responsible for taking all onsite measurements, observing surrounding structures and roadways and designing and building structures that meet all fire and life safety codes. Any and all corrections needed to bring structures up to safety standards will be solely the financial responsibility of Contractor.
- 8. Contractor agrees to make repairs and adjustments as needed throughout the run of the 2024 SDCF, June 12 through July 7, within twenty-four (24) hours of being notified there is an issue. If issue poses a threat to public safety, Contractor shall respond within two (2) hours of notification.
- Contractor shall be responsible for paying all travel related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES SCO ID: N/A STANDARD AGREEMENT - AMENDMENT STD 213A (Rev. 4/2020) AMENDMENT NUMBER AGREEMENT NUMBER **Purchasing Authority Number** 23-054 1 GL #: 600100-60 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED **PAGES** 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTOR NAME Ocean Hill Equine Medical Group 2. The term of this Agreement is: START DATE June 1, 2023 THROUGH END DATE July 7, 2025 3. The maximum amount of this Agreement after this Amendment is: \$154,000.00 One Hundred Fifty Four Thousand Dollars and Zero Cents 4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein: The purpose of this Amendment is to exercise the first one-year option, increasing the dollar amount by \$54,000.00 and extending the contract term by one year. The maximum amount of this Agreement is hereby increased from \$100,000.00 to \$154,000.00. The Through End Date is hereby amended from July 7, 2024 to July 7, 2025. Amendment Effective Date: July 7, 2024 All other terms and conditions shall remain the same. IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO. CONTRACTOR CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Ocean Hill Equine Medical Group CONTRACTOR BUSINESS ADDRESS CITY STATE Z**I**P 8751 Old Castle Escondido CA 92026 PRINTED NAME OF PERSON SIGNING TITLE Dr. Tad Bender Owner CONTRACTOR AUTHORIZED SIGNATURE DATE SIGNED **STATE OF CALIFORNIA** CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTING AGENCY ADDRESS CITY **STATE** Ζ**Ι**Ρ 2260 Jimmy Durante Boulevard Del Mar CA92014 PRINTED NAME OF PERSON SIGNING TITLE Carlene Moore Chief Executive Officer DATE SIGNED CONTRACTING AGENCY AUTHORIZED SIGNATURE CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL EXEMPTION (If Applicable) FAC §4051 .a. 1

TE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES SCO ID:				
STD 213A (Rev. 4/2020)	AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Autho	rity Number
CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED PAGES	SPO-17-056-19	AM2		
1. This Agreement is entered into between the Contracting Agen	cy and the Contractor named	below:		
CONTRACTING AGENCY NAME			*	
CONTRACTOR NAME				
Hollandia Dairy				
2. The term of this Agreement is:				
START DATE July 10, 2020				
THROUGH END DATE July 10, 2026				
3. The maximum amount of this Agreement after this Amendmen \$228,000 cash \$332,000 cash in kind	nt is:			
 4. The parties mutually agree to this amendment as follows. A incorporated herein: 1. Agree to share equally in the cost of the 60' x 60' tent for the m tickets to 1,500. 3. Increase the amount of parking passes to 100 All other terms and conditions shall remain the same. 	nilking demonstrations during	g the annual fair. 2. Increase t	the amount of fair a	admission
IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED	BY THE PARTIES HERETO.			
	CONTRACTOR			
CONTRACTOR NAME (if other than an individual, state whether a corporat Holland Diary	tion, partnership, etc.)			
CONTRACTOR BUSINESS ADDRESS		CITY	STATE	ZIP
622 E. Mission Road		San Marcos	CA	92069
PRINTED NAME OF PERSON SIGNING Patrick Schallberger		TITLE CEO		
CONTRACTOR AUTHORIZED SIGNATURE		DATE SIGNED		
S	TATE OF CALIFORNIA	1		
CONTRACTING AGENCY NAME 22nd District Agricultural Association				
CONTRACTING AGENCY ADDRESS		CITY	STATE	ZIP
2260 Jimmy Durante Blvd.		Del Mar	CA	92014
PRINTED NAME OF PERSON SIGNING Carlene Moore		ππε CEO/General Manager		
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable)		

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

TANDADD ACDEEMENT AMENDMENT

SCO ID:

STD 213A (Rev. 4/2020)	AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Autho	rity Number
CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED PAGES	SPO-22-057-19	AM2	r arenasing Addition	Humber
This Agreement is entered into between the Contracting Agence	y and the Contractor named	below:		***************************************
CONTRACTING AGENCY NAME			NAMES OF THE PROPERTY OF THE P	
CONTRACTOR NAME				
Patio Resort Lifestyles	The sound department of the second se			· · · · · · · · · · · · · · · · · · ·
2. The term of this Agreement is: START DATE		WARRING BUILDING ST. S. C.		
June 8, 2022				
THROUGH END DATE July 10, 2024				vermoni Nonezava dense, de esse dad
3. The maximum amount of this Agreement after this Amendment \$145,000	is:	-		
4. The parties mutually agree to this amendment as follows. Al incorporated herein:	actions noted below are b	by this reference made a pa	rt of the Agreeme	nt and
It is agreed to reduce the size of the space in O'Brien hall from a 50	0 x 20 to a 30 x 20. Additiona	ally the fee for 2024 will be re	duced to \$35,000.	
All other terms and conditions shall remain the same.				
IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED B	Y THE PARTIES HERETO.			
	CONTRACTOR	W. W. C.		**************************************
CONTRACTOR NAME (if other than an Individual, state whether a corporati Patio Resort Lifestyles	on, partnership, etc.)	1012-1016-2016-201		
CONTRACTOR BUSINESS ADDRESS	Water the state of	CITY	STATE	ZIP
41657 Cherry St.		Murrieta	CA	92562
PRINTED NAME OF PERSON SIGNING Jeetu Mahbubani		TITLE Office Manager		
CONTRACTOR AUTHORIZED SIGNATURE	NAMES CONTROL OF CONTR	DATE SIGNED		
TZ	ATE OF CALIFORNIA	724	TO CONTRACT HIS CO	***************************************
CONTRACTING AGENCY NAME	ATE OF CALIFORNIA			
22nd District Agricultural Association				
CONTRACTING AGENCY ADDRESS	##	CITY	STATE	ZIP
2260 Jimmy Durante Blvd.		Del Mar	CA	92014
PRINTED NAME OF PERSON SIGNING	**************************************	TITLE		
Carleen Moore	177	CEO/General Manager		
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable)	CONTRACTOR OF THE PROPERTY OF	

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-002

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

Anheuser-Busch, LLC

2. The term of this Agreement is:

March 1, 2024 – December 31, 2028

3. The amount of this Sponsorship Agreement is:

\$2,960,693.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B - Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR				
SPONSOR'S NAME			<u></u>	•
Anheuser-Busch, LLC				
BY (Authorized Signature)	BY (Authorized Signature)	DATE SIGNED		
Ø.	E			
PRINTED NAME AND TITLE OF I	PERSONS SIGNING			
ADDRESS				ı
5959 Santa Fe St.			ll .	I
San Diego, CA 92109				
With a copy to: c/o Anheu 63118, Attn: Legal Depart	user-Busch Companies, LLC, One tment	Busch Place, St. Louis, MC)	
	STATE OF CALIFORNIA			
AGENCY NAME			GL 431-102-00	
22 nd District Agricultura	al Association			
BY (Authorized Signature)		DATE SIGNED		
<u></u>				
PRINTED NAME AND TITLE OF I	PERSON SIGNING			
Carlene Moore, CEO/G	eneral Manager			
ADDRESS				·
2260 Jimmy Durante B	lvd.			
Del Mar CA 92014-22	216			

SPO-24-002

Exhibit A - Sponsorship Terms

2024, 2025, 2026, 2027 & 2028 San Diego County Fairs, Del Mar Thoroughbred Race Meets

- 1. Sponsorship Agreement. This sponsorship agreement ("Agreement") includes the terms and conditions to which Anheuser-Busch, LLC, a Missouri limited liability company ("Sponsor") has agreed to in connection with its sponsorship of the 2024, 2025, 2026, 2027 & 2028 San Diego County Fairs (each, a "Fair", and collectively, the "Fairs"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"), and the Del Mar Thoroughbred (DMTC) Race Meets (collectively, the "DMTC Meets"), produced by the Del Mar Thoroughbred Club. The total cost of this sponsorship covered by this Agreement is \$2,960,693.00 (the "Fee"). The DTMC Meets and the Fairs are collectively referred to herein as the "Events".
- 2. **Sponsorship Benefits**. A list of privileges and rights afforded to Sponsor is included herein.
- 3. **Payment.** State shall invoice Sponsor based on the following schedule:
 - a. A \$520,000 payment within 90 days of mutual execution of this Agreement.
 - b. A \$553,800 payment on April 15, 2025.
 - c. A \$589,797 payment on April 15, 2026.
 - d. A \$628,134 payment on April 15, 2027.
 - e. A \$668,963 payment on April 15, 2028.

State shall invoice Sponsor for the Fee in accordance with the schedule set forth above, and all payments by Sponsor shall be made no later than the next scheduled payment date in accordance with Sponsor's monthly disbursement cycle, occurring one hundred fifty (150) days after the date of receipt of the State's invoice. "Sponsor's monthly disbursement cycle" means the one day of each month on which general disbursements are scheduled without need for exception according to Sponsor's then current payment term policy. State shall invoice Sponsor for the Fee electronically and shall submit electronic invoices through Sponsor's BudExchange system (via www.budexchange.com or other web portal required by Sponsor).

- 4. **No Third-Party Promotions**. Sponsor shall not enter into any third-party promotions in connection with the Fair or the 22nd DAA without prior written authorization from State and DMTC, which consent shall not be unreasonably withheld, conditioned, or delayed.
- 5. **Assignment**. Neither party shall assign or transfer this Agreement either in whole or in part without the prior written consent of the other party.
- 6. Mutual Indemnification.
 - (a) Sponsor's Indemnification. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, Del Mar Thoroughbred Club, and their respective agents, directors, and employees (collectively, the "State Parties") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit) (collectively, "Claims"), directly or indirectly arising from, or in any way related to the performance or non-performance of this Agreement, regardless of

responsibility; by reason of death, injury, property damage, or any Claim arising from the alleged violation of any state or federal accessibility law, statute, or regulation (including but not limited to, the Americans with Disabilities Act, and/or any state, local, successor, or comparable provision of the law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State Parties with respect to the sole negligence or willful misconduct of the State Parties, their respective employees, or agents (excluding the Sponsor Parties herein, or any of their respective employees or agents.).

- (b) State's Indemnification. To the fullest extent permitted by law, State shall defend, indemnify, and hold harmless Sponsor, its parent, subsidiary and affiliated entities, contractors hired by Sponsor in connection with the Events, and their respective directors, officers, employees and agents (collectively, the "Sponsor Parties") from and against all Claims, directly or indirectly arising from, or in any way related to the performance or non-performance of this Agreement, regardless of responsibility; by reason of death, injury, property damage, or any Claim arising from the alleged violation of any state or federal accessibility law, statute, or regulation (including but not limited to, the Americans with Disabilities Act, and/or any state, local, successor, or comparable provision of the law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the Sponsor Parties. Provided, however, that in no event shall State be obligated to defend or indemnify the Sponsor Parties with respect to the sole negligence or willful misconduct of the Sponsor Parties, their respective employees, or agents (excluding the State Parties herein, or any of their respective employees or agents.).
- (c) <u>intentionally omitted.</u>
- 7. **No Partnership or Joint Venture**. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
- 8. **Governing Law**. It is agreed by the parties that the laws of the State of California shall govern this Agreement and in the event of litigation that the proper place of venue is in San Diego, California.
- 9. intentionally omitted.
- 10. Other Sponsorships. Unless otherwise expressly authorized herein, including in Section 20 below, the parties agree that this is a non-exclusive Agreement. Notwithstanding Section 20 below, the parties also expressly acknowledge and agree that the State may enter into agreements with other sponsors and/or sponsors offering the same or similar services or products during the term of this Agreement, and that Sponsor may enter into agreements with other entities, including other entities in the State of California offering the same or similar services or products during the term of this Agreement.
- 11. **Damage to Sponsor's Personal Property**. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products and supplies, except to the extent caused by the negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 12. **Sponsor's Appearance; Distribution of Tickets**. Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times.

Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to State's operations. Sponsor agrees to promptly correct the behavior or remove such person or agent from operations arising out of this Agreement, where the State provides written notice (email is acceptable) to Sponsor of the same. Determination by State management regarding these matters shall be final. Except as expressly set forth in this Agreement, Sponsor agrees that it will not sell, exchange or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees. Notwithstanding the foregoing, Sponsor may provide tickets or admissions to third parties, provided, that, Sponsor does so at no cost to such third parties.

13. **Scope of Sponsor's Promotions.** Sponsor is authorized to promote only those products or services specifically identified in this Agreement in connection with the Events. If Sponsor promotes any product or service not specifically identified in this Agreement in connection with the Events, the 22nd DAA will provide written notice to Sponsor. Sponsor will have five (5) business days after receipt of such notice to correct such erroneous advertising. If Sponsor fails to correct within such five (5) business day period, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 14 and 16.

14. Termination.

- **a.** <u>Termination for Convenience</u>. Either party may terminate this Agreement, with or without cause, in whole or in part, at any time by thirty (30) days' written notice to such other party.
- b. Termination for Breach. Either party may terminate this Agreement at any time, effective upon the other party's receipt of a termination notice, without prejudice to any other legal rights to which such terminating party may be entitled, upon the occurrence of any one or more of the following: (i) a material default by the other party in performance of any of the provisions of this Agreement, which default is not cured within ten (10) days following written notice of such default to the defaulting party; or (ii) if any of the representations or warranties made by the other party in this Agreement shall prove to be untrue or inaccurate in any material respect.
- c. Effect of Early Termination. In the event of any early termination of this Agreement, State shall, upon the effective date of termination, refund to Sponsor any unearned portion of the Fee. Termination of this Agreement for any reason provided herein shall not relieve either party from its obligation to perform up to the effective date of such termination or to perform such obligations as may survive termination. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within twenty-four (24) hours of the written notice of termination.
- 15. **Compliance with Laws**. Each party hereto shall comply with all applicable federal, state, and local laws, codes, rules and regulations in performing its duties hereunder. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the State, it is agreed that the State may immediately terminate this Agreement
- 16. Events of Force Majeure; Sponsored Events.

- a. Force Majeure Events. It is understood and agreed that neither the District nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure"; provided, that, a party claiming the benefit of this provision, shall, as soon as reasonable practicable after the occurrence of any such event: (i) notify the other party of the event of Force Majeure; (ii) the anticipated duration of the event of Force Majeure; and (iii) the steps being taken to remedy the failure For purposes of this Agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either District or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything contained herein to the contrary, except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of the Fee or any other charge required of Sponsor.
- **b.** Remedies. If all of the Events hereunder or one or more of the Events is prevented, delayed, or otherwise materially impaired due to an event of Force Majeure, then the Fee due for the applicable year (the "Annual Fee Payment") of the term of the Agreement (the "Contract Term") will be adjusted as described below:
 - i. If all Events for such applicable year of the Contract Term are cancelled or materially impaired, then one hundred percent (100%) of the Annual Fee Payment shall be refunded or credited to Sponsor, as the case may be
 - ii. If one or more Events for such applicable year of the Contract Term is cancelled or materially impaired, then a pro rata portion of the Annual Fee Payment shall be refunded or credited to Sponsor, as the case may be. The pro rata portion of the Annual Fee Payment to be reduced or refunded, as the case may be, is calculated based upon (x) the number of Events canceled due to an event of Force Majeure in such applicable year of the Contract Term divided by (y) the total number of Events for such applicable year of the Contract Term.

In the event of a reduction of the Fee as provided for in this Section 16(b), State shall provide Sponsor, as mutually agreed upon by the parties, either a refund of the Fee or a credit towards Sponsor's future payment of the Fee. If events are merely delayed, prior to making any payment, Sponsor shall be reasonably satisfied that the events will take place and Sponsor shall have no obligation to pay for that portion of events that will not occur. For the avoidance of doubt, the State's ability to conduct events with less than maximum public attendance capacity shall mean that performance has been "materially impaired" as that term is used herein.

17. **No Presumption Against Drafter**. The parties agree that this Agreement shall be interpreted as if drafted by both parties.

18. **No Smoking**. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors are informed of this policy.

19. Responsibilities of Sponsor.

- **a.** Sponsor shall provide support consisting of media and onsite promotions at the Events. This support to be mutually decided.
- **b.** Sponsor, the District and DMTC will collaborate on a summer promotional campaign in each year of this Agreement. This will be highlighting Sponsor's brand or brands of choice at the Events. Platform of such campaign will be across traditional media and social media networks. Details of such campaign to be mutually determined.
- **c.** Sponsor shall provide to the District's Sponsorship office prior to each Event, examples of all literature, samples, and merchandise to be distributed during Events. Only District-approved items may be distributed by Sponsor.
- **d.** Sponsor shall provide Sponsor's brand logo(s) and creative, to the District's and DMTC's Sponsorship offices upon reasonable request. Any District or DMTC usage will be submitted to Sponsor for prior approval, which approval shall not be unreasonably conditioned, withheld, or delayed.
- e. Sponsor shall provide all Sponsor temporary banners and structures to be used in conjunction with this Agreement, with the exception of permanent and directional signage.
- **f.** Sponsor shall work with the District's master concessionaire to decorate and theme identified locations on a mutually decided basis.

20. Responsibilities of the 22nd DAA:

a. San Diego County Fair.

1. Exclusivity. Except for customary point-of-sale materials in concession areas, Sponsor shall be the exclusive Beer sponsor in the (i) domestic, (ii) craft (2/3 shared), (for the avoidance of doubt, each of (i) through (iii) collectively include alcoholic malt beverages, , mutually agreed upon flavored malt beverages, , (collectively, the "Exclusive Category"), and Sponsor's products will be the only products in the Exclusive Category advertised on the Fair premises and in connection with the Fairs. No other sponsor will be sold sponsorship elements advertising or promoting products or services that compete with Sponsor in Sponsor's Exclusive Category at the Fair premises in connection with the Fairs throughout the Contract Term. Notwithstanding the foregoing, Sponsor and State agree that State may sell sponsorship elements to advertise or promote brands and products of one (1) additional beer beverage company within domestic craft categories that are not affiliated with Sponsor. For purposes of this paragraph, a brand is within the domestic craft category if the applicable manufacturer produces less than sixty (60,000) barrels of the subject malt beverage in a twelve (12) month period. Stage Sponsorship:

For each Fair, 22nd District will designate a stage as the 'Michelob Ultra (or another mutually agreed upon brand) Avenue Stage'.

2. Signage.

a. Parties to agree to mutually agreed to branding of Sponsor's products in the Exclusive Category.

- b. Sponsor's name shall be included on Fair directional signs where the Michelob Ultra (or another mutually agreed upon brand) Avenue stage is included for the Fairs covered by this Agreement.
- c. 22nd District shall display the Michelob Ultra, Elysian and Kona logos (or mutually agreed upon brands) on Main Parking Lot LED board every day of the Fair for a minimum of four (4) minutes each hour.
- d. 22nd District shall display the Michelob Ultra, Elysian and Kona logos (or other mutually agreed upon brands) on main entrance signs listing all the Fair's sponsors.
- e. Sponsor shall have the opportunity for the Michelob Ultra (or another mutually agreed upon brand) Avenue stage to be wrapped or decorated with Sponsor branding, with the size and amount(s) to be mutually agreed upon by the parties.
- f. Sponsor shall have the opportunity to provide Sponsor-provided branding (subject to mutual approval) in the Sound concert venue, with the size and amount(s) to be mutually agreed upon by the parties.

3. Media/Advertising.

- a. Sponsor shall have its name included on the Fair map and shall be listed as a as naming sponsor of the Michelob Ultra (or another mutually agreed upon brand) Avenue stage.
- b. Sponsor shall have its name included on all day sheets as the sponsor of the Michelob Ultra (or a mutually agreed upon brand) Avenue Stage.
- c. Sponsor shall have its brand (to be mutually agreed upon) logo(s) included on the Fair's website for the duration of this Agreement.
- d. Sponsor's logo(s) will be included on any eblast or digital marketing piece that promotes the Michelob Ultra (or a mutually agreed upon brand) Avenue stage.
- e. Sponsor's logo(s) will be included in any social media posts that feature the Michelob Ultra (or a mutually agreed upon brands) Avenue stage.

5. Co-authored Summer Social Media Campaign.

- a. Sponsor and the District will collaborate on a summer targeted social media campaign highlighting the Michelob Ultra, Elysian and Kona brands (or such other mutually agreed upon brands).
- b. Platforms are Instagram and Facebook with a mutually agreed upon targeted demographic.
- c. The campaign's theme shall be of fairgoers enjoying a Michelob Ultra, Elysian and/or a Kona (or such other mutually agreed upon brands) at the San Diego County Fair with a potential rewards component to be mutually agreed upon by the parties, if any.
- 6. *Tickets/Hospitality*. For every year of the Contract Term, 22nd DAA shall provide the following to Sponsor:
 - a. Use of a Skybox or Celebrity Suites for a reception one (1) night during the Fair for up to 100 guests and one hundred (100) admission passes and fifty (50) parking passes. Sponsor is responsible for ordering and payment for all food and beverage.
 - b. Eight Hundred (800) admission tickets.
 - c. Two hundred (200) single day track parking passes.

- d. Eight (8) track season parking passes.
- e. Six (6) year-round photo ID's for Sponsor staff.
- f. Two (2) Terrace Tables (each table seats 4 people) to each Grandstand concert. Requests must be received no later than 24 hours before each show. Requests received less than 24 hours before the show will be accommodated with best available seats at the time of the request.
- g. Provide a ticket bank of 30 tickets for the Grandstand shows in each year of this Agreement. Requests must be received no later than 24 hours before each show. Requests received less than 24 hours before the show will be accommodated with best available seats at the time of the request.
- h. Provide a ticket bank of eighty (80) tickets in each year of this Agreement for the Sound. Requests must be received no later than twenty-four (24) hours before each show. Requests received less than 24 hours before the show will be accommodated with best available seats at the time of the request.

7. Promotions.

- a. Sponsor shall have the opportunity to allow sampling of Sponsor's products within the Exclusive Category in mutually agreed upon areas and mutually agreed upon dates.
- b. Sponsor shall have the opportunity to conduct a Fair admission ticket promotion for retail activation, subject to an additional agreement to be negotiated between Sponsor and the State concerning such promotion.
- 8. *Interim Events*. Sponsor shall have the right to provide mutually agreed branding for Michelob Ultra, Elysian and/or Kona (or other mutually agreed upon brand(s)) for all interim events at the Fair premises throughout each year of the Contract Term, with the size and amount(s) to be mutually agreed upon between the parties. Notwithstanding the foregoing, this right shall not extend to the Breeders Cup and Kaaboo.
- 9. *Del Mar Fairgrounds Sponsored Locations*. Sponsor shall have the right to sponsor and provide branding for the locations listed below for the term of this Agreement, on a year-round basis. The branding of such locations shall be mutually agreed to between the parties.
 - a. 17 Hands location for Michelob Ultra (or another mutually agreed upon brand).
 - b. Sponsor shall be the Official Sponsor of the "Paddock Tavern" (branded concessions location).
 - c. Crossover branded location (this is a concession location)
 - d. Arena Branded location.
 - e. Paddock temporary branded location.
 - f. Garden Show branded location.
- 10. *Logo Rights*. Sponsor and its affiliates shall have rights to use the San Diego County Fair's logos and marks (collectively, the "Fair Marks") for the purposes of cross promotion and marketing under this Agreement. The final use of such rights is contingent upon prior approval by the District.

b. Del Mar Thoroughbred Club Summer & Fall Race Meets.

1. Exclusivity. Except for customary point-of-sale materials in concession areas, Sponsor shall be the exclusive Beer sponsor in Exclusive Category (as defined above in Section 20(a)(1), and

Sponsor's products will be the only products in the Exclusive Category advertised on the Fair premises and in connection with the Events. No other sponsor will be sold sponsorship elements advertising or promoting products or services that compete with Sponsor in Sponsor's Exclusive Category at the Fair premises in connection with the DMTC Meets throughout the Term. Notwithstanding the foregoing, Sponsor and State agree that State may sell sponsorship elements to advertise or promote brands and products of one (1) other beer beverage companies within domestic craft categories that are not affiliated with Sponsor. For purposes of this paragraph, a brand is within the domestic craft category if the applicable manufacturer produces less than sixty (60,000) barrels of the subject malt beverage in a twelve (12) month period.

- 2. Logo Rights. Sponsor and its affiliates will have the right to use DMTC's Meets' logos and marks (collectively, the "<u>DMTC Marks</u>") for the purposes of cross promotion and marketing under this Agreement. Final use of such rights is contingent upon prior approval by the DMTC.
- 3. *Signage*. District shall provide the following signage to Sponsor:
 - a. Finish Line signage upgrade (4' x 16') All costs associated with signage production are the responsibility of Sponsor.
 - b. Infield 10' x 40' color LED signage for one race daily (approximately 12 14 minutes).
 - c. Parking Lot Electronic Signage: Sponsor shall be represented as an Official Sponsor once every ninety (90) seconds on the Del Mar Fairground's two (2) parking lot marquees.

4. Media/Advertising.

a. Television:

Two (2):30 second spots (Michelob Ultra, Elysian and Kona or other mutually agreed upon brands) and two (2) Race Replay (per day) – :30 second spots and Sponsor's logo included on Del Mar daily live six-hour production of live racing (approximately 1,000 monitors on-track and 900 simulcast wagering locations throughout North America and millions more in digital platforms). In 2020, total views were 25,091,785 million across multiple platforms for Del Mar Summer and Fall meets.

b. Print:

- i. Program One third (1/3) page (2.5" x 3.5" vertical) B&W advertisement in the Official Program. Ad to be provided for the Sponsor's domestic brand.
- ii. Program One third (1/3) page (2.5" x 3.5" vertical) B&W advertisement in the Official Program Ad to be provided for the Sponsor's craft brand.
- iii. Program One third (1/3) page (2.5" x 3.5" vertical) B&W advertisement in the Official Program Ad to be provided for the Sponsor's second craft brand.
- 5. Website. Sponsor's name and/or logo (Michelob Ultra, Elysian and Kona or other mutually agreed upon brands) shall be represented on delmarracing.com
- 6. Race Presentation. Sponsor shall be provided naming rights to a specific race for the designated 'Day at the Races'. A representative from Sponsor will make the Winners Circle presentation for the specified race and may be accompanied by as many as three (3) of their guests and be included in the official Winners Circle photo.
- 7. Co-authored Summer Social Media Campaign.

- a. Sponsor and DMTC will collaborate on a summer targeted social media campaign highlighting one brand from the Sponsor portfolio, such brand to be mutually agreed upon by the parties.
- b. Platforms are Instagram and Facebook with male, ages 21 35 as the targeted demographic.
- c. The campaign's theme shall be of patrons enjoying a Michelob Ultra, Elysian and/or Kona (or other mutually decided brand(s)) at Del Mar Fairgrounds with a rewards component to be mutually agreed upon by the parties, if any.
- 8. *General Tickets/Hospitality*. For every year of the Contract Term, District shall provide the following to Sponsor:
 - a. Ten (10) season Turf Club admission credentials, Ten (10) VIP parking passes.
 - b. Twelve (12) tickets to the Summer Opening Day. Accommodations will include seats in the trackside restaurant Stretch Run Grill. Sponsor is responsible for ordering and payment for all food and beverage.
 - c. Twelve (12) tickets to the Fall Opening Day accommodations will include seats in the trackside restaurant Stretch Run Grill. Sponsor is responsible for ordering and payment for all food and beverage.
 - d. Sponsor to be allotted one (1) table for four (4) in the Clubhouse Terrace or Stretch Run Grill on thirty (30) dates each year of this agreement. Thirty dates are split between the Summer and Fall meets. Sponsor is responsible for ordering and payment for all food and beverage.
 - e. Luxury Suite for one (1) mutually agreed upon summer date and one (1) Fall date in each year of this Agreement. This will include: Private VIP seating for 40 guests with wagering windows and televisions and Finish line views. Sponsor is responsible for ordering and payment for all food and beverage.
 - f. One-thousand (1000) Clubhouse Summer single day passes, excludes Opening Day.
 - g. Seven hundred (700) Clubhouse Fall single day passes.
 - h. Twelve (12) VIP passes to the \$1 Million Pacific Classic race day which includes:
 - 1. Private VIP seating with private wagering windows and televisions.
 - 2. Food and beverage will be available. Sponsor is responsible for ordering and payment for all food and beverage.
 - 3. A race will be named in honor of Michelob Ultra and logo (or a mutually decided brand) will be in the official program.
 - 4. A representative from Sponsor will make the Winners Circle presentation for the specified race and may be accompanied by as many as three (3) of their guests and be included in the official Winners Circle photo.
 - i. Management Meeting One (1) meeting for Sponsor's management team, up to twelve (12) for a morning meeting followed by a day at the races in the Director's room, the cost of food and beverage will be included along with private wagering windows and televisions.
- 9. Promotions.

- a. Sponsor shall have the opportunity to allow sampling of Sponsor's products on three (3) mutually agreed upon dates during Summer and Fall DMTC meets in such areas to be mutually agreed upon.
- b. Sponsor shall have the opportunity to conduct a promotion featuring retail incentives offered by DMTC. DMTC will provide retail incentives including but not limited to, mutually agreed to discounted tickets, for Sponsor's use in conjunction with such promotion.
- 10. *DMTC Sponsored Locations*. Subject to the terms and conditions below, Sponsor shall have the right to sponsor and providing branding for the locations or events provided for below for the Contract Term, on a year-round basis. The branding of such location(s) and/or events shall be mutually agreed upon between the parties.
 - a. Official Supporting Sponsor of the Summer Opening Day.
 - 1. Sponsor will be given the ability to activate in a mutually agreed upon fashion in the Opening Day "Party" area, near the west end of the Grandstand.
 - b. Official Supporting Sponsor of the Summer Restaurant and Bar Industry Day.
 - 1. Michelob Ultra, Elysian and Kona (or other mutually agreed upon brands) will receive prominent placement/activation areas.
 - c. Official Sponsor of the "Paddock Tavern" (branded concessions location).
 - 1. Mutually agreed to brand will be the official sponsor of this branded concession location.
 - 2. Mutually agreed to brand will have opportunities to provide mutually agreed upon signage and branding. Costs are responsibility of Sponsor.
 - d. Official Sponsor of the "Celebrity Lounge" (branded location & grill).
 - 1. Mutually agreed to brand will be the official sponsor of this branded location & grill.
 - 2. Mutually agreed to brand will have opportunities to provide mutually agreed upon signage and branding. Costs are responsibility of Sponsor.

c. The Sound.

- 1. District shall provide the opportunity for mutually agreed upon Sponsor supplied branding.
- 2. District will allow Sponsor to conduct on-site consumer promotions around mutually approved concerts.
- 3. District shall provide Sponsor branding and messaging on the concert center LED/Video board (should one be installed) for the duration of this Agreement, with the amounts and durations to be mutually decided.
- 4. Notwithstanding this Section 20(c), the promotional signage benefits provided for in subpart 1 and 2 of this Section 20(c) are subject to conflicting sponsorships that artists performing at the Sound may have in place; provided, that, (i) District shall provide five (5) business days' written notice to Sponsor in advance of such artist performance; (ii) all other similarly situated signage at the Fair premises is treated in the same manner; (iii) District is contractually required by the third party user or promoter of a scheduled concert required to remove or otherwise obstruct the signage provided for in subparts 1 and 3; and (iv) provided, further, that District shall use commercially reasonable efforts to limit such removal or obstruction.

21. intentionally omitted.

22. Trademarks.

- a. AB Trademarks. The Sponsor brand(s) and all related logos, taglines, labels and other designs and product identification (collectively "AB Trademarks") are Sponsor's property. The use of any AB Trademarks shall inure to Sponsor's benefit, and all rights in the AB Trademarks under trademark or copyright law or any other basis shall be Sponsor's exclusive property. Sponsor grants to the State, subject to the terms and conditions of this Agreement, the nonexclusive, nonassignable and non transferable right to use AB Trademarks in connection with the Events. All proposed uses of AB Trademarks shall be subject to Sponsor's review and prior written approval.
- b. <u>Fair Trademarks</u>. The Fair logos, taglines, and marks including, without limitation, the Fair Marks and DMTC Marks (collectively, the "<u>Fair Trademarks</u>") are the property of the State. The use of any Fair Trademarks shall inure to the State's benefit, and all rights in the Fair Trademarks under trademark or copyright law or any other basis shall be the State's exclusive property. State grants to the Sponsor, subject to the terms and conditions of this Agreement, the nonexclusive, nonassignable and non transferable right to use Fair Trademarks in connection with the Events. All proposed uses of Fair Trademarks shall be subject to the State's review and prior written approval.
- c. Merchandising. State shall not manufacture, distribute, or authorize the manufacture or distribution of, any promotional merchandise which bears any AB Trademark without Sponsor's prior written approval, unless such merchandise has been purchased or otherwise obtained directly from Sponsor or an authorized Sponsor licensee.
- 23. **Expenses**. Except as otherwise specifically provided in this Agreement, each party shall be responsible for any expenses incurred by such party in connection herewith.
- 24. intentionally omitted.
- 25. State's Insurance. State shall provide Sponsor, on or before the execution of this Agreement, with a certificate from its qualified and licensed insurer certifying that State has a commercial general or comprehensive liability insurance policy in force with at least One Million Dollars (\$1,000,000) single limit liability for each occurrence during the Contract Term, together with worker's compensation insurance in statutorily required amounts. Such certificate shall include contractual liability coverage for State's obligations under Section 6(b) of this Exhibit A. The evidence of coverage shall specifically state that coverage as it pertains to Sponsor shall be primary regardless of any other coverage which may be available to Sponsor. Coverage shall be on an occurrence rather than a claims made basis. No policy shall contain a self-insured retention greater than Twenty-Five Thousand Dollars (\$25,000). Further, irrespective of any deductible under said policy, the insurer shall pay third party losses on a first dollar basis. Any self-insured retention or deductible under said policy shall be the sole responsibility of the State and shall not apply to Sponsor. The policy shall provide that Sponsor will be notified of the cancellation or any restrictive amendment of the policy at least fifteen (15) days prior to the effective date of such cancellation or amendment. State shall not violate, or permit to be violated, any conditions of said insurance policy, and State shall at all times satisfy the requirements of the insurance company writing said policy. Failure to provide such certificate in the manner and time required or to maintain the insurance coverage specified herein shall be deemed a material breach of this Agreement. It shall be a condition precedent to the enforcement of Sponsor's obligations hereunder that State shall have furnished to Sponsor the insurance certificate as aforesaid.
- 26. **Social Media**. All of the State's posts will include proper campaign handles and hashtags, where applicable, to be provided by Sponsor, and mutually approved by Sponsor. Schedule (which shall align with campaign launch), content and social media messaging of State's posts to be mutually agreed upon by Sponsor and the State. Under no circumstances will the State or any third party engaged by the State post any materials and/or use AB Trademarks without the prior written consent of Sponsor in each

instance. For clarity, Sponsor may require the State's posts to include mandatory information and/or disclosures as deemed reasonably necessary by Sponsor during the Contract Term, and upon request from Sponsor, the State shall immediately remove State's posts as directed by Sponsor in its sole and absolute discretion.

27. Representations and Warranties.

- **a.** <u>State's Representations and Warranties</u>. State represents, warrants and covenants to Sponsor as follows:
 - 1. Neither the State nor any person, firm or company affiliated with or otherwise related to the State is a retailer of alcohol beverages and none of them has any ownership interest, directly or indirectly, in any alcohol beverage retail license;
 - 2. No monies paid by Sponsor for the rights purchased under this Agreement are intended to be or will be passed on by the State or any person, firm or company affiliated with or otherwise related to the State to any alcohol beverage retail licensee;
 - 3. There is no agreement or understanding between Sponsor and the State that, as consideration for Sponsor's purchase of rights under this Agreement, either the State or any person, firm or company affiliated with or otherwise related to the State will require any alcohol beverage retail licensee to purchase any alcohol beverage produced, sold or offered for sale by Sponsor;
 - 4. The State has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms;
 - 5. This Agreement, when executed and delivered by State, will be its legal, valid and binding obligation enforceable against the State in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally;
 - 6. State owns or has otherwise secured all rights necessary to entitle it to provide the promotional and advertising benefits contracted for herein by Sponsor and that Sponsor's usage of the Fair Trademarks (subject to the restrictions set forth herein) shall not infringe the intellectual property rights of any person or entity;
 - 7. The execution and delivery of this Agreement have been duly authorized by the State, and such execution and delivery and the performance by the State of its obligations hereunder do not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound, and no approval or other action by any third party is required in connection herewith; and
 - 8. The rights which are the subject of this Agreement are being purchased by Sponsor at a price determined by the parties to be the fair market value of such rights, without regard to whether any Sponsor products are or will be available for sale at the Events.
- **b.** Sponsor's Representations and Warranties. Sponsor represents, warrants and covenants to the State as follows:
 - 1. Sponsor's purchase of rights under this Agreement is not conditioned on any agreement or understanding that either the State or any person, firm or company affiliated with or otherwise related to the State will require any alcohol beverage retail licensee to purchase any alcohol beverage produced, sold or offered for sale by Sponsor;
 - 2. By the purchase of rights under this Agreement, Sponsor does not agree, expect, or intend to induce the purchase of any alcohol beverage produced, sold or offered for sale by Sponsor or through the State or any alcohol beverage retail licensee;

- 3. Sponsor has no agreement with any alcohol beverage retail licensee related to or respecting this Agreement;
- 4. Sponsor has the full right and legal authority to enter into and fully perform this Agreement in accordance with its terms;
- 5. This Agreement, when executed and delivered by Sponsor, will be its legal, valid and binding obligation enforceable against Sponsor in accordance with its terms, except to the extent that enforcement thereof may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally;
- 6. The execution and delivery of this Agreement have been duly authorized by Sponsor, and such execution and delivery and the performance by Sponsor of its obligations hereunder do not and will not violate or cause a breach of any other agreements or obligations to which it is a party or by which it is bound; and
- 7. This Agreement is entered into solely for the purchase of the rights described herein and for no other purpose.
- **c.** In addition to being true as of the date first written above, each of the foregoing representations, warranties and covenants shall be true at all times during the term hereof. Each party acknowledges that each of such representations, warranties and covenants are deemed to be material and have been relied upon by the other party notwithstanding any investigation made by the other party.

28. Miscellaneous.

- a. The failure of either party to object to or to take affirmative action with respect to any conduct of the other party which is in violation of the terms hereof shall not be construed as a waiver thereof, nor of any future breach or subsequent wrongful conduct. The rights and remedies set forth herein are intended to be cumulative, and the exercise of any one right or remedy by either party shall not preclude or waive its exercise of any other rights or remedies hereunder or pursuant to law or equity.
- b. This Agreement constitutes the final, complete and exclusive understanding between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, promises, understandings or representations, written or oral, in regard thereto. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person. The parties have not relied upon any promises, warranties or undertakings other than those expressly set forth in this Agreement. This Agreement cannot be amended or waived except by an agreement in writing signed by authorized representatives of both parties and specifically referring to this Agreement. The Section headings set forth herein are for convenience only and do not constitute a substantive part of the Agreement. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which shall constitute the same instrument. The execution of this Agreement by facsimile shall be deemed to be an original execution of this Agreement.

SPONSORSHIP AGREEMENT

(Rev 11/19)

SPO-24-006

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

Anheuser-Busch Sales & Distribution Co.

2. The term of this Agreement is:

March 1, 2024 – December 31, 2028

3. The amount of this Sponsorship Agreement is:

\$838,542.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B - Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		
SPONSOR'S NAME		
Anheuser-Busch Sales & Distribution Co.		
BY (Authorized Signature)	DATE SIGNED	
E		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
5959 Santa Fe St.		
San Diego, CA 92109		
STATE OF CALIFORNIA		
AGENCY NAME		GL 431-102-00
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
<u>k</u>		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

SPO-24-006

Anheuser-Busch Sales & Distribution Co. Exhibit A - Sponsorship Terms

2024, 2025, 2026, 2027 & 2028 San Diego County Fairs, Del Mar Thoroughbred Race Meets

- 1. **Sponsorship Agreement**. This sponsorship agreement ("<u>Agreement</u>") includes the terms and conditions to which Anheuser-Busch, LLC, a Missouri limited liability company ("<u>Sponsor</u>") has agreed to in connection with its sponsorship of the 2024, 2025, 2026, 2027 & 2028 San Diego County Fairs (each, a "<u>Fair</u>", and collectively, the "<u>Fairs</u>"), produced by the 22nd District Agricultural Association, a California state institution ("<u>State</u>", "<u>District</u>" or "<u>22nd DAA</u>"), and the Del Mar Thoroughbred (DMTC) Race Meets (collectively, the "<u>DMTC Meets</u>"), produced by the Del Mar Thoroughbred Club. The total cost of this sponsorship covered by this Agreement is \$838,542.00 (the "<u>Fee</u>"). The DTMC Meets and the Fairs are collectively referred to herein as the "**Events**
- 2. Sponsorship Benefits. A list of privileges and rights afforded to Sponsor is included herein.
- 3) **Payment.** State shall invoice Sponsor based on the following schedule:
 - a. A \$150,000 payment within 90 days of mutual execution of this Agreement.
 - b. A \$159,750 payment on April 15, 2025.
 - c. A \$167,738 payment on April 15, 2026.
 - d. A \$176,124 payment on April 15, 2027.
 - e. A \$184,931 payment on April 15, 2028.

State shall invoice Sponsor for the Fee in accordance with the schedule set forth above, and all payments by Sponsor shall be made no later than the next scheduled payment date in accordance with Sponsor's monthly disbursement cycle, occurring one hundred fifty (150) days after the date of receipt of the State's invoice. "Sponsor's monthly disbursement cycle" means the one day of each month on which general disbursements are scheduled without need for exception according to Sponsor's then current payment term policy. State shall invoice Sponsor for the Fee electronically and shall submit electronic invoices through Sponsor's BudExchange system (via www.budexchange.com or other web portal required by Sponsor).

- 4. **No Third-Party Promotions**. Sponsor shall not enter into any third-party promotions in connection with the Fair or the 22nd DAA without prior written authorization from State and DMTC, which consent shall not be unreasonably withheld, conditioned, or delayed.
- 5. **Assignment**. Neither party shall assign or transfer this Agreement either in whole or in part without the prior written consent of the other party.

6. Mutual Indemnification.

- (a) Sponsor's Indemnification. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, Del Mar Thoroughbred Club, and their respective agents, directors, and employees (collectively, the "State Parties") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit) (collectively, "Claims"), directly or indirectly arising from, or in any way related to the performance or non-performance of this Agreement, regardless of responsibility; by reason of death, injury, property damage, or any Claim arising from the alleged violation of any state or federal accessibility law, statute, or regulation (including but not limited to, the Americans with Disabilities Act, and/or any state, local, successor, or comparable provision of the law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State Parties with respect to the sole negligence or willful misconduct of the State Parties, their respective employees, or agents (excluding the Sponsor Parties herein, or any of their respective employees or agents.).
- (b) <u>State's Indemnification</u>. To the fullest extent permitted by law, State shall defend, indemnify, and hold harmless Sponsor, its parent, subsidiary and affiliated entities, contractors hired by Sponsor in connection

with the Events, and their respective directors, officers, employees and agents (collectively, the "Sponsor Parties") from and against all Claims, directly or indirectly arising from, or in any way related to the performance or non-performance of this Agreement, regardless of responsibility; by reason of death, injury, property damage, or any Claim arising from the alleged violation of any state or federal accessibility law, statute, or regulation (including but not limited to, the Americans with Disabilities Act, and/or any state, local, successor, or comparable provision of the law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the Sponsor Parties. Provided, however, that in no event shall State be obligated to defend or indemnify the Sponsor Parties with respect to the sole negligence or willful misconduct of the Sponsor Parties, their respective employees, or agents (excluding the State Parties herein, or any of their respective employees or agents.).

(c) intentionally omitted.

- 7. **No Partnership or Joint Venture**. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
- 8. **Governing Law**. It is agreed by the parties that the laws of the State of California shall govern this Agreement and in the event of litigation that the proper place of venue is in San Diego, California.
- 9. intentionally omitted.
- 10. Other Sponsorships. Unless otherwise expressly authorized herein, including in Section 20 below, the parties agree that this is a non-exclusive Agreement. Notwithstanding Section 20 below, the parties also expressly acknowledge and agree that the State may enter into agreements with other sponsors and/or sponsors offering the same or similar services or products during the term of this Agreement, and that Sponsor may enter into agreements with other entities, including other entities in the State of California offering the same or similar services or products during the term of this Agreement.
- 11. **Damage to Sponsor's Personal Property**. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products and supplies, except to the extent caused by the negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 12. **Sponsor's Appearance; Distribution of Tickets**. Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to State's operations. Sponsor agrees to promptly correct the behavior or remove such person or agent from operations arising out of this Agreement, where the State provides written notice (email is acceptable) to Sponsor of the same. Determination by State management regarding these matters shall be final. Except as expressly set forth in this Agreement, Sponsor agrees that it will not sell, exchange or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees. Notwithstanding the foregoing, Sponsor may provide tickets or admissions to third parties, provided, that, Sponsor does so at no cost to such third parties.
- 13. **Scope of Sponsor's Promotions.** Sponsor is authorized to promote only those products or services specifically identified in this Agreement in connection with the Events. If Sponsor promotes any product or service not specifically identified in this Agreement in connection with the Events, the 22nd DAA will provide written notice to Sponsor. Sponsor will have five (5) business days after receipt of such notice to correct such erroneous advertising. If Sponsor fails to correct within such five (5) business day period, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 14 and 16.

14. Termination.

a. <u>Termination for Convenience</u>. Either party may terminate this Agreement, with or without cause, in whole or in part, at any time by thirty (30) days' written notice to such other party.

- b. Termination for Breach. Either party may terminate this Agreement at any time, effective upon the other party's receipt of a termination notice, without prejudice to any other legal rights to which such terminating party may be entitled, upon the occurrence of any one or more of the following: (i) a material default by the other party in performance of any of the provisions of this Agreement, which default is not cured within ten (10) days following written notice of such default to the defaulting party; or (ii) if any of the representations or warranties made by the other party in this Agreement shall prove to be untrue or inaccurate in any material respect.
- c. <u>Effect of Early Termination</u>. In the event of any early termination of this Agreement, State shall, upon the effective date of termination, refund to Sponsor any unearned portion of the Fee. Termination of this Agreement for any reason provided herein shall not relieve either party from its obligation to perform up to the effective date of such termination or to perform such obligations as may survive termination. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within twenty-four (24) hours of the written notice of termination.
- 15. **Compliance with Laws**. Each party hereto shall comply with all applicable federal, state, and local laws, codes, rules and regulations in performing its duties hereunder. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the State, it is agreed that the State may immediately terminate this Agreement

16. Events of Force Majeure; Sponsored Events.

- a. Force Majeure Events. It is understood and agreed that neither the District nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure"; provided, that, a party claiming the benefit of this provision, shall, as soon as reasonable practicable after the occurrence of any such event: (i) notify the other party of the event of Force Majeure; (ii) the anticipated duration of the event of Force Majeure; and (iii) the steps being taken to remedy the failure For purposes of this Agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either District or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything contained herein to the contrary, except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of the Fee or any other charge required of Sponsor.
- <u>Remedies</u>. If all of the Events hereunder or one or more of the Events is prevented, delayed, or otherwise materially impaired due to an event of Force Majeure, then the Fee due for the applicable year (the "<u>Annual Fee Payment</u>") of the term of the Agreement (the "<u>Contract Term</u>") will be adjusted as described below:
 - i. If all Events for such applicable year of the Contract Term are cancelled or materially impaired, then one hundred percent (100%) of the Annual Fee Payment shall be refunded or credited to Sponsor, as the case may be.
 - ii. If one or more Events for such applicable year of the Contract Term is cancelled or materially impaired, then a pro rata portion of the Annual Fee Payment shall be refunded or credited to Sponsor, as the case may be. The pro rata portion of the Annual Fee Payment to be reduced or refunded, as the case may be, is calculated based upon (x) the number of Events canceled due to an event of Force Majeure in such applicable year of the Contract Term divided by (y) the total number of Events for such applicable year of the Contract Term.

In the event of a reduction of the Fee as provided for in this Section 16(b), State shall provide Sponsor, as mutually agreed upon by the parties, either a refund of the Fee or a credit towards Sponsor's future payment of the Fee. If events are merely delayed, prior to making any payment, Sponsor shall be reasonably satisfied that the events will take place and Sponsor shall have no obligation to pay for that portion of events that will not occur. For the avoidance of doubt, the State's ability to conduct events with less than maximum public attendance capacity shall mean that performance has been "materially impaired" as that term is used herein.

- 17. **No Presumption Against Drafter**. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 18) **No Smoking**. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors are informed of this policy.

19) Responsibilities of Sponsor:

- a. Provide support of media and onsite promotions at both the annual Fair and race meets. This support to be mutually decided.
- b. Sponsor, the District and DMTC will collaborate on a summer promotional campaign in each year of this Agreement. This will be highlighting Sponsor's brand or brands of choice at both the Fair and the race meets. Platform will be across traditional media and social media networks. Details to be mutually determined.
- c. Provide to the District's Sponsorship office prior to each Fair and race meet, examples of all literature, samples, and merchandise to be distributed during events. Only District approved items may be distributed by Sponsor.
- d. Provide Sponsor's brand logo, ad creative, and the District's and DMTC's Sponsorship offices upon request. Any District or DMTC usage will be submitted to Sponsor for prior approval.
- e. Provide all Sponsor temporary banners and structures to be used in conjunction with this Agreement, with the exception of permanent and directional signage.
- f. Work with the District's master concessionaire to decorate and theme identified locations on a mutually decided basis.

20) Responsibilities of the 22nd DAA:

A. San Diego County Fair

1. Exclusivity:

Provide exclusivity in the Flavored Malt Beverage category for Beatbox (or a mutually agreed upon brand) for the duration of this agreement.

2. Signage:

- a. Mutually agreed to branding.
- b. The Beatbox logo (or a mutually agreed upon brand) on Main Parking Lot LED board every day of the fair. Minimum 4 minutes each hour.
- c. The Beatbox logo (or a mutually agreed upon brand) on main entrance signs listing all the Fair's sponsors.
- d. Ability to wrap or decorate the designated branded location for Beatbox (or a mutually agreed upon brand), size and amounts TBD.
- e. Mutually agreed to branding in the Sound concert venue. Size and amount are TBD.

3. Media/Advertising:

- a. The Beatbox name (or a mutually agreed upon brand) is included on all day sheets as the sponsor of the Fair.
- b. Logo inclusion of the brand on the Fair's website for the duration of this Agreement.
- c. Logo inclusion in any social media posts that feature the Beatbox (or a mutually agreed upon brand) branded area.

5. Co-authored Summer Social Media Campaign

- a. Sponsor and the District will collaborate on a summer targeted social media campaign highlighting the Beatbox brand (or a mutually agreed upon brand).
- b. Platforms are Instagram and Facebook with a mutually agreed upon demo.
- c. Theme will be fairgoers enjoying a Beatbox (or a mutually agreed upon brand) at the San Diego County Fair with a potential mutually agreed upon rewards component.

6. Tickets/Hospitality

- a. Use of a Skybox or Celebrity Suites for a reception one (1) night during the Fair for up to 50 guests. The fair will provide fifty (50) admission passes and twenty five (25) parking passes. Sponsor will be responsible for ordering and payment for all food and beverage.
- b. One Hundred (100) admission tickets.
- c. Fifty (50) single day track parking passes.
- d. Four (4) track season parking passes.
- e. Six (6) year-round photo ID's for Sponsor staff.

7. Promotions

a. Ability to sample the entire Sponsor portfolio respecting those exclusive categories that the District may have in place.

8. Mutually agreed upon Fair admission ticket promotion for retail activation. Details TBD.

9. Interim Events.

a. Beatbox (or a mutually agreed upon brand) will have the ability to provide mutually agreed to branding for all interim events throughout the year, size and amounts TBD. It is noted that both the Breeders Cup and Kaaboo will not apply to this agreement.

10. Logo Rights

a. Sponsor (and associated brands) will have rights to the San Diego County Fair's logos and marks for the purposes of cross promotion and marketing. The final use of such rights is contingent upon approval by the District.

B. Del Mar Thoroughbred Club Summer & Fall Race Meets

a. Exclusivity

1. Provide exclusive Flavored Malt Beverage Marketing Partner (Beatbox or a mutually agreed upon brand)

b. Logo Rights

Sponsor will have rights to DMTC's Summer and Fall race meet logos and marks for the purposes
of cross promotion and marketing. Final use of such rights is contingent upon approval by the
DMTC.

c. Signage:

- 1. Infield 10' x 40' color LED signage for one race daily (approximately 12 14 minutes).
- 2. Parking Lot Electronic Signage: Represented and an Official Sponsor once every ninety (90) seconds on Del Mar's two (2) parking lot marquees.

d. Media/Advertising

- 1. Print
 - a. Program One third (1/3) page (2.5" x 3.5" vertical) B&W advertisement in the Official Program.

e. Website

1. Name and/or logo (Beatbox or a mutually agreed upon brand) represented on delmarracing.com

f. Race Presentation

 Naming rights to a specific race for a designated 'day at the races'. A representative from Sponsor will make the Winners Circle presentation for the specified race and may be accompanied by as many as three (3) of their guests and be included in the official Winners Circle photo.

g. General Tickets/Hospitality

1. Four (4) season Turf Club admission credentials, four (4) VIP parking passes.

- 2. Four (4) tickets to the Summer Opening Day accommodations will include seats in the trackside restaurant Stretch Run Grill. Sponsor will be responsible for ordering and payment of all food and beverage.
- 3. Four (4) tickets to the Fall Opening Day accommodations will include seats in the trackside restaurant Stretch Run Grill. Sponsor is responsible for ordering and payment for all food and beverage.
- 4. Sponsor to be allotted one (1) table for four (4) in the Clubhouse Terrace or Stretch Run Grill on three (3) dates each year of this agreement. Three dates are split between the Summer and Fall meets. Sponsor will be responsible for ordering and payment for all food and beverage.
- 5. One-hundred (100) Clubhouse Summer single day passes, excludes Opening Day.
- 6. One-hundred (100) Clubhouse Fall single day passes.
- h. Management Meeting One (1) meeting for Sponsor management team, up to twelve (12) for a morning meeting followed by a day at the races in the Director's room. The cost of food and beverage will be included along with private wagering windows and televisions.
- i. Retail promotion offering benefits at DMTC. DMTC will provide retail incentives including but not limited to, mutually agreed to discounted tickets.
- j. Ability to sample on two (2) mutually agreed upon dates during the Summer and Fall race meets.

C. The Sound

- 1. Exclusive Flavored Malt Beverage Marketing Partner (Sponsor: Beatbox or a mutually agreed upon brand).
- 2. Allow on-site consumer promotions around mutually approved concerts.
- 3. Provide branding and messaging on the concert center LED/Video board (should one be installed) for the duration of this Agreement. Amounts and durations to be mutually decided.
- 4. It is understood that some artists may have conflicting sponsors.

D. Adjustment of the Agreement

1. Starting on December 1st in each year of this Agreement, the parties will meet to discuss any mutually agreed up revisions to the terms of this Agreement. This period will be open until December 15th in each year of this Agreement. If no changes are made and agreed upon, the terms of this Agreement as outlined will continue.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-013

1.	This Agreement is entered into between the State Agency and the Sponsor named below:
	CTATE A CENCYIC NAME

22nd District Agricultural Association

SPONSOR'S NAME

Pizza Port

2. The term of this Agreement is:

June 1, 2024 – March 31, 2027

3. The amount of this Sponsorship Agreement is:

\$144,224.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
Pizza Port		
BY (Authorized Signature)	DATE SIGNED	
≰ n		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
135 N. Highway 101, Solana Beach, CA 90725		GL 431-102-00
STATE OF CALIFORNIA		
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
≰ n		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

SPO-24-013

Pizza Port

Exhibit A - Sponsorship Terms

2024, 2025 and 2026 San Diego County Fairs and Del Mar Thoroughbred Race Meets

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which Pizza Port ("Sponsor") has agreed to in providing products and/or services during the 2024, 2025 and 2026 San Diego County Fairs ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA") and Del Mar Thoroughbred Race Meets produced by the Del Mar Thoroughbred Club ("DMTC"). The total cost of this sponsorship Agreement is \$144,224.00.
- 2. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 15, 2024.
- 3. Sponsor shall make payment of the sponsorship fee on the following schedule:
 - a. A \$22,500 payment on or before June 1, 2024. A \$22,500 payment on or before August 1, 2024.
 - b. A \$23,625 payment on or before June 1, 2025. A \$23,625 payment on or before August 1, 2025.
 - c. A \$25,987.50 payment on or before June 1, 2025. A \$25,987.50 payment on or before August 1, 2025
 - d. Provide a 30 window to opt out of the third year of this agreement. This window will be from December 1 to the 31, 2025. If Sponsor chooses to opt out, they must provide written notification on their decision and no further financial obligations will exist. If no notification is provided to the 22nd DAA within this period, the final year will be in force.
- 4. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd
- 5. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 6. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, the Del Mar Thoroughbred Club ("DMTC") and their respective agents, directors, and employees (collectively the "22nd DAA") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the 22nd DAA. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the 22nd DAA with respect to the sole negligence or willful misconduct of the 22nd DAA, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 7. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 8. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 9. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 10. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.

- 11. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 12. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
- 13. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22nd DAA. Inadequate protection or security cannot be considered negligence of the 22nd DAA.
- 14. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently always displayed. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Sponsor or its employees.
- 15. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 16. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to 22nd DAA. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such a statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 17. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment, and materials on 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 18. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by the 22nd DAA to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 19. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the

party obligated to perform (except financial inability). Further, if either 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 20. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 21. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents, and vendors comply with this policy.

22. Responsibilities of Sponsor:

- a. Provide support consisting of media and onsite promotions at both the annual Fair and race meets. This support to be mutually decided.
- b. Sponsor, the District and DMTC will collaborate on a summer promotional campaign in each year of this Agreement. This will be highlighting Sponsor's brand or brands of choice at both the Fair and the race meets. Platform will be across traditional media and social media networks. Details to be mutually determined.
- c. Provide to the District's Sponsorship office prior to each Fair and race meet, examples of all literature, samples, and merchandise to be distributed during events. Only District approved items may be distributed by Sponsor.
- d. Provide Sponsor's brand logo(s) and ad creative to the District's and DMTC's Sponsorship offices upon request. Any District or DMTC usage will be submitted to Sponsor for prior approval.
- e. Provide all Sponsor temporary banners and structures to be used in conjunction with this Agreement, except for permanent and directional signage.
- f. Work with the District's master concessionaire to decorate and theme identified locations on a mutually decided basis.
- g. Sponsor may create and distribute a custom branded product that incorporates property's name and/or IP (e.g.: custom packaging, etc.). Any use of name or IP to receive prior approval by the 22nd DAA and/or DMTC.

23. Responsibilities of the 22nd DAA:

A. San Diego County Fair

1. Exclusivity:

Exclusive Local Craft Beer Marketing Partner. It is understood there will be an additional two national craft partner. It is understood there will be an additional local craft partner.

2. Branded Location:

a. The Fair will designate an area for Pizza Port branding. This area is just outside Bing Crosby Hall. All branding to be mutually decided.

3. Signage:

- a. Place four (4) Pizza Port banners within the Fair. Banners are 3' x 6' horizontal.
- b. Place the Pizza Ports brand(s) on Main Parking Lot LED board every day of the fair. Minimum 2 minutes each hour.
- c. Place the Pizza Port brand(s) on main entrance signs listing all the Fair's sponsors.

4. Media/Advertising:

- a. Pizza Port logo included on all day sheets for the Fair with the other sponsors.
- b. Pizza Port logo inclusion on the Fair's website for the duration of this Agreement.
- c. Logo inclusion in a fair social media post.

5. Co-authored Summer Social Media Campaign

- a. Sponsor and the District will collaborate on a summer targeted social media campaign highlighting the Pizza Port brand.
- b. Platforms are Instagram and Facebook with a mutually agreed upon demo.

6. Tickets/Hospitality

- a. One hundred Fifty (150) admission tickets.
- b. Twenty five (25) single day track parking passes.
- c. Two (2) track season parking passes.
- d. Six (6) photo ID's for Sponsor staff.
- e. Provide a ticket bank of 30 tickets for the grandstand shows in each year of this agreement. Requests for these tickets subject to availability.
- f. Provide a ticket bank of forty (40) tickets in each year of this agreement for the Sound. Tickets subject to availability.

24. Responsibilities of DMTC:

5. Exclusivity:

Exclusive Local Craft Beer Marketing Partner. It is understood there will be an additional two national craft partner. It is understood there will be an additional local craft partner.

6. Branded Location:

a. The Fair will designate an area for Pizza Port branding. This area is just outside Bing Crosby Hall. All branding to be mutually decided.

7. Signage:

- d. Place four (4) Pizza Port banners within the Fair. Banners are 3' x 6' horizontal.
- e. Place the Pizza Ports brand(s) on Main Parking Lot LED board every day of the fair. Minimum 2 minutes each hour.
- f. Place the Pizza Port brand(s) on main entrance signs listing all the Fair's sponsors.

8. Media/Advertising:

- d. Pizza Port logo included on all day sheets for the Fair with the other sponsors.
- e. Pizza Port logo inclusion on the Fair's website for the duration of this Agreement.
- f. Logo inclusion in a fair social media post.

6. Co-authored Summer Social Media Campaign

- a. Sponsor and the District will collaborate on a summer targeted social media campaign highlighting the Pizza Port brand.
- b. Platforms are Instagram and Facebook with a mutually agreed upon demo.

7. Tickets/Hospitality

- g. Fifty (50) admission tickets.
- h. Twenty five (25) single day track parking passes.
- i. Two (2) track season parking passes.
- j. Six (6) photo ID's for Sponsor staff.
- k. Provide a ticket bank of 30 tickets for the grandstand shows in each year of this agreement. Requests for these tickets subject to availability.
- 1. Provide a ticket bank of eighty (20) tickets in each year of this agreement for the Sound. Tickets subject to availability.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-056

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

SponsorSource for the Kanji Chairs

2. The term of this Agreement is:

June 12, 2024 - July 10, 2025

3. The amount of this Sponsorship Agreement is:

\$65,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR	SPONSOR	
SPONSOR'S NAME		
SponsorSource for the Kanji Chairs		
BY (Authorized Signature)	DATE SIGNED	
₫ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Marty More		
ADDRESS		
6 Montgomery Village Ave., Ste. 420		GL 431-102-00
Gaithersburg, MD 20879		
STATE OF CALIFORNIA		
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
4 1		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

SPO-24-056

SponsorSource for the Kanji Chairs Exhibit A - Sponsorship Terms 2024 & 2025 San Diego County Fairs

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which SponsorSource for Kanji Chairs ("Sponsor") has agreed to provide products and/or services during the 2024 & 2025 San Diego County Fairs ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The total cost of this sponsorship agreement is \$65,000.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 21, 2024.
- 2. Sponsor shall make a \$32,500.00 payment of the sponsorship on June 1, in each year of this agreement.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 4. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 7. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to State. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either the 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other

charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Kanji Chair booth at the 2024 & 2025 San Diego County Fairs and sell only Kanji, Ogawa, Osaki and Cozzia massage chairs.
- b. Provide to the 22nd DAA's Sponsorship office prior to May 1, 2024 & 2025, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only the 22nd DAA approved items may be sold or distributed by Sponsor.
- c. Provide Sponsor's brand logo to the 22nd DAA's Sponsorship office upon request.

22. Responsibilities of the 22nd DAA:

- a. Sponsor will have the right to use the Fair and/or the Fairgrounds name and promotional logos in advertising, cross promotion, marketing, and public relations efforts during the term of the agreement, subject to prior written approval of such uses by the 22nd DAA.
- b. Provide a 10' x 40' space in the Seaside Pavilion in each year of this agreement for the sale of massage chairs. The 22nd DAA will provide electricity and pipe & drape to this booth.
- e. Provide a logo and link on the Fair's website for the duration of this agreement.
- f. Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
- g. Include Sponsor's logo in rotation across the digital matrix boards in the main parking lot and Jimmy Durante Blvd. every day of the Fair.
- h. Provide four (4) sponsorship badges allowing unlimited admission to the fair.;
- i. Provide fifty (50) single admission Fair tickets valid any day of the Fair.
- j. Provide twenty (20) single day parking passes (location TBD) valid any day of the Fair.
- k. Provide two (2) season track parking passes valid for the duration of the Fair.

SECTION BREAK



Item 5-A, Strategic Planning Committee Report

Background:

Since 2021, the 22nd District Agricultural Association (District) has been actively engaged in discussions regarding strategic planning to better position the organization and property for the future.

As part of this process, the Board has worked to define its mission, purpose, vision, and values; analyze potential challenges and opportunities; assess the current conditions of its facilities; consider current and potential future uses of the property; engage with stakeholders and community thought leaders; and gather input from subject-matter experts.

District also has made early and periodic efforts to engage the public as the process has moved forward.

Now, the Board is working to develop a master site plan that will guide future development and any potential changes to District property and business plans in the years to come.

Most recently, at the March 26, 2024, Board meeting, Directors discussed the need to establish "stakes in the ground" to help guide the master planning process. Directors also discussed the importance of soliciting robust public engagement from across San Diego County.

Process/Approach:

Following the Strategic Planning session held in March, District staff worked with Strategic Planning Consultant Lisa Perrine to identify potential next steps based on the Board's discussion. CEO Carlene Moore also engaged Southwest Strategies, District's contractor for strategic communications services, to develop a potential framework for engaging the public in the master site planning process.

The Committee met recently with representatives from Southwest Strategies and discussed a draft roadmap for soliciting public input. The proposed process would begin with community engagement efforts during the 2024 San Diego County Fair.

As proposed, District would then launch a listening tour that involves widespread community outreach, followed by a preliminary design phase, a master plan and environmental impact report development phase, and a Coastal Commission review phase.

To help shape the public input process and discussion around the future of District properties, the Board will also have an opportunity to establish a set of guiding principles following the Fair.

The Committee discussion resulted in agreement to draft a resolution for the Board's consideration outlining District's next steps on the Master Plan initiative.

Recommendation:

The Committee recommends approval of the following Board resolution in support of a robust community input process and related actions to guide the Master Site Plan initiative.

ITEM 5-A-1: DRAFT RESOLUTION REGARDING SUPPORT OF A ROBUST COMMUNITY INPUT PROCESS AND RELATED ACTIONS TO GUIDE THE MASTER SITE PLAN INITIATIVE

(Subject to Board Approval)

WHEREAS, the 22nd District Agricultural Association ("the District") was formed and recognized as a California state institution in 1891; and

WHEREAS, the District made the Del Mar Fairgrounds its home in a then-unincorporated area of San Diego County in 1936. The Fairgrounds now consists of three campuses – the 212-acre main campus, the 64-acre equestrian center campus, and the 48-acre recreation center campus. In its history, the District has produced and hosted treasured community events and activities, including the annual San Diego County Fair, on these properties; and

WHEREAS, the Fairgrounds has also served San Diego County as an emergency resource center during tragic and challenging times, such as wildfires and the COVID-19 pandemic; and

WHEREAS, the District's Board of Directors recognizes its responsibility to serve as the steward of the Fairgrounds, which is a unique and environmentally sensitive collection of properties; and

WHEREAS, the District began to engage in a strategic planning process in 2021 to guide the future of the Fairgrounds and the District; and

WHEREAS, the District's Board of Directors in 2021 adopted statements on the District's purpose, mission, vision, and values — all of which include the word "community"; and

WHEREAS, the District's Board of Directors has discussed, and taken steps toward the creation of, a new master site plan as part of its strategic planning efforts. The Master Site Plan initiative will take a comprehensive approach to all District properties, including the Fairgrounds main campus, the Horsepark equestrian campus and the Surf & Turf Recreation Center campus; and

WHEREAS, the District is committed to serving all of San Diego County and to remaining one of the community's iconic gathering place in times of need and in times of celebration.

NOW, THEREFORE, BE IT RESOLVED by the District's Board of Directors:

Section 1. The District's Master Site Plan initiative must be guided by an extensive community input process. This input process should encompass solicitation of opinions from a broad range of parties. These parties include, but are not limited to, San Diego County Fair and other event attendees and participants; the District's neighbors; community thought leaders; elected officials; regional planning and industry organizations; and environmental advocates.

Section 2. The District's master site planning process will include a San Diego County listening tour with widespread community outreach; a preliminary design phase; a master site plan and environmental impact report development phase; and a Coastal Commission review phase.

Section 3. Throughout this community input process, the District will seek to engage the best minds and experts — both inside and outside of San Diego County — in relevant fields.

Section 4. To guide this process, the District's Chief Executive Officer is hereby directed to develop a draft set of initial guiding principles for the Master Site Plan Initiative. A draft of these principles should be presented publicly at the August 2024 Board of Directors' meeting for consideration with an anticipated vote at a subsequent duly noticed public meeting.

Section 5. The first guiding principle should be a statement that the results of the community input process will be foundational to the Board of Directors' decisions on future uses and plans at the District's properties.



22nd DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENT UNITS DECEMBER 31, 2022

FINANCIAL STATEMENTS & INDEPENDENT AUDITORS' REPORT

Focused on YOU



FINANCIAL STATEMENTS & INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2022

FINANCIAL STATEMENTS & INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2022

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INDEPENDENT AUDITORS' REPORT

22nd District Agricultural Association and its Blended Component Units Attn: Michael Sadegh Del Mar, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the 22nd District Agricultural Association and its Blended Component Units, (the "District") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.





Attn: Michael Sadegh Del Mar, California

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to
 fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
 include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
 statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the



Attn: Michael Sadegh Del Mar, California

basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules (supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

Lance, Soll & Lunghard, LLP

In accordance with Government Auditing Standards, we have also issued our report dated May 9, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Brea, California May 9, 2024

Management's Discussion and Analysis

Overview

The 22nd District Agricultural Association (DAA) is a California state institution that owns and operates the Del Mar Fairgrounds (Fairgrounds). The DAA's nine-member Board of Directors is appointed directly by the Governor without Senate confirmation. However, while it must adhere to certain state policies and pay scales, the DAA does not normally receive state funding and must effectively operate as a business. The DAA's operations are primarily funded by revenues generated through hosting both public and private events across three distinct properties: the 212-acre main campus, the 48-acre Surf & Turf Recreational Facilities campus, and the 64-acre equestrian center campus known as Del Mar Horsepark.

The DAA's largest event is the San Diego County Fair (the Fair), which was canceled in 2020 due to the COVID-19 pandemic, along with the DAA's Del Mar National Horse Show, and nearly all other public and private events and activities. The COVID-19 pandemic resulted in a major upheaval of the national, state and local economies - including the cancellation and prohibition of conventions, sporting events, musical events, fairs, expositions, and other large gatherings - and significant declines in personal and business travel. California did not officially "reopen" until June 15, 2021, after millions of people received new vaccines.

The Fair did not occur in 2021 as the DAA was serving as a vaccination super-station for the first half of the year, but the DAA was able to host a smaller summer event, known as "Home-Grown Fun," in June 2021. Also in 2021, the Summer Race Meet began on July 16, and the Del Mar Thoroughbred Club hosted the Breeder's Cup on November 5-6, followed by the Fall Race Meet. The DAA also resumed interim events rental activities during the second half of 2021.

In 2022, the DAA resumed its pre-pandemic business model and hosted a full-scale version of its annual county fair, themed "Heros ReUnited". In addition, the DAA fully returns to its normal course of operation with a full schedule of interim events scheduled throughout the 2022 financial year. The Del Mar Thoroughbred Club also was fully operational without any pandemic related restrictions during the 2022 race reason.

The following analysis of the combined financial results of the DAA, Del Mar Race Track Authority (RTA) and State Race Track Leasing Commission (RTLC) (collectively, the District) has been prepared to provide a more thorough understanding of the financial performance of these combined entities for the year ended December 31, 2022. Please read this analysis in conjunction with the financial statements that follow this section.

This annual financial report includes three items:

- 1. Management's discussion and analysis.
- 2. Independent auditor's report.
- 3. Financial statements and supplemental schedules for the year ended December 31, 2022, including notes that explain in more detail some of the information in the financial statements.

Management's Discussion and Analysis

Required Financial Statements

Statement of net position: The statement of net position includes all of the District's assets, deferred outflow of resources, liabilities, deferred inflow of resources and net position, and provides information about the nature and amounts of investments in resources (assets) and the obligations to the District's creditors (liabilities), and net position—the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources—of the District and the changes in them. The statement of net position also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

Analysis of the Statement of Net Position

Current assets of the District, excluding the current portion of restricted investments, increased due to cash flows generated from reopening of the Fairgrounds, return of the San Diego County Fair, and return of the horse racing enthusiasts to Del Mar as result of the removal of the COVID-19 pandemic mass gathering restrictions.

Current liabilities: In November of 2021, the DAA received \$10,500,000 from the California Department of Food and Agriculture (CDFA) (through its Fairs and Expositions Branch) as part of its Budget Act of 2021-Targeted Support Program for the 2021/2022 California budget year. The allocation was based on the operating period of May 2021 through April 2022. The DAA recognized this amount in 2022.

In accordance with the Pledge Agreement, the DAA has continuously maintained funds on account, which are legally available for the payment of the Bonds in an amount equal to at least Maximum Annual Debt Service (as defined in the Indenture pursuant to which the Bonds were issued).

Statement of revenues, expenses, and changes in net position: All of the District's revenues, expenses and other changes in net position are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the District's operations during the years presented and can be used to determine whether the District has successfully recovered all of its costs through its fees and other sources of revenue. It also shows profitability and creditworthiness. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating.

Analysis of the statement of revenues, expenses and changes in net position:

In comparison to 2021, revenues from operations were much stronger in 2022 due to full-scale version of its annual county fair, themed "Heros ReUnited". Revenues in 2021 reflect only a portion of pre-pandemic operating revenues as the DAA was still unable to produce its largest revenue stream, the San Diego County Fair, for a second year in a row.

Food and Beverage revenues significantly improved since mass gathering COVID-19 pandemic restrictions were terminated in June 2021. During the year in 2022, Food and Beverage revenues total \$17,521,000.

The "Heros ReUnited" fair event during the months of June and July realized revenues in Concession and Carnivals consisting of multiple revenue streams. Carnival attractions (rides and games) revenues totaled \$16,772,000, Commercial space rental revenues totaled \$1,600,000, and Concessions Food and Beverage revenues totaled \$3,914,000. Admissions revenues totaled \$11,020,000 while Parking revenues totaled \$4,840,000.

Facility Rentals revenues totaled \$5,043,000 for 2022. Satellite Wagering revenues totaled \$413,000 in 2022 and decreased by nearly 26% as compared to 2021. In 2022, in-person wagering continued, and all COVID-19 mass gathering restrictions were removed.

Management's Discussion and Analysis

Leases/Operating Agreements includes \$6,273,000 in pledge agreement payments from the Del Mar Thoroughbred Club (DMTC) as a result of net horse racing operations, \$1,225,000 from DMTC in direct rent payments to the DAA, plus \$2,848,000 through the various operating agreements of the Surf & Turf Recreation Facilities campus, which is composed of an RV park, driving range, miniature golf, tennis courts, swim school, volleyball centers, and a golf pro shop.

In 2021, the DAA negotiated a three-year operating agreement with DMGC Golf Management Inc (dba Surf and Turf Recreation Club) to manage and operate the golf driving range, miniature golf course, golf training and instruction, and the RV park at the Surf & Turf Recreational Facilities campus. The DAA earns 20% of all gross revenues from the Golf facilities earnings.

For managing the RV Park, DMGC earns a 15% fee from all gross revenues generated from the RV Park and is reimbursed by the DAA for all operating expenses related to managing the RV park. All remaining proceeds net of operating expenses and management fees are paid to the DAA.

State Apportionment includes \$10,500,000 in payments from CDFA for the Budget Act of 2021-Targeted Support Program for the 2021/2022 California budget year as assistance for the COVID-19 pandemic and \$880,000 in payments for Capital Project Reimbursement Funds for a grant awarded to upgrade the sewer lines at the Surf & Turf RV parking site.

Economic and Other Factors

Civil service salaries and benefits: On employment matters, the DAA, as a state institution, falls under the purview of the California Department of Human Resources (CalHR), which sets all pay scales and personal leave benefit thresholds and administers health benefits for civil service employees.

Recruitment and retention: These pay scales have posed challenges to the DAA to recruit and retain qualified, highly competent personnel. In 2006, the Department of Personnel Administration approved a recruiting and retention differential for the DAA's exempt employees to help offset salary levels that had fallen behind the San Diego market.

Minimum wage: The state of California increased its minimum hourly wage from \$14.00 to \$15.00 on January 1, 2022. In addition, the Fairgrounds is in a challenging location in terms of its proximity to the labor pool, and in many instances has to offer and pay higher rates than California's minimum wage in order to attract qualified temporary labor. These increases affect payroll and payroll tax expense, as well as workers' compensation and unemployment insurance. These increases also impact the cost of contracted labor and services.

Employer pension costs: The rates to the DAA for pension contributions for its tier one employees increased in July 2022 to 32.00% from 29.22% for the fiscal year 2021/2022. Rates are established by CalPERS.

Legislation passed or pending: On September 15, 2014, Assembly Bill 2490 was chaptered. This bill affects all District Agricultural Associations in California. It revised the responsibilities of the Department of Food and Agriculture and the Department of General Services as they related to District Agricultural Associations by providing greater authority and autonomy to District Agricultural Associations and local fair boards by eliminating preapproval requirements and streamlining procurement processes.

Management's Discussion and Analysis

On July 10, 2017, Senate Bill 84 was signed into law. This law had the effect of borrowing \$6 billion from the state of California's PMIA to make a one-time supplemental payment to CalPERS as part of the 2018/19 fiscal year budget package. The intent of this one-time supplemental payment was to save the state money over the next few decades by slowing the pace of cost increases for the state's annual pension payments. Under SB 84, the Department of Finance was required to develop a repayment schedule for principal and interest on the amount borrowed from the PMIA. The Department of Finance calculated the proportionate share due from each CalPERS participant, based on fiscal year 2016/17 employer retirement contributions. The DAA's proportionate share of this obligation was determined to be \$3,403,924. This amount is to be paid over five fiscal years beginning in the state's fiscal year 2020/21, with four equal payments of \$619,895 and one final payment of \$924,344 in fiscal year 2024/25.

In October 2017, Assembly Bill 1499 was signed into law. Beginning July 1, 2018, every sales tax return filed would have to segregate and report the total gross receipts for sales and use tax purposes for all receipts that took place on the property of a state-designated fairground. Three-fourths of 1% of the gross sales generated would be allocated to fairgrounds for specific projects and subject to certain conditions. Under AB 1499, a fairground will not receive any funds unless it agrees to relinquish its recreational exemption under the Fair Labor Standards Act. CDFA made the first distribution of funds in 2020, but nothing more in 2021 or 2022.

In May 2018, the United States Supreme Court ruled that the provision of the Professional and Amateur Sports Protection Act, which prohibited a governmental entity or a person from conducting betting or wagering on competitive games or performances in which amateur or professional athletes participate, violated the 10th Amendment of the U.S. Constitution. As a result, this statute is no longer enforceable against states, businesses, or individuals. Individual states are now free to pass statutes that would legalize sports wagering within their borders. As of the end of 2022, 38 states have some form of legal sports betting regulation. California will require a state constitutional amendment for sports wagering to be legalized.

Other matters pending: With the decline in attendance and revenue from off-track wagering, the DAA considered alternative uses for a large portion of its 90,000 square-foot satellite wagering facility. This repurposing included an entertainment venue with a capacity of 1,900 and eating areas. The renovation began in 2019, and the entertainment venue was expected to be complete in the summer of 2020. But due to the COVID-19 pandemic and disruptions to labor and supply chains, the opening date was delayed. The venue branded as The Sound started its operation in February of 2023.

Due to a lack of available funds to address potential water quality issues at its Horsepark campus during the COVID-19 pandemic, the DAA ceased all equestrian activities at Horsepark by April of 2021. The DAA evaluated options to remedy the situation and ultimately elected to pursue an operator for the facility through a competitive solicitation by issuing a Request for Proposals in the fall of 2021. The successful proposer would be required to make the necessary financial investment to comply with the San Diego Regional Water Quality Control Board. The campus remained closed to equestrian operations through 2022, eventually reopening in July of 2023.

STATEMENT OF NET POSITION DECEMBER 31, 2022

Assets and Deferred Outflow of Resources

Current Assets Cash and cash equivalents Current portion of restricted investments Accounts receivable, net Prepaid expenses and other	\$ 35,473,202 7,742,394 1,557,615 597,084
Total Current Assets	45,370,295
Restricted Investments, Long-term Portion Capital Assets, Net	 3,328,800 119,916,578
Total Assets	 168,615,673
Deferred Outflow of Resources: Deferred outflow of pension liability Deferred outflow on OPEB	 3,062,630 664,286
Total Deferred Outflow of Resources	 3,726,916
Total Assets and Deferred Outflow of Resources	\$ 172,342,589

STATEMENT OF NET POSITION DECEMBER 31, 2022

Liabilities, Deferred Inflow of Resources and Net Position

Cumant Liabilities		
Current Liabilities Accounts payable	\$	6,656,808
Accrued interest	Ψ	710,313
Accrued liabilities and other		5,224,575
Accrued compensated absences		1,231,048
Current portion of premier investment liability		100,000
Current portion of SB84 liability		619,895
Current portion of loan payable		903,460
Current portion of bonds payable		1,510,000
Total Current Liabilities		16,956,099
Long-Term Liabilities		
Premier investment liability, long-term portion		1,700,000
SB84 liability, long-term portion		1,544,239
Loan payable, long-term portion		24,014,568
Bonds payable, long-term portion		35,751,194
Net pension liability		8,221,540
Net OPEB liability		3,610,963
Total Long-Term Liabilities		74,842,504
Total Liabilities		91,798,603
Deferred Inflow of Resources:		
Deferred gain on debt defeasance		156,753
Deferred inflow of pension liability		3,486,335
Deferred inflow on OPEB		1,244,910
Total Deferred Inflow of Resources		4,887,998
Net Position:		
Net investment in capital assets		40,745,619
Restricted for debt service		6,629,266
Unrestricted		28,281,103
Total Net Position		75,655,988
Total Liabilities, Deferred Inflow of Resources and Net Position	\$	172,342,589

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED DECEMBER 31, 2022

Operating Revenues: Food and beverage	\$	17,520,962
Concessions/carnivals	,	24,146,416
Admissions		11,019,180
Facility rentals		3,955,103
Satellite wagering		412,941
Parking		4,839,829
Leases/operating agreement		9,120,866
Sponsorships		1,576,163
State apportionment		11,380,714
Local apportionment		12,813
Other		624,266
Total Operating Revenues		84,609,253
Operating Expenses:		
Payroll and related benefits, excluding pension cost		12,323,100
Pension cost and net pension liability adjustment		(15,965,537)
Food and beverage		13,498,804
Entertainment		13,755,855
Maintenance		7,542,148
Facilities and related supplies		1,065,965
Insurance		1,083,088
Depreciation		7,479,565
Professional services		6,769,305
Marketing		1,130,621
Other post-employment benefit cost and net OPEB liability adjustment		(427,136)
Other		2,769,611
Total Operating Expenses		51,025,389
Income from Operations		33,583,864
Nonoperating Revenues (Expenses):		
Interest income		690,627
Interest expense		(2,745,782)
Other	_	(466,411)
Total Nonoperating Revenues (Expenses)		(2,521,566)
Change in Net Position		31,062,298
Net Position, Beginning of Year		44,593,690
Net Position, End of Year	\$	75,655,988

STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2022

Cash Flows from Operating Activities: Receipts from operations Payments to vendors	\$	88,593,170 (47,376,873)
Payments to employees		(23,011,682)
Net Cash Provided by (Used In) Operating Activities		18,204,615
Cash Flows from Capital and Related Financing Activities:		
Purchases of capital assets Payments on long-term debt		(1,222,952) (3,650,902)
Interest paid on long-term debt		(3,000,300)
Net Cash Provided by (Used In) Capital and Related Financing Activities		(7,874,154)
Cash Flows from Investing Activities:		
Purchases of investments		(3,051,151)
Interest income Other investing expense		690,627 (466,411)
Net Cash Provided by (Used In) Investing Activities		(2,826,935)
Net Increase (Decrease) in Cash and Cash Equivalents		7,503,526
Cash and Cash Equivalents, Beginning of Year		27,969,676
Cash and Cash Equivalents, End of Year	\$	35,473,202
Reconciliation of Income from Operations to Net Cash Provided by Operating Activities:		
Income from operations	\$	33,583,864
Adjustments to reconcile loss from operations to net cash provided by operating activities:		
Depreciation Loss on disposal of capital asset		7,479,565 371,732
Changes in assets and liabilities:		37 1,732
Accounts receivable, net		3,612,185
Prepaid expenses and other		(81,527)
Accounts payable Accrued liabilities and other		320,051 (8,699,377)
Accrued compensated absences		33,199
Net OPEB liability		(427,136)
Net pension liability		(17,987,941)
Net Cash Provided by (Used In) Operating Activities	\$	18,204,615
	<u> </u>	10,201,010
Noncash Disclosure of Capital and Related Financing Activities:	Ť	10,201,010

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies

Nature of organization and reporting entity: The 22nd District Agricultural Association (the DAA), a component unit of the state of California, operates fairground facilities located in Del Mar, California. The DAA conducts an annual summer fair, operates an off-track horse race betting facility and rents the fairground facilities for various non-fair events. The board members of the DAA are appointed by the governor of the state of California. The state of California Department of Food and Agriculture (CDFA), through the Branch of Fairs and Expositions, provides fiscal and policy oversight of the network of California fairs.

The accompanying financial statements present a one-column combination of the accounts and activities of the DAA, the State Race Track Leasing Commission (RTLC) and the Del Mar Race Track Authority (RTA) (collectively, the District). All inter-entity transactions have been eliminated.

The District evaluates its financial reporting entity in accordance with Governmental Accounting Standards Board (GASB) Codification Section 2100, Defining the Financial Reporting Entity, which sets the criteria for defining the reporting entity of a governmental unit for financial reporting. It states that, if certain criteria are met, the financial data of a separate governmental unit is to be included as part of the reporting entity. The RTLC, created by the state of California in January 1968 to oversee capital improvement funds provided by the horse racing operating agreement described in Note 8, meets these criteria because of its financial interdependence with the District and, as such, is reported as a blended component unit. The RTLC is managed by a commission consisting of six members, appointed by statute in the CDFA Code Section 4351, who are empowered to oversee the development of ground improvements and structures. Once constructed, the assets approved and funded by the RTLC become the property of the District.

In addition, the RTA is included as part of the reporting entity as a blended component unit in the financial statements because it also meets the aforementioned criteria. The RTA is a joint powers authority created in August 1990 by a joint exercise of powers agreement between the RTLC and the DAA to finance the construction of a new grandstand and related facilities at the Del Mar Fairgrounds (the Fairgrounds) of the DAA. The RTA is managed by a board of six directors, who are the six members of the RTLC commission, who oversaw the financing for the grandstand construction project and who continue to oversee the financing and improvements at the Fairgrounds. The RTA is funded through operating transfers from the District and the RTLC. The joint exercise of powers agreement expires in August 2040. Upon the termination of the joint powers agreement, title to the grandstand will vest to the District.

A summary of the District's significant accounting policies are as follows:

Basis of accounting: The District is reported similar to a special purpose government engaged in only business-type activities. As such, its financial statements are presented in accordance with the requirements established for enterprise funds. An enterprise fund is defined by the GASB as a fund related to an organization financed and operated similar to a private business enterprise where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Accordingly, the District's accounts are maintained on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred, regardless of when the related cash flow takes place. The District defines its operating revenues and expenses in the accompanying statement of revenues, expenses and changes in net position as consisting of all revenues and expenses, except those related to financing and investing activities (interest income and interest expense).

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

Cash and cash equivalents: Cash consists of cash on hand and cash in banks. For the purposes of the statement of cash flows, the District considers all investments with original maturities of 90 days or less, including pooled funds with the California Local Agency Investment Fund (LAIF), to be cash equivalents. Investments in LAIF are reported at amortized cost. Interest income is recognized when earned.

Restricted investments: Restricted investments relate to the Series 2015 Revenue Bonds (Series 2015 Bonds) as discussed in Note 4. Restricted investments are reported at fair value. As defined in GASB Statement No. 72, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses are reported in the statement of revenues, expenses and changes in net position. Interest and dividend income is recognized when earned.

Accounts receivable: Accounts receivable are carried at original invoice amount less an estimate made for uncollectible receivables based on a review of outstanding amounts. Management determines the allowance for doubtful accounts by regularly evaluating individual customer receivables and considering a customer's financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded when received.

Prepaid expenses and other: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in the accompanying statement of net position. Other items include interest receivable, inventory and deposits.

Capital assets: Capital assets are recorded at cost less accumulated depreciation, or acquisition value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Useful lives range from three years for equipment to 40 years for buildings. The District has capitalized infrastructure assets, such as drainage systems and paving, which are depreciated over 20 to 40 years.

The District periodically evaluates whether events or circumstances have occurred that may have resulted in an impairment of its capital assets. No such impairment occurred in the year ended December 31, 2022.

Interest cost on borrowed funds during the period of construction of capital assets was expensed when incurred for the year ended December 31, 2022.

Deferred gain on debt defeasance: For debt refunding resulting in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt (i.e., deferred charges) is reported as a deferred outflow of resources and amortized to interest expense based on the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Bond premium: Bond premiums are reported as an addition to the outstanding debt balance and are amortized as interest expense over the life of the bond using the effective interest method.

Compensated absences: The DAA's compensated absences policies are set by the California Department of Human Resources. Employees who elect annual leave or vacation leave will be allowed to accumulate up to a maximum of 640 hours of leave as of January 1 of each year. Exceptions to this limit will not be allowed except in extremely unusual situations and must

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

be approved in advance by the director of the California Department of Human Resources. Upon separation or retirement, employees with accrued annual leave and vacation leave will receive a lump-sum payment at their current salary rate for their accumulated credits. Sick leave has no maximum accrual limit and can be converted to service credit upon retirement.

Compensated absences activity for the year ended December 31, 2022, is as follows:

	Beginning			Ending
	Balance	Additions	Reductions	Balance
Compensated absences	\$1,197,849	\$ 313,280	\$ (280,081)	\$1,231,048

Pensions: The net pension liability, deferred outflows and inflows of resources related to pensions, pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

A deferred outflow of resources and deferred inflow of resources related to pensions result from changes in the components of the net pension liability and are applicable to a future reporting period. As noted in Note 10, deferred outflows and inflows of resources will be recognized as pension expense in future years; however, contributions subsequent to the measurement period will be recognized as a reduction of the net pension liability during the fiscal year ended December 31, 2022.

Post-employment benefits other than pensions: For purposes of measuring the net post-employment benefits other than pensions (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of CalPERS' OPEB plan and additions to/deductions from CalPERS' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net position: Net position represents the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on debt, deferred outflows and deferred inflows that are attributable to the acquisition, and construction or improvement of capital assets. Net position is reported as restricted when there are limitations imposed on its use, either through legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments. Restricted resources are used first to fund applicable appropriations.

Revenue recognition: The District generally recognizes revenue when events take place, and when goods or services are provided.

Food and beverage revenue is recognized at the time of sale.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

- Concessions/carnivals revenue consists of space rentals at the fair and ticket sales for carnival attractions. Revenue from space rentals is recognized when earned and revenue from ticket sales is recognized when the tickets are available to be used.
- Admissions revenue consists of ticket sales to events at the Fairgrounds and is recognized when the tickets are available to be used.
- Facility rentals revenue consists primarily facility rentals for the various events presented on the Fairgrounds. Revenue is recognized over the term of the rental contract.
- Satellite wagering revenue primarily consists of the District's share of off-track betting proceeds, which is recognized when the races occur at tracks around the world.
- Parking revenue consists of charges for parking spaces at the District and is recognized immediately after spaces are used.
- Leases/operating agreement revenue primarily consists of payments from the Del Mar Thoroughbred Club (DMTC) according to the operating agreement (see Note 8).
 Revenue from the direct payment (as defined in the operating agreement) is recognized pro rata over the year that the payment applies and remaining revenue charged is recognized when the net income of the DMTC is reported.
- Surf and Turf revenue consists of revenue from the driving range, pro shop, tennis club, recreational vehicle (RV) lot and miniature golf. Revenue is recognized from these goods and services at the point of sale.
- Sponsorship revenue consists of sponsorship contracts for various events at the Fairgrounds. Revenue is recognized over the term of the sponsorship agreement.
- Other revenue consists of a variety of miscellaneous revenue accounts, including food and beverage revenue received from Premier Food Services, Inc. (Premier), ATM fees, interest income, RV pumping fees, recycling, miscellaneous exhibit fees and event entry fees

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates. Significant estimates made by management include, but are not limited to, allowance for uncollectible receivables and assumptions used in the determination of pension liability.

Implementation of accounting pronouncements:

In June 2017, the GASB issued GASB Statement No. 87, Leases. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows or outflows of resources based on the payment provision of the contract. The provisions of this statement are effective for reporting periods beginning after June 15, 2021. GASB Statement No. 87 did not have a material impact on the District's financial statements.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

GASB Statement No. 91, Conduit Debt Obligations, will be effective for reporting periods beginning after December 15, 2022. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Management has not yet determined the effect of GASB Statement No. 91 on the District's financial statements.

GASB Statement No. 92, Omnibus 2020, will be effective for reporting periods beginning after June 15, 2022. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Management has not yet determined the effect of GASB Statement No. 92 on the District's financial statements.

GASB Statement No. 93, Replacement of Interbank Offered Rates, will be effective for reporting periods beginning after June 15, 2021. This Statement provides exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an Investment Book of Record is replaced as the reference rate of the hedging derivative instrument's variable payment. This Statement also removes LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap. Early application is encouraged. Management has not yet determined the effect of GASB Statement No. 93 on the District's financial statements.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, will be effective for reporting periods beginning after June 15, 2022. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPP). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APA). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. Management has not yet determined the effect of GASB Statement No. 94 on the District's financial statements.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies (Continued)

GASB Statement No. 96, Subscription-Based Information Technology Arrangements, will be effective for reporting periods beginning after June 15, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB Statement No. 87, Leases, as amended. Management has not yet determined the effect of GASB Statement No. 96 on the District's financial statements.

GASB Statement No. 95, Postponement of the effective dates of certain authoritative guidance: The requirements of this Statement are effective immediately. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for period beginning after June 15, 2018, and later. The effective dates of certain provisions contained in the following pronouncements are postponed by one year: GASB Statement No. 83; GASB Statement No. 84; GASB Statement No. 88; GASB Statement No. 99; GASB Statement No. 91; GASB Statement No. 92; and GASB Statement No. 93. The effective date for GASB Statement No. 87 has been postponed for 18 months.

Note 2: Condensed Financial Information

The following is the condensed combining detail for the statement of net position as of December 31, 2022:

	DAA	RTA	RTLC	Eliminations	Total
Current assets	\$37,620,401	\$ 7,749,894	\$ 698,625	\$ (698,625)	\$45,370,295
Restricted investments, long-term portion	-	3,328,800	-	-	3,328,800
Capital assets, net	48,893,738	71,022,840	-	-	119,916,578
Total assets	86,514,139	82,101,534	698,625	(698,625)	168,615,673
Deferred outflow of resources	3,726,916				3,726,916
Current liabilities	15,449,514	2,205,210	_	(698,625)	16,956,099
Long-term liabilities	39,091,310	35,751,194	-	-	74,842,504
Total liabilities	54,540,824	37,956,404		(698,625)	91,798,603
Deferred inflow of resources	4,731,245	156,753			4,887,998
Net investment in capital assets	5,972,165	34,773,454	-	-	40,745,619
Restricted for debt service	-	6,629,266	-	-	6,629,266
Unrestricted - other	24,996,821	2,585,657	698,625	-	28,281,103
Total net position	\$30,968,986	\$43,988,377	\$ 698,625	\$ -	\$75,655,988

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 2: Condensed Financial Information (Continued)

The following is the condensed combining detail for the statement of revenues, expenses and changes in net position for the year ended December 31, 2022:

	DAA	RTA	RTLC	Eliminations	Total
Operating revenues: Operating revenues Operating expenses:	\$78,336,253	\$ 6,273,000	\$ -	\$ -	\$84,609,253
Operating expenses	45,642,495	5,382,564	330	-	51,025,389
(Loss) income from operations	32,693,758	890,436	(330)	-	33,583,864
Nonoperation (expenses) revenues:					
Nonoperation (expenses) revenues	(927,770)	(1,593,796)			(2,521,566)
Changes in net position	31,765,988	(703,360)	(330)	-	31,062,298
Net position, beginning of year	(797,002)	44,691,737	698,955	-	44,593,690
Net position, end of year	\$30,968,986	\$43,988,377	\$ 698,625	\$ -	\$75,655,988

The following is the condensed combining detail for the statement of cash flows for the year ended December 31, 2022:

	DAA	RTA	RTLC	Total
Net cash provided by (used in) operation activities	\$11,180,670	\$ 6,325,320	\$ 698,625	\$ 18,204,615
Net cash provided by (used in) capital and related				
financing activities	(4,348,739)	(3,525,415)	_	(7,874,154)
Net cash provided by (used in) investing activities	(27,030)	(2,799,905)	-	(2,826,935)
Cash and cash equivalents, beginning of year	28,100,521	(829,800)	698,955	27,969,676
Cash and cash equivalents, end of year	\$34,905,422	\$ (829,800)	\$ 1,397,580	\$35,473,202

Note 3: Joint Exercise of Power Agreements

California Fair Services Authority: The DAA is a member of the California Fairs Financing Authority, dba California Construction Authority (CCA), a joint powers authority created by a joint exercise of powers agreement between the counties of Solano and El Dorado, and the 22nd, 32nd and 46th District Agricultural Associations. The governing body of CCA is composed of five directors appointed by member entities.

The primary purpose of the CCA is to provide financing, planning, design and construction services for projects at Fairgrounds throughout California. Additionally, the CCA provides central administration for the common interests of the members and associated members for the financing and construction of satellite wagering facilities and any other projects authorized by the agreement. Ownership of each of the satellite wagering facilities or other projects remains with the respective entity for which the project was constructed and financed.

The joint exercise of powers agreement expires on December 31, 2040. The District had no interest in CCA's assets or liabilities at December 31, 2022.

CCA projects during 2022 included the replacement of Exhibit Hall roof, renovation of the satellite wagering facility, and improvement of water quality. Costs incurred for these projects during the year ended December 31, 2022, are recorded in capital assets.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 4: Cash and Cash Equivalents, and Restricted Investments

Cash and cash equivalents, and investments consisted of the following at December 31, 2022:

Cash on hand	\$	600
Cash in banks	1,1	171,466
LAIF	34,3	301,136
Cash and cash equivalents	35,4	173,202
Restricted investments, money market accounts	11,0	071,194
Total cash and cash equivalents, and restricted investments	\$ 46,5	544,396

Cash and cash equivalents, and restricted investments are summarized on the financial statements as follows at December 31, 2022:

Cash and cash equivalents	\$ 35,473,202
Current portion of restricted investments	7,742,394
Long-term portion of restricted investments	3,328,800
	\$46,544,396

The California State Treasury makes available LAIF through which local governments may pool investments. The DAA is a participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. Investments included in LAIF include primarily debt securities, including treasuries, commercial paper and agency debt, but also include real estate structured notes and asset-backed securities. As of December 31, 2022, the DAA had \$34,301,136 invested in LAIF. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with state statute.

Investments: The state of California Government Code Section 53601 generally authorizes the District to invest unrestricted and Board-designated assets in obligations of the U.S. Treasury and certain U.S. government agencies, obligations of the state of California and local government entities, bankers' acceptances, commercial paper, certificates of deposit, repurchase agreements and mortgage securities. Some of these investments may be purchased only in limited amounts, as defined in the Government Code.

The current portion of restricted investments in the amount of \$7,742,394 is restricted for bond projects only. Funds are distributed once a month upon the DAA's request to pay bond-project invoices. The long-term portion of restricted investments in the amount of \$3,328,800 represents the amount held in reserve in the event of default. The amount required to be held in reserve is \$3,297,000. The District is in compliance with this requirement.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the investment. Interest rate is also the risk that the value of fixed-income securities will decline due to increasing interest rates. The terms of a debt investment may cause its fair value to be highly sensitive to interest rate changes.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 4: Cash and Cash Equivalents, and Restricted Investments (Continued)

Credit risk: Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investments. Fixed-income securities and investments in an external investment pool are subject to credit risk, which is the risk that an issuer will fail to pay interest or principal when due. Certain fixed-income securities, including obligations of the U.S. government or those explicitly guaranteed by the U.S. government, are not considered to have credit risk. LAIF is not rated. The District does not currently hold investments that are subject to credit risk.

Custodial credit risk, bank deposits: The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District maintains its cash balances at California Bank & Trust. These deposits are insured up to \$250,000 per bank by the Federal Deposit Insurance Corporation (FDIC). As of December 31, 2022, \$1,852,212 of the District's bank balance of \$2,102,212 was exposed to custodial credit risk as it was uninsured and uncollateralized. The District follows the state's policies on permitted investments and does not have a policy for custodial credit risk.

Custodial credit risk, investments: The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Concentration of credit risk: Concentration of credit risk is the risk associated with a lack of diversification, such as having substantial investments in a few individual issuers, thereby exposing the District to greater risks resulting from adverse economic, political, regulatory, geographic or credit developments. Investments issued or guaranteed by the U.S. government and investments in external investment pools, such as LAIF, are not considered subject to concentration of credit risk.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets or liabilities in active markets; and Level 3 inputs are significant unobservable inputs.

The District did not have any investments as of December 31, 2022, that were subject to the fair value hierarchy as the money market investments are carried at amortized cost.

Note 5: Accounts Receivable

Accounts receivable as of December 31, 2022, are summarized as follows:

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 6: Capital Assets

A summary of changes in capital assets, net, for the year ended December 31, 2022, is as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets not being depreciated:					
Land	\$ 6,322,333	\$ -	\$ -	\$ -	\$ 6,322,333
Construction in progress	38,316,964	935,206	(371,731)	(8,150,656)	30,729,783
Total capital assets not being depreciated	44,639,297	935,206	(371,731)	(8,150,656)	37,052,116
Capital assets being depreciated:					
Building and improvements	189,021,782	18,976	-	8,104,394	197,145,152
Equipment and fixtures	37,989,227	268,770	-	46,262	38,304,259
Land improvements	28,689,566	-	-	-	28,689,566
Total capital assets being depreciated	255,700,575	287,746		8,150,656	264,138,977
Less accumulated depreciation and amortization:					
Building and improvements	(121,220,604)	(5,539,720)	-	-	(126,760,324)
Equipment and fixtures	(34,687,967)	(736,693)	-	-	(35,424,660)
Land improvements	(17,886,378)	(1,203,154)	-	-	(19,089,532)
	(173,794,949)	(7,479,567)			(181,274,516)
Net capital assets being depreciated	81,905,626	(7,191,821)	-	8,150,656	82,864,461
Total capital assets, net	\$ 126,544,923	\$ (6,256,615)	\$ (371,731)	\$ -	\$ 119,916,577

Note 7: Long-Term Debt

Long-term debt activity during the fiscal year ended December 31, 2022, is as follows:

	Beginning				Α	mortization of				ue Within
	Balance	Additions	_	Payments		Premium	En	ding Balance	(One Year
Series 2015 Revenue Bonds	\$ 37,135,000	\$ -		\$ (1,435,000)	\$	-	\$	35,700,000	\$	1,510,000
Series 2015 Unamortized Premium	1,736,076	-		-		(174,882)		1,561,194		-
2019 Energy Efficiency Loan	3,605,862	-		(164,022)		-		3,441,840		168,121
2018 IBank Loan	7,804,760	-		(387,201)		-		7,417,559		398,817
2019 IBank Loan	14,383,519	-		(324,890)				14,058,629		336,522
Total Long-Term Debt	\$ 64,665,217	\$ -	_ :	\$ (2,311,113)	\$	(174,882)	\$	62,179,222	\$	2,413,460

Series 2015 Revenue Bonds: On August 1, 2015, the RTA issued \$44,435,000 in Series 2015 Bonds at a premium of \$2,969,958 and net issuance costs of \$666,741. The Series 2015 Bonds have fixed interest rates of 2.00% to 5.00% and mature annually on October 1 from 2016 to 2038. These bonds were issued for the purpose of refinancing the \$25,460,000 outstanding principal amount of the Authority's Revenue Bonds, Series 2005 and to provide additional funds for grandstand improvements and other long-term improvements including electrical, sewer, roofing and elevator improvements. The refunding resulted in the recognition of an accounting net gain of \$568,233 for the year ended December 31, 2015. The unamortized balance of the net gain is \$156,753 at December 31, 2022. The source of repayment of these bonds includes pledged revenues and the interest or profits from the investment of money in any account or fund established under the Series 2015 Bond Indenture (the Indenture). Pledged revenues consist of race track net revenues and concession net revenues up to \$4 million.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 7: Long-Term Debt (Continued)

Future scheduled principal and interest payments as of December 31, 2022, are as follows:

Years Ending December 31,	Principal		Interest		Total
2023	\$	1,510,000	\$	1,785,250	\$ 3,295,250
2024		1,585,000		1,709,750	3,294,750
2025		1,665,000		1,630,500	3,295,500
2026		1,745,000		1,547,250	3,292,250
2027		1,835,000		1,460,000	3,295,000
2028-2032		10,640,000		5,829,250	16,469,250
2033-2037		13,585,000		2,889,000	16,474,000
2038		3,135,000		157,000	3,292,000
	\$	35,700,000	\$	17,008,000	\$ 52,708,000

Source or repayment: Pursuant to the Indenture between the RTA and the Trustee, the Trustee must establish and maintain a project fund and a bond fund. The bond fund contains an interest account, principal account, redemption account, reserve account and surplus account. All money in each of such accounts shall be invested by the Trustee and shall be used only for the purposes authorized by the Indenture. All money in the project fund must be used solely for the improvements at the Fairgrounds. All money in the interest and principal accounts shall be used solely for the purpose of paying the interest and principal on the Series 2015 Bonds as it shall become due and payable. All money in the redemption account must be held in trust by the Trustee and will be applied, used and withdrawn either to redeem bonds pursuant to an optional redemption or extraordinary redemption. Any insurance or eminent domain proceeds, which are to be used to redeem bonds, will be deposited by the Trustee in the redemption account. All money in the reserve account shall be used solely for the purpose of paying the interest on, or principal of, or redemption premiums, if any, on the Series 2015 Bonds in the event that no other money of the RTA is lawfully available henceforth, or for the retirement of all Series 2015 Bonds then outstanding. The Trustee, if the RTA is not then in default hereunder and upon the written request of the RTA, shall apply amounts in the surplus account to redeem Series 2015 Bonds, to pay for project costs as defined, or to pay for any lawful purpose of the RTA.

As of December 31, 2022, the total principal and interest remaining to be paid on the bonds is \$52,708,000. The next interest and principal payments for the Series 2015 Bonds are due on April 1, 2023, and October 1, 2023, respectively, with the final payment occurring on October 1, 2038.

Upon issuance of the Series 2015 Bonds, a portion of the proceeds were required to be deposited in the reserve account with the Trustee and a minimum balance must be maintained in this account. The minimum balance is the lesser of the maximum annual debt service payment over the life of the bond (\$3,297,000), 10% of total bond proceeds (\$4,443,500) or 125% of average annual debt service (\$4,117,861). At December 31, 2022, the District held \$3,328,800 in a reserve fund for the debt reserve requirement. Pledged revenues are deposited monthly into the bond fund accounts in a specific order and certain minimum balances are maintained, as indicated by the Indenture.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 7: Long-Term Debt (Continued)

On or prior to January 15 of each bond year, commencing January 15, 2017, the District shall determine in writing and submit to the Trustee the total amount of coverage test revenues for the preceding bond year. The District submitted written representation confirming the total amount of coverage test revenues for the 2022 bond year on December 27, 2022.

2018 IBank loan: On May 24, 2018, the DAA entered into an installment sale agreement with IBank. The total amount borrowed from IBank was \$8,900,000. The interest rate is 3.30% per annum, which includes the annual fee of 0.30% of the outstanding principal balance. The money was borrowed to pay for a new facility, which is necessary to improve the Fairgrounds' storm water quality system and to install chiller equipment. \$8,411,000 will be utilized for the Environmental Remediation project, \$400,000 will be utilized to pay for the chiller equipment installation and \$89,000 will be used to pay for the IBank origination fee. The Project's estimated completion date is no later than June 1, 2022. Final principal and interest payments are due on August 1, 2037.

Future scheduled principal and interest payments as of December 31, 2022, are as follows:

Years Ending December 31,	Principal		Interest		Total
2023	\$	398,817	\$	222,527	\$ 621,344
2024		410,781		210,562	621,344
2025		423,105		198,239	621,344
2026		435,798		185,546	621,344
2027		448,872		172,472	621,344
2028-2032		2,454,615		652,103	3,106,718
2033-2037		2,845,571		261,146	3,106,718
	\$	7,417,559	\$	1,902,594	\$ 9,320,153

2019 IBank loan: On May 1, 2019, the DAA entered into an installment sale agreement with IBank. The total amount borrowed from IBank was \$15,000,000. The interest rate is 3.58% per annum, which includes the annual fee of 0.30% of the outstanding principal balance. The interest and principal payments start on February 1, 2021, and August 1, 2021, respectively. The money was borrowed to finance and refinance the costs of its 1,900 person capacity concert venue. The funds will be used for improving and converting a portion of the Surfside Raceplace (SSRP) into a concert venue, together with food and beverage service facilities, and all associated necessary design, architecture, engineering, construction, equipping, machinery installation, construction contingency, environmental review, permitting, entitlement, construction management, administration and general development activities. The Project's estimated completion date is no later than February 26, 2021. Final principal and interest payments are due on August 1, 2048.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 7: Long-Term Debt (Continued)

Future scheduled principal and interest payments as of December 31, 2022, are as follows:

Years Ending December 31,	Principal	Interest		Total
2023	\$ 336,522	\$	503,298	\$ 839,820
2024	348,569		491,252	839,821
2025	361,048		478,772	839,820
2026	373,973		465,848	839,821
2027	387,362		452,458	839,820
2028-2032	2,155,020		2,044,084	4,199,104
2033-2037	2,569,395		1,629,706	4,199,101
2038-2042	3,063,447		1,135,656	4,199,103
2043-2047	3,652,498		546,604	4,199,102
2048	 810,795		29,026	 839,821
	\$ 14,058,629	\$	7,776,704	\$ 21,835,333

2019 Energy Efficiency: In May 2019, the DAA entered into an Energy Efficiency Loan with California Department of General Services (DGS). DGS is a state agent that offers low interest loans. The total amount borrowed from DGS was \$3,769,883. The interest rate is 2.50% per annum. The principal and interest payments start on May 1, 2021. The money was borrowed to upgrade air handling units, interior and exterior lighting and residential appliances. The money was also used to replace kitchen equipment and repair duct leakage, RCx HVAC units and DHW look controls. Furthermore, funds were used to install variable frequency drives (VFD) on condenser water pumps. The project was completed in 2020. Final principal and interest payments are due on April 1, 2038.

Future scheduled principal and interest payments as of December 31, 2022, are as follows:

Years Ending December 31,	 Principal		Interest		Total
2023	\$ 168,121	\$	90,147	\$	258,268
2024	172,324		85,944		258,268
2025	176,633		81,635		258,268
2026	181,048		77,220		258,268
2027	185,575		72,693		258,268
2028-2032	999,827		291,513		1,291,340
2033-2037	1,131,213		160,127		1,291,340
2038	427,099		23,469		450,568
	\$ 3,441,840	\$	882,747	\$	4,324,588

Note 8: Operating Leases and Agreements

Del Mar Thoroughbred Club (DMTC): Under an operating agreement with the RTLC and the DAA, the DMTC operates and controls the operations of the Del Mar race track and grandstand structures during the summer and fall race meets.

Revenues associated with the DMTC operating agreement totaled \$1,225,000 for the year ended December 31, 2022. Included in the revenue associated with the DMTC operating agreement are the direct payment amounts noted below:

• Direct payment of \$1,225,000 per year to the DAA, to be used by the DAA for the annual fair or other authorized purpose.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 8: Operating Leases and Agreements (Continued)

 Basic payment equal to final net earnings less the sum of (1) any amount in excess of funds available to DMTC, which, subject to the approval of the District, is sufficient to pay or provide for projected operating capital from January 1 through to the commencement of the next race meet, and (2) the direct payment amount. The basic payment totaled \$4,700,000 for the year ended December 31, 2022.

The DMTC guarantees the performance of all of the terms, covenants and conditions of the operating agreement through a \$500,000 letter of credit.

The RTLC may, at its sole discretion, elect to extend the new operating agreement for three five-year option periods. In February 2015, the RTLC elected to extend the operating agreement for the first five-year option period. RTLC elected to extend the operating agreement for the second five-year option period. In the event legislation is enacted by the California legislature authorizing a sale of the Fairgrounds, the RTLC has the option to terminate the contract by giving at least 180 days' written notice. The termination would be effective on December 31 in the year the notice is given unless the notice is given less than 180 days before the end of the year. In that event, the termination would be effective December 31 of the following year.

DMTC is not included as part of the District's reporting entity because it is governed by a separate Board of Directors and is fiscally independent of the District.

Premier Food Services, Inc.: The DAA has a management agreement granting the use of food and beverage services equipment to Premier Food Services, Inc. (Premier). Management fees related to this contract were \$604,962 for the year ended December 31, 2022. During 2011, through a competitive bidding process, a new four-year contract was awarded to Premier with up to two additional three-year terms upon approval of the DAA. This original contract was set to expire on December 31, 2015; however, on August 26, 2015, the DAA approved and renewed the contract for another three-year term.

On November 14, 2018, the DAA approved and renewed the contract for a third three-year term plus an additional five years. The new contract is set to expire on December 31, 2026. Per the new agreement, the DAA retains control over the operations. The daily gross receipts are deposited in the name and interest of the DAA and the DAA reimburses Premier for all reimbursable costs, as defined in the agreement, and pays a management fee equal to 12.50% of all net profits from the food and beverage operation. Furthermore, the DAA, in cooperation with Premier/SMG, obtained a \$2 million capital investment to convert the satellite wagering facility to include a music and entertainment venue. Premier agreed to provide event and entertainment booking and production company services, acceptable to and in compliance with specific terms and conditions requested by the DAA. In consideration of its \$2 million capital investment, Premier and the DAA have agreed on a five-year extension of the agreement from December 31, 2021, to December 31, 2026, with an additional five-year mutual option and with new terms and conditions specifically relating to the operation of the Del Mar Satellite Wagering Facility to include a music and entertainment venue. The payment of \$2 million shall be made to the DAA in two installments as follows: \$750,000 on or before December 31, 2018, and the balance of \$1,250,000 on January 3, 2020. The DAA agrees to pay annually to Premier 30.00% of net profits from the music and entertainment events conducted at the SSRP Music and Entertainment Venue or \$100,000, whichever is greater, until such payments equal \$2 million. Activity relating to this new agreement is as follows:

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 8: Operating Leases and Agreements (Continued)

	Beginning			Ending	Due Within
	Balance	Additions	Payments	Balance	One Year
Premier Investment Liability	\$ 1,900,000	\$	- \$ (100,000)	\$ 1,800,000	\$ 100,000

Future scheduled of minimum payments as of December 31, 2022, are as follows:

Years Ending December 31,	Payments
2023	\$ 100,000
2024	100,000
2025	100,000
2026	100,000
2027	100,000
2028-2032	500,000
2033-2037	500,000
2038	300,000
	\$ 1,800,000

Other: The DAA owns a recreational park that is operated by an unrelated management company. Beginning January 1, 2021, the DAA entered into an agreement with Del Mar Golf Course Management Inc. (DMGC) DBA Surf & Turf Rec Center to operate the recreational park and RV park. The DAA recognized net revenues from DMGC of \$887,463 for the year ended December 31, 2022.

Note 9: Other Liabilities

Activity of other liabilities during the fiscal year ended December 31, 2022, is as follows:

	Beginning Balance	Additions		Payments	Ending Balance	_	ue Within One Year
Senate Bill No. 84 Liability	\$ 3,403,924	\$	-	\$ (1,239,790)	\$ 2,164,134	\$	619,895

See Note 10 for information related to Senate Bill No. 84 (SB 84).

Note 10: Public Employees' Retirement System

Plan description: The DAA participates in the state of California—Miscellaneous Plan, an agent multiple-employer defined benefit pension plan (the Plan) administered by CalPERS. The Plan, part of the public agency portion of CalPERS, acts as a common investment and administrative agent for participating member agencies within the state of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. The state of California selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained by contacting the CalPERS Fiscal Services Division.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 10: Public Employees' Retirement System (Continued)

Benefits provided: All employees who work half-time or more are eligible to participate in the Plan. CalPERS provides retirement, death, disability and survivor benefits. Vesting occurs after five years. The benefit provisions are established by the Public Employees' Retirement Law and the Public Employees' Pension Reform Act of 2013, and are summarized in Appendix B of the state's June 30, 2020, Actuarial Valuation Report, which may be found at https://www.calpers.ca.gov/docs/forms-publications/2020-state-valuation.pdf.

In general, retirement benefits are based on a formula using a member's years of service credit, age at retirement and final compensation (average salary for a defined period of employment). Retirement formulas are based on membership category and specific provisions in the employees' contracts.

The three basic types of retirement are:

Service retirement: The normal retirement is a lifetime benefit. In most cases, employees become eligible for service retirement as early as age 50 with five years of service credit. If the employee became a member on or after January 1, 2013, he or she must be at least 52 years old with at least five years of service to retire. Second-tier employees become eligible at age 55 with at least 10 years of service credit.

Vested deferred retirement: Vested members who leave employment but keep their contribution balances on deposit with CalPERS are eligible for this benefit.

Disability retirement: Vested members who can no longer perform the usual duties of their current position due to illness or injury may receive this credit.

Contributions: Participating employers and active members are required to contribute a percentage of covered salary to the Plan. Section 20814(c) of the Plan requires that employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount necessary to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Those rates reflect Section 20683.2, which mandates that certain employees must contribute more as of July 1, 2015. Furthermore, any reduction in employer contributions due to the increase in employee contributions must be paid by the employer toward the unfunded liability.

The employee contribution rate for the year ended December 31, 2022, was 10% for the skilled craftsmen and 8% for all other employees. The employer contribution rate for the year ended December 31, 2022, was 31.76% for State Miscellaneous Member employees. The required contributions and the amount paid by the DAA for the year ended December 31, 2021, was \$3,730,833. The DAA's employer contributions were equal to the required employer contributions for the year ended December 31, 2022.

Pension liability: At December 31, 2022, the DAA reported a net pension liability of \$8,221,540 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 10: Public Employees' Retirement System (Continued)

liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021. The DAA's portion of the net pension liability was based on a projection of the DAA's pensionable compensation relative to the pensionable compensation of all participating employers, as determined by CalPERS. At June 30, 2021, the DAA's proportion was 0.08926%.

For the year ended December 31, 2022, the DAA recognized pension expense of \$(17,985,055). At December 31, 2022, the DAA reported deferred outflows of resources related to pensions from the following sources:

	Dolollou
	Outflows of
	Resources
Difference between expected and actual experience	\$ 526,647
District contributions subsequent to the measurement date	2,535,983
	\$ 3,062,630

At December 31, 2022, the DAA reported deferred inflows of resources related to pensions from the following sources:

		Deferred
		Inflows of
	F	Resources
Changes of assumptions	\$	12,398
Net difference between projected and actual earnings on pension plan investments		3,473,937
	\$	3,486,335

The amount reported as deferred outflows of resources related to pensions resulting from DAA contributions subsequent to the measurement date totaled \$2,535,983 and will be recognized as a reduction of the net pension liability in the year ending December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31,	
2023	\$ (573,563)
2024	(662,327)
2025	(769,512)
2026	(954,286)
	\$ (2,959,688)

Deferred

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 10: Public Employees' Retirement System (Continued)

Actuarial methods and assumptions: The total pension liability was measured as of June 30, 2021 (measurement date), by rolling forward the total pension liability determined by the June 30, 2020, actuarial valuation (valuation date), based on the actuarial assumptions shown in the table below:

Valuation date June 30, 2020

Actuarial cost method Entry age normal in accordance with the requirements

Discount rate 7.15% Inflation 2.50%

Salary increases Varies by entry age and service

Investment rate of return 7.15% net of pension plan investment expense but without

reduction for administrative expenses; includes inflation
Derived using CalPERS' Membership data for all funds

Mortality (1) Derived using CalPERS' Membership data for all funds
Post-retirement benefit adjustments(COLA) Contract COLA up to 2.50% until the purchasing power

protection allowance floor on purchasing power applies,

2.50% thereafter

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Discount rate: The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CalPERS is scheduled to review all actuarial assumptions as part of its regular asset liability management review cycle, scheduled to be completed in February 2021. Any changes to the discount rate will require action on the part of CalPERS' Board of Administration and proper stakeholder outreach. No changes to the discount rate were made as of the measurement date of June 30, 2021.

The long-term expected rate of return on pension plan investments was determined using the building- block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 10: Public Employees' Retirement System (Continued)

same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class (1)	Assumed Asset Allocation	Real Return Years 1-10 (2)	Real Return Years 11+ (3)
Global Equity Fixed Income	50.0% 28.0%	4.80% 1.00%	5.98% 2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity Real Estate	8.0% 13.0%	6.30% 3.75%	7.23% 4.93%
Liquidity	1.0% 100.0%	0.00%	-0.92%

- (1) In the System's comprehensive annual financial report, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.
- (2) An expected inflation rate of 2.00% is used for this period.
- (3) An expected inflation rate of 2.92% is used for this period.

In December 2016, the CalPERS Board of Administration voted to lower the discount rate used in its actuarial assumptions from 7.50% to 7.00% (net of 0.15% administrative expenses) effective July 1, 2017. A similar reduction to the discount rate in accordance with GASB Statement No. 68 will increase the net pension liability. This increase will be amortized over the expected remaining service lives of all employees provided with benefits through the pension plans. This period ranges from 3.5 to 5.2 years.

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 10: Public Employees' Retirement System (Continued)

Sensitivity of the DAA's proportionate share of the state's net pension liability to changes in the discount rate: The following table presents the DAA's proportionate share of the net pension liability calculated using the discount rate of 7.15%, as well as what the DAA's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate:

	Discount Rate -1% (6.15%)		 rrent Discount ate (7.15%)	Discount Rate +1% (8.15%)		
District's propotionate share of the net pension liability	\$	13,858,626	\$ 8,221,540	\$	3,501,162	

Pension plan fiduciary net position: Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report at www.CalPERS.ca.gov.

SB 84: On July 10, 2017, Governor Brown signed SB 84 into law, which had the effect of borrowing \$6 billion from the PMIA to make a one-time supplemental payment to CalPERS as part of the 2017 to 2018 fiscal year budget package. The intent of this one-time supplemental payment was to save the state money over the next few decades by slowing the pace of cost increases for the state's annual pension payments.

Under SB 84, the Department of Finance (the DOF) was required to develop a repayment schedule for the loan principal and interest accrued from the \$6 billion that was borrowed from the PMIA. As part of its requirement, the DOF was tasked with determining the proportionate share of the obligation attributable to the DAAs. The DOF has informed the DAA that the liability allocated to the DAA is \$3,403,924. This obligation was calculated by the DOF based on the 2016 to 2017 CalPERS employer retirement contributions. The amount is to be repaid over five fiscal years beginning in 2020 and ending in 2024. The repayment schedule is as follows:

Years Ending December 31,	
2023	\$ 619,895
2024	1,544,239
	\$ 2,164,134

Note 11: Other Post-Employment Benefit Obligations

During fiscal year 2018, the DAA adopted GASB Statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions. The primary objective of this statement is to improve information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This OPEB plan is considered an agent- multiemployer plan.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11: Other Post-Employment Benefit Obligations (Continued)

General information about the OPEB plan:

Plan description: The DAA contributes to the Plan and CalPERS administers the plan. CalPERS provides lifetime retiree medical coverage to eligible employees and their dependents. In most cases, the employee can retire at age 50 with five years of service credit. If the employee became a member on or after January 1, 2013, they must be at least 52 years old to retire. The medical plan benefits are contracted with CalPERS under the Public Employees' Medical and Hospital Care Act, and dental benefits under the State Employees' Dental Care Act.

Benefits provided: The state of California provides medical, prescription drug and dental benefits (health care benefits) to retired statewide employees through a single-employer defined benefit plan. The state participates in the CERBT, an agent multiple-employer plan consisting of an aggregation of single- employer plans, including over 531 contributing employers. The state also offers life insurance, long-term care and vision benefits to retirees; however, because these benefits are completely paid for by retirees, there is no GASB Statements No. 74 or 75 liability to the state on behalf of such benefits.

Contributions: The DAA adopted the entry age normal actuarial cost method pre-funding prospectively. The entry age normal actuarial cost method, with the contributions determined as a percent of payroll, is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future, as well as those already accrued. The plan uses a 6.75% discount rate, assuming the DAA continues prefunding 100% of each future year's annual required contribution. The DAA assumes a 30-year amortization of the unfunded actuarial liability, with certain adjustments for changes in the net OPEB obligation.

The premium apportionment is set by the Craft and Maintenance Bargaining Unit (BU12), the Stationary Engineers Bargaining Unit (BU13), the Service Employees International Union (SEIU) and the Exempt Excluded Executive (EEE). The DAA currently pays the medical plan premiums for both retirees and active employees and their dependents at a rate set by contract at CalPERS.

The DAA has voluntarily opted for a funding policy under which it will contribute 100% of its actuarially determined annual required contribution. Contributions to the OPEB Plan from the DAA for the year ended December 31, 2022, was \$282,571.

California state employees covered by benefit terms: At December 31, 2022, the following California state employees for each respective valuation group were covered by the benefit terms:

	Exempt Excluded Executive (EEE)	Service Employees International Union (SEIU)	Craft and Maintenace (BU12)	Stationary Engineers (BU13)
Inactive employees or beneficiaries currently receiving benefit payments Active employees	4,177	76,368	10,476	985
	7,390	115,564	12,885	938
	11,567	191,932	23,361	1,923

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11: Other Post-Employment Benefit Obligations (Continued)

OPEB liabilities, OPEB expense and deferred outflows of resources related to OPEB: The DAA's net OPEB liability was \$3,610,963 at December 31, 2022. The DAA's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

For the year ended December 31, 2022, the DAA recognized OPEB expense of \$427,136 and included in wages, benefits and taxes on the statement of revenues, expenses and changes in net position.

At December 31, 2022, the DAA reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Defer	red Outflows	Deferred Inflows of			
	of I	Resources	F	Resources		
Difference between expected and actual experience	\$	-	\$	431,372		
Change of assumptions		224,344		803,129		
Net difference between projected and actual earnings on						
OPEB Plan investment		34,149		10,409		
Contributions subsequent to the measurement date		282,571		-		
	\$	541,064	\$	1,244,910		

Of the total amount reported as deferred outflows related to OPEB, \$282,571 resulting from DAA contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the net OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31,	
2023	\$ (223,619)
2024	(168,517)
2025	(109,541)
2026	(108,474)
2027	(111,985)
Thereafter	(141,059)
	\$ (863,195)

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11: Other Post-Employment Benefit Obligations (Continued)

Actuarial assumptions: The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation date June 30, 2022

Actuarial cost method Entry age normal in accordance with the requirements of GASB Statement No. 75

Actuarial assumptions:

Discount rate Blended rate for each valuation group, consisting of 6.00% when assets are

available to pay benefits, otherwise 20-year Municipal G.O. Bond AA Index

rate of 1.92%

Amortization period Five years

Asset valuation method Market value of assets as of the measurement date

Inflation 2.30%

Salary increases Varies by entry and service

Investment rate of return 6.00%, net of OPEB plan investment expenses but without reduction for OPEB

plan administrative expenses.

Healthcare cost trend rates Pre-Medicare coverage: Actual rates for 2022, increasing to 7 .50% in 2023,

grading down to 4.50% from 2029 to 2037, and 4.25% for 2038 and later years. Post-Medicare coverage: Actual rates for 2022, increasing to rates ranging from 7.50% to 8.42% in 2023, grading down to 4.50% from 2031 to 2037,

and 4.25% for 2038 and later years.

Dental coverage: 0.00% for 2022, 2.00% for 2023, 3.00% for 2024, 4.00% for 2025,

and 4.25% for 2026 and later years.

Mortality rate table Derived using CalPERS' membership data for all members.

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 80% Scale MP 2020. For more details on this table, refer to the 2021 CalPERS Experience Study and Review of Actuarial Assumptions report (the Experience Study) for the period from 2000 to 2019. Other demographic assumptions used in the June 30, 2021, valuation were also based on the results of the 2021 Experience Study, including updates to termination, disability, and retirement rates. The 2021 Experience Study report is available at www.calPERS.ca.gov.

The retirement rates that were used in the most recent CalPERS Public Agency Miscellaneous 2.00% at 60 for actives hired before January 1, 2013, and 2.00% at 62 for actives hired on or after January 1, 2013.

The long-term expected rate of return on OPEB plan investments was determined by Gabriel, Roeder, Smith & Company using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. Expected compound (geometric) real returns were calculated over a closed period. Based on separate expected real returns for the short-term (first 5 years) and the long-term (6-20) years), and an average inflation assumption of 2.30%, a single expected nominal return rate of 6.00% was calculated for the combined short-term and long-term periods. If applied to expected cash flows during that period, the resulting present value of benefits is expected to be consistent with the present value of benefits that would be determined by applying the short and long-term expected rates to the same cash flows.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11: Other Post-Employment Benefit Obligations (Continued)

As of December 31, 2022, the long-term expected real rate of return for each major asset class in the Plan's portfolio are as follows:

Investment Class	Target Asset Allocation	Real Return Years 1-5	Real Return Years 6-20
Global equity	49.0%	4.40%	4.50%
Fixed income	23.0%	-1.00%	2.20%
Treasury inflation-protected securities	5.0%	-1.80%	1.30%
Real estate investment trusts	20.0%	3.00%	3.90%
Commodities	3.0%	0.80%	1.20%
	100.0%		

In the fiscal year 2020-21, the blended discount rates used in the actuarial assumptions changed from the prior year. Please refer to the prior year report on the State Controller's Office website.

Discount rate: The blended rates used to measure the June 30, 2021 total OPEB liability consist of the 20-year Municipal G.O. Bond AA Index rate of 1.92% as of June 30, 2021, as reported by Fidelity, when prefunding assets are not available to pay benefits, and 6.00% when prefunding assets are available to pay benefits. The cash flow projections used to calculate the blended discount rates were developed assuming that prefunding agreements in which actuarial determined normal costs are shared between employees and the State will continue and that the required contributions will be made on time and as scheduled in future years. The actuarial valuation as of June 30, 2021 includes the impact of the temporary suspensions of employee contributions under the Personal Leave Program that was in effect during the fiscal year ended June 30, 2021. The prefunding agreements are subject to collective bargaining and legislative approval. Detailed information on the blended discount rates by valuation group is available in the State of California Retiree Health Benefits Program GASB Nos. 74 and 75 Actuarial Valuation Report as of June 30, 2021, on the State Controller's Office website, at www.sco.ca.gov.

Sensitivity of the net OPEB liability to changes in the discount rate: The following table presents the net OPEB liability of the DAA as of the measurement date, calculated using the discount rate for the DAA, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current discount rate:

	1% Decrease		Dis	scount Rate	1	% Increase
		(5.00%)		(6.00%)		(7.00%)
Net OPEB liability	\$	4,220,373	\$	3,610,963	\$	3,115,696

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022

Note 11: Other Post-Employment Benefit Obligations (Continued)

Sensitivity of the net OPEB liability to changes in the health care cost trend rates: The following presents the net OPEB liability of the DAA, as well as what the DAA's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (3.50%) or one percentage point higher (5.50%) than the current health care cost trend rate:

	Health Care Cost			Health Care Cost
	Trend Rate 1%	Hea	lth Care Cost	Trend Rate 1%
	Decrease (6.50%,	Trend	d Rate (7.50%,	Increase (8.50%,
	Decreasing to	De	creasing to	Decreasing to
	3.25%)		4.25%)	5.25%)
Net OPEB liability	\$3,070,550	\$	3,610,963	\$4,297,882

Note 12: Deferred Compensation

The DAA offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all DAA employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to the employees until termination, retirement, death or emergency.

All amounts of compensation deferred under the plan are submitted to the state of California after each pay period. Thus, no assets or liabilities associated with the plan are included in the DAA's financial statements.

Note 13: Contingencies

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District has obtained insurance to cover these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is subject to various claims and legal actions relating to a range of matters that are incidental to the conduct of its operations. The District's management believes, after reviewing such matters and consulting with the District's legal counsel, that the aggregate effect of these matters will not have a material adverse effect on the District's financial position or results of operations.

REQUIRED SUPPLEMENTARY INFORMATION

THE 22^{ND} DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

PROPORTIONATE SHARE OF NET PENSION LIABILITY STATE OF CALIFORNIA - MISCELLANEOUS PLAN AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	 2015	 2016	 2017	 2018
DAA's proportion of net pension liability	0.09858%	0.09647%	0.09486%	0.09378%
DAA's proportionate share of net pension liability	\$ 23,470,069	\$ 27,245,770	\$ 31,413,325	\$ 34,264,531
DAA's covered-employee payroll	9,584,111	10,165,779	10,645,864	10,922,111
DAA's proportionate share of net pension liability as a percentage				
of its covered-employee payroll	244.89%	268.01%	295.08%	313.72%
Plan's fiduciary net position as a percentage of total pension liability	74.17%	70.68%	66.81%	66.42%

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

 2019	2020 2021			2022		
\$ 0.09656% 30,334,440 11,621,146	\$ 0.09940% 33,432,199 12,512,491	\$	0.08926% 31,028,963 11,829,657	\$ 0.03690% 8,224,426 5,130,672		
261.03% 71.83%	267.19% 71.34%		262.30% 71.51%	160.30% 82.39%		

THE 22ND DISTRICT AGRICULTURAL ASSOCIATION AND ITS BLENDED COMPONENTS

SCHEDULE OF CONTRIBUTIONS, STATE OF CAILFORNIA - MISCELLANEOUS PLAN AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	 2015	2016		2017		 2018
Actuarially Determined Contribution Contribution in Relation to the Actuarially Determined Contribution Contribution Deficiency (Excess)	\$ 2,116,483 (2,125,650) (9,168)	\$	2,506,349 (2,516,766) (10,417)	\$	2,662,820 (2,673,670) (10,851)	\$ 2,891,680 (2,902,564) (10,884)
Covered Payroll	\$ 9,584,111	\$	10,165,779	\$	10,645,864	\$ 10,922,111
Contributions as a Percentage of Covered Payroll	22.18%		24.76%		25.11%	26.58%

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only seven years are shown.

Note to Schedule:

Valuation Date: June 30, 2020

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method Amortization method Asset valuation method

Inflation Payroll Growth

Projected Salary Increases

Investment Rate of Return

Retirement Age

Mortality

Entry Age Normal

Level percentage of payroll, closed

Direct rate smoothing

2.50%

2.75%

Varies by Entry Age and Service

7.0% Net of Pension Plan Investment and Administrative Expenses;

includes Inflation.

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at www.calpers.ca.gov under Forms and Publications.

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of Society of Actuaries' Scale 2016. For more details on this table, please refer to the 2018 experience study report.

_	2019	_	2020	2021	_	2022	
\$	3,314,443 (6,802,127)	\$	3,742,147 (3,754,675)	\$	3,730,833 (4,470,722)	\$	1,389,425 (1,394,172)
\$	(3,487,684)	\$	(12,528)	\$	(739,889)	\$	(4,747)
\$	11,621,146	\$	12,512,491	\$	11,829,657	\$	5,130,672
	58.53%		30.01%		37.79%		27.17%

THE 32^{ND} DISTRICT AGRICULTURAL ASSOCIATION OC FAIR & EVENT CENTER

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	 2018	 2019	 2020	2021			2022
Total OPEB Liability							
Service cost	\$ 13,340	\$ 155,433	\$ 242,067	\$	154,833	\$	169,082
Interest on the total OPEB liability	15,744	181,065	260,895		136,394		120,705
Actual and expected experience difference	(32,828)	(87,443)	(199,071)		(325,199)		140,920
Changes in assumptions	(15,187)	4,258,083	2,428,581		(2,760,135)		(3,754,992)
Benefit payments	(10,412)	(130,860)	(207,519)		(126,960)		(136,800)
Net change in total OPEB liability	 (29,343)	4,376,278	2,524,953		(2,921,067)		(3,461,085)
Total OPEB liability - beginning	393,881	364,538	4,740,816		7,265,769		4,344,702
Total OPEB liability - ending (a)	364,538	4,740,816	7,265,769		4,344,702		883,617
Plan Fiduciary Net Position							
Contribution - employer	11,166	144,331	248,023		126,960		173,594
Contribution - employees	754	13,471	40,504		31,865		69,751
Net investment income	93	2,220	3,057		23,222		(30,942)
Benefit payments	(10,412)	(130,860)	(207,519)		(126,960)		(136,800)
Administrative expense	(1)	(13)	(45)		(33)		(46)
Other miscellaneous income/expense	(7)	8,672	(7,972)		(42,826)		(42,826)
Net change in plan fiduciary net position	 1,593	37,821	76,048		12,228		32,731
Plan fiduciary net position - beginning	901	2,494	40,315		116,363		128,591
Plan fiduciary net position - ending (b)	2,494	40,315	 116,363		128,591		161,322
Net OPEB Liability - Ending (a) - (b)	\$ 362,044	\$ 4,700,501	\$ 7,149,406	\$	4,216,111	\$	722,295
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.68%	0.85%	1.60%		2.96%		18.26%

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule: None

Changes in Assumptions: In 2019, the mortality improvement scale was updated to the Society of Actuaries Scale MP-2019. In December 2019, the ACA Excise Tax was repealed and removed from the actuarial assumptions.

THE $32^{\rm ND}$ DISTRICT AGRICULTURAL ASSOCIATION OC FAIR & EVENT CENTER

SCHEDULE OF CONTRIBUTIONS - OPEB AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2018		 2019		2020		2021		2022	
Actuarially Determined Contribution Contribution in Relation to the Actuarially Determined Contributions	\$	19,101 (11,166)	\$ 225,512 (144,331)	\$	332,432 (248,023)	\$	209,124 (158,825)	\$	174,534 (206,550)	
Contribution Deficiency (Excess)	\$	7,935	\$ 81,181	\$	84,409	\$	50,299	\$	(32,016)	
Expected return on assets	\$	120	\$ 1,707	\$	6,510	\$	6,019	\$	10,862	
Percentage of ADC made by employer		58.46%	64.00%		74.61%		75.95%		118.34%	

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

Methods and Assumptions Used to Determine Contributions:

Valuation Date June 30, 2020 Actuarial Cost Method Entry Age Normal

Discount Rate 6.00% General Inflation 2.30%

Payroll Growth Varies by age and service

Mortality, Disability, Termination, Retirement 2021 CalPERS Experience Study;

Mortality Improvement - Mortality projected fully generational with Scale MP-2020

Medical Trend Pre-Medicare - Actual rates for 2022, increasing to 7.50% in 2023, grading down to 4.50% from 2029 to 2037, and 4.25%

for 2038 and later years.

Post-Medicare - Actual rates for 2022, increasing to rates ranging from 7.50% to 8.42% in 2023, grading down to 4.50%

from 2031 to 2037, and 4.25% for 2038 and later years.

 $Dental - 0.00\% \ for \ 2022, \ 2.00\% \ for \ 2023, \ 3.00\% \ for \ 2024, \ 4.00\% \ for \ 2025, \ and \ 4.25\% \ for \ 2026 \ and \ later \ years.$

SUPPLEMENTARY INFORMATION

COMBINING STATEMENT OF NET POSITION DECEMBER 31, 2022

		DAA	RTA	RTLC	EI	iminations	Total
Assets and Deferred Outflow of Resources							
Current Assets Cash and cash equivalents Current portion of restricted investments Accounts receivable, net Prepaid expenses and other	\$	35,473,202 - 1,557,615 589,584	\$ 7,742,394 - 7,500	\$ - - 698,625 -	\$	- (698,625) -	\$ 35,473,202 7,742,394 1,557,615 597,084
Total Current Assets		37,620,401	7,749,894	698,625		(698,625)	45,370,295
Restricted investments, long-term portion Capital assets, net		- 48,893,738	3,328,800 71,022,840	-		- -	3,328,800 119,916,578
Total Assets		86,514,139	82,101,534	698,625		(698,625)	168,615,673
Deferred Outflow of Resources: Deferred outflow of pension liability Deferred OPEB		3,062,630 664,286	-	-		- -	3,062,630 664,286
Total Deferred Outflow of Resources		3,726,916	-	-		-	3,726,916
Total Assets and Deferred Outflow of Resources	\$	90,241,055	\$ 82,101,534	\$ 698,625	\$	(698,625)	\$ 172,342,589
Liabilities, Deferred Inflow of Resources and Net Position							
Current Liabilities Accounts payable Accrued interest Accrued liabilities and other Accrued compensated absences Current portion of premier investment liability Current portion of SB84 liability Current portion of loan payable Current portion of bonds payable Total Current Liabilities	\$	7,306,621 252,164 5,036,326 1,231,048 100,000 619,895 903,460	\$ 48,812 458,149 188,249 - - 1,510,000 2,205,210	\$ - - - - - - - -	\$	(698,625) - - - - - - - (698,625)	\$ 6,656,808 710,313 5,224,575 1,231,048 100,000 619,895 903,460 1,510,000 16,956,099
Long-Term Liabilities Premier investment liability, long-term portion SB84 liability, long-term portion Loan payable, long-term portion Bonds payable, long-term portion Net pension liability Net OPEB liability		1,700,000 1,544,239 24,014,568 - 8,221,540 3,610,963	- - - 35,751,194 - -	- - - - -		- - - - -	1,700,000 1,544,239 24,014,568 35,751,194 8,221,540 3,610,963
Total Long-Term Liabilities		39,091,310	35,751,194	_		-	74,842,504
	_	54,540,824	37,956,404	-		(698,625)	91,798,603
Deferred Inflow of Resources: Deferred gain on debt defeasance Deferred inflow of pension liability Deferred inflow on OPEB		- 3,486,335 1,244,910	156,753 - -	- - -		- - -	156,753 3,486,335 1,244,910
Total Deferred Inflow of Resources		4,731,245	156,753	-		-	4,887,998
Net Position: Net investment in capital assets Restricted for debt service Unrestricted		5,972,165 - 24,996,821	34,773,454 6,629,266 2,585,657	- - 698,625		- - -	40,745,619 6,629,266 28,281,103
Total Net Position		30,968,986	43,988,377	698,625		-	75,655,988
Total Liabilities, Deferred Inflow of Resources and Net Position	\$	90,241,055	\$ 82,101,534	\$ 698,625	\$	(698,625)	\$ 172,342,589

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION YEAR ENDED DECEMBER 31, 2022

	_	DAA	F	RTA	RTLC	Eliminations	Total
Operating Revenues:	•	47.500.000 0					47 500 000
Food and beverage	\$	17,520,962 \$	Þ	- \$	-	\$ -	\$ 17,520,962
Concessions/carnivals		24,146,416		-	-	-	24,146,416
Admissions		11,019,180		-	-	-	11,019,180
Facility rentals		3,955,103		-	-	-	3,955,103
Satellite wagering		412,941		-	-	-	412,941
Parking Leases/operating agreement		4,839,829 2,847,866		6,273,000	-	-	4,839,829
Sponsorships		1,576,163	,	0,273,000	-	-	9,120,866 1,576,163
State apportionment		11,380,714		-	-	-	11,380,714
Local apportionment		12,813		_		_	12,813
Other		624,266		_		_	624,266
Guiei	_	024,200					024,200
Total Operating Revenues	_	78,336,253	(6,273,000	-		84,609,253
Operating Expenses:							
Payroll and related benefits, excluding pension cost		12,323,100		-	-	-	12,323,100
Pension cost and net pension liability adjustment		(15,965,537)		-	-	-	(15,965,537)
Food and beverage		13,498,804		-	-	-	13,498,804
Entertainment		13,755,855		-	-	-	13,755,855
Maintenance		7,541,923		225	-	-	7,542,148
Facilities and related supplies		1,065,965		-	-	-	1,065,965
Insurance		1,083,088		-	-	-	1,083,088
Depreciation		2,118,931		5,360,634	-	-	7,479,565
Professional services		6,748,770		20,205	330	-	6,769,305
Marketing		1,130,621		-	-	-	1,130,621
Other post-employment benefit cost and net OPEB liability adjustment		(427,136)		-	-	-	(427,136)
Other		2,768,111		1,500	-		2,769,611
Total Operating Expenses	_	45,642,495	į	5,382,564	330	-	51,025,389
Income (Loss) from Operations		32,693,758		890,436	(330) -	33,583,864
Nonoperating Revenues (Expenses):							
Interest income		387,060		303,567	_	_	690,627
Interest expense		(900,740)	(1	,845,042)	_	_	(2,745,782)
Other		(414,090)	,	(52,321)	-	-	(466,411)
Total Nonoperating Revenues (Expenses)	_	(927,770)	(*	1,593,796)	-	-	(2,521,566)
Change in Net Position		31,765,988		(703,360)	(330	-	31,062,298
Net Position, Beginning of Year	_	(797,002)	44	4,691,737	698,955	-	44,593,690
Net position, End of Year	\$	30,968,986 \$	\$ 43	3,988,377 \$	698,625	\$ -	\$ 75,655,988



Items 5-B-2 and B-3, Audit & Governance Committee – Comprehensive Policies Development & Review

Background:

Beginning in 2023, the 22nd District Agricultural Association (District) embarked on a comprehensive process to review, revise, and develop policies for the organization. This is a lengthy process that involves:

- 1) The solicitation of input from the appropriate Board committees, and
- 2) The presentation and discussion of draft policies to the Board and public during regularly scheduled public meetings.

The Board's authority to establish policies is derived from Food & Agricultural Code, Section 4051(a)(7), which authorizes District Agricultural Associations (DAAs) to "make or adopt all necessary orders, rules, or regulations for governing the activities of the association." Section 4051(a)(7) also provides that when a DAA adopts an order, rule or regulation for governing its activities, the order, rule or regulation is exempt from California's Administrative Procedures Act (the Act). For reference, the Act governs state agencies in adopting, amending, and repealing administrative rules and regulations.

While the California Department of Food and Agriculture (CDFA) provides policy guidance to DAAs, which includes offering *recommended* rules and regulations for adoption, each DAA maintains the authority under state law to adopt its own rules and regulations for governing its own operations and activities. Though DAAs are exempt from the Act, state agencies, including CDFA, are not. Were CDFA to wish to adopt a mandatory rule or regulation that applied statewide to all DAAs, CDFA would promulgate that rule or regulation in accordance with the process described in the Act.

Process/Approach:

District will consider best management practices; historical policies and procedures; mandatory requirements; staff feedback; industry, nonprofit, and governmental examples, case studies, past experience, and other materials. District will also consider orders, rules, and regulations recommended by CDFA.

To make changes to policies, the process will be to:

- 1) Present draft policies to the Board at a duly noticed public meeting for discussion;
- 2) Route the draft policies through the appropriate Board committee(s) or direct the Chief Executive Officer to consider and incorporate changes based on the input received;
- 3) Bring back revised draft policies to the Board at a subsequent public meeting for additional feedback; and
- 4) Finally present policies to the Board for consideration and approval.

The developing Table of Contents is provided monthly as a progress report.

During the April Board meeting, the policies previously introduced publicly in March were referred to relevant committees for further review and input. Specifically, policies 4.01 and 4.02

were referred to the Audit & Governance Committee, and policies 4.03 and 4.03.01 were referred to the Finance Committee.

Additionally, during last month's consideration of the amendment to Policy 3.01 Board Composition and Officers, it became clear that item h) of the Board Chair Responsibilities did not specifically address by whom the public and media spokesperson responsibility could be delegated to another Board Member. This adjustment is included in the packet for consideration.

The draft policies that were referred to the Audit & Governance Committee follow this report in a redline version to show changes since first introduced, as well as a clean version for ease of reading.

Recommendation

The Audit & Governance Committee recommends approval of new policies 4.01 Public Records Act Requests and 4.02 Records Management, as presented in the packet.

The Audit & Governance Committee recommends amending Policy 3.01 Board Composition and Officers as presented in the packet.

Environmental/Coastal Commission Review

None.

Fiscal Impact

None.

22nd District Agricultural Association **Policies – Table of Contents**

	Status as of 5/14/2024
Introduction	Draft
Section 1	
1.01 – Policy Framework and Definitions	Draft
Section 2:	
 2.01 – Institutional Values 2.02 – Code of Ethics 2.03 – Conflicts of Interest 2.04 – Discrimination and Harassment Prevention 2.05 – Reporting Wrongdoing 	Adopted Adopted Adopted Adopted Adopted
Section 3: Board Governance	
 3.01 – Board Composition and Officers 3.02 – Board Committees 3.03 – Board Member Code of Conduct 3.04 – Board Member Conflict Resolution 3.05 – Board Meetings and Agendas 3.06 – Board Member Orientation and Training 3.07 – Board Self-Assessment 3.08 – Board General Responsibilities 3.09 – Organizational Planning 3.10 – Risk Management 	Draft Adopted
Section 4: Board Organization Oversight	
 4.01 – Public Records Act Requests 4.02 – Records Management 4.03 – Contracts and Procurement 4.03.1 – Sponsorship Acquisition 	Draft Draft Draft Draft

22nd District Agricultural Association

Policies

Policy 4.01: Public Records Act Requests

Date Adopted/Last Revised:

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this Policy is to comply with the intent and requirements of the California Public Records Act (the Act or PRA). This Policy applies to all 22nd DAA Personnel.

The Act

The Act reads in part, "...access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state." The Act defines "public records" as "any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics." (Government Code, § 7920.530(a).)

The Act ensures that every citizen has the right to inspect and/or obtain a copy of any public record. The requester is not required to provide a reason for requesting a public record. As a result, once a document is deemed a public record, its possible use is immaterial to its release.

The PRA defines "public records" as "any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics." (Government Code, § 7920.530(a).)

Occasionally, a requester may incorrectly refer to the federal Freedom of Information Act (FOIA) as the legal basis for the request. If a request is received pursuant to FOIA, it shall be treated as a PRA request.

Policy

The Board delegates the responsibility to develop an effective Public Records Act Requests procedure to the CEO.

It is the Policy of the 22nd DAA to disclose all public records unless they are exempt from disclosure.

22nd District Agricultural Association

Policies

Policy 4.01: Public Records Act Requests

Date Adopted/Last Revised:

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this Policy is to comply with the intent and requirements of the California Public Records Act (the Act or PRA). This Policy applies to all 22nd DAA Personnel.

The Act

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The Act ensures that every citizen has the right to inspect and/or obtain a copy of any public record. The requester is not required to provide a reason for requesting a public record. As a result, once a document is deemed a public record, its possible use is immaterial to its release.

Occasionally, a requester may incorrectly refer to the federal Freedom of Information Act (FOIA) as the legal basis for the request. If a request is received pursuant to FOIA, it shall be treated as a PRA request.

Policy

The Board delegates the responsibility to develop an effective Public Records Act Requests procedure to the CEO.

It is the Policy of the 22nd DAA to disclose all public records unless they are exempt from disclosure.

22nd District Agricultural Association **Policies**

Policy 4.02: Records Management Policy

Date Adopted/Last Revised:

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this Policy is to ensure that an efficient records management system is effectively employed for the management of all 22nd DAA <u>information records</u>, regardless of its form (physical or electronic). This Policy applies to all 22nd DAA Personnel and is consistent with best practices and policies for public entities.

Policy

The Board delegates to the CEO the responsibility to develop an efficient records management system. The CEO must ensure that the records management system is accompanied by procedure documentation that defines which records must be retained, the length of the retention, and the process by which documents records are disposed of or preserved for historical reference, referred to as the Records Retention Schedule. The Retention Period is the total time which records must be kept before final disposition. The system must account for both physical and electronic records and comply with the following requirements:

- Includes the identification of a designated Custodian of Records for each record type.
- Ensures the Custodian of Records appropriately categorizes Official Files as either "Public" or "Confidential".
- Ensures records are kept in accordance with applicable state law governing records retention and description (including, but not limited to, the State Records Management Act, State Administrative Manual, Records Retention Handbook, Records Retention Schedule Guidelines, and the California Acquisition Manual).

- Defines records in accordance with the Government Code 14741 definition.
- Ensures records and non-records (which may include Wworking feiles or emails) are appropriately retained or disposed of within specified timelines.
- Provides training to all 22nd DAA Personnel on records management processes.

Official Files

The Official File of Record is any document or writing that records the functions, policies, decisions, obligations, or official business of the 22nd DAA. Records can include papers, electronic data/files, email, maps, exhibits, tapes, photographs, films, punched cards, and other documents produced, received, owned, or used by the 22nd DAA, regardless of physical form or characteristics. The Official File shall be arranged into a "Public" and a "Confidential" section.

Working Files

An employee's handwritten or electronic notes meant for their own use and only their use is considered a Working File and is not subject to this <u>pP</u>olicy. These personal notes should be <u>destroyed properly disposed of</u> when the subject matter assignment of the notes is completed.

-Record Disposition

Expired records shall be disposed of only pursuant to the approved Records Retention Schedule. 22nd DAA does not recycle hard copy documents. All printed materials shall be disposed of using a secure shredding service.

22nd District Agricultural Association

Policies

Policy 4.02: Records Management Policy

Date Adopted/Last Revised:

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this Policy is to ensure that an efficient records management system is effectively employed for the management of all 22nd DAA records, regardless of its form (physical or electronic). This Policy applies to all 22nd DAA Personnel and is consistent with best practices and policies for public entities.

Policy

The Board delegates to the CEO the responsibility to develop an efficient records management system. The CEO must ensure that the records management system is accompanied by procedure documentation that defines which records must be retained, the length of the retention, and the process by which records are disposed of or preserved for historical reference, referred to as the Records Retention Schedule. The Retention Period is the total time which records must be kept before final disposition. The system must account for both physical and electronic records and comply with the following requirements:

- Includes the identification of a designated Custodian of Records for each record type.
- Ensures the Custodian of Records appropriately categorizes Official Files as either "Public" or "Confidential".
- Ensures records are kept in accordance with applicable state law governing records retention and description.
- Defines records in accordance with the Government Code 14741 definition.

- Ensures records and non-records (which may include Working Files or Emails) are appropriately retained or disposed of within specified timelines.
- Provides training to all 22nd DAA Personnel on records management processes.

Official Files

The Official File Record is any document or writing that records the functions, policies, decisions, obligations, or official business of 22nd DAA. Records can include papers, electronic data/files, email, maps, exhibits, tapes, photographs, films, punched cards, and other documents produced, received, owned, or used by 22nd DAA, regardless of physical form or characteristics. The Official File shall be arranged into a "Public" and a "Confidential" section.

Working Files

An employee's handwritten or electronic notes meant for their own use and only their use is considered a Working File and is not subject to this Policy. These personal notes should be properly disposed of when the subject matter assignment of the notes is completed.

Record Disposition

Expired records shall be disposed of only pursuant to the approved Records Retention Schedule. 22nd DAA does not recycle hard copy documents. All printed materials shall be disposed of using a secure shredding service.

22nd District Agricultural Association

Policies

Policy 3.01: Board Composition and Officers

Date Adopted/Last Revised: March 21, 2023/April 9, 2024

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this policy is to outline the Board's organizational structure—including its composition and officers.

Policy

Board Composition

The Board is comprised of nine members, appointed by the Governor of California to serve staggered four-year terms. Board Members may serve more than one term and are reappointed at the discretion of the Governor.

Board Officers

Annually, the Board will elect up to three of its members to fill the officer positions as outlined in Article III of the 22nd DAA Bylaws. Per this Policy, elected Board Officers are authorized to conduct bank transactions on behalf of the 22nd DAA.

In addition, and in accordance with California law, the Board shall select a secretary, a manager, and a treasurer from among individuals that are not members of the Board. One person may be the secretary, manager, and treasurer and the Board may elect to delegate responsibilities vested in the Board to its officers or employees, including to the secretary, manager, and treasurer.

Board Chair Responsibilities

The role of the Board Chair is to ensure the integrity of the Board's processes. In addition to the specific duties outlined in other areas of the Policies, the Board Chair has the following general responsibilities:

- a) The Board Chair is the manager of the Board's activities, ensuring that the Board of Directors and its members follow Board of Directors rules and policies as well as the provisions of the Bagley-Keene Open Meeting Act. Since the Board conducts business during public Board meetings, the Board Chair is responsible for ensuring that the Board's work is conducted efficiently and effectively. To that end:
 - Meeting discussion content will include only those issues that clearly (according to Policy) belong to the Board to decide, consider, or to monitor.
 - o Information that is not for monitoring performance, educating the Board or aiding in the Board's decision-making processes will be avoided or minimized and always noted as such.
 - Deliberation will be fair, open, thorough, timely, orderly, and kept to the point.
- b) The Board Chair will set the agenda for Board meetings with input from the other members of the Board and with the assistance of the CEO. The Board Chair will ensure that Board meetings are focused on matters of Board responsibility.
- c) The Board Chair is responsible for promoting the development of a Board work plan, complementary to the strategic plan and objectives of the organization.
- d) The Board Chair—without undermining the CEO's accountability to the full Board of Directors—will be the Board's primary liaison with the CEO, who is responsible for the execution of Board policies and directives, and for determining the means, organizational structure and management processes necessary to achieve the strategic objectives.
- e) The Board Chair is responsible for ensuring that conflict of interest issues and other conflicts or disputes are addressed sensitively and resolved constructively.
- f) The Board Chair, with the support and cooperation of the Board, is responsible for ensuring adequate communications and accountability to External Stakeholders.
- g) The Board Chair may sign, in conjunction with the CEO or any other officer of the 22nd DAA authorized by the Board, any deed, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed with the exception of cases where the signing and execution thereof shall be expressly delegated by the Board or by the Bylaws or by statute to some other officer or agent of the 22nd DAA.

h) The Board Chair is the only Board Member authorized to speak for the 22nd DAA, unless this is specifically delegated by the Board Chair to another Board Member. The Board Chair will act as public and media spokesperson for the Board of Directors and 22nd DAA as required.

Board Vice Chair Responsibilities

The Board Vice Chair will act on the Board Chair's behalf in the absence of the Board Chair or in the event of the Board Chair's inability or refusal to act. When acting in this capacity, the Board Vice Chair will have all the powers and responsibilities of the Board Chair. The Board Vice Chair will also take minutes at all closed session meetings when the CEO is not in attendance.

CEO Responsibilities

The CEO will attend all meetings of the Board of Directors, unless excused by the Board. See Policy 5.03 (Delegation of Executive Authority) for additional details about the CEO's responsibilities.

Secretary Responsibilities

The CEO will serve as the Secretary of the 22nd DAA in accordance with Article III, Section 6 of the Bylaws.

Treasurer Responsibilities

The CEO will serve as the Treasurer of the 22nd DAA in accordance with Article III, Section 7 of the Bylaws.

DEL MAR THOROUGHBRED CLUB

MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATING RESULTS FOR THE TWELVE-MONTH PERIODS ENDING DECEMBER 31, 2023 and 2022

The management of Del Mar Thoroughbred Club ("DMTC") provides the following discussion and analysis of our operating results through the period ending December 31, 2023. The following analysis reflects our review of industry and economic events that factored into our operating results as well as our comparison of our budgeted projections and prior-year operating results. The following discussion reflects the results of our weather-shorten 30-day summer race meet and our 13-day fall race meet.

The 2023 race meets enjoyed high-quality racing, record average daily purses, strong race field sizes and, most importantly, was again one of the safest meets in the nation and Del Mar's history. Our horse recruitment efforts, along with record summer purses of \$886,000 per day, attracted 288 out-of-state horses that raced this summer and contributed to not only our second-highest-ever field size of 8.9 horses per race, but also the highest in the nation of all the major race meets. Our marketing efforts, which focus on Del Mar's iconic brand, helped produce gains in average daily on-track attendance and wagering, as well as growth in total admissions-related, sponsorship and food and beverage ("F&B") revenues, all despite the cancelation of racing on August 20 due to Tropical Storm Hilary.

Wagering on horse racing declined nationally in eleven of the twelve months of 2023 and Del Mar experienced a similar decline in total wagering during our recent summer race meet. Our wagering reached record levels in 2022 after benefitting from a significant growth in online wagering that started in 2020 as many people, including Del Mar's customers, were driven into an online and digital environment by the pandemic and began wagering on horse racing. Our ADW internet wagering providers were able to retain many of these new online horse racing customers in 2021 and 2022 and our wagering levels set records in 2022 with the return of on-track patrons and the reopening of brick-and-mortar locations. The expansion of sports wagering markets accelerated in 2023 and, together with the impact of higher interest rates and a slowing economy, contributed to the decline in wagering levels nationally as well as at Del Mar. While our average daily wagering declined 6.4% in 2023 from record levels in 2022, total wagering was still 18% above pre-pandemic levels of 2019. Similarly, ADW wagering experienced modest declines in 2023, but remained 57% higher than in 2019.

The 2023 summer and fall meets generated a combined DMTC rent and race-meet related F&B net revenues (as defined in the Del Mar Race Track Operating Agreement) of \$9.30 million for the year. This amount is \$2.70 million under the budgeted return from racing. Racing net revenues totaled \$3.83 million in 2023, and were \$2.63 million under budgeted net racing revenues, primarily due to lower wagering revenues and the loss of \$630,000 of net revenues resulting from the cancelation of a day of live racing due to Tropical Storm Hilary. Racing net

revenues consist of \$1.225 million of Direct Payments, as well as the \$2.60 million payments to the Race Track Authority ("RTA"). The \$2.60 million RTA payments consists of \$2.43 million paid on November 15, 2023 and a \$175,000 additional payment to the RTA in late April 2024 following the completion of our 2023 audited financial statements.

Race meet F&B revenues in 2023 totaled \$13.03 million, which consisted of \$11.55 million during the summer race meet and \$1.48 million during the fall race meet. Summer race meet F&B revenues rose \$540,000, or 5.0%, over the prior year despite the loss of nearly \$300,000 of F&B revenues due to one less day of live racing. Average daily F&B revenues increased 8.4% during the summer race meet due to higher average daily on-track attendance and strong F&B sales in our high-margin premium seated and Group sales areas. Fall race meet F&B revenues matched the prior year's revenues. F&B net revenues, all of which flowed directly to the District, totaled \$5.47 million, an increase of \$220,000 over 2022 F&B net revenues, but were \$70,000 lower than budgeted due to the loss of \$130,000 of F&B net revenues from the loss of one day of racing.

Overview

Del Mar is viewed as a world-class venue for Thoroughbred racing. DMTC enjoys a reputation for operations considered to be among the very best in the industry, both in terms of our ability to attract the highest quality Thoroughbred racing and our success in generating a highly diversified revenue stream. DMTC is an industry leader in developing innovative programs, adopting new technologies and creating dynamic marketing campaigns designed to attract top Thoroughbred racing to Del Mar as well as new fans to racing. DMTC leads the industry in developing practices and procedures to protect and enhance equine, rider and patron safety.

DMTC has long been at the forefront of enacting industry-leading safety protocols and procedures and those efforts have resulted in Del Mar consistently being ranked among the safest racing venues in the country. DMTC has implemented extensive safety measures, including adopting the industry's most stringent medication rules, increasing veterinary oversight and medication testing of horses, enhancing stable security and establishing a safety advisory committee consisting of trainers, veterinarians, jockeys, track maintenance personnel and management which meet regularly to review safety practices, operations and racing surfaces. DMTC's efforts to provide the safest possible environment for the sport's equine and human athletes never cease and safety remains our top priority. We continue to work with industry stakeholders, including the Horseracing Integrity & Safety Authority ("HISA"), to ensure Del Mar's equine safety and welfare protocols are the industry's gold standard.

Overall horse population and the inventory of racehorses available to run in Southern California are key factors impacting our industry. The number of horses that run in each race (known as field size) directly correlates to the amount wagered on a race, or the wagering handle. The more horses that run in a race, the larger the wagering pool and a larger wagering pool means greater wagering commissions are paid to track operators along with higher purses paid to the

horsemen and women. While other racetracks across California and the country have struggled to maintain field sizes, DMTC is considered an industry leader in developing innovative programs to address the challenges of horse population in Southern California and bolster field sizes.

DMTC created the innovative and highly successful Ship & Win program. The program provides an incentive for owners of out-of-state horses to relocate them to California and race at Del Mar. In 2023, DMTC and the Thoroughbred Owners of California ("TOC") jointly funded the program and provided record incentive payments. Another horse recruitment program designed to attract out-of-state horses that do not qualify for Ship & Win incentives is the Co-Op marketing program. The Co-Op program is funded through a deduction from ADW wagering and it is discussed in greater detail later in this report. Since DMTC introduced the Ship & Win program in 2011, Del Mar's horse recruitment efforts have brought 2,465 horses to race at Del Mar, with many of them staying to race at other California racetracks.

The Ship & Win program, along with our other horse recruitment efforts, not only helped Del Mar's average field size levels at our summer and fall meets but also contributed to increased field sizes at the other tracks in California. For example, following our two race meets this year through the date of this report, horses from our Ship & Win program made 291 starts at the race meets at Los Alamitos and Santa Anita.

Wagering revenue represents our primary revenue source. However, we strive to diversify our revenue stream through a multi-pronged strategy to generate significant non-wagering revenues. Our non-wagering revenues consist of admissions-related revenues (e.g., daily admissions, seating and parking, programs, novelty concessions, season luxury suites and trackside boxes, Turf Club memberships and luxury suites, and a robust Group sales program), sponsorships revenues as well as various fee-based management services we provide to other constituents in the racing industry. Del Mar historically has enjoyed the highest ratio of non-wagering revenues-to-total-revenues of all tracks in California and among the highest of any racetrack in the United States. Although F&B revenues are not reflected in DMTC's financial statements, our marketing efforts also are designed to produce significant race meet-related F&B net revenues, all of which flow directly to the District.

Our industry leading sponsorship revenue program represents another important component of our diversified non-wagering revenues. DMTC has been successful in maintaining and growing corporate partnerships by creating and implementing robust marketing and co-branded initiatives for our sponsors. Even with the recently changed landscape which resulted in DMTC forgoing its popular large-scale general admission concerts, Del Mar continues to provide substantial value to our corporate partners, including online and social media opportunities. These digital opportunities, combined with traditional on-site engagement of patrons, offer sponsorship opportunities not seen by many other racetracks. In addition, Del Mar's dedicated and robust fan base is rich with Millennial and Gen Z demographics and our corporate partners enjoy unparallel access to this highly coveted audience. DMTC leverages its in-demand, high-end race day

hospitality to increase sponsorship revenues. Lastly, DMTC works in tandem with District staff on facility-wide corporate partnerships that maximize year-long sponsorships for the Fairgrounds and will continue to collaborate on these opportunities to ensure that venue sales goals are achieved.

2023 Results

The summer meet offered an impressive calendar of stakes races, with Del Mar's competitive stakes program attracting many world-class stars of the sport of Thoroughbred racing that competed in 39 summer stakes races having a combined value of \$8.275 million. The summer meet's \$1-million FanDuel Racing Pacific Classic was won by Arabian Knight, an impressive 3-year-old-colt who edged a field of top older horses. The quality of our racing product was further exhibited at the recently-concluded Breeders' Cup World Championships, which were held at Santa Anita Racetrack on November 3 and 4. A record total of 32 horses that raced at Del Mar this past summer went to Santa Anita to compete against the world's top Thoroughbreds in the 2023 Breeders' Cup World Championship races, with eight of them winning purse money, including runner-up honors for National Treasure in the Breeders' Cup Dirt Mile and Muth in the Breeders' Cup Juvenile.

The eight-week 2023 summer race meet opened on Friday, July 21st and enjoyed high quality, competitive racing, the largest field sizes of all major United States racetracks in 2023, and most importantly, continued to be one of the safest race meets in the nation and Del Mar's history. The meet, scheduled over 31 days, enjoyed pleasant weather, with the exception of Sunday, August 20 when Tropical Storm Hilary forced the cancelation of live racing for the first time in the summer meet's 84-year history. Our marketing efforts included an expanded events calendar highlighted by our popular lifestyle promotions. The race meet's weekend-focused promotions aimed at driving attendance and generating high-margin F&B revenues. The meet's promotional schedule kicked off with The Party on Opening Day, which offered ticketed patrons exclusive access to the trackside Cabana. The event featured Red Bull's popular DJs, craft beer and cocktail bars, numerous local food vendors, private wagering windows and more. Summer promotions included a variety of F&B focused events, such as the Del Mar Beer Fest, Uncorked Wine Fest, along with regional food events such as the Taste of New Orleans, Tacos & Tequila, and our Turf & Surf BBQ Festival. Our promotional events concluded with College Day on Closing Weekend. Additionally, marketing efforts utilized our valuable customer loyalty program (Diamond Club) database to offer our core customers enticing value-added promotions to drive visits on the lesser-attended race days, Thursdays and Sundays. These efforts contributed to a gain in average daily on-track attendance of 2.5% for the 30-day summer race meet, which included one less highly attended weekend race day due to the cancelation of racing on Sunday August 20th. The increased summer attendance also contributed to gains in average daily on-track wagering and growth in total attendance-related revenues.

The recently completed four-week fall race meet – the Bing Crosby Season – concluded its 10th session on December 3rd and once again showcased the nation's premier late-season racing product. Because of the quality of our racing the fall meet's wagering levels again ranked as the nation's best during the fall calendar. Turf racing is the highlight of our fall meet, with eight major grass races offered during the final two weeks of the season. Due to inclement weather and generally poor conditions of turf race courses in the East and Midwest during this time of year, Del Mar's grass racing attracts top-tier runners from around the country. Once again, the very best out-of-state trainers, including Chad Brown, Graham Motion, Mark Casse and Bill Mott, brought their horses to Del Mar and several of them earned notable prizes. A total of 18 out-of-state horses shipped to Del Mar to take part in the track's Turf Festival, most of them ridden by top riders from the east, including Irad Ortiz, Jr., Joel Rosario, Tyler Gaffalione and Luis Saez. California stables were also successful during the fall season with top local trainers, Phil D'Amato winning three stakes races and Richard Mandella capturing two stakes races.

The foundation of our operations is built on a strong live racing program and wagering commissions and purses generated on our races. Our horse recruitment efforts, including the Ship & Win and Co-Op marketing programs, continued as a key focus of our 2023 operations. We offered record Ship & Win program incentives for the summer race meet. This year, the program provided a \$5,000 starter bonus and a 50% purse bonus for any out-of-state main track runner as well as a \$4,000 starter fee and a 40% purse bonus for out-of-state runners in the more popular turf races. The purse bonus was awarded for additional starts at the summer meet and was also expanded to provide a purse bonus on winnings for first-through-fifth place finishers. Our racing department started early in 2023 to actively promote Del Mar's record purse levels and the enhanced Ship & Win program incentives.

These recruitment efforts and programs proved very successful, attracting 318 out-of-state horses that made 532 starts during the 2023 summer and fall race meets. The horses recruited to race last summer helped produce an extremely strong average field size of 8.9 horses per race, just shy of the all-time high of 9.1 horses per race in 2022, and well ahead of the 8.45 horses in 2021 and 8.36 horses in 2020. Our summer race meet's field sizes were again the highest in the nation for all major race meets, including the popular Saratoga race meet in upstate New York, which had an average field size of 7.73 horses per race. It also bears mention that during the 2021 summer meet we saw a number of horses ship in from the east coast as trainers chose to race their horses here to get them familiar with Del Mar in advance of that year's Breeders' Cup World Championships. Because we are hosting the 2024 Breeders' Cup during the first week of next year's fall race meet, we anticipate attracting additional high-end horses and out-of-state stables to race at our summer meet.

Revenues

Revenues for the year ending December 31, 2023 totaled \$39.09 million and were \$2.51 million, or 6.0%, under budget. Current year revenues declined \$1.22 million, or 3.0%, below prior year revenues of \$40.31 million

Summer race meet revenues declined \$750,000, or 2.3%, and were \$1.90 million, or 5.53%, under budget due to the loss of an estimated \$540,000 in wagering revenues when live racing was canceled on August 20 and as average daily wagering declined 6.1% from the record levels of 2022. Non-wagering revenues rose \$680,000, or 5.3%, as the growth in average daily on-track attendance along with increased Opening Day pricing drove growth in attendance-related revenues, which increased \$340,000, or 3.9%. Other operating revenues rose \$340,000, or 8.3%, due to growth in sponsorship revenues and higher interest income.

Fall race meet revenues totaled \$6.54 million and were \$600,000 under budget as fall race meet wagering revenues were \$480,000 under budget due to lower-than-expected ADW and out-of-state wagering. Fall race meet non-wagering revenues were \$120,000 under budget due to lower-than expected attendance-related revenues and interest income.

Wagering Revenues: Wagering represents DMTC's primary source of revenues and accounted for 62.5% of total revenues. DMTC receives wagering commissions and purses from wagering by patrons in California whether the wagers are made on-track at Del Mar, off-track at Southern California satellite ("ITW") locations, or from Southern California residents wagering through Advanced Deposit Wagering ("ADW") providers that are licensed by the California Horse Racing Board ("CHRB"). Del Mar also receives commissions and purses when patrons who are outside of California wager on Del Mar races at brick-and-mortar locations (e.g., racetracks, casinos, ITW locations and sports bars) and through ADW providers that contract with Del Mar to take wagers on our races. California patrons are able to wager on three types of races: 1) those run at Del Mar ("live races"); 2) those run in Northern California, and 3) races imported from racetracks outside California ("imported races").

Live wagering totaled \$403.0 million for the 2023 summer meet, which was \$44.2 million, or 9.9%, lower than live wagering during the 2022 summer meet. The 2023 summer race meet offered 286 live races run over 30 days of live racing compared to 294 races run over the 31-day 2022 summer meet. Approximately one-third of the live wagering decline was attributable to the cancelation of live racing on Sunday, August 20 due to Tropical Storm Hilary. Wagering on live races by out-of-state bettors totaled \$273.6 million and declined \$34.3 million, or 11.1%, from 2022's record out-of-state wagering levels. The decline was primarily due to lower wagering by certain out-of-state customers employing sophisticated computer algorithms to handicap races. These players are often referred to as Computer Assisted Wagering ("CAW") players and they are attracted to wagering on Del Mar races due to our large field sizes and the liquidity of our large pari-mutuel wagering pools. Our large wagering pools also allow CAW players to place significant

bets without significantly impacting the pari-mutuel odds on their wagers. Wagering by CAW players declined \$27.8 million in 2023 due to two factors. First, pricing was increased in 2023 for some CAW players, which led to a \$20.9 million, or 66.3%, decline in their wagering levels. Wagering by the other CAW players declined \$6.9 million, or 8.1%, This reduction was consistent with the overall decline in live wagering because, as noted above, wagering by CAW players generally corresponds to total wagering levels. The one less day of live racing due to Tropical Storm Hilary contributed to the remaining decline in out-of-state wagering on live races. On-track wagering on live races declined \$1.9 million, or 4.4%, primarily due to one less day of live racing this past summer. Wagering on live races at California satellites declined \$1.26 million, or 5.7%, due to the one less day of racing and the closure of the satellite location in San Clemente in 2023. Wagering on live races by California ADW patrons declined \$4.27 million, or 7.7%, due to the one less day of live racing and also because wagering by ADW patrons softened in 2023 as discussed above. Live wagering during the 2023 fall race meet totaled \$108.74 million, which was \$9.73 million, or 8.2%, lower than live wagering during the 2022 fall season. The decline in live wagering was primarily due to lower wagering by certain CAW players for which their rate was increased in 2023 as discussed above.

Wagering on imported races by on-track and Southern California satellite and ADW patrons totaled \$158.39 million during the 2023 summer and fall race meets and was \$8.64 million, or 5.2%, lower than 2022 total import wagering. The 2023 and 2022 Del Mar summer and fall race meets were nine-week and four-week race meets, respectively. In addition to eight weeks of live racing, there was no live racing ("dark days") in Southern California the week prior to the start of live racing for both the 2023 and 2022 summer race meets. Wagering by California ADW patrons on imported races totaled \$111.18 million and was \$6.26 million, or 5.3%, lower than ADW wagering in 2022 largely due to competition for online customers from expanding sports providers in 2023. The cancelation of live racing on August 20 had minimal impact of California ADW imported wagering because patrons were able to wager on Saratoga and other out-of-state race meets that raced that day. Imported wagering at Southern California satellite locations totaled \$42.1 million and was \$2.86 million, or 6.4%, lower than 2022 because of the closure of the OC Tavern ITW satellite in San Clemente during 2023. Additionally, many satellite locations in the state were closed on August 20 due to Tropical Storm Hilary.

Wagering on Northern California races declined \$1.24 million, or 10.2%, to a total of \$10.89 million during the recent summer and fall race meets. This decline was primarily due to the lower field sizes on races run in Northern California (5.8 horses during the summer meet and 6.8 horses during the fall meet) compared to the field sizes of 8.9 horses on Del Mar's races.

Wagering revenues in 2023 were impacted by various changes to required statutory and contractually-mandated wagering deductions that are used to fund stabling and vanning as well as the operations of the SCOTWINC satellite network and the California Horse Racing Board ("CHRB"). These deductions from wagering effectively reduce wagering revenues and purses equally during the year.

Stabling and vanning ("S&V") operations are funded through a statutory deduction on wagering at satellite facilities and on-track wagering on imported and Northern California races as well as a contractual deduction from California ADW wagering. The S&V fund operated at a deficit during the pandemic due the significant decline in wagering at California satellites and ontrack locations. This operating deficit was eliminated at the end of 2022 with the growth on ADW wagering and the reopening of satellite operations. Accordingly, both the statutory deduction on Southern California satellite wagering and the deduction from ADW wagering that fund stabling and vanning operations was lowered by 18 basis points in 2023. The benefit on 2023 wagering revenues and purses from these lower statutory and ADW deductions resulted in an increase of track commissions and purse generation by \$240,000 each compared to 2022.

Racing law provides that the operations of the CHRB and California's equine drug testing program are to be funded by California racing associations and purses by a deduction from ontrack, ITW and out-of-state wagering at all California racetracks and racing fairs as well as a contractual deduction from California ADW wagering. The CHRB funding deduction from wagering is established on July 1 each year and is based on the projected on-track, ITW, California ADW and out-of-state wagering compared to the CHRB's annual operating budget for the upcoming fiscal year ending June 30. This deduction from wagering effectively reduces wagering revenues and purses equally during the fiscal year. Any surplus or deficit between the funds generated from the funding deduction and the cost of CHRB operations at the end of the fiscal year is either refunded to, or further deducted from, the following year's commissions and purses.

The CHRB funding deduction increased slightly in 2023 because the current year CHRB budget exceeded projected statewide wagering levels when the funding deduction was set on July 1, 2023. This increased funding deduction resulted in lowered wagering commissions and purses of \$40,000 each for 2023.

As noted previously, wagering nationally and in California declined during the second half of the fiscal year ending June 30, 2023, and this decline resulted in a state-wide CHRB funding deficit of \$320,000 for the fiscal year ending June 30, 2023. This deficit negatively impacted current year purses and commissions. In contrast, for the CHRB's fiscal year ending June 30, 2022, there existed a funding surplus of \$910,000 and the surplus benefited prior-year purses and commissions. This significant CHRB funding surplus was generated when Del Mar last hosted the Breeders' Cup and state-wide wagering reached record levels. Del Mar's share of the combined state-wide difference of prior year CHRB funding surplus benefit and the current CHRB funding deficit payment was \$330,000, which effectively reduced 2023 summer race purses and commissions by \$165,000 each compared to 2022.

The Horseracing Integrity and Safety Authority ("HISA") was established when the federal Horseracing Integrity and Safety Act was signed into law in 2020. Overseen by the Federal Trade Commission, HISA is responsible for developing and enforcing uniform safety and integrity rules in Thoroughbred racing in the United States and was created to implement the nation's first

uniform set of rules applicable to every Thoroughbred racing participant and racetrack facility in the country. HISA is comprised of two programs: the Racetrack Safety Program, which became effective July 1, 2022; and the Anti-Doping and Medication Control (ADMC) Program, which became effective in March 2023. Funding for HISA started on July 1, 2022 and the organization's first-year funding included various startup and one-time charges. California's share of HISA's initial-year funding totaled \$1,450,000 in 2022. The State's proportionate share of HISA's annual budget increased to \$6.73 million in 2023 with the implementation of the ADMC Program. However, because of California's industry leading laboratory testing, research and analysis as well as its out-of-competition testing, the CHRB and HISA agreed to provide testing credits of \$5.15 million against the State's allocated share of HISA's budget, which lowered California's share of the 2023 HISA budget to \$1.58 million. Del Mar's proportionate share of the HISA budget, which is shared equally against purses and commissions, was \$390,000 in 2023 compared to \$350,000 in 2022.

On-track wagering: On-track wagering commissions totaled \$4.15 million in 2023 and were \$220,000, or 5.1%, lower than 2022 on-track recurring revenues and on-track wagering commissions were \$320,000, or 7.2%, under budgeted revenues.

Summer race meet on-track wagering revenues declined \$170,000, or 4.5%, and these revenues were \$270,000, or 7.1%, under budget. This decline in on-track commissions was largely due to one less day of live racing in 2023 resulting from Tropical Storm Hilary. Also, our expanded lifestyle promotional events and other marketing programs helped drive attendance of casual fans and contributed to the 2.5% increase in average daily on-track attendance this summer. On-track per capita wagering declined 2.2% to \$165 in 2023 from \$169 the prior summer as these casual race fans typically wager less than our core race fans. Our casual fans did, however, contribute to an 8.4% increase in average daily F&B per capita spending this past summer. The benefit to ontrack commissions from the lower S&V deduction on imported and Northern California wagering was less than \$4,000, as there is no stabling and vanning deduction for on-track live wagers. Wagering on live racing accounted for 89.6% of all on-track wagers, while wagering on imported and Northern California races combined to account for 10.4% of on-track wagering. The yield for on-track wagering declined 13 basis points to 7.68% in 2023 compared to 7.81% in 2022. This decline in the yield was primarily due to the impact of funding the June 2023 fiscal year CHRB board support deficit compared to benefit of the previous fiscal year's CHRB board support surplus.

Fall race meet on-track wagering revenues totaled \$570,000 during the 2023 autumn race meet. These revenues were \$40,000, or 7.2%, under budget as on-track per capita wagering declined 4.3% in 2023 primarily due to lower fall race meet fields, which were 7.4 horses per race in 2023 compared to 7.9 horses in 2022. Fall race meet on-track commission were also impacted from the funding of the prior year CHRB board support deficit.

Off-track wagering: ITW wagering commission totaled \$3.67 million in 2023 and were \$240,000 lower than 2022 revenues and ITW commissions were \$320,000, or 8.0%, under budgeted revenues.

Summer race meet ITW wagering revenues declined \$200,000, or 6.9%, in 2023 and were \$260,000, or 8.9%, under budget. Wagering at ITW locations for the 2023 summer race meet totaled \$54.95 million, a decline of \$4.61 million, or 7.7%. The decline in wagering was due to one less day of racing in 2023 as well as the closure of the OC Tavern ITW satellite in San Clemente. No new ITW locations opened this year. The yield on ITW wagering increased 3 basis points to 4.61% as the benefit from the lower S&V deduction on ITW wagering was \$50,000 in 2023 and the impact of funding the CHRB deficit versus the prior-year surplus was \$30,000. ITW wagering revenues for the fall race meet totaled \$1.04 million which were \$40,000 lower than 2022 wagering revenues and were \$60,000, or 5.8%, under budgeted revenues. The decline in ITW revenues was due to the closure of the OC Tavern ITW satellite location and a decline in live wagering related to the lower fall race meet race field sizes.

DMTC is a partner in SCOTWINC, the entity that administers the satellite network in Southern California. SCOTWINC receives simulcast revenues consisting of a 2.5% fee on all wagers placed at satellite locations and a negotiated fee of 2.4% that is taken from California ADW wagers. These simulcast revenues fund mutuel and administrative staff costs and other SCOTWINC simulcast-related expenses. As a partner in SCOTWINC, DMTC and the horsemen participate in 50% of the excess, or shortfall, of SCOTWINC simulcast revenues and expenses. The SCOTWINC operating surplus totaled \$980,000 in 2023, a decline of \$200,000 from the prior year revenues of \$1.18 million, and were at budgeted net revenues. The decline in the 2023 operating surplus was due to lower simulcast revenues related to the decline in ITW and California ADW wagering and higher mutuel staff costs under the terms of a new three-year collective bargaining agreement effective January 2023.

<u>ADW wagering:</u> Wagering commissions from California ADW patrons totaled \$4.54 million in 2023 were \$680,000, or 13.0%, under budget. ADW wagering commissions declined \$520,000, or 10.3%, from 2022 ADW commissions.

Wagering commissions from California ADW patrons during the summer race meet totaled \$3.40 million during the 2023 summer race meet, a decline of \$370,000, or 9.8%, from the prior summer race and were \$500,000, or 12.9%, under budget. As discussed above, Del Mar benefitted from significant growth in online wagering starting in 2020 as our customers were driven into an online environment by the pandemic. Our ADW providers were able to retain many of these new online horse racing patrons in 2021 and 2022 and our wagering reached record levels in 2022 with the return of on-track patrons and the reopening of brick-and-mortar locations. The expansion of sports wagering markets accelerated in 2023 and, together with a slowing economy and one less live race day, contributed to a decline in California ADW wagering. Total ADW wagering declined 6.4% and average daily ADW wagering declined 3.3% from 2022 wagering levels. The yield on

California ADW wagering declined 7 basis points in 2023 as the impact of funding the prior CHRB shortfall and higher CHRB and HISA funding deductions offset the benefit of the lower S&V deduction on ADW wagering. ADW wagering revenues for the fall race meet totaled \$1.15 million which were \$150,000, or 11.5%, lower than 2022 wagering revenues and these revenues were \$180,000, or 13.3%, under budgeted revenues. The decline in fall race meet ADW revenues were primarily related to the impact of funding the prior CHRB shortfall and higher CHRB and HISA funding deductions offset the benefit of the lower S&V deduction on ADW wagering. While California ADW wagering declined in 2023, California ADW wagering was 58% higher than prepandemic levels.

Out-of-state wagering: The export of Del Mar's live racing product leads to significant non-California wagering revenues because Del Mar races are distributed through numerous Internet wagering platforms and broadcast to over 1,100 brick-and-mortar wagering locations throughout North, Central and South America, Europe and South Africa. Wagering revenues from these out-of-state patrons totaled a \$10.93 million in 2023 and these revenues were \$960,000, or 8.1% under budget and were \$680,000, or 5.8%, lower than prior year's record wagering revenues.

Wagering commissions from out-of-state customers totaled \$8.58 million during the 2023 summer race meet, a decline of \$540,000, or 5.9%, from the prior summer race meet and were \$720,000, or 7.8%, under budget. Wagering on live races by out-of-state bettors totaled \$273.6 million and declined \$34.3 million, or 11.1%, from 2022 record out-of-state wagering levels. The decline was primarily due to lower wagering by out-of-state CAW players who employ sophisticated computer algorithms to handicap races. These experienced players are attracted to wagering on Del Mar races due to our large field sizes and the liquidity of our large pari-mutuel wagering pools. Our large wagering pools allow these players to place significant bets without significantly impacting the pari-mutuel odds on their wagers. Wagering by these players declined \$27.8 million in 2023 due to two factors. First, pricing was increased in 2023 for some CAW players, which led to a \$20.9 million, or 66.3%, decline in their wagering levels. Second, wagering by the other CAW players declined \$6.9 million, or 8.1%. This reduction was in line with the overall decline in live wagering and, as noted above, wagering by CAW players generally corresponds to total wagering levels. The one less day of live racing due to Tropical Storm Hilary contributed to the remaining decline in out-of-state wagering on live races. The yield on out-ofstate wagering increased 21 basis points for the 2023 summer race meet. This increase was due to a higher negotiated fee on certain large out-of-state customers which offset the impact of funding the prior CHRB shortfall and higher CHRB and HISA funding deductions. Fall race meet out-ofstate wagering revenues declined \$140,000, or 5.7%, due to lower wagering by CAW players, as discussed above, and because of the decline in fall race meet field sizes.

Breakage revenue is generated because California law requires that posted mutuel payoffs must be rounded down from calculated payoffs, and the rounding difference (i.e., "breakage") is divided between the horsemen, the State of California and the track operator. For example, a

calculated payoff of \$2.19 is paid at a rate of \$2.10 and the additional \$.09 per winning ticket creates breakage revenue. Minus pools occur when the track must contribute funds to a mutuel pool when a prohibitive betting favorite wins and the required minimum mutuel payments exceed the gross mutuel pool less the statutory takeout. Minus pools almost always occur with show, or third-place, bets. Minus pool contributions are netted against breakage revenue. DMTC carefully reviews live-race programs and those races imported from Northern California to identify when a prohibitive favorite is scheduled to run in a race with a small field making it probable that a minus pool is likely to occur. For any races conducted in California that are not of national significance, DMTC has petitioned the CHRB for its approval to eliminate show wagering to eliminate the minus pool losses. DMTC and other California racetracks do not have the ability to eliminate show wagering on races imported from out-of-state racetracks. Net breakage revenue in 2023 totaled \$180,000 and was at prior year and budgeted levels.

<u>Non-wagering revenues</u>: Non-wagering revenues consist of admission and seat revenues, program sales, parking receipts, advertising and sponsorship revenues, management services and interest income. Non-wagering revenue totaled \$14.74 million in 2023 and increased \$640,000, or 4.5%, above prior year non-wagering revenues but these revenues were \$220,000, or 1.5%, below budgeted revenues.

Admissions-related revenues for the summer totaled \$9.05 million, and despite the loss of \$130,000 in revenue resulting from the cancelation of racing on Sunday, August 20, admissions-related revenues increased \$340,000, or 3.9%, over 2022 revenues. Admissions-related revenues were \$20,000 above budgeted levels. The two additional lifestyle events, price increases for selected high-demand areas on Opening Day and premium weekend seating, along with increased pricing for season Turf Club luxury suites all contributed to the increased admissions-related revenues. Season boxes and Turf Club membership revenues were close to budget and prior year revenues due to continued demand from our core customers. Pricing for general admissions, seating, season boxes and Turf Club memberships were unchanged from 2022 as these modest price-points areas drive attendance-related F&B revenues.

Parking and program revenues for the 2023 summer race meet totaled \$1.06 million and increased \$60,000, or 6.0%, over prior-year revenues due to increased pricing on Opening Day as well as higher preferred and valet parking rates. Parking revenues were \$70,000 under budget due to one less race day and a modest decline in the number of patrons that used premium-priced valet parking. Merchandise and gift shop sales totaled \$320,000 and were slightly above prior-year and budgeted revenues as increased merchandise prices offset the loss of sales from the one less race day.

Fall race meet admissions-related, parking and concessions revenues totaled \$1.12 million in 2023, a decline of \$40,000, or 3.2%, from 2022 fall race meet revenues and these revenues were \$70,000, or 6.2% below budgeted revenues. On-track attendance totaled 47,906 during the 13-day 2023 fall race meet, 0.8% above the prior fall race meet, and daily admissions, seating and program

revenues were close to budgeted levels. Turf Club, season boxes, Groups and parking revenues were modestly below projected levels.

Sponsorship revenues totaled \$3.79 million and increased \$200,000, or 5.7%, over 2022 revenues and were \$60,000, or 1.7%, below budget. The revenue growth was primarily due to increases in the casino gaming and soft drink categories through expanded inventory in digital and social media platforms. DMTC corporate sponsorship revenues are among the strongest in the horse racing industry based on delivering high-value marketing and hospitality assets for top-tier corporate partners.

Expenses

Total expenses for the year ending December 31, 2023 totaled \$35.20 million and were \$220,000, or 0.6%, over budget. The higher costs were primarily due to increased staff costs related to the tight job market, increased utility and seasonal services costs which were partially offset by lower costs related to the settlement of a multi-year legal proceeding.

Staff costs: Staff costs consist of salaries and wages, benefits, workers' compensation insurance and payroll taxes and collectively comprise the largest single expense category and accounted for 55.2% of total expenses in 2023. Employment peaked at 1,087 staff members during the summer race meet with 66% of the work force covered under eight collective bargaining agreements. Staff costs in 2023 totaled \$19.45 million, and were \$70,000, or 0.4%, over budget. Seasonal salaries for the summer race meet were \$160,000, or 2.2%, over budget as veterinary oversight and monitoring staff costs exceeded budget due to challenges filling seasonal veterinary positions because many racing vets are based in the Los Angeles region. Additionally, summer race union seasonal wages exceeded budget due to higher than anticipated pay rates under our largest collective bargaining agreement that was renegotiated in early 2023. Tropical Storm Hilary had minimal impact on summer race meet seasonal salaries because the savings in patron-related staffing resulting from one less live race day was largely offset by increased backside and track maintenance staffing required to prepare for and clean-up from the storm. Fall race meet seasonal salaries were \$110,000 under budget as staffing levels were lowered in several non-essential areas. Year-round administrative and maintenance salaries were \$20,000, or 0.4%, under budget due to the close monitoring of fall race meet overtime and because no new staff were added in 2023. Payroll taxes expense was \$130,000 over budget due to the higher seasonal salaries and due to an increase in the federal unemployment ('FUTA") tax rate in 2023. Payroll tax expense was \$170,000 higher than 2022 as prior year payroll tax expense benefited from Employee Retention Credits for on-track mutual clerks for their employment in 2021 and as the credit was received and recognized in 2022. Employee benefit costs were slightly under budget and reflect a modest increase in benefit costs negotiated under various union contracts. Non-union health insurance costs were slightly below budgeted levels and premiums renewal rates at expected levels. Workers Compensation costs were \$80,000 under budgeted levels primarily due to a dividend payment received in 2023 related to favorable prior year claims experience.

Marketing expenses: Advertising and Marketing expenses totaled \$2.0 million in 2023, an increase of \$210,000 over 2022 marketing costs and these expenses were \$40,000, or 2.0%, under budget. The increase in expenses was the result of the additional lifestyle promotions and enhanced digital and social media campaigns. As noted previously, the 2023 events calendar was highlighted by our popular lifestyle promotions, such as craft beer events, local artisan food festivals, wine tastings and college days. These events are designed to increase attendance by non-core racing fans and generate high-margin F&B revenues which flow directly to the District. We continued to realize marketing expense savings and efficiencies through co-presented events with outside promoters. Building on the success achieved in 2022, the 2023 marketing plan again focused on a highly targeted digital and social media campaign, as opposed to traditional media (e.g., television, radio and print). This extremely cost-efficient advertising program provides for direct access to the desirable demographics of Gen Z, Gen Y and Millennials, and event spending traits these groups often display. For low-cost, proven track record communications to our core customers, we utilized Del Mar's robust 450,000-person database, the Diamond Club. This opt-in only loyalty program allows us to provide specialty offers and exciting promotions to our most fervent audience. Examples of database offers includes a "day on us," which provides free admission/seating on lesser attended days, and packaged-pricing of table/box accommodations with F&B items and racing and wagering related updates. Lastly, our communications efforts again focused on DMTC's industry-leading equine safety and welfare initiatives, including Del Mar's standing as among the safest race tracks in North America for the fifth consecutive year. In addition to such efforts, we utilized social and digital media platforms to educate the public about our safety protocols and injury prevention efforts as well as our research and aftercare resources.

Seasonal services: Seasonal services and contract costs totaled \$6.94 million, an increase of \$350,000, or 5.3%, and were \$40,000, or 0.6%, over budget. Trailer and living quarter rentals and other stable area related costs increased \$120,000 due to the recent demolition of the backside living quarters adjacent to the main parking lot which had been used to house summer race meet backstretch staff. Equipment rental and contract security costs increased \$160,000 as for the first time we used metal detectors to screen race fans during the recent summer race meet. DMTC implemented the industry's first complimentary meals program for backstretch workers during the summer and fall race meets. This initiative, which provided all of our backstretch workers with complimentary dinners in a family-style setting designed to promote socialization, is a much needed and bold step in the improvement of the lives of those in our backstretch community. The California Thoroughbred Horsemen's Foundation and Oak Tree Racing Charities co-funded this new program through a grant. DMTC's share of the cost for the program for the summer and fall race meets totaled \$105,000. The costs of the bus service used for transporting patrons to and from the Solana Beach train station was \$50,000 over budget as the provider increased the contract rates due to higher labor and fuel costs. Seasonal costs also reflect that horse recruitment costs were partially offset by funding provided by the ADW purse supplement fund.

Various other expense categories: Utilities expense was \$360,000 over budget due to higher Internet connection costs, an increase in allocated District telecommunications staff costs and higher per unit natural gas and electric kwh charges in 2023. Insurance expense was \$360,000 under budget because a multi-year litigation matter was settled at less than the reserved amount. Depreciation expense was \$150,000 over budget due to the replacement of the east infield video/tote boards and the acquisition of heavy equipment used for track maintenance. Facility capital improvements and large equipment acquisitions were funded in prior years by the RTA from DMTC's annual rent payments to the RTA and from race meet F&B net revenues that exceeded the annual RTA bond debt service. This capital acquisition program by the RTA was discontinued in 2020. Repairs and maintenance expense was \$20,000 over budget due to additional sand required for the dirt race track and the stable area due to the impact of Tropical Storm Hilary. Professional services were \$30,000 over budget due to fourth quarter legal costs related certain industry matters. Bank service charges and fees, which are included in professional services, were under budget because the ongoing increase in short-term interest rates in 2023 generated higher earnings credits on compensating bank balances which, in turn, offset the cost of bank service charges and fees.

<u>Income Tax Expense:</u> DMTC accounts for income taxes under the asset-and-liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. DMTC recognizes the effect of the income tax positions only if those positions are more likely than not of being sustained.

DMTC's Payroll Protection Plan (PPP) loan in the amount of \$2.84 million was forgiven 2021 which generated federal and State tax net operating losses in 2021 because DMTC's rent expense was based on financial statement net revenues, which included the \$2.84 million benefit from the forgiveness of the PPP loan, while this benefit was tax-exempt income. Accordingly, DMTC had federal and State NOL carryforwards of \$2.5 and \$2.1 million, respectively, as of December 31, 2021. DMTC filed amended returns in 2022 and 2021 to reflect NOL carrybacks. As a result of these amended returns, DMTC has net deferred tax assets of \$1.15 million and \$1.102 million as of December 31, 2023 and 2022, respectively. DMTC recorded a valuation allowance against the full amounts of the net deferred tax assets for both years because DMTC was not certain that it will be able to utilize the benefit of these NOLs in the future. These valuation allowances, along with an adjustment to the California NOL carryback, were the primary factors that resulted in the tax expense of \$316,000 for 2022. Because this valuation allowance was a non-cash charge, the tax expense for in 2022 did not impact the 2022 rent payment. Income tax expense totaled \$14,000 in 2023

The foregoing represents our Management's Discussion and Analysis of DMTC's operations, revenues and expenses for the year ending December 31, 2023.



Consolidated Financial Statements

December 31, 2023 and 2022

(With Independent Auditors' Report Thereon)

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KPMG LLP Suite 1100 4655 Executive Drive San Diego, CA 92121-3132

Independent Auditors' Report

To the Board of Directors Del Mar Thoroughbred Club:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Del Mar Thoroughbred Club and its subsidiary (the Company), which comprise the consolidated balance sheets as of December 31, 2023 and December 31, 2022, and the related consolidated statements of operations, equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and December 31, 2022, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a



substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether
 due to fraud or error, and design and perform audit procedures responsive to those risks. Such
 procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the
 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that
 are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
 effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that
 raise substantial doubt about the Company's ability to continue as a going concern for a reasonable
 period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

San Diego, California April 26, 2024

Consolidated Balance Sheets December 31, 2023 and 2022

Assets		2023	2022
Current assets: Cash and cash equivalents Restricted cash – current Receivables, net of allowance of \$27,300 and \$27,300 in 2023	\$	1,743,200 13,220,500	10,623,400 13,467,200
and 2022, respectively Income taxes receivable Other current assets		10,463,700 199,300 598,400	6,858,800 76,800 569,400
Total current assets	_	26,225,100	31,595,600
Fixed assets: Equipment Automotive Furniture and fixtures Leasehold improvements	_	8,465,400 1,026,700 3,312,100 3,968,000 16,772,200	7,361,600 995,900 3,252,400 3,956,400 15,566,300
Less accumulated depreciation and amortization		(12,647,300)	(12,755,400)
Net fixed assets		4,124,900	2,810,900
Restricted cash – noncurrent		1,135,000	1,165,000
Total assets	\$_	31,485,000	35,571,500
Liabilities and Equity			
Current liabilities: Income taxes payable Accounts payable Accrued liabilities	\$	8,461,500 18,795,100	198,510 8,221,800 22,975,200
Total current liabilities		27,256,600	31,197,000
Deferred income tax liability	04	61,300	
Commitments and contingencies			
Stockholders' equity: Common stock, \$1,000 par value. Authorized 250 shares; issued and outstanding 11 shares in 2023 and 10 shares in 2022 Retained earnings		11,000 3,588,600	10,000 3,583,500
Total equity attributable to Del Mar Thoroughbred Club		3,599,600	3,593,500
Noncontrolling interest		567,500	582,500
Total equity		4,167,100	4,176,000
	_		

Consolidated Statements of Operations

Years ended December 31, 2023 and 2022

		2023	2022
Revenues:			
Pari-mutuel commissions – on-track	\$	4,147,100	4,370,100
Pari-mutuel commissions – account wagering Pari-mutuel commissions – Southern California satellite locations, including a surplus from intertrack		4,545,300	5,064,300
wagering of \$975,300 and \$1,178,100 for the years ended December 31, 2023 and 2022, respectively		4,648,000	5,090,300
Pari-mutuel commissions – out of state		10,465,000	11,157,500
Admissions and reserved seats		8,506,400	8,278,000
Program sales and parking receipts		1,252,600	1,199,700
Simulcasting fees – uncommingled		464,100	449,600
Interest income		436,600	271,100
Breakage, net		179,000	179,500
Novelty concession revenue		408,000	388,100
		3,786,000	3,582,700
Sponsorship revenues			4.7.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.2.
Other operating revenues		349,400	379,200
Visco sociolo di direccionali di Succioni ancio		39,187,500	40,410,100
Less revenue attributable to charity days	-	(94,200)	(98,300)
Total revenues	-	39,093,300	40,311,800
Expenses:		14,360,100	13,768,400
Salaries and wages			
Advertising and public relations		1,995,100	1,784,400
Employee benefits		3,172,600	3,039,000
Service contracts and equipment rentals		6,937,100	6,588,000
Payroll taxes		1,457,200	1,092,000
Depreciation and amortization		700,200	541,400
Repairs and maintenance		1,491,500	1,217,400
Utilities		1,561,000	1,167,000
Supplies		572,400	682,000
Workers' compensation insurance		463,300	497,700
General liability insurance		601,700	908,700
Printing		397,100	423,200
Other operating expenses		7,200	(3,400)
Cost of novelty concession revenue		251,300	244,300
Professional services		551,700	607,500
Satellite program costs		43,600	58,700
Racing industry support		37,000	42,000
Equipment leased and rented		120,900	74,000
Other taxes and licenses		224,200	1,026,200
		26,300	25,300
Federation racing costs			700
Contributions		3,000	
Trophies		73,600	98,600
TRA dues and assessments, net of dividends		(68,200)	(56,300)
Data processing	1-	266,200	262,600
Total expenses	-	35,246,100	34,089,400
Income before rent expense and income taxes		3,847,200	6,222,400
Rent expense	-	3,828,000	6,000,000
Net income before income taxes		19,200	222,400
Income tax expense	-	14,100	315,920
Net income (loss)	\$	5,100	(93,520)

Consolidated Statements of Equity
Years ended December 31, 2023 and 2022

	Comr	non	stock	Retained	Total stockholders'	Noncontrolling	Total
	Shares		Amount	earnings	equity	interest	equity
Balance, December 31, 2021	10	\$	10,000	3,677,100	3,687,100	797,500	4,484,600
Distribution to noncontrolling interest	_		_		-	(215,000)	(215,000)
Net loss				(93,600)	(93,600)		(93,600)
Balance, December 31, 2022	10		10,000	3,583,500	3,593,500	582,500	4,176,000
Issuance of common stock, net	1		1,000	_	1,000	-	1,000
Distribution to noncontrolling interest	-		_	_	=	(15,000)	(15,000)
Net income				5,100	5,100		5,100
Balance, December 31, 2023	11	\$_	11,000	3,588,600	3,599,600	567,500	4,167,100

Consolidated Statements of Cash Flows

December 31, 2023 and 2022

		2023	2022
Cash flows from operating activities:			
Net income (loss)	\$	5,100	(93,600)
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation and amortization		700,100	541,400
Gain on sale of fixed assets		800	800
Change in deferred income taxes		(61,200)	
Changes in assets and liabilities:			
Receivables, net		(3,604,900)	2,448,200
Other current assets		(29,000)	(182,400)
Accounts payable		239,600	(4,841,661)
Accrued liabilities		(4,180,000)	(9,557,600)
Income taxes receivable/payable	_	(198,500)	316,000
Net cash used in operating activities	_	(7,128,000)	(11,368,861)
Cash flows from investing activities: Capital expenditures Proceeds from sale of equipment	2	(2,036,100) 21,200	(703,900) 1,800
Net cash used in investing activities	_	(2,014,900)	(702,100)
Cash flows from financing activities: Distribution to noncontrolling interest Issuance of common stock, net		(15,000) 1,000	(215,000)
Net cash used in financing activities	-	(14,000)	(215,000)
Net decrease in cash and cash equivalents, and restricted cash		(9,156,900)	(12,285,961)
Cash, temporary investments, and restricted cash at beginning of year		25,255,600	37,541,538
Cash, temporary investments, and restricted cash at end of year	\$_	16,098,700	25,255,577
Supplemental disclosures of cash flow information: Cash paid for income taxes	\$	302,200	====

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

(1) Description of Business and Summary of Significant Accounting Policies

(a) Description of Business

Del Mar Thoroughbred Club (DMTC) is a California corporation engaged in the operation of live thoroughbred horse racing and the transmission of simulcast signals of these races. DMTC operates seven to nine weeks of thoroughbred horse racing each year during the summer and, starting in 2014, four or five weeks of thoroughbred racing during the fall. The racing weeks are limited as determined by California Horse Racing Law. The thoroughbred horse racing is conducted in Del Mar, California. In addition, DMTC broadcasts the live races via cable television, satellite, and the Internet to locations throughout North America, the Caribbean, Central and South America, Europe, and Australia.

(b) Basis of Presentation

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP).

(c) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of DMTC and its subsidiary, the Southern California Change Fund LLC (note 1(i)). All significant intercompany balances and transactions have been eliminated in consolidation.

(d) California Horse Racing Law

California Horse Racing Law has established the distributions from pari-mutuel wagering (handle), which have been retained as commissions or paid to support the California Horse Racing Board (CHRB), purses, owners' and breeders' awards, satellite wagering fees, interstate location and host fees, and other statutory payments as mandated by California Horse Racing Law. The CHRB annually allocates racing weeks to the licensed racing associations throughout the state and prior to each race meet approves licenses to conduct live thoroughbred horse racing and transmission of simulcast signals of races based upon applications submitted by California Racing Associations.

(e) Cash and Cash Equivalents

DMTC considers all highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents include cash and money market accounts. The cash balances of DMTC may exceed federally insured levels or may be held in accounts without any federal insurance or any other insurance or guarantee. However, DMTC believes it mitigates such risks by maintaining cash balances in financial institutions with high credit ratings and has not experienced any losses in such accounts. Cash and cash equivalents as of December 31, 2023 and 2022 includes amounts held in money market funds totaling \$580,800 and \$9,927,600, respectively, for which carrying value approximates fair value.

(f) Restricted Cash

Cash balances of the LLC (note 1(i)) and balances held for statutory payments to racing industry stakeholders are presented as restricted cash on the consolidated balance sheets. Restricted cash was \$14,355,500 and \$14,632,200 at December 31, 2023 and 2022, respectively, of which \$1,135,000 and \$1,165,000 was held for the LLC and classified as non-current at December 31, 2023 and 2022, respectively. The remaining \$13,220,500 and \$13,467,200 was held for statutory payments to racing

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industry stakeholders and presented as current assets at December 31, 2023 and 2022, respectively. Restricted cash as of December 31, 2023 and 2022 includes amounts held in money market funds totaling \$4,005,200 and \$4,505,000, respectively, for which carrying value approximates fair value.

(g) Fixed Assets

Fixed assets are stated at cost. Depreciation on fixed assets is calculated on the straight-line basis over the estimated useful lives of the related assets, which generally range from three to five years. Leasehold improvements are amortized on a straight-line basis over the shorter of the agreement term and reasonably assured option periods or the estimated useful life of the asset. No depreciation is charged on assets under construction. Routine maintenance, repairs, renewals, and replacement costs are expensed at the time the costs are incurred. Expenditures that increase values or extend useful lives are capitalized.

(h) Investment in Limited Partnership

DMTC is a limited partner in Southern California Off-Track Wagering, Ltd., a California limited partnership (the Partnership) and a shareholder in Southern California Off-Track Wagering, Inc. (SCOTWINC), the general partner of the Partnership. The Partnership and SCOTWINC were formed pursuant to the California Business and Professions Code (the Code) for the primary purpose of establishing and operating satellite-wagering facilities in Southern California. The Partnership and Shareholder Agreements provide that the ownership and voting interests of each limited partner and shareholder are reset annually based on each limited partner/shareholder's relative share of their prior-year wagering to the total combined prior-year wagering of all the limited partners/shareholders. DMTC held partnership voting interests of 23.4% and 24.1% and shareholder voting interests of 12.9% and 13.0%, as of December 31, 2023 and 2022, respectively. DMTC was not required to make any initial or subsequent contributions to the Partnership or SCOTWINC in exchange for DMTC's interests. Based on its ownership percentage and inability to exercise significant influence, DMTC accounts for its investments in the Partnership and SCOTWINC at cost. The Partnership's simulcast receipts for each race meet are calculated as a percentage of the handle of Southern California satellite wagering and Advanced Deposit Wagering. Partnership costs associated with each race meet are allocated to the host track and any excess or shortfall of receipts versus allocated expenses (the distribution) is paid to or collected from the host track, which splits any excess or shortfall with the horsemen on an equal basis.

For the years ended December 31, 2023 and 2022, DMTC's share of the surplus resulted in receipts of \$975,300 and \$1,178,100, respectively. The surplus receipts for the years ended December 31, 2023 and 2022 are included in pari-mutuel commissions from Southern California satellite locations in the accompanying consolidated statements of operations.

(i) Southern California Change Fund, LLC and Noncontrolling Interest

DMTC and Los Angeles Turf Club (LATC) created the Southern California Change Fund, LLC (the LLC) to provide operating change and cash for Southern California satellite wagering facilities managed by SCOTWINC. The change fund comprises cash and coins in various denominations sufficient to stock pari-mutuel tellers' change drawers at the beginning of each race day at various off-track simulcast wagering facilities that comprise the Southern California Satellite Network to carry on pari-mutuel wagering activities. Through a bailment agreement, SCOTWINC has access to the

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LLC's change and cash in exchange for an annual bailment fee of \$86,800 and \$104,700 in 2023 and 2022, respectively.

DMTC and LATC each held an LLC interest of 50% at December 31, 2023 and 2022. The LLC is managed by DMTC. As such, DMTC can exercise control and the LLC has been consolidated into these consolidated financial statements. LATC's interest in the LLC has been presented as a noncontrolling interest on the consolidated balance sheets. The total cash contributed to and held by the LLC was \$1,135,000 and \$1,165,000, as of December 31, 2023 and 2022, respectively. These amounts are included in restricted cash on the consolidated balance sheets (note 1(f)). In 2023, following an evaluation of the satellite locations operations, the change and cash levels maintained at the satellite locations were adjusted and lowered and \$30,000 was returned by the LLC and \$15,000 distributed to both DMTC and LATC. The amounts distributed to and contributed by LATC in 2022 and 2023 are shown as distributions to and contributions from noncontrolling interests in the accompanying consolidated financial statements.

For the years ended December 31, 2023 and 2022, the LLC earned an insignificant amount of interest income and paid an insignificant management fee to DMTC. DMTC's portion of the LLC's income, approximately \$51,200 and \$62,800 for 2023 and 2022, respectively, has been recognized in the consolidated statements of operations, net of the LATC portion, which is not material.

(j) Revenue Recognition

DMTC's two principal sources of revenue are derived from wagering and nonwagering activities. Wagering revenues include pari-mutuel commissions based on wagers placed at various locations, including the Del Mar racetrack, other Southern California satellite locations, interstate satellite locations, and via the Internet and telephone through advanced deposit accounts established with operators approved by the California Horse Racing Board. Nonwagering revenues primarily include the sales of admission tickets, reserved seats and programs, parking receipts, and advertising and sponsorship revenues. Wagering revenues are recognized upon completion of horse races when the commissions are fixed and determinable. Nonwagering revenues are recognized at the point of sale or at the time the services are rendered. Food and beverage concessions sold at the Del Mar Fairgrounds, including those during the race meets, are provided pursuant to a concession agreement between the 22nd District Agricultural Association (the District) and a separate, third-party concessionaire. Accordingly, food and beverage revenues generated during the race meets are generally not received or recognized by DMTC.

Receivables consist primarily of pari-mutuel commissions and other statutory deductions on wagers placed at interstate and international satellite locations, and via the Internet and telephone through advanced deposit accounts with operators approved by the California Horse Racing Board. DMTC maintains an allowance for doubtful accounts for estimated losses inherent in its receivable portfolio. In establishing the required allowance, management considers DMTC's customers' financial condition, historical payment patterns, and the amount and aging of the receivables owed. All past-due balances over 90 days are reviewed individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Write-offs were \$400 and \$1,300 for 2023 and 2022, respectively.

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In May 2022, DMTC and a sports wagering operator (the Operator) entered into an agreement (Sports Wagering Agreement) for brick-and-mortar (retail) sports wagering and race meet sponsorship benefits (with such sponsorship benefits starting in 2022) at the Del Mar horse racing track for a 10-year period upon California passing a law (Qualifying Law) prior to December 31, 2024, that would permit certain authorized California horse racing tracks, including DMTC, and tribal casinos to offer retail sports wagering at their venues. In August 2021, to secure the exclusive retail sports wagering rights with DMTC, the Operator and DMTC signed a binding term sheet and the Operator paid DMTC an upfront payment of \$5 million (the Initial Payment). In connection with the Sports Wagering Agreement, the Operator also entered into an annual sponsorship agreement with the DMTC that began in 2022 and is valued at \$500,000 annually. In the event the Qualifying Law is not enacted prior to the end of 2024, the Sports Wagering Agreement will terminate and DMTC shall reimburse the Operator the Initial Payment less \$2,000,000 for the sponsorship and other benefits the Operator received through 2024. At December 31, 2023, \$4,000,000 (the Initial Payment, less the \$1,000,000 for sponsorship benefits provided to the Operator in 2022 and 2023), has been recorded as deferred revenue within accrued liabilities in the accompanying consolidated balance sheet. In January 2024, the Sports Wagering Agreement was amended and the amendment provides that the Sports Wagering Agreement will terminate if a Qualifying Law is not enacted by December 31, 2026 and at that time DMTC shall reimburse the Operator the Initial Payment less \$2,500,000 for sponsorship and other benefits the Operator will have received through 2026.

(k) Income Taxes

DMTC accounts for income taxes under the asset-and-liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

DMTC recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are recognized in the period in which the change in judgment occurs.

(I) Impairment of Long-Lived Assets

Long-lived assets, such as fixed assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or group to be tested for possible impairment, DMTC first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values, and independent third-party appraisals, as considered necessary. No impairments have were recognized during the years ended December 31, 2023 and 2022.

Notes to Consolidated Financial Statements

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(m) Advertising and Public Relations Costs

DMTC expenses advertising and public relations costs as incurred.

(n) Use of Estimates

Management of DMTC has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenue and expenses during the reporting period in order to prepare these consolidated financial statements in conformity with U.S. GAAP. Actual results could differ from those estimates.

(2) Operating Agreement

In December 1989, DMTC entered into an agreement (the Agreement), amended and restated on June 13, 2000, with State Race Track Leasing Commission (Commission) acting on behalf of the District for the use of the Del Mar Race Track located on the Del Mar Fairgrounds for the operation of thoroughbred horse racing and for the transmission of live simulcasts of those races for 20 years, commenced January 1, 1990 and ended on December 31, 2009. In 2009, the Agreement was extended for a period of one year, ending December 31, 2010. In December 2010, DMTC and the Commission entered into a new Race Track Operating Agreement (the 2011 Agreement) with a term of five years, commencing on January 1, 2011. The Commission has the option to, at its sole discretion, extend the 2011 Agreement for 3 five-year option terms. In March 2024, the Commission exercised its third option to extend the 2011 Agreement for the final five-year period through December 31, 2030. In the event the California Legislature enacts legislation authorizing a sale of the Del Mar Fairgrounds, the Commission has the option to terminate the 2011 Agreement by giving DMTC at least 180 days' written notice. The termination would become effective on December 31 in the year in which the notice is given provided, however, that if the notice is given less than 180 days before the end of the year, then the termination would become effective on December 31 of the following year. In the event of a termination due to the sale of the Del Mar Fairgrounds or if the Commission does not exercise its option to extend the 2011 Agreement beyond the end of the current five-year option term, DMTC has the right to use all cash and noncash assets to discharge all outstanding obligations. Liabilities that DMTC would be required to provide for upon termination include liabilities associated with health and welfare benefits, employee severance payments, pension benefits, property taxes, income taxes, charity days, as well as other liabilities existing as of December 31 of the year in which the 2011 Agreement terminates. The single largest projected liability DMTC would need to settle if the 2011 Agreement is terminated is a potential withdrawal liability associated with DMTC's participation in the Service Employees International Union (SEIU) National Industry Pension Plan (note 5). DMTC's share of the withdrawal liability associated with this plan was last determined by an actuary to be approximately \$13.8 million as of December 31, 2017. An estimate of DMTC's share of the withdrawal liability associated with this plan was not determined as of December 31, 2023; however, DMTC believes the amount continues to be significant. Additionally, upon termination of the 2011 Agreement, any assets remaining after payment or provision for all outstanding obligations must be remitted to the District. As of December 31, 2023, the California Legislature has not enacted legislation to authorize a sale of the Del Mar Fairgrounds and no legislation authorizing a sale is pending.

The 2011 Agreement provides that by November 15 of each year, the annual amount payable to the District by DMTC is required to be 100% of the estimated net earnings for the year ending December 31. The balance of audited net earnings, less an amount sufficient to provide operating capital for the period

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Notes to Consolidated Financial Statements

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through the commencement of the succeeding race meet, subject to the approval of the District, shall be payable by May 1 of the following year. The annual amount payable to the District shall not be less than \$825,000. The 2011 Agreement was amended in February 2014 to provide for the addition of the fall race meet and the minimum annual amount payable to the District increased by \$400,000 to \$1,225,000 for the calendar year 2014 and beyond.

The 2011 Agreement requires DMTC to maintain a ratio of the annual amount payable to the District (rent expense) to its gross revenues equal to or greater than 15% (the Net to Gross Ratio). A default under the agreement could be declared if the Net to Gross Ratio is below 15% for two consecutive years. The 2011 Agreement was amended in March 2017 to adjust the Net to Gross Ratio to allow food and beverage net and gross revenues generated by DMTC's operation of the race meets at Del Mar to be included in the calculation of the ratio. The Agreement also provides that DMTC is exempt from the Net to Gross Ratio provision during years when events beyond DMTC's control, including government regulation or restrictions, result in the Net to Gross Ratio falling below the 15% threshold. DMTC was in compliance with the Net to Gross Ratio for the years ended December 31, 2023 and 2022.

DMTC classifies the annual amounts payable as rent expense in the accompanying consolidated statements of operations, which totaled \$3,828,000 and \$6,000,000 for the years ended December 31, 2023 and 2022, respectively, and of which \$175,000 and \$50,000 was included in accrued liabilities as of December 31, 2023 and 2022, respectively. Future annual amounts payable are not disclosed herein, as such amounts cannot be reasonably estimated, but are expected to be significant and approximate earnings before income taxes and these annual payments.

(3) Income Taxes

Components of the income tax provision (benefit) are as follows:

			2023	2022
Current:				
Federal		\$	(34,600)	117,400
State		_	(12,600)	198,600
	Total current	_	(47,200)	316,000
Deferred:				
Federal			61,400	-
State		-		-
	Total deferred	_	61,400	
		\$	14,200	316,000
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December 31, 2023 and 2022

Actual income taxes differ from the "expected" income taxes (computed by applying the applicable U.S. federal corporate tax rate to income before income taxes) as follows:

		2023	2022
Computed "expected" taxes	\$	6,100	46,700
State tax, net of federal effect		(54,800)	198,500
Nondeductible expenses		32,700	27,500
Change in federal valuation allowance		60,300	49,600
Other	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	(30,200)	(6,300)
	\$	14,100	316,000

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, 2023 and 2022 are presented below:

	_	2023	2022
Deferred tax assets:			
Net operating loss carryforwards	\$	612,900	29,700
Allowance, accruals, and other reserves		893,900	1,255,900
Valuation allowance		(1,150,200)	(1,102,900)
		356,600	182,700
Deferred tax liabilities:			
Depreciation	100	(417,900)	(182,700)
Total deferred income taxes	\$_	(61,300)	

As of December 31, 2023, the Company has recorded a valuation allowance of \$1,150,200 against its net deferred tax assets, including its NOLs. A net deferred tax liability of \$61,300 was recorded at year end. In making this determination, the Company considered the likelihood of generating future taxable income sufficient to recover the net deferred tax assets including the NOLs. The valuation allowance increased by \$47,300 from December 31, 2022, to December 31, 2023. DMTC will continue to evaluate the likelihood of realizing the deferred tax assets which could result in future adjustments to the valuation allowance.

As of December 31, 2023, the Company had federal NOL carryforwards of \$2,496,400 and state NOL carryforwards of \$1,269,400. The Federal NOL's have no expiration date but are limited to 80% utilization of taxable income per year. The state NOLs will start to expire in 2044 and are currently not subject to limitation. The Company does not anticipate any limitation of its usage of NOL's per IRC Section 382. However, no formal study has been completed.

(4) Charity Days

Article 7 of the California Horse Racing Law requires DMTC to designate three racing days to be conducted as charity days; however, the amount to be distributed is the lesser of two-tenths of 1% of DMTC's on track

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live handle or the net proceeds of the three designated racing days. The amount distributed is paid to various charities approved by the California Horse Racing Board. The total distribution under Article 7 amounted to \$94,200 and \$98,300 in 2023 and 2022, respectively, of which \$94,000 and \$103,100 was included in accounts payable on the consolidated balance sheets as of December 31, 2023 and 2022, respectively.

(5) Pension and Retirement Savings Plans

DMTC makes pension plan contributions to several defined-benefit pension plans and a defined-contribution retirement savings plan that provide retirement benefits to certain union and nonunion employees.

(a) Union Plans

Union employees are covered under several multiemployer defined-benefit union pension plans where DMTC pays fixed amounts per hour or day worked as negotiated under the terms of various collective bargaining agreements. The risks of participating in multiemployer plans are different from single-employer plans in the following aspects: (1) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (3) if DMTC chooses to stop participating in some of its multiemployer plans, DMTC may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a "withdrawal liability." To date, DMTC has not recorded any withdrawal liabilities related to its multiemployer pension plans as there is no current intention to stop participating. Information describing DMTC's participation in the significant multiemployer plans is outlined in the table below. The Pension Protection Act of 2006 (PPA) requires the plan's actuary to annually determine the plan's financial status, or certified zone status, as defined by the PPA, and assign one of the following zone categories: green zone pension plans are considered in good financial health, yellow zone pension plans are considered in endangered status, and red zone pension plans are considered in critical status. Among other factors, plans in the red zone are generally less than 65% funded, plans in the yellow zone are less than 80% funded, and plans in the green zone are at least 80% funded. The most recent certified zone status available for the SEIU National Industry Pension Plan (SEIU Plan) and for the Western Conference of Teamsters Pension Trust was for the year ended December 31, 2023.

Four unions with separate collective bargaining agreements that expire over various dates between March 2025 and June 2026 participate in the SEIU Plan. The SEIU Plan's actuaries classified the SEIU Plan in critical status in 2009. As required by the PPA, the SEIU Plan's trustees in November 2009 adopted a rehabilitation plan designed to reasonably enable the SEIU Plan to emerge from critical status by 2024. The trustees elected to extend the rehabilitation period by five years from 2024 to 2029. The rehabilitation plan requires all contributing employers, including DMTC, to pay surcharges above the contribution rate provided for under the current collective bargaining agreements. The pension surcharges are graduated throughout the term of the rehabilitation plan and are capped at 62.5% above the contribution rate provided for under the current collective bargaining agreement. The pension surcharges for the four unions participating in the SEIU Plan were at the cap of 62.5% in 2023 and 2022.

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None of the annual contributions presented below represents more than five percent of total plan contributions. Additionally, DMTC's portion of these plans' accumulated plan benefits and plan net assets are not separately determinable.

	⊟Wpension	Pension p	rotection e status	Rehabilitation	Company co	ntributions	Collective bargaining agreement expiration
Plan name	plan number	2023	2022	plan status	2023	2022	date
SEIU National Industry							
Pension Fund	52-6148540	Red	Red	Implemented \$	363,000	361,400	June 2026
Western Conference of							
Teamsters Pension Trust	91-6145047	Green	Green	N/A	190,700	179,600	Jun 2024
Other funds combined	Various	N/A	NA	N/A	246,400	196,300	Various
All plans				\$	800,100	737,300	

(b) Qualified Retirement Savings Plan

DMTC sponsors a savings plan, which is a qualified defined-contribution retirement plan in accordance with the Internal Revenue Code. The plan allows substantially all full-time, nonunion employees who are at least 21 years of age with a minimum of one year of service to participate. DMTC contributed matching contributions of \$544,800 to the plan in 2023 and \$517,900 in 2022, which were included in employee benefits in the consolidated statements of operations.

(6) Stockholders' Equity

DMTC's Articles of Incorporation (the Articles) contain provisions that prohibit DMTC from paying dividends or making any distributions on account of any stock or other ownership interest. The Articles also state that "upon any liquidation or dissolution of the corporation, after payment or provision for all debts, all of the corporation's assets shall be distributed to such one or more governmental agencies and not-for-profit or charitable organizations as may be designated by the then Governor of the State of California."

Each director, when elected to the board of directors, is required to purchase one share of \$1,000 par value common stock. As a condition to the purchase of the common stock, each director/shareholder enters into a Stock Transfer Restriction Agreement (Stock Agreement). In 2023, two directors were elected and purchased shares of common stock and DMTC repurchased one share of common stock from a former director/shareholder. Upon repurchase, DMTC retired the share of common stock.

(7) Credit Facilities and Promissory Note

DMTC entered into an \$8.5 million credit facility with a financial institution in 2008 to provide working capital for the race seasons. The credit facility bears interest for a fixed term and rate based on the Term Secured Overnight Financing Rate (SOFR) rate plus 1.35% or a variable rate based on the SOFR Daily Floating Rate plus 1.35% starting in 2023. Previously, the credit facility bore interest for a fixed term and rate based on the Bloomberg Short-Term Bank Yield Index (BSBY) plus 1.35% or a variable rate based on the BSBY Short-Term Bank Yield Index plus 1.35%. There were no borrowings under the credit facility in 2022 and 2023. The credit facility is unsecured, and accordingly, DMTC did not pledge any assets as collateral for the obligation. The facility agreement requires that the credit facility borrowings be paid off annually from December 15 through January 15. The credit facility has no outstanding balance at December 31, 2023

Notes to Consolidated Financial Statements

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and 2022. The facility was set to expire the earlier of March 1, 2023 or 15 days prior to the termination of the 2011 Agreement. On December 14, 2023, the Company exercised an extension option that extended the availability of the facility through the earlier of March 1, 2025 or 15 days prior to the termination of the 2011 agreement.

(8) Lease Obligations

DMTC leases various equipment under noncancelable operating leases. Rental expense under the leases was approximately \$104,500 and \$58,900 for the years ended December 31, 2023 and 2022, respectively.

Future minimum lease payments, excluding amounts payable under the 2011 Agreement (note 2), under noncancelable operating leases (with initial or remaining lease terms in excess of one year), as of December 31, 2023 are as follows:

Year ending December 31:		
2024	\$	41,900
2025		21,900
2026		14,700
2027	-	6,800
Total minimum lease payments	\$	85,300

(9) Commitments and Contingencies

DMTC has an irrevocable standby letter of credit to the Commission in the amount of \$500,000. The letter of credit is redeemable in the event of a breach of DMTC's Operating Agreement with the Commission and expires on March 1, 2025. The 2011 Agreement requires DMTC to maintain a letter of credit in the amount of \$500,000 or post a \$500,000 cash deposit with the District in lieu of the letter of credit.

DMTC is a party to various legal proceedings, claims, and assessments arising in the normal course of its business activities. DMTC will accrue a provision related to such matters when it is both probable that a loss will be incurred, and the amount can be reasonably estimated. Based, in part, on the advice of legal counsel, DMTC does not expect these legal proceedings, claims, and assessments, individually or in the aggregate, to have a material adverse impact on DMTC's financial position or results of operations.

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(10) Subsequent Events

DMTC has evaluated subsequent events from the consolidated balance sheet date through April 26, 2024, the date at which the consolidated financial statements were available to be issued, and determined that there were no other items requiring disclosure in or adjustment to the consolidated financial statements other than those disclosed elsewhere in these notes.



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Del Mar Racetrack Gears Up for Thrilling 85th Summer Racing Season

The nation's premier seaside horse racing venue kicks off its summer racing season on Saturday, July 20 with tickets available starting on May 10

DEL MAR, Calif. (April 10, 2024) – On the heels of a triumphant year of racing in 2023, the esteemed and industry-leading <u>Del Mar Thoroughbred Club</u> looks forward to its 85th summer racing season at the iconic seaside oval. The highly anticipated 2024 summer racing season will feature among the nation's highest prize money for horse owners, trainers and jockeys and the most robust lineup of trackside events in recent years. Del Mar's famed **Opening Day presented by Caesars Sportsbook will take place on Saturday, July 20**, allowing guests to embark on a weekend of festivities in true Southern California fashion.

This year marks a historic shift, as Opening Day at Del Mar – one of San Diego's most beloved summertime traditions – will be held on a Saturday for the first time since the 1950s. The scheduling adjustment, due to the San Diego County Fair running through July 7, affords Del Mar the necessary time to implement its industry-leading equine safety protocols. Embracing the spirit of tradition, track goers can look forward to the fanfare and excitement that Opening Day brings each year to carry through the entire Opening Weekend of racing at Del Mar.

From the Openings Day Hats Contest and Opening Day Party to Del Mar Beer Fest on Sunday, July 21 and more – all alongside a weekend full of exhilarating racing and wagering. **Tickets for Opening**Weekend and the 2024 summer racing season go on sale Friday, May 10 at 10 a.m. PST. As in recent years, Del Mar will be limiting General Admission attendance for a more intimate and elevated Opening Day experience, and tickets are anticipated to sell out. The 2024 summer racing season will run through Sunday, September 8.

Alongside world-class racing, fans can look forward to an exhilarating lineup of trackside events with excitement taking place nearly every weekend. From showcases of San Diego's best food and beverages, to live music, entertainment and more, there's something for every attendee to enjoy. Del Mar's 2024 trackside events include:

- July 21 Del Mar Beer Fest: Keep the Opening Weekend festivities going with samples of a variety of brews, ciders and seltzers.
- August 3 Uncorked Del Mar Wine Fest: An annual trackside tradition, enjoy samples of more than 150 wines from around the world and gourmet food from local San Diego vendors.
- August 10 Tacos & Tequila: Enjoy samples of tequila, margaritas and cervezas paired with tacos from San Diego's top vendors – presented by Espolòn Tequila.
- August 17 Breeders' Cup Tumbler Giveaway In anticipation of the 2024 and 2025 Breeders' Cup World Championships at Del Mar, racing fans will receive a 2024 Breeders' Cup branded tumbler collectible item. Available for free with paid admission while supplies last.
- August 24 Taste of New Orleans: The South meets the West in an epic celebration of New Orleans culture with Big Easy-inspired food, music and more – presented by Bacardi.
- September 1 Family Fun Day: Families can enjoy free trackside attractions like face painting, kid-friendly games and more.
- **September 7 College Day:** Students can present their valid student ID for free track admission and exclusive access to grandstand seating.

Additionally, Del Mar offers a variety of weekly attractions including:

- **Diamond Club Free & Easy Thursdays:** Diamond Club members can enjoy free admission, seats and food and beverage specials. Learn more about the <u>Diamond Club</u>.
- Turf Club Fridays: Purchase tickets for a high-end happy hour in the exclusive (normally members-only!) Turf Club every Friday.
- Happy Hour Fridays: Enjoy half-off Del Mar's signature drinks for a limited time.
- Taste of the Turf Club (Sundays): Another opportunity for non-Turf Club members to experience this exclusive area feast on a locally-inspired brunch menu while imbibing on bottomless beverages and taking in one of the best views of the track.

In addition to Opening Day and trackside events, Del Mar's most anticipated race of the season, the **FanDuel Racing Pacific Classic**, will run on Saturday, August 31. This year's Pacific Classic race brings even more excitement – as a Breeders' Cup Classic win-and-you're-in race, the winner can return to Del Mar this fall to compete in the World Championships of horse racing.

The highly-anticipated return of the <u>Breeders' Cup</u> World Championships to Del Mar on Nov. 1 and 2, 2024, marks Del Mar's third time hosting the prestigious "Super Bowl" of horse racing, followed by a consecutive hosting in 2025 for an exciting back-to-back experience for fans. Breeders' Cup brings the world's best Thoroughbreds, jockeys and trainers as well as thousands of fans from across the globe to San Diego. Tickets for the 2024 Breeders' Cup World Championships go on sale on April 22.

The Del Mar Thoroughbred Club continues to be among the nation's safest racetracks – recording zero racing fatalities in 2023 as reported by the Equine Injury Database (EID). As a leader in racetrack safety, Del Mar has established highly successful protocols for equine and human athletes that are considered the gold standard throughout the Thoroughbred racing industry.

Tickets for the summer racing season go on sale **Friday, May 10 at 10 a.m.** and can be purchased at www.dmtc.com.

About Del Mar

Opened in 1937, San Diego's iconic — and the nation's only — seaside racetrack features the world's top racehorses, trainers and jockeys, as well as the best in fashion and classic California culture "where the turf meets the surf." What began as a Hollywood hotspot in the era of the racetrack's founder, Bing Crosby, is now one of America's foremost racetracks and a premier Southern California destination, as well as being recognized as one of the safest major racetracks in the nation. For more information visit www.dmtc.com or follow @delmarracing on Instagram, X and @delmarraces Facebook.

Del Mar Thoroughbred Club



\$1-Million Pacific Classic Tops 31-Day / 39 Stakes Program for Summer 2024 at Del Mar

In conjunction with its partners from the Thoroughbred Owners of California, Del Mar Thoroughbred Club has scheduled a 31-day/39 stakes program topped by its premier offering – the 34th running of the \$1-million FanDuel Racing Pacific Classic slated for Saturday, August 31.

Del Mar is also projecting a total purse distribution of more than \$26.6 million over the course of the eight-week season.

The shore oval's 85th summer session staged alongside the blue Pacific opens on Saturday, July 20 and races ahead to Sunday, September 8.

The Grade I "Classic" will be the highlight of a rich afternoon of sport that will feature five graded stakes, including the Grade II, \$300,000 Del Mar Handicap and the Grade II, \$300,000 Del Mar Mile, both contested over the track's popular Jimmy Durante Turf Course.

All told there will be \$7,875,000 in stakes purses available, notable among them six Grade I presentations. Along with the Pacific Classic, the other Grade I's are the \$400,000 Bing Crosby Stakes (July 27); the \$400,000 Clement L. Hirsch Stakes (August 3); the \$300,000 Del Mar Oaks (August 17); the \$300,000 FanDuel Racing Del Mar Debutante (September 7), and the \$300,000 Del Mar Futurity (September 8).

Further, Del Mar once again will offer eight black type events strictly for California-breds carrying overall purses of \$1-million. It also has a total of 19 stakes on its popular Jimmy Durante Turf Course, as well as five overnight stakes, each with a value of \$100,000.

As it has for decades, the \$100,000 Caesars Sportsbook Oceanside Stakes for 3-year-olds on the grass will kick off the proceedings on Opening Day. Then, also as part of a tradition, Closing Day will be highlighted by the Grade I Del Mar Futurity at seven furlongs on the main track, the championship test for 2-year-olds at the meeting.

Once again, Del Mar will offer the most lucrative purses in California and the west, with an average daily distribution to horsemen and women of \$860,000. Maiden Special Weight races will be run for \$75,000.

"We're extremely pleased with the racing program we're offering this summer," said Del Mar vice president and racing secretary David Jerkens. "Our horsemen and horsewomen have been extremely supportive of our race meets and we look forward to working with them on another successful season."

Del Mar will be the host track for this year's renewal of the Breeders' Cup on Friday, November 1 and Saturday, November 2 with its more than \$33-million in purses and awards to go along with its 14 championship races. In conjunction with that, the shore track will host a half dozen "Win & You're In" races, as well as a trio of the "Dirt Dozen" offerings during its summer stand.

"Del Mar truly shines as the pinnacle of California racing," said Gary Fenton, chairman of the Thoroughbred Owners of California. "The summer season is also paramount to our racing ecosystem, with its handle driving significant purse generation and other benefits to both the Northern and Southern zones that our members enjoy throughout the year."

The complete list of stakes follows:

2024 STAKES SCHEDULE

DATE	#	RA	CE / CONDITIONS	DISTANCE	PURSE	
Sat. Jul 20, 2024	1	Caesars Sportsbook Oceanside Stakes	Three-year-olds, N/W S/S of \$50,000 at 1 M o/o in 2024	One Mile (T)	\$100,000	Guaranteed
Sat. Jul 20, 2024	2	SAN CLEMENTE STAKES (Gr.II)	Fillies, three years old	One Mile (T)	\$200,000	Guaranteed
Sun. Jul 21, 2024	**	Osunitas Stakes	Fillies, mares, 3 yrs & up, N/W S/S \$50,000 o/o since Oct 1	One Mile (T)	\$100,000	Guarantee
Sun. Jul 21, 2024	**	Wickerr Stakes	3 yrs & up, N/W S/S \$50,000 o/o since Oct 1	One Mile (T)	\$100,000	Guaranteed
Thu. Jul 25, 2024	3	COUGAR II STAKES (Gr.III)	Three-year-olds and upward	1 1/2 Miles	\$100,000	Guarantee
Fri. Jul 26, 2024	4	FLEET TREAT STAKES	Fillies, three yeas old, bred in CA	7 Furlongs	\$150,000	Guarantee
Sat. Jul 27, 2024	5	BING CROSBY STAKES (Gr.I)	Three-year-olds and upward	6 Furlongs	\$400,000	Guarantee
Sat. Jul 27, 2024		SAN DIEGO HANDICAP (Gr.II)	Three-year-olds and upward	1 1/16 Miles		Guarantee
Sat. Jul 27, 2024	**	Daisycutter Handicap	Fillies and mares, three years old and upward	5 Furlongs (T)		Guarantee
Sun. Jul 28, 2024	7	EDDIE READ STAKES (Gr.II)	Three-year-olds and upward	1 1/8 Miles (T)	\$250,000	Guarantee
ri. Aug 02, 2024		REAL GOOD DEAL STAKES	Three-year-olds, bred in CA	7 Furlongs	\$150,000	Guarantee
Sat. Aug 03, 2024	9	CLEMENT L. HIRSCH STAKES (Gr. I)	Fillies and mares, three years old and upward	1 1/16 Miles		Guarantee
Sat. Aug 03, 2024		CALIFORNIA DREAMIN' STAKES	Three-year-olds and upward, bred in CA	1 1/16 Miles (T)	\$150,000	Guarantee
Sun. Aug 04, 2024		LA JOLLA HANDICAP	Three-year-olds	1 1/16 Miles (T)		Guarantee
Sun. Aug 04, 2024	12	CTBA STAKES	Fillies, two-year-olds, bred in CA	5 1/2 Furlongs	\$100,000	Guarantee
ri. Aug 09, 2024	13	GRADUATION STAKES	Two-year-olds, bred in CA	5 1/2 Furlongs		Guarantee
Sat. Aug 10, 2024	_			1 1/16 Miles (T)		Guarantee
Sat. Aug 10, 2024		SORRENTO STAKES (GR.III)	Fillies, two-year-olds	6 Furlongs		Guarantee
Sun. Aug 11, 2024		BEST PAL STAKES (Gr.III)	Two-year-olds	6 Furlongs		Guarantee
ri. Aug 16, 2024		CTT and TOC Stakes	Fillies and mares, three years old and upward	1 3/8 Miles (T)		Guarantee
Sat. Aug 17, 2024		DEL MAR OAKS (Gr.I)	Fillies, three years old	1 1/8 Miles (T)		Guarantee
Sun. Aug 18, 2024		SOLANA BEACH STAKES	Fillies mares, 3 yrs up, bred in CA	One Mile (T)		Guarantee
Sat. Aug 24, 2024		PAT O'BRIEN STAKES (Gr.II)	Three-year-olds and upward	7 Furlongs	and the second second	Guarantee
Sun. Aug 25, 2024			Fillies and mares, three years old and upward	6 1/2 Furlongs		Guarantee
Sat. Aug 31, 2024		Fanduel Racing PACIFIC CLASSIC (Gr.I)		1 1/4 Miles	\$1,000,000	
Sat. Aug 31, 2024		DEL MAR HANDICAP (Gr.II)	Three-year-olds and upward	1 3/8 Miles (T)		Guarantee
Sat. Aug 31, 2024		DEL MAR MILE (Gr.II)	Three-year-olds and upward	One Mile (T)		Guarantee
Sat. Aug 31, 2024		GREEN FLASH HANDICAP (Gr.III)		5 Furlongs (T)		Guarantee
at. Aug 31, 2024		TORREY PINES STAKES (Gr.III)		One Mile		Guarantee
un. Sep 01, 2024		SHARED BELIEF STAKES	Three-year-olds	One Mile		Guarantee
Sun. Sep 01, 2024			Three years olds	1 1/8 Miles (T)		Guarantee
Mon. Sep 02, 2024			Fillies, mares, 3 yrs & up, N/W S/S \$50,000 o/o since Oct 1	One Mile		Guarantee
fon. Sep 02, 2024	$\overline{}$	GENEROUS PORTION STAKES		6 Furlongs		Guarantee
ri. Sep 06, 2024		I'M SMOKIN STAKES	Two-year-olds, bred in CA	6 Furlongs		Guarantee
at. Sep 07, 2024			Fillies and mares, three years old and upward	1 1/8 Miles (T)		Guarantee
lat. Sep 07, 2024			Fillies, two years old	7 Furlongs		Guarantee
at. Sep 07, 2024		DEL MAR JUVENILE FILLIES TURF		One Mile (T)		Guarantee
Sun. Sep 08, 2024		DEL MAR JUVENILE TURF (Gr.III)		One Mile (T)		Guarantee
Sun. Sep 08, 2024		DEL MAR FUTURITY (Gr.I)	Two-year-olds	7 Furlongs		Guarantee

^{**}Indicates Overnight Stakes

Item 5-D, Finance Committee Report

Background

The included preliminary financial reports are through March 31, 2024, and are subject to change as the 22nd District Agricultural Association (District) works to review and close out the month.

The Balance Sheet is consolidated and inclusive of District, State Race Track Leasing Commission, and Race Track Authority. The Income Statement is inclusive of District programs and operations only.

As has previously been discussed, due to the proximity of the Board meeting dates to the end of the month immediately prior, there is approximately a six (6) week lag between the financial report presentation and current activity. Therefore, the Committee reviews and presents financial reports to the Board from two months prior (March financials in May, April financials in June, etc.).

Meeting monthly, the Finance Committee monitors detailed financial information and activities, including accounts receivable and payable aging; income statements for business operations including The Sound and Premier Food Services; and reviews and recommends rates and fees for services and activities.

This month, the Committee also reviewed changes made to Schedule 4, Fair Statistics, in the Statement of Operations report for 2023 since it was first submitted to the California Department of Food and Agriculture (CDFA) and presented to the Board last month. Noted during the presentation to the Board were the Courtesy Pass Admissions, which exceeded the allowable limit (4% of prior year paid admissions). Upon further review by staff, it was discovered that many of the complimentary admissions distributed were incorrectly accounted for as Courtesy Pass Admissions rather than as Credential Admissions. The information has been corrected, and a revised Schedule 4 was submitted to CDFA.

For reference, a Courtesy Admission is a complimentary admission in which District does not receive anything in exchange, such as tickets distributed to nonprofit organizations through District's Fair For All program. A Credential Admission provides free admission in exchange for a necessary service, such as participation in the exhibit programs. Food and Agricultural Code sections 3002 and 3003 define each complimentary admission type and sections 3023 through 3029 describe additional parameters.

Executive Summary

Balance Sheet:

Data for fiscal years 2022 and 2023 are included for comparison purposes to the current year, 2024.

Assets:

o **Total Cash and Cash Equivalents.** District's unrestricted cash position continued to remain strong through the month of March. Notable is the increase to the operating Cash position over 2023. As a reminder, beginning in 2024, District is reinvesting back into the facility — asphalt, workspace renovations, escalator Page 181

- modifications, roof repairs, etc. which may result in a reduction in Cash position by the year's end.
- o **Restricted Cash RTA**: Cash available for the Race Track Authority bond obligations. This includes 1) maintaining a reserve fund held in trust equivalent to one year's debt obligation; 2) the current year's debt obligation; 3) the minimum cash balance requirement for the District (the equivalent of one year's debt obligation); and 4) when applicable, surplus funds contributed that revert to District. Net Horse Racing Revenues and/or Net Concession Revenues are transferred to the trustee by January 15 each year. The trustee makes withdrawals in April and October for the payment of the current year debt.

Liabilities:

- o **Deferred Revenue:** Consists of advance payments received for scheduled activities in the future, such as event rentals and the San Diego County Fair.
- o **Accrued Employee Leave Liabilities:** Reflects the current value of the leave balances due to employees upon separation from District. Balances continue to be managed to remain within the state-mandated thresholds.

Footnotes:

- o **Footnote 4** has been moved next to Current Long Term Debt, having previously been noted incorrectly on the line for Other Current Liabilities.
- Footnote 7 reflects approximate balances of Long Term Debt obligations as of the first of the year. This information is updated annually.

<u>Income Statement (All Programs & Operations):</u>

Revenues are recognized in the month in which they are earned; expenses in the month incurred. For example, revenues for the San Diego County Fair will be reflected in the June and July financial reports, while expenses for producing and preparing for the Fair will begin to be reflected in the months prior to the Fair.

The first three columns of figures represent the month's activity — Actual, Budget, and Variance of Actual vs. Budget. The middle grouping of columns represents the year-to-date activity, while the last column presents the complete 2024 Operating Budget goals.

The overall activity for the month of March was better than forecast mainly due to timing differences of revenue or cost elements when compared to the budgeted amounts. For the year, including March, overall activity exceeded forecasts, in part, due to receiving New Fair Funds (AB1499) in the amount of \$1,484,500 in January, which was unanticipated at the time the budget was developed and approved. District is utilizing the New Fair Funds for a portion of the capital expenditure items this year.

Revenues:

- Total Operating Revenues for the month were lower than expectations by 11%, or about \$133,000. Through the first quarter of the year, total operating revenues are lower than forecast by about 8% or \$362,000, in large part due to actual revenue earned versus what was anticipated during the budget process for the Seaside Equestrian Tour event.
- o Concessions revenues: Food & Beverage revenues fell short of expectations for

the month of March by 39%, or \$177,000. Two of the planned events did not take place during the month — Jiu Jitsu moved to a later date, and Anime Impulse canceled. The Sound had five events performing during the month, whereas the forecast assumed seven. In addition, two of the concerts had lower revenues than was forecasted. Through the first quarter of the year, concessions revenues are lower than forecast by 40%, or \$525,000.

- o **Facility Rentals Revenues:** Special event rentals were trending close to the forecasted amount in March. Through the first quarter of the year, this element is higher than forecast by nearly 5%, or \$93,000.
- Parking Revenues exceeded the forecast for the month of March by 12%, or \$37,000. Through the first quarter of the year, this element is higher than forecast by 10%, or nearly \$100,000.
- Total Revenue through the first quarter of the year is \$1,366,562 better than originally anticipated in the budget.

Expenses:

- Total Operating Expenses were lower than expectations by 33%, or nearly \$1,229,000 for the month of March. Through the first quarter of the year, total operating expenses were lower than forecast by nearly 25% or \$2,537,000 which may be due to timing differences between amounts budgeted and actual services performed or anticipated expenses that may not materialize.
- o **Payroll & Related Expenses** are indicative of the ability to fill full-time, civil service vacancies within any given month as well as actual hours incurred versus those anticipated for temporary employees working during events. For the month of March, District is trending lower by 7%, or \$93,000, than the budgeted amount. Through the first quarter of the year, this element is lower than the budget by 9%, or \$350,000.
- o **Professional Services** consists of a multitude of services, the largest being food and beverage. The actual timing of expenditures in this category may differ from the budgeted amounts, resulting in variances between the months during the year. For the month of March, this category is trending lower than forecast by 53%, or \$672,000. Through the first quarter of the year, this category is lower than the budget by nearly 38%, or \$1,317,000.
- o **Food and Beverage Expenses** are trending below budget by 19%, or \$109,000, for the month in large part due to fewer events at The Sound as compared to the forecast. Through the first quarter of the year, this element is lower than the budget by 20% or \$332,000.

First Quarter Summary

Overall, through the first quarter of the year, District operations are performing better than expected by nearly \$4 million, of which the unanticipated New Fair Funds that were received comprise nearly 38% of that success.

22nd DAAConsolidated Balance Sheet (DAA, RTA, RTLC) As of March 31, 2024

	2024	2023	2022
Assets			
Cash	\$ 33,217,524	\$ 29,555,112	\$ 22,842,023
Restricted Cash - JLA	57,724	44,847	24,048
Restricted Cash - F&B Equipment Fund	51,157	68,415	338,980
2 Restricted Cash - RTA	12,987,457	14,470,697	11,320,148
Total Cash and Cash Equivalents	46,313,862	44,139,071	34,525,199_
Accounts Receivable	2,270,677	789,772	2,291,080
Prepaid Expenses	219,962	358,286	426,193
3 Deferred Outflows Pension	5,298,571	5,298,571	5,298,571
Total Current Assets	7,789,210	6,446,630	8,015,844
Land	36,787,459	36,829,663	35,011,899
Building and Improvements	217,564,033	217,564,033	197,083,247
Equipment	38,882,146	38,549,894	38,010,759
Capital Projects in Process	12,145,545	8,790,489	30,572,953
Accumulated Depreciation	(190,884,268)	(183,707,321)	(175,654,579)
Total Capital Assets	114,494,915	118,026,758	125,024,278
Total Assets	¢ 469 507 007	\$ 469 642 4E0	\$ 467 EGE 224
Total Assets	\$ 168,597,987	<u>\$ 168,612,459</u>	<u>\$ 167,565,321</u>
Liabilities			
Accounts Payable	7,227,415	6,962,464	5,447,961
Payroll Liabilities	1,024,154	658,623	259,320
Accrued Liabilities	1,834,288	1,993,462	2,105,725
Other Current Liabilities	1,220,568	2,125,316	3,309,080
5 Deferred Revenue	2,816,790	1,575,162	2,931,509
4 Current Long Term Debt	2,691,780	2,513,460	3,650,902
6 Accrued Employees Leave Liabilities	1,376,218	1,311,354	1,256,577
7 Long Term Debt	56,994,275	61,612,827	63,962,267
Reserve - F&B Equipment Fund	10,483	78,703	348,292
Reserve - JLA	43,292	36,607	16,305
3 Pension Liability3 Deferred Inflows - Pension	40,184,005 1,754,199	39,981,455 1,754,199	39,776,065 1,754,199
Total Liabilities	117,177,467	120,603,633	124,818,202
Total Elabilities			
Net Resources			
Contributed Capital	78,877,171	78,877,171	78,877,171
Less Contributed Capital to RTA	(34,358,470)	(34,358,470)	(34,358,470)
Net Resources - Unrestricted	12,353,419	11,783,919	(5,921,909)
Investment in Capital Assets	(3,891,786)	(3,891,786)	(3,891,786)
	52,980,333	52,410,834	34,705,006
Net Proceeds from Operations	(1,559,813)	(4,402,008)	8,042,113
Total Net Resources	51,420,520	48,008,826	42,747,119
Total Liabilities and Net Resources	\$ 168,597,987	\$ 168,612,459	\$ 167,565,321
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¹⁻ Per Food & Beverage Services agreement, 1.50% of all Gross Revenues for unexpected or emergency expenses, including repair and maintenance of equipment.

²⁻ Per bond Pledge Agreement, maintain Reserve account and District cash separately equal to at least Maximum Annual Debt Service.

³⁻ Information provided by CDFA/State Controllers Office; results from changes in components of net pension liability; applicable to a future reporting period.

⁴⁻ Current portion of long-term debt due within the next 12 months.

⁵⁻ Advance payments for events/activities in the future.

 $[\]mbox{\it 6-}$ $\,$ Due to employees at time of separation for paid leave balances.

⁷⁻ RTA Bonds \$30.7M; Ibank WQI \$6.6M; Ibank Sound \$13.3M; Premier \$1.5M; Energy Efficiency \$3.1M; CalPers SB84 \$1.6M.

UNAUDITED FINANCIAL STATEMENTS

22nd DAA

Income Statement For the Period Ending March 31, 2024 DAA

		March 2024			Year-to-Date		Full 2024
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
<u>REVENUES</u>							
Concessions Revenue	282,604	459,987	(177,383)	809,007	1,330,837	(521,830)	53,102,000
Food & Beverage Contract	276,010	453,347	(177,337)	785,561	1,310,297	(524,736)	27,994,405
Facility Rentals Revenue	310,561	310,118	443	1,815,778	1,723,244	92,534	8,896,64
Operator Revenue	120,181			335,423			
Leases Revenue	43,953	47,801	(3,848)	131,690	143,235	(11,545)	577,85
Program Revenues	436,049	388,525	47,524	1,330,183	1,251,785	78,398	8,599,86
Parking	342,195	305,025	37,170	1,077,645	977,785	99,860	7,303,861
Participation Fees	25,947	22,500	3,447	68,710	102,500	(33,790)	335,000
Satellite Wagering	67,907	61,000	6,907	183,828	171,500	12,328	488,500
PPERATING REVENUE TOTALS	1,073,167	1,206,431	(133,264)	4,086,658	4,449,101	(362,443)	84,825,41
Contributions	5,850	4,600	1,250	1,500,050	13,800	1,486,250	2,273,11
Government Funding	0	0	0	1,484,500	0	1,484,500	_,_,,,
Sponsorships	4,800	4,600	200	14,000	13,800	200	2,269,610
Other Non-Operating Revenue	399,161	267,241	131,920	435,330	284,573	150,757	1,258,51
Interest Earnings	383,814	255,000	128,814	383,814	255,000	128,814	1,020,000
Reimbursed Costs	59,830	40,297	19,533	226,483	132,811	93,672	1,412,31
Prior Year Revenue	(1,675)	0	(1,675)	(1,675)	0	(1,675)	
NON-OPERATING REVENUE TOTALS	463,166	312,138	151,028	2,160,189	431,184	1,729,005	4,943,93
TOTAL REVENUE	1,536,333	1,518,569	17,764	6,246,847	4,880,285	1,366,562	89,769,34
EXPENSES							
Payroll & Related Expense	1,211,309	1,304,710	93,401	3,381,050	3,730,800	349,750	20,471,45
Professional Development	7,410	11,614	4,204	45,949	140,598	94,649	354,50
Professional Services Expense	605,786	1,278,120	672,334	2,106,191	3,422,899	1,316,708	35,271,13
Food & Beverage Expense	471,250	580,609	109,359	1,347,196	1,679,682	332,486	21,081,50
Insurance Expense	137,640	162,181	24,541	414,770	395,076	(19,694)	1,877,80
Facility & Related Expense	173,438	560,070	386,632	815,486	1,269,549	454,063	6,967,69
Equipment & Small Wares	24,798	254,000	229,202	43,798	324,000	280,202	330,00
Telephone & Internet	10,069	8,294	(1,775)	25,791	24,702	(1,089)	101,99
Repairs & Maintenance	32,154	78,441	46,287	120,397	224,323	103,926	748,45
Utilities	94,669	210,000	115,331	601,446	670,000	68,554	4,020,00
- Electricity	79,190	-	-	387,116	-	-	-
- Water	352	-	-	1,971	-	-	-
Supplies Expense	209,712	247,600	37,888	404,561	709,432	304,871	1,740,93
Marketing & Related Expense	21,964	49,500	27,536	23,583	90,000	66,417	1,499,15
Program Expenses	42,460	39,011	(3,449)	105,084	180,469	75,385	16,939,50
Prizes & Premiums	6,834	0	(6,834)	5,631	0	(5,631)	
Other Operating Expense	98,554	88,473	(10,081)	283,419	272,770	(10,649)	2,937,61
Bank & Service Fees	28,246	17,508	(10,738)	71,036	48,875	(22,161)	2,064,54
Interest Expense	70,832	70,965	133	212,495	212,895	400	841,57
DPERATING EXPENSE TOTALS	2,500,862	3,729,665	1,228,803	7,534,144	10,070,995	2,536,851	87,705,29
Other New Oneseting Francisco							
Other Non-Operating Expense Prior Year Expense	(14)	0	14	29,100	0	(29,100)	
NON-OPERATING EXPENSE TOTALS	(14)	0	14	29,100	0	(29,100)	
TOTAL EXPENSE	2,500,848	3,729,665	1,228,817	7,563,244	10,070,995	2,507,751	87,705,29
NET INCOME (LOSS)	(964,516)	(2,211,096)	1,246,580	(1,316,397)	(5,190,710)	3,874,313	2,064,05

Note: Positive variances in this report denote better than expected results for that element. Note1: Government funding of AB-1499 was unanticipated; these funds are reserved for CAPX.

Food & Beverage Report Mar-24

March 2024 Food Service Revenues were \$276,010. Budgeted Revenues for March 2024 were \$451,233

Net distribution to the District for March 2024 was (\$194,730) or -70.6%. Budgeted distribution for March 2024 was (\$129,377) or -28.7%.

Year-to-date 2024 distribution to the District is (\$558,122) or -71.0%. The budgeted distribution for YTD 2024 was (\$370,574) or -28.4%.

Mar-24	2024 ACTUAL	%	2024 BUDGET	%	2023 ACTUAL	%
TOTAL REVENUE	276,010	100.0%	451,233	100.0%	217,705	100.0%
TOTAL COGS	51,523	18.7%	85,096	18.9%	46,909	21.5%
GROSS MARGIN	224,487	81.3%	366,137	81.1%	170,796	78.5%
TOTAL PAYROLL	305,253	110.6%	377,062	83.6%	330,845	152.0%
OPERATING EXPENSES	141,783	51.4%	136,934	30.3%	111,695	51.3%
NET PROFIT	(222,549)	-80.6%	(147,859)	-32.8%	(271,744)	-124.8%
CLIENT DISTRIBUTION	(194,730)	-70.6%	(129,377)	-28.7%	(237,776)	-109.2%
YTD	2024 ACTUAL	%	2024 BUDGET	%	2023 ACTUAL	%
YTD TOTAL REVENUE	_	%	_	%		%
	ACTUAL		BUDGET		ACTUAL	
TOTAL REVENUE	785,561	100.0%	1,304,109	100.0%	711,219	100.0%
TOTAL REVENUE TOTAL COGS	785,561 122,279	100.0%	1,304,109 256,215	100.0%	711,219 128,336	100.0%
TOTAL REVENUE TOTAL COGS GROSS MARGIN	785,561 122,279 663,282	100.0% 15.6% 84.4%	1,304,109 256,215 1,047,894	100.0% 19.6% 80.4%	711,219 128,336 582,883	100.0% 18.0% 82.0%
TOTAL REVENUE TOTAL COGS GROSS MARGIN TOTAL PAYROLL	785,561 122,279 663,282 989,790	100.0% 15.6% 84.4% 126.0%	1,304,109 256,215 1,047,894 1,138,064	100.0% 19.6% 80.4% 87.3%	711,219 128,336 582,883 881,049	100.0% 18.0% 82.0% 123.9%

Fair Name: San Diego County Fair City: Del Mar

Total number of paid admissions - prior year

State of California Department of Food & Agriculture Fairs & Expositions Branch STOP-01 (Rev. 12/23) Schedule 4

2023 Statement of Operations

2023 FAIR STATISTICS					
	Price per	Number of			
GROUNDS ADMISSIONS	Ticket	Tickets	Amount		
PAID ADMISSIONS:					
Gate Admissions	\$15.78	781,603	\$12,337,386		
			0		
			0		
			0		
			0		
Discounted Admissions			0		
Season Passes		0	0		
Sponsorship Passes		21,908	0		
Exhibitor Passes		29,285	0		
Livestock Passes		29,285	0		
TOTAL PAID ADMISSIONS		862,081	\$12,337,386		
FREE ADMISSIONS:					
Courtesy Pass Admissions		31,024			
Credential Admissions		107,161			
Children under 12 Admitted Free		18,061			
Misc Credentials		121,802			
Children under 6 Admitted Free		36,296			
TOTAL FREE ADMISSIONS	314,344				
TOTAL ADMISSIONS TO FAIRGROUNDS (Account	1,176,425	\$12,337,386			
Cash over/under (Account 85000)		\$0			
Courtesy Pass Admissions as Percent of Prior Year Gross Paid Admissions					
(Not to exceed 4% per Food and Ag Code Section 3026)					
Courtesy pass admissions - current year	31,024				
Sources, page darringgione darront year	01,024				

	Percent	4.1%	
NUMBER	PRICE	TOTAL REVENUE	% PAID TO
89,502	\$15.00	\$1,342,530	
94,860	\$20.00	1,897,200	
11,987	\$50.00	599,350	
13,224	\$10.00	132,240	
		0	
		0	
		0	
209,573		\$3,971,320	
	NUMBER 89,502 94,860 11,987 13,224	89,502 \$15.00 94,860 \$20.00 11,987 \$50.00 13,224 \$10.00	NUMBER PRICE TOTAL REVENUE 89,502 \$15.00 \$1,342,530 94,860 \$20.00 1,897,200 11,987 \$50.00 599,350 13,224 \$10.00 132,240 0 0 0 0

756,213



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ARTICLE 1. Definitions [3001 - 3003] (Article 1 enacted by Stats. 1967, Ch. 15.)

<u>3001.</u> Unless the context otherwise requires, the definitions in this article govern the construction of the chapter. (Enacted by Stats. 1967, Ch. 15.)

3002. "Courtesy pass admission" means any admission, without payment of the admission charge, to any state, county, district, or citrus fruit fair, except any of the following:

- (a) Credential admission.
- (b) Admission of any child under 12 years of age.
- (c) Admission of any military personnel in uniform. (Enacted by Stats. 1967, Ch. 15.)

3003. "Credential admission" means any admission which is authorized by the board of directors of a state, district, or citrus fruit fair, or by the board of supervisors of a county for admission to a fair without payment of the admission charge when a service is rendered by the person who is admitted which is necessary for the conduct of the fair.

(Enacted by Stats. 1967, Ch. 15.)

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ARTICLE 2. Powers and Duties [3021 - 3029] (Article 2 enacted by Stats. 1967, Ch. 15.)

3021. Every state, district, county, or citrus fruit fair which receives any money from the State Treasury shall permit the admission without payment of the admission charge of all children 12 years of age or under on at least one day, which is designated by the fair, during each fair period.

(Enacted by Stats. 1967, Ch. 15.)

- <u>3022.</u> If a charge is made for admission to enter a state, district, county, or citrus fruit fair, the following persons may be admitted to such fairgrounds without the payment of the established admission price:
- (a) Persons with credential admissions.
- (b) Persons with courtesy pass admissions.
- (c) Military personnel in uniform.

(Enacted by Stats. 1967, Ch. 15.)

- 3023. A credential admission may be issued to any individual, association, or body that does any of the following:
- (a) Prepares or services any educational, commercial, industrial, livestock, agricultural, horticultural, or viticultural display or exhibit.
- (b) Services, maintains, or operates any concession.
- (c) Renders, through agreement with the fair, a service to fair patrons.
- (d) Renders a necessary public service.
- (e) Safeguards health.
- (f) Provides for public safety.
- (g) Participates in any parade or event which is necessary for the conduct of the fair.

(Enacted by Stats. 1967, Ch. 15.)

- <u>3024.</u> Credential admissions may, also, be issued to any of the following persons:
- (a) Representatives of press, radio, and television personally engaged in obtaining and transmitting public information.
- (b) Ambulance drivers.
- (c) Firemen on duty.
- (d) Repairmen who are necessary to service utilities.
- (e) Employees of the fair.
- (f) State officials in the performance of their duty.

(Enacted by Stats. 1967, Ch. 15.)

3025. The words "credential admission" shall be printed on each ticket which is issued as a credential admission.

(Enacted by Stats. 1967, Ch. 15.)

<u>3026.</u> The percentage of courtesy pass admissions to any state, county, district, or citrus fruit fair shall not exceed 4 percent of the gross paid admission to the fair in the preceding calendar year.

(Enacted by Stats. 1967, Ch. 15.)

<u>**3027.**</u> A courtesy pass admission is not transferable.

(Enacted by Stats. 1967, Ch. 15.)

<u>3028.</u> Each fair shall maintain complete records of the number of credential and courtesy pass admissions which are issued for each fair period.

(Enacted by Stats. 1967, Ch. 15.)

<u>3029.</u> Each fair shall make an annual report to the department, as prescribed by the department, of the total number of credential and courtesy pass admissions issued and honored at the fair.

(Enacted by Stats. 1967, Ch. 15.)



Items 5-D-1, Finance Committee – Comprehensive Policies Development & Review

Background:

Beginning in 2023, the 22nd District Agricultural Association (District) embarked on a comprehensive process to review, revise, and develop policies for the organization. This is a lengthy process that involves:

- 1) The solicitation of input from the appropriate Board committees, and
- 2) The presentation and discussion of draft policies to the Board and public during regularly scheduled public meetings.

The Board's authority to establish policies is derived from Food & Agricultural Code, Section 4051(a)(7), which authorizes District Agricultural Associations (DAAs) to "make or adopt all necessary orders, rules, or regulations for governing the activities of the association." Section 4051(a)(7) also provides that when a DAA adopts an order, rule or regulation for governing its activities, the order, rule or regulation is exempt from California's Administrative Procedures Act (the Act). For reference, the Act governs state agencies in adopting, amending, and repealing administrative rules and regulations.

While the California Department of Food and Agriculture (CDFA) provides policy guidance to DAAs, which includes offering *recommended* rules and regulations for adoption, each DAA maintains the authority under state law to adopt its own rules and regulations for governing its own operations and activities. Though DAAs are exempt from the Act, state agencies, including CDFA, are not. Were CDFA to wish to adopt a mandatory rule or regulation that applied statewide to all DAAs, CDFA would promulgate that rule or regulation in accordance with the process described in the Act.

Process/Approach:

District will consider best management practices; historical policies and procedures; mandatory requirements; staff feedback; industry, nonprofit, and governmental examples, case studies, past experience, and other materials. District will also consider orders, rules, and regulations recommended by CDFA.

To make changes to policies, the process will be to:

- 1) Present draft policies to the Board at a duly noticed public meeting for discussion;
- 2) Route the draft policies through the appropriate Board committee(s) or direct the Chief Executive Officer to consider and incorporate changes based on the input received;
- 3) Bring back revised draft policies to the Board at a subsequent public meeting for additional feedback; and
- 4) Finally present policies to the Board for consideration and approval.

The developing Table of Contents is provided monthly as a progress report.

During the April Board meeting, the policies previously introduced publicly in March were referred to relevant committees for further review and input. Specifically, policies 4.01 and 4.02

were referred to the Audit & Governance Committee, and policies 4.03 and 4.03.01 were referred to the Finance Committee.

As was previously noted when the draft policies were originally introduced to the Board and public in March, Contracting & Formal Protest Policies and Procedures as amended March 16, 2018, are provided for comparative reference to the proposed 4.03 Contracts & Procurement Policy.

The draft policies referred to the Finance Committee follow this report in a redline version to show changes since first introduced, as well as a clean version for ease of reading.

Additionally, the Finance Committee has undertaken the development of reserve and capital reinvestment policies to support the Board's future vision and Master Site Plan initiative. The Committee will bring forward recommendations to the Board later this year.

Recommendation

The Finance Committee recommends approval of the revised Contracts and Procurement policy, 4.03, to replace the Contracting & Formal Protest Policies and Procedures as amended March 16, 2018, and approval of new policy, 4.03.01 Sponsorship Acquisition, as presented in the packet.

Environmental/Coastal Commission Review

None.

Fiscal Impact

Unknown at this time.

22nd District Agricultural Association

Contracting and Formal Protest Policies and Procedures

(Updated March 16 2018)

These Contracting Policies and Procedures are adopted by the 22nd District Agricultural Association ("22nd DAA") in compliance with Food & Agricultural Code section 4051, and are effective February 11, 2015.

Policy

The 22nd DAA shall procure goods, services, and information technology goods and services through a competitive procurement process specified in these Contracting Policies and Procedures unless the goods, services, or information technology goods and services are entitled to an exemption or exception as defined in these Contracting Policies and Procedures.

Section I. Definitions

- A. "Goods" means all types of tangible personal property, including materials, supplies, and equipment, as defined in Public Contract Code section 10290, subdivision (d).
- B. "GM" shall mean and refer to the 22nd DAA's Secretary General Manager.
- C. "DGM shall mean and refer to the 22nd DAA's Deputy Secretary General Manager
- D. "Board" shall mean and refer to the Board of Directors of the 22nd DAA.
- E. "Personal Service Contracts" shall have the same meaning as set forth in California Code of Regulations, title 2, § 547.59.
- F. Public Exigency shall mean and refer to an emergency situation when the health and safety of the public property or guests in the custody or care of the 22nd DAA are at risk if immediate measures are not taken to resolve the problem situation and it is not possible or practical to convene a Regular, Special, or Emergency Meeting of the 22nd DAA Board as those terms are defined in the Bagley Keene Open Meeting Act. (Govt. Code, § 11120, et seq.)
- G. Sole Source shall mean and refer to a procurement process in which item(s) or service(s) are procured from, or are a product of either:
 - 1. Emergencies, where immediate acquisition is necessary for the protection of the public health, welfare, or safety or
 - 2. The proposed acquisition of goods are the only goods and services meeting the 22nd DAA's needs, and the vendor is the only available vendor.

Section II. Competitive Bidding Procedures

A. All purchases of goods or information technology goods and services, including subcontracts, and involving an expenditure in excess of \$100,000.00; all personal services contracts involving an expenditure in excess of \$5,000 and governed by Government Code section 19130, subdivision (a); and, all other contracts required by law to be subject to

competitive bidding procedures will be awarded to pursuant to one of the competitive bidding procedures described below; subject to any categorical exemptions (Section III, *infra*) or exceptions. (Section IV, *infra*.)

B. Competitive Bidding Process:

- 1. Invitation for Bid. An invitation for bid (IFB) is a public request for bids to provide a specific service or goods, and the contract will be awarded to the qualified bidder with the lowest responsive and responsible bid, unless all bids are rejected. The 22nd DAA Contract and Purchasing Office will provide additional details and definitions for each IFB issued to the extent necessary. When a contract is awarded, a Notice of Award shall be posted in a public place in the 22nd DAA's Contracts and Purchasing Office.
- 2. Two Tier Requests for Proposals. A Request for Proposal (RFP) will be issued seeking proposals to provide technical services or a specified product, or to solve a defined problem. The contract award will be based upon the lowest cost and evaluation of the proposers' technical proposals submitted in response to the RFP. Two Tier RFPs require the submission of technical proposals for evaluation by a selection committee using objective criteria specified in the RFP. Bidders must submit cost proposals in a separate sealed envelope. Proposals will first be evaluated on a technical basis by the selection committee. Bidders whose Proposal receive the required minimum score during the technical evaluation will have the cost envelope opened. When a contract is awarded, a Notice of Award will be posted in a public place in the 22nd DAA's Contracts and Purchasing Office.
- 3. Competitive Negotiated Procurements are initiated by the issuance of: (i) a RFP, (ii) a Request for Expression of Interest (RFEI), or (iii) a letter invitation to pre-qualified proposers (collectively, "Solicitation".) Competitive Negotiation Procurements require the submission of technical proposals for evaluation by a selection committee using objective criteria specified in the Solicitation; and price is not the primary or sole selection factor. Bidders must submit *preliminary* cost proposals in a separate sealed envelope. All proposals submitted in response to the Solicitation must comply with the Solicitation's terms and conditions. After receipt of proposals and completion of an evaluation or selection process, the District may conduct negotiations with one or more proposers with the required qualifications and the most competitive preliminary financial proposals. Best and Final Offers (BAFOs) will be requested from the selected qualified proposers upon the conclusion of any negotiations. The contract will be awarded on the basis of a consideration of a combination of technical evaluation and price factors. When a contract is awarded, a Notice of Award will be posted in a public place in the 22nd DAA's Contracts and Purchasing Office.

Section III. Categorical Exemptions from Competitive Bidding Procedures

The following are categorically exempt from competitive bidding procedures. Before a purchase may be made on the basis of a categorical exemption, the Manager of the Contracts and Purchasing Department must approve and confirm the applicable categorical exemption.

A. Utility Services: The item or service to be procured is from a utility company or wholesale utility provider where service connections are allowed only in geographically defined service territories, or a competitively limited wholesale provider market, or where the work involves a utility system and only the utility company itself is allowed to perform the work.

- B. Standard Commercial Off-the-Shelf Software Packages (COTS) or Hardware Products: Procurement of software or hardware products which are ready-made, available for sale to the government and to the general public, and designed to be easily integrated into existing systems without the need for extensive customization. COTS software can either be installed on the 22nd DAA computers or delivered over the Internet. COTS include, but are not limited to, those items approved by the 22nd DAA Technology Office.
- C. Equipment Maintenance Services: Maintenance Services Agreements provided by the equipment manufacturer or dealers / distributors as a result of a Life Cycle Cost Purchase determination or which are not available from a satisfactory alternate source as determined by the Manager of the 22nd DAA Contract and Purchasing Office.
- D. Software, Software Licenses and Operating System Maintenance Services: Where the 22nd DAA has procured software and operating systems for its use, procurement of the continuing maintenance and upgrades of the software and operating systems, training and renewal of software licenses, from the developer or manufacturer.
- E. Small Business (SB), Micro Business (MB), and Disabled Veteran Business Enterprises (DVBE): In compliance with Government Code section 14838.5, procurements in an amount between \$5,000.00 and \$281,000 (or any other amount established by a Budget Letter from the Department of Finance), in goods and services from a DVBE, SB or MB certified by the State of California; provided the Manager of the 22nd DAA Contract and Purchasing Office obtains at least two price quotations from two or more certified small businesses, including microbusinesses, or from two or more DVBEs.
- F. Revenue Generating Events and 22nd DAA Facility Rentals: Professional and amateur entertainment of all kinds; agricultural and equestrian events; entertaining, educational and competitive exhibits of all kinds; public and private interim events of all kinds; short and long term rentals of 22nd DAA facilities; short and long term concessions; all entertainment and exhibits related to the San Diego County Fair, and any revenue generating enterprise or event contributing to the success of fairground operations.
- G. Procurements of any goods or services with a value less than \$5,000 may be purchased with or without using an Informal Procurement Process. If the procurement is conducted without using the Informal Procurement Process the 22nd DAA Contract and Purchasing Office must determine that the price or cost to the 22nd DAA is fair and reasonable.
- H. Informal Procurement Process: Procurements of goods or information technology goods and services in an amount greater than \$5,000 and less than \$100,000, may be purchased using an Informal Procurement Process by obtaining multiple informal telephone, written and or internet quotes and in accordance with the policies and procedures established by the Manager of the 22nd DAA Contract and Purchasing Office.
- Newspapers and Publications Services: Notices and publication services used to post notices required by law or policy, and subscriptions to newspapers, journals, and other periodicals.
- J. Contract extensions during Pending Protest or Ongoing Procurement Process: Extension of existing contracts where the goods or services provided under the existing contract are the subject of an ongoing procurement and the results of that procurement have been delayed or protested in accordance with the 22nd DAA's Bid Protest Procedures set forth in Section 8 below or otherwise delayed"

CURRENT POLICY K. Non-Profit Community Services Agreements: Procurement of services acquired from not-for-

- K. Non-Profit Community Services Agreements: Procurement of services acquired from not-for-profit organizations to provide services including, but not limited to, clean up, weed abatement, habitat restoration, maintenance and other similar work within or adjacent to 22nd DAA jurisdiction and the Manager of the 22nd DAA Contract and Purchasing Office determines that the price or cost to the 22nd DAA is fair and reasonable.
- L. Sponsorship Acquisitions: The 22nd DAA Board shall establish policies and procedures for sponsorships and naming rights.
- M. Educational Services: Procurement of educational or specialized training services from a nonprofit institution or a competitively limited market.
- N. Inter-Agency Agreements: Services and Goods Acquired from Other Governmental Agencies, Districts, Institutions and or Municipalities or through Competitive Contracts Awarded by Other Governmental Agencies Districts, Institutions and or Municipalities: Services and Goods that are acquired directly from another governmental agency, or under a contract awarded by the federal government or the State or another state government, or competitively by any governmental agency to a third party, when the price can be determined to be fair and reasonable.
- O. Architectural, Engineering and Related Professional Services: Professional services procured in accordance with the policy or policies adopted by the Board unless otherwise specified, applicable laws of the State of California and the 22nd DAA procedures apply.
- P. Legal Services: Subject to the applicable provisions of the Government Code, legal services, legal consultation, representation, research and analysis to support the Board of Directors, executive staff, and staff of the 22nd DAA.
- Q. Highly Specialized Consultants: Consultants whose expertise in a particular field is critical to the success of the 22nd DAA. The 22nd DAA's General Manager may determine that specialized consultants services are critical to the 22nd DAA's success and the General Manager may authorize, without a competitive procurement, a consulting contract, not to exceed an annual value of \$100,000. Contracts greater than \$50,000.00 must be approved by the Board.
- R. Marketing and Media Services and Products: Marketing services and products in the form of print material, promotional material, radio and television airtime, internet, cable and other forms of media advertising.

Section IV. Exceptions to Competitive Bidding Procedures

The competitive procurement requirements of this policy may not apply if, under the particular circumstances of the procurement, an exception is warranted. The following are examples of circumstances that may be considered in authorizing case-by-case exceptions to this policy.

- A. Sole Source: Only one person, firm or manufacturer exists that can provide the needed goods, and no equivalent person, firm or manufacturer is available that would meet the 22nd DAA's minimum needs.
- B. Competition is precluded because of the existence of patent rights, copyrights, secret processes, controlled or limited market or distribution, restricted or limited availability of the basic raw material(s) or similar circumstances, and there is no equivalent item or service.

C. Absolute Compatibility:

- The procurement is for replacement parts or components for equipment, and no information or data is available to ensure that the parts or components obtained from another supplier will perform the same function in the equipment as the part or component to be replaced;
- 2. The procurement is for replacement parts or components for equipment, and the replacement parts or components would compromise the safety or reliability of the product, or would void or invalidate a manufacturer's warranty or guarantee; or
- 3. The procurement is for upgrades, enhancements or additions to hardware or for enhancements or additions to software, and no information and data is available to ensure that equipment or software from different manufacturers or developers will be as compatible as equipment or software from the original manufacturer(s) or developer(s).

D. Opportunity Purchases:

- 1. Opportunity purchases from local businesses that, for similar things available through the state purchasing program, may be purchased locally at a price equivalent to or less than that available through the state purchasing program. (Food & Agr. Code, § 4051, subd. (b)(1).)
- E. Threshold Amounts and other Requirements for Approving Contracts or Exceptions to Competitive Procurement:

Unless otherwise allowed under this Policy, Contracts or Exceptions to the Competitive Bidding Procedures with an estimated annual value (expenditure or revenue) may be approved as follows:

- 1 Contracts or Exceptions up to \$10,000 Manager of 22nd DAA Contract and Purchasing Office.
- 2. Contracts or Exceptions between \$10,000 \$50,000 22nd DAA GM or DGM
- 3 Contracts or Exceptions over \$50,000 Board.
- 4. In cases of Public Exigency as defined under "Definitions" above, the 22nd DAA GM may approve Sole Source Procurements above the \$50,000 threshold without 22nd DAA Boards' approval.
- 5. If a Contract was previously approved by the Board, any Amendment to that Contract must also be approved by the Board regardless of value.
- 6. Any Contract of a controversial nature or that may be of great public interest must be presented to the Board's Contracts Oversight Committee to determine whether the Contract should be presented to the Board for consideration and approval during a 22nd DAA Board Meeting.

F. Requests for Exceptions:

Whether requesting approval by the Manager the 22nd DAA Contract and Purchasing Office, the 22nd DAA GM, or the 22nd DAA Board, requests for exceptions to the 22nd DAA's Contracting Policies and Procedures must be in writing or in electronic format. Requests for Exceptions must, conform to the following format, and include the following information:

- 1. Description of and necessity for the procurement.
- 2. Items and the term period.
- 3. Benefits to the 22nd DAA.
- 4. The factual basis for the claimed exception.
- 5. The requesting party's Determination of Fair and Reasonable Price.
- G. In the event a request for an Exception to Competitive Bidding Procedures is denied, one of the procedures specified in Section II (B) above must be utilized.

Section V. Advertising:

For personal service contracts (Govt. Code, § 19130, subd. (a)) in excess of \$5,000, contracts in excess of \$100,000, and any and all other contracts required by law to be subject to competitive bidding procedures, the 22nd DAA Contract and Purchasing Office shall place and advertisement in an appropriate business newspaper, and post the proposed procurement on the 22nd DAA website and/or the Internet.

<u>Section VI. Small Business (SB), Micro Business (MB) and Disabled Veteran Business Enterprise (DVBE)</u>

It is the policy of the 22nd DAA to encourage SB, MB and DVBE prime contractors to participate in the competitive procurement process. SB, MB and DVBE prime contractors, certified by the State may receive a 5% preference up to \$50,000 or in some instances a pre-determined scoring incentive on applicable solicitations to be applied when determining and award. As described in 2.E. above, they may also be exempted from the competitive process. In addition, non-certified prime contractors are encouraged to sub contract with certified SB, MB and DVBE firms. In some instances, the 22nd DAA may offer predetermined incentives for sub-contractor participation on selected solicitations.

Section VII. Protest Procedures

- A. Standing and Grounds for Protests:
 - Protests can be filed only by a Proposer or Bidder submitting a bid or proposal in response to one of the Competitive Bidding Procedures (IFB, RFP, or Solicitation) described in Section II.
 - 2. All protests will be reviewed and decided on written submissions only.
 - 3. Protests must be based only upon one or more of the following grounds:
 - a) The 22nd DAA violated a law or regulation.
 - b) The 22nd DAA failed to follow the procedures and adhere to requirements set forth in the solicitation or any addendum thereto.
- B. Jurisdiction for Consideration of Protests

- 1. There is no jurisdiction for the 22nd DAA to consider a protest if:
 - a) The 22nd DAA rejects all bids or proposals.
 - b) The protestant does not meet the requirements of Section VII (A) above.
 - c) The protest was not submitted timely.
 - d) The contract award is for a type of contract not subject to the protest procedures.

C. Procedural Requirements for Protests:

- 1. A protest must be initiated by filing the Initial Protest in writing with the 22nd DAA's Contract and Purchasing Office by 4:00 p.m. not later than five business days after the posting of a Notice of Intent to Award. The written Initial Protests must be physically delivered to the 22nd DAA's Contracts and Purchasing Office in hard copy. Emailed protests and fax protests are NOT acceptable and will not be considered. The failure to timely file a protest shall constitute an irrevocable waiver of the Bidder or Proposer's right to protest
- 2. The Initial Protest must include the name, address, and telephone number of the protestant and of the person representing the protesting party, if any, and must be signed by the protestant or the protestant's representative. The Initial Protest may, but is not required to, contain the information described in Paragraph C (3) below.
- 3. After filing an Initial Protest, the protestant has five calendar days to file a detailed written statement of the protest grounds if, the Initial Protest did not contain the complete grounds for the protest. The detailed written statement must be physically delivered in writing to the 22nd DAA's Contract and Purchasing Office by 4:00 p.m. not later than five calendar days after the Initial Protest is filed. Emailed and/ or faxed detailed written statements are NOT acceptable and will not be considered. The detailed written protest must contain a complete statement of any and all bases for the protest, including, without limitation, all facts, supporting documentation, legal authorities and argument in support of the grounds for the bid protest. The detailed written protest must refer to the specific portions of all documents which form the basis for the protest.
- 4. Any protest not conforming to Paragraphs C (1) through (4), inclusive, shall be rejected by the 22nd DAA as invalid. The procedures and time limits set forth in this Section VII© are mandatory and are the protestant's sole and exclusive remedy in the event of any protest. Failure to comply with these procedures shall constitute a waiver of any right to further pursue the protest, including filing a Government Code Claim or judicial or other legal proceedings.
- 5. During the pendency of a valid protest, the contract may not be awarded until the protest is withdrawn or the 22nd DAA has rendered a decision.
- 6. The Manager of the Contracting and Purchasing Office shall determine if the protest is in conformance with Paragraphs C (1) through (3), inclusive. The Manager of the Contracting and Purchasing Office will attempt to resolve protests to the satisfaction of all parties before forwarding the protest to the 22nd DAA GM. Following confirmation that the protest is based on permissible grounds and filed in strict conformity with this Section 8(C), the 22nd GM shall appoint a hearing officer. The hearing officer may request additional information and specify a time limit for submission of the information. The hearing officer will determine the matter on all written submissions and submit a

recommended written decision to the Board within thirty days of the final submission of evidence.

7. The 22nd DAA's Board will render a final determination and disposition of a protest by taking action to adopt, modify, or reject the hearing officer's recommended written decision. Action by the Board relative to a protest shall be final and not subject to appeal or consideration.

22nd District Agricultural Association **Policies – Table of Contents**

	Status as of 5/14/2024
Introduction	Draft
Section 1	
1.01 – Policy Framework and Definitions	Draft
Section 2:	
 2.01 – Institutional Values 2.02 – Code of Ethics 2.03 – Conflicts of Interest 2.04 – Discrimination and Harassment Prevention 2.05 – Reporting Wrongdoing 	Adopted Adopted Adopted Adopted Adopted
Section 3: Board Governance	
3.01 – Board Composition and Officers 3.02 – Board Committees 3.03 – Board Member Code of Conduct 3.04 – Board Member Conflict Resolution 3.05 – Board Meetings and Agendas 3.06 – Board Member Orientation and Training 3.07 – Board Self-Assessment 3.08 – Board General Responsibilities 3.09 – Organizational Planning 3.10 – Risk Management	Draft Adopted
Section 4: Board Organization Oversight	
4.01 – Public Records Act Requests 4.02 – Records Management 4.03 – Contracts and Procurement 4.03.1 – Sponsorship Acquisition	Draft Draft Draft Draft

22nd District Agricultural Association

Policies

Policy 4.03: Contract and Procurement

Date Adopted/Last Revised: February 11, 2015/March 16, 2018

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of <u>22nd Distirct Agricultural Association (22nd DAA)</u> Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

<u>Purpose</u>

The purpose of this Policy is to establish the authority of the 22nd DAA to procure Goods and Services, 22nd DAA in compliance with Food & Agricultural Code section 4051 et al and . Tto improve economic efficacy, and as authorized by Food and Agriculture Code section 4051(a)(1)(A), the 22nd DAA hereby adopts the following Contract and Procurement Policies.

The 22nd DAA shall procure <u>gG</u>oods, <u>sS</u>ervices, and Information Technology Goods and Services through a competitive procurement process specified in this Policy unless <u>such procurement is specificallythe goods</u>, <u>services</u>, <u>or Information Technology Goods and Services are entitled to an exempted ion or excepted ion as defined in this Policy due to unique business and logistical reasons</u>.

Policy

It is the Policy of the 22nd DAA to use a Formal Competitive Procurement process to procure the following:

- Goods or Information Technology Goods and Services, including subcontracts, and involving an expenditure in excess ofgreater than \$100,000
- Personal Services Contracts (as authorized by Government Code, section 19130) involving an expenditure exceeding when the amount exceeds the limit

established by the Department of General Services in accordance with Public Contract Code, section 10348,

All other contracts required by law to be subject to competitive bidding.

All other procurements can be made through an Informal Procurement Process.

Subject to any Categorical Exemptions or Exceptions, described below, all purchases for Goods and sServices shall:

- A. <u>Comply with Applicable Law</u>: All contracts and purchases must comply with all applicable local, state, and federal laws.
- B. <u>Conform to 22nd DAA Purpose and Mission</u>: All contracts and purchases shall operate in conformity with 22nd DAA goals, objectives, and mission and shall consider the impact of 22nd DAA events and activities on the local community.
- C. <u>Be Written</u>: All contracts for the purchase of Goods and Services shall be in writing, free from any type of discrimination and conflict of interest, in compliance with applicable law, and duly executed by the 22nd DAA.
- D. <u>Require Board Approval</u>: Except for situations where the 22nd DAA's Board has expressly delegated limited authority to the Chief Executive Officer (CEO), all contracts must be submitted to and approved by the Board during a public meeting to be effective and legally binding on the 22nd DAA.
- E. <u>Be Approved by CDFA and DGS where required</u>: All contracts that require the approval of the Department of Food & Agriculture (CDFA) and/or the Department of General Services (DGS) must be submitted to CDFA and/or DGS pursuant to Food & Agricultural Code section 4051 et seq. to be reviewed and approved before implementation by 22nd DAA.

Definitions

- A. "Premises: shall mean the 324 acres of any real property owned by the 22nd DAA.
- B. "Contract": shall mean and include all types of written agreements, contracts, leases, purchase orders, and memorandums of understanding.
- <u>C. "Goods:" shall mean</u> all types of tangible personal property, including materials, supplies, and equipment, as defined in Public Contract Code section 10290, subdivision (d).
- C.D. **Services**: work to be performed as part of a legally binding agreement.

- electronic software and hardware technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval. This also includes, telecommunications such as which include voice, video, and data communications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.
- E.F. <u>"Fair and Reasonable:" shall mean</u> an informal quote process in which 22nd DAA can obtain Goods or Services valued at less than \$10,000 by obtaining a single quote that is considered to be justifiable.
- F.G. "Personal Services Contracts": shall have the same meaning as set forth in California Code of Regulations, Title 2, section 547.59, which provides in pertinent part:
 - 1. A "Personal Services Contract" is defined as any contract, requisition, purchase order, etc. (except public works contracts) under which labor or personal services is a significant, separately identifiable element. The business or person performing these contractual services must be an independent contractor that does not have status as anwho is not considered an employee of the State.
 - 2. A "cost-savings based Personal Services Contract" is any Personal Services Contract proposed to achieve cost savings and subject to the provisions of Government Code Section 19130(a).
- G.H. "Public Exigency": shall mean and refer to an emergency situation when the health and safety of the public, property, or guests in the custody or care of the 22nd DAA are at risk if immediate measures are not taken to resolve the problem and/or emergency situation. A Public Exigency circumstance exists when Goods or Services are necessary, and it is and it is not possible or practical to convene a Regular, Special, or Emergency Meeting of the Board as those terms are defined in the Bagley Keene Open Meeting Act. (Govt. Code, § 11120, et seq.)
- I. Request for Proposal (RFP): a public request seeking for interested parties proposals to provide technical services or a specified product, or to solve a defined problem, and/or to provide very complex and or unique services where professional expertise and methods, or creative and innovative approaches are needed.
- H.J. <u>"Sole Source": shall mean and refer to</u> a procurement process in which item(s) or service(s) are <u>procured acquired</u> from, or are a product of either:
 - 1. Emergencies, where immediate acquisition is necessary for the protection of the public health, welfare, or safety

or

- 2. The proposed acquisition of Goods and/or Services are the only Goods and/or Services that meet the needs of 22nd DAA, and the vendor is the only vendor that can provide the Goods and/or Services.
- H.K. ____"Informal Procurement Process": shall mean the procurement of Goods, Services, or Information Technology Goods and Services by _obtaining multiple informal telephone, written and/or internet quotes in accordance with <u>established</u> the procedures <u>established</u> by the 22nd DAA.
- J. "Services": shall mean work to be performed as part of a legally binding agreement.

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- L. "Award": the result of a Informal or Formal Competitive Procurement process.

 The Board must still consider whether to authorize the Chief Executive Officer to enter into a Contract unless the authority to do so has previously been delegated.
- <u>"Notice of Award": shall mean an official notice that a Contract has been awarded to a specified vendor as a result of a Formal Competitive Procurement (see below)</u>. Notice shall be posted in a place accessible by the general public, including any Internet site identified in the Formal Competitive Procurement.
- N. "Notice of Intent to Award": shall mean an official notice of the 22nd DAA's intent to enter into an agreementa Contract with a specified vendor as a result of a Formal Competitive Procurement (see below).

(Notices shall be posted in a place accessible by the general public in the 22nd DAA's Administration Office and on the website as required by Public Contracting Code.), including any Internet site identified in the Formal Competitive Procurement for five working days prior to official award.

- L.O. <u>"Life-Cycle Cost Purchase": shall mean</u> the sum of all recurring and one-time, non-recurring, costs over the full life span or a specified period of a good, service, structure structure, or system. It includes purchase price, installation cost, operating costs, maintenance and upgrade costs, and remaining (residual or salvage) value at the end of ownership or its useful life.
- M.P. <u>"Proposer" or "Bidder": shall mean</u> an individual, sole proprietorship, firm, partnership, corporation, or any other business venture that responds to an Invitation for Bids or Request for Proposals by submitting a bid or proposal to the contracting agency. A potential contractor.

- N.Q. "Formal Competitive Procurement": shall mean use of one of the following methods appropriate to the type of Service or Good being sought:
 - a. <u>Invitation for Bid (IFB)</u>. An <u>Invitation For Bid (IFB) is aA</u> public request for bids to provide a specific <u>sService</u> or <u>gGoods</u>, and the <u>Contract will be</u> awarded to the qualified Bidder with the lowest responsive and responsible bid, unless all bids are rejected. The <u>22nd DAA</u> will provide additional details and definitions for each IFB issued to the extent necessary. When a <u>Contract is awarded</u>, a <u>Notice of Intent to Award (when required)</u> and <u>Notice of Award shall be posted in a public place in the <u>22nd DAA</u>'s <u>Administration Office and on the <u>22nd DAA</u>'s website as required by <u>Public Contracting Code</u>.</u></u>
 - b. Two Tier (Primary) Requests for Proposal (RFP). A Request for Proposals (RFP) will be issued seeking proposals to provide technical services or a specified product, or to solve a defined problem. The Contract award will be based upon the lowest cost and evaluation of the Proposers' technical proposals submitted in response to the RFP. RRFP Primary r Requires the submission of technical proposals (tier one) separate from sealed cost proposals (tier two)for evaluation by a selection panel using objective criteria specified in the RFP. The minimum technical score required to proceed to tier two is specified in the RFP. Bidders must submit cost proposals sealed separately. Proposals will are first be evaluated by the a selection panel on a technical basis using objective criteria specified in the RFPby the selection panel. Bidders whose Proposal receive the required minimum score during the technical evaluation will have the cost proposals opened. Contract award is made to the lowest responsible Proposer from tier two. When a Contract is awarded, a Notice of Intent to Award and Notice of Award will be posted in a public place in the 22nd DAA's Administration Office and on the 22nd DAA's website as required by Public Contracting Code.

b.

c. High Score (Secondary) Requests for Proposal (RFP). An RFP will be issued seeking proposals to provide very complex and or unique services where professional expertise and methods, or creative and innovative approaches, are needed. Requires submission of technical proposals for evaluation by a selection panel using objective criteria specified in the RFP with cost proposals disclosed. The Contract award will be based on high score through evaluation of the Proposers' technical and cost proposals submitted in response to the RFP. RFP Secondary requires the submission of technical proposals for evaluation by a selection panel using objective criteria specified in the RFP. Cost Pproposals are evaluated and scored by the Contracts and Purchasing Office and must be weighted a minimum of 30% of total score (technical plus cost). When a Contract is awarded, a Notice of Intent to Award and Notice of Award will be posted in a public place in the 22nd DAA's Administration Office and on the 22nd DAA's website as required by Public Contracting Code.

d. Requests for Qualification (RFQ). In accordance with GC 4525 et seq., a Request for Qualifications (RFQ) may be issued seeking to identify firms to capable of providinge professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms. RFQs require the submission of Statements of Qualifications (SOQ) for evaluation by a selection panel using objective criteria specified in the Ssolicitation; and price is not the primary or sole selection factor. The Contract will be awarded on the basis of a consideration of a combination of technical evaluation and price factors. If a Contract is awarded through the RFQ process, a Notice of Award will be posted in a public place in the 22nd DAA's Administration Office and on the 22nd DAA's website as required by the State Contracts Manual.

Policy

It is the Policy of the 22nd DAA, pursuant to Food and Agriculture Code 4051 et al, to use a Formal Competitive Procurement process to procure the following:

- Goods, Services, or Information Technology Goods and Services, including subcontracts, involving an expenditure greater than \$100,000,
- Personal Services Contracts (as authorized by Government Code, section 19130) when the amount exceeds the limit established by the Department of General Services in accordance with Public Contract Code, section 10348,
- Construction projects (pursuant to Food and Agriculture Code 4051(a)(1)(C)),
- All other contracts required by law to be subject to competitive bidding.

All other procurements can be made through an Informal Procurement Process.

Subject to any Categorical Exemptions or Exceptions, described below, all purchases for Goods and Services shall:

- F.A. Comply with Applicable Law: All contracts and purchases must comply with all applicable local, state, and federal laws.
- G.B. Conform to 22nd DAA Purpose and Mission: All contracts and purchases shall operate in conformity with 22nd DAA goals, objectives, and mission and shall consider the impact of 22nd DAA events and activities on the local community.
- H.C. <u>Be Written</u>: All contracts for the purchase of Goods and Services shall be in writing, free from any type of discrimination and conflict of interest, in compliance with applicable law, and duly executed by the 22nd DAA.

- I.D. Require Board Approval: Except Excludingfor situations where the 22nd DAA's Board has expressly delegated limited authority to the CEOChief Executive Officer, all contracts must be submitted to and approved by the Board during a public meeting to be effective and legally binding on the 22nd DAA.
- J.E. Be Approved by CDFA and DGS where required: All contracts that require the approval of the California Department of Food & Agriculture (CDFA) and/or the Department of General Services (DGS) must be submitted to CDFA and/or DGS pursuant to Food & Agricultural Code section 4051 et seq. to be reviewed and approved before implementation by 22nd DAA.

Categorical Exemptions to Formal Competitive Procurement

The following are categorically exempt from Formal Competitive Procurement. Before conducting a purchase or a purchase may be made on the basis of a Categorical Exemption, the Manager of the Contracts and Purchasing Unit must approve the applicable Categorical Exemption. Once a Categorical Exemption is approved, the 22nd DAA may forego the Formal Competitive Procurement process. Even if exempt, the 22nd DAA may elect to still enter into a Formal Competitive Procurement in some circumstances.

- A. <u>Utility Services</u>: The item or service to be procured is from a utility company or wholesale utility provider where service connections are allowed only in <u>1</u>) geographically defined service territories; <u>or 2</u>) a competitively limited wholesale provider market; <u>or 3</u>) where the work involves a utility system and only the utility company itself is allowed to perform the work.
- B. <u>Standard Commercial Off-the-Shelf Software Packages (COTS) or Hardware Products</u>: <u>SProcurement of software or hardware products which are readymade</u>, available for sale to the government and to the general public, and designed to be easily integrated into existing systems without the need for extensive customization. COTS software can either be installed on 22nd DAA <u>computers electronic equipment</u> or delivered over the Internet. COTS include, but are not limited to, those items approved by 22nd DAA's Technology Office.
- C. <u>Equipment Maintenance Services</u>: Maintenance Services Agreements provided by the equipment manufacturer or dealers / distributors, <u>provided no satisfactory alternative sources exist</u>, as determined by the 22nd DAA. as a result of a Life Cycle Cost Purchase: determination or which are not available from a satisfactory alternate source as determined by the 22nd DAA.
- D. <u>Software, Software Licenses and Operating System Maintenance Services</u>: Where the 22nd DAA has procured software and operating systems for its use,

procurement of the continuing maintenance and upgrades of the software and operating systems, training, and renewal of software licenses.

- E. Small Business (SB), Micro Business (MB), and Disabled Veteran Business

 Enterprises (DVBE): In compliance with Government Code section 14838.5, (or
 any other amount established by a Budget Letter from the Department of
 Finance), in the 22nd DAA may acquire Goods and Services from a DVBE, SB or
 MB certified by the State of California without a Formal Competitive Procurement
 process; provided the 22nd DAA obtains at least two price quotations are
 received from two or more certified small businesses, including microbusinesses,
 or from two or more DVBEs. are received.
- F. Contracts for Activities/Use on the PremisesRevenue Generating: -In accordance with section 3965.1 of the Food and Agricultural Code, the 22nd DAA may Contract for any activity involving the use of the 22nd DAA's Premises (e.g. Rental Agreements, Operator Agreements, etc.), Agreements that provide revenue for the District are exempt, excluding except revenue generating contracts involving those that involve hazardous activities as determined by CDFA, unless adequate insurance is provided. In contracting for such activities, the 22nd DAA shall, depending on the circumstances, consider the use a competitive bid process in situations where the duration of the Contract is to be greater than one year or where the Contract grants to a contractor an exclusive right, and where there is known competition in the market place, unless the contract/activity/use is entitled to an exemption or exception as defined within this Policy.
- G. Fair-time Vendor Rental Agreements: In accordance with Title 3, California Code of Regulations, section 7010 et seq, s—Short term contracts (not to exceed five years) for the non-exclusive use of a portion of the Premises by vendors or independent contractors during the annual Fair-in accordance with Title 3, California Code of Regulations, section 7010 et seq.
- H. Informal Procurement Process: As defined in Definitions above.
- Newspapers and Publications Services: Notices and publication services used to post notices required by law or policy, and subscriptions to newspapers, journals, websites, newsletters, and other periodicals.
- J. Contract extensions during Pending Protest or Ongoing Procurement Process: Extension of existing contracts where the Goods or Services provided under the existing Contract are the subject of an ongoing competitive bid process and the results of that process have been delayed or protested in accordance with applicable Bid Protest Procedures set forth below or by court order.
- K. <u>Non-Profit Community Services Agreements</u>: Procurement of services acquired from not-for-profit organizations.

- L. Sponsorship Acquisitions: See Policy 4.03.1 below.
- M. <u>Professional Development Services</u>: Procurement of educational or specialized training services.
- N. <u>Contracts with Other Governmental Entities</u>: -Contracts with other governmental entities, also known as "Inter Agency Agreements.", <u>This includes, but-including, but-is</u> not limited to federal, state, and local entities, as well as Joint Power Authorities established for the benefit and/or use by the 22nd DAA.
- O. <u>Architectural, Engineering and Related Professional Services</u>: Professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms.
- P. <u>Legal Services</u>: Subject to the applicable provisions of the Government Code, legal services, legal consultation, representation, <u>research_research</u>, and analysis to support the Board of Directors, Executive staff, and staff of the 22nd DAA.
- Q. <u>Highly Specialized Consultants</u>: The Chief Executive Officer may determine that specialized consultants services are critical to the 22nd DAA's success and may authorize, without a competitive procurement, a consulting contract, not to exceed the limit established by the Board through the annual Delegation of Authority for Contract Approval, Check Signing Authority, and Credit Card Use.
- R. Marketing and Media Services and Products: Marketing services and products in the form of print material, promotional material, radio and television airtime, internet, cable and other forms of media advertising. Marketing and media services and products in digital and physical form, including the design and production of print or promotional materials, photographs, videos, graphics, social media content, websites, radio and television airtime, internet advertising, streaming services advertising, outdoor advertising and other forms of media advertising.
- S. <u>Entertainment Agreements</u>: Note that entertainment coordinator/director<u>and</u> <u>talent-buying</u> contracts are not exempt from bidding, only entertainment itself.
- T. Matter of Law: Contracts that the 22nd DAA is required to enter into as a matter of law.

Exceptions to Formal Competitive Procurement

Competitive bidding may not apply if, under the particular circumstances of the procurement, under certain circumstances if an exception is warranted. The following are examples of circumstances that may be considered in authorizing case-by-case exceptions to this Policy:

- A. <u>Sole Source</u>: A situation where only one person, firm, or manufacturer exists that can provide the needed Goods or Services and no equivalent person, firm or manufacturer is available that would meet the 22nd DAA's minimum needs.
- B. <u>Lack of Competition</u>: Competition is precluded because of the existence of patent rights, copyrights, secret processes, controlled or limited market or distribution, restricted or limited availability of the basic raw material(s) or similar circumstances, and there is no equivalent item or service.

C. Absolute Compatibility:

- The procurement is for replacement parts or components for equipment, and no information or data is available to ensure that the parts or components obtained from another supplier will perform the same function in the equipment as the part or component to be replaced;
- 2. The procurement is for replacement parts or components for equipment, and the replacement parts or components would compromise the safety or reliability of the product, or would void or invalidate a manufacturer's warranty or guarantee; or
- 3. The procurement is for upgrades, enhancements or additions to hardware or for enhancements or additions to software, and no information and data is available to ensure that equipment or software from different manufacturers or developers will be as compatible as equipment or software from the original manufacturer(s) or developer(s).
- D. Opportunity Purchases: Opportunity purchases from local businesses that, for similar things available through the state purchasing program, may be purchased locally at a price equivalent to or less than that available through the state purchasing program.- (Food & Agr. Code, § 4051, subd. (b)(1).) Purchases made from a local vendor (physical location within San Diego County) that have rates that are equal to or less than those provided through a state purchasing program (such as Department of General Services' Leveraged Procurement Agreements) OR document in writing that the purchase is financially beneficial to the overall fair[grounds] program, regardless of price. Utilizing this method requires comparison between a local vendor and established state contract. State contracts can be found here: https://caleprocure.ca.gov/pages/LPASearch/lpasearch.aspx.
- E. <u>Exigency Purchases</u>: In cases of a Public Exigency as defined under "Definitions" above, the <u>CEO-Chief Executive Officer</u> may authorize contracts for Goods and Services in the best interests of the 22nd DAA.

<u>Threshold Amounts and other Requirements for Approving Exceptions to Formal</u> Competitive Procurement:

Unless otherwise allowed under this Policy, Exceptions to Formal Competitive Procurement with an estimated expenditure value may be approved as follows:

- A. If a Contract was previously approved by the Board, any Amendment to that Contract <u>must be presented to the Board for consideration and approval during a 22nd DAA Board Meeting before the Amendment is made.must also be approved by the Board regardless of value.</u>
- B. Any Contract of a controversial nature or that may be of great public interest must be presented to the Board for consideration and approval during a 22nd DAA Board Meeting.
- C. Exceptions up to \$510,000 Chief Executive Officer
- D. Exceptions over \$5100,000 Board

Requests for Exceptions:

Requests for Exceptions to this Policy must be submitted in writing or in electronic format, and include the following information:

- Description of and necessity for the procurement.
- Items and the term period.
- Benefits to the 22nd DAA.
- The factual basis for the claimed exception; identify item that applies.
- The requesting party's determination of fair and reasonable price.

In the event a request for an Exception to Formal Competitive Procurement is denied, one of the Formal Competitive Procurement processes must be utilized.

<u>Small Business (SB), Micro Business (MB) and Disabled Veteran Business</u> <u>Enterprise (DVBE)</u>

By way of this Policy, the 22nd DAA encourages SB, MB and DVBE prime contractors to participate in the competitive procurement process.

Bid Protests

With public contracts, the opportunity or option to "protest" a bid award is provided under certain limited circumstances.

The Proposer or Bidder must file the protest with the 22nd DAA and with Department of General Services.

A protest cannot be considered if:

- The protestant was not a Proposer or Bidder.
- The protestant has not alleged that it was the lowest responsible Bidder or the highest-scored Proposer.
- The protestant is not able to make a supportable assertion that it was the lowest responsible Bidder or should have been the highest-scored Proposer.
- The protest was not submitted timely.
- The grounds for the protest do not meet the permissible grounds stated in the Public Contract Code.
- The Contract is not subject to Formal Competitive Procurement.

22nd District Agricultural Association

Policies

Policy 4.03: Contract and Procurement

Date Adopted/Last Revised: February 11, 2015/March 16, 2018

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of 22nd DAA Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

Purpose

The purpose of this Policy is to establish the authority of the 22nd DAA to procure Goods and Services in compliance with Food & Agricultural Code section 4051 et al and to improve economic efficacy.

The 22nd DAA shall procure Goods, Services, and Information Technology Goods and Services through a competitive procurement process specified in this Policy unless such procurement is specifically exempted or excepted in this Policy due to unique business and logistical reasons.

Definitions

- A. **Premises**: any real property owned by the 22nd DAA.
- B. **Contract**: all types of written agreements, contracts, leases, purchase orders, and memorandums of understanding.
- C. **Goods**: all types of tangible personal property, including materials, supplies, and equipment, as defined in Public Contract Code section 10290, subdivision (d).
- D. **Services**: work to be performed as part of a legally binding agreement.
- E. **Information Technology (IT) Goods and Services**: all electronic software and hardware technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval. This also includes telecommunications such as voice, video, and data communications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

- F. **Fair and Reasonable**: an informal quote process in which 22nd DAA can obtain Goods or Services valued at less than \$10,000 by obtaining a single quote that is considered justifiable.
- G. **Personal Services Contracts**: as set forth in California Code of Regulations, Title 2, section 547.59, which provides in pertinent part:
 - A "Personal Services Contract" is defined as any contract, requisition, purchase order, etc. (except public works contracts) under which labor or personal services is a significant, separately identifiable element. The business or person performing these contractual services must be an independent contractor who is not considered an employee of the State.
 - 2. A "cost-savings based Personal Services Contract" is any Personal Services Contract proposed to achieve cost savings and subject to the provisions of Government Code Section 19130(a).
- H. **Public Exigency**: an emergency situation when the health and safety of the public, property, or guests in the custody or care of the 22nd DAA are at risk if immediate measures are not taken to resolve the problem and/or emergency situation. A Public Exigency circumstance exists when Goods or Services are necessary, and it is not possible or practical to convene a Regular, Special, or Emergency Meeting of the Board as those terms are defined in the Bagley Keene Open Meeting Act. (Govt. Code, § 11120, et seq.)
- Request for Proposal (RFP): a public request for interested parties to provide technical services or a specified product, to solve a defined problem, and/or to provide very complex and or unique services where professional expertise and methods, or creative and innovative approaches are needed
- J. **Sole Source**: a procurement process in which item(s) or service(s) are acquired from, or are a product of either:
 - 1. Emergencies, where immediate acquisition is necessary for the protection of the public health, welfare, or safety

or

- 2. The proposed acquisition of Goods and/or Services are the only Goods and/or Services that meet the needs of 22nd DAA, and the vendor is the only vendor that can provide the Goods and/or Services.
- K. **Informal Procurement Process**: obtaining multiple informal telephone, written and/or internet quotes in accordance with established procedures.

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- L. "Award": the result of a Informal or Formal Competitive Procurement process.

 The Board must still consider whether to authorize the Chief Executive Officer to enter into a Contract unless the authority to do so has previously been delegated.
- M. **Notice of Award**: an official notice that a Contract has been awarded to a specified vendor as a result of a Formal Competitive Procurement (see below).
- N. **Notice of Intent to Award**: an official notice of the 22nd DAA's intent to enter into a Contract with a specified vendor as a result of a Formal Competitive Procurement (see below).
 - (Notices shall be posted in a place accessible by the public in the 22nd DAA's Administration Office and on the website as required by Public Contracting Code.)
- O. **Life-Cycle Cost Purchase**: the sum of all recurring and one-time, non-recurring, costs over the full life span or a specified period of a good, service, structure, or system. It includes purchase price, installation cost, operating costs, maintenance and upgrade costs, and remaining (residual or salvage) value at the end of ownership or its useful life.
- P. **Proposer or Bidder**: an individual, sole proprietorship, firm, partnership, corporation, or any other business venture that responds to an Invitation for Bid or Request for Proposal by submitting a bid or proposal.
- Q. **Formal Competitive Procurement**: use of one of the following methods appropriate to the type of Service or Good being sought:
 - a. <u>Invitation for Bid (IFB)</u>. A public request for bids to provide a specific Service or Goods, awarded to the qualified Bidder with the lowest responsive and responsible bid, unless all bids are rejected.
 - b. Two Tier (Primary) Requests for Proposal (RFP). R Requires submission of technical proposals (tier one) separate from sealed cost proposals (tier two). The minimum technical score required to proceed to tier two is specified in the RFP. Proposals are first evaluated by a selection panel on a technical basis using objective criteria specified in the RFP. Contract award is made to the lowest responsible Proposer from tier two.
 - c. <u>High Score (Secondary) Requests for Proposal (RFP)</u>. Requires submission of technical proposals for evaluation by a selection panel using objective criteria specified in the RFP with cost proposals disclosed. Cost proposals must be weighted a minimum of 30% of total score (technical plus cost).
 - d. Requests for Qualification (RFQ). In accordance with GC 4525 et seq., may be issued to identify firms capable of providing professional services of

private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms. RFQs require the submission of Statements of Qualifications for evaluation by a selection panel using objective criteria specified in the solicitation; and price is not the primary or sole selection factor.

Policy

It is the Policy of the 22nd DAA, pursuant to Food and Agriculture Code 4051 et al, to use a Formal Competitive Procurement process to procure the following:

- Goods, Services, or Information Technology Goods and Services, including subcontracts, involving an expenditure greater than \$100,000,
- Personal Services Contracts (as authorized by Government Code, section 19130) when the amount exceeds the limit established by the Department of General Services in accordance with Public Contract Code, section 10348,
- Construction projects (pursuant to Food and Agriculture Code 4051(a)(1)(C)),
- All other contracts required by law to be subject to competitive bidding.

All other procurements can be made through an Informal Procurement Process.

Subject to any Categorical Exemptions or Exceptions, described below, all purchases for Goods and Services shall:

- A. <u>Comply with Applicable Law</u>: All contracts and purchases must comply with all applicable local, state, and federal laws.
- B. <u>Conform to 22nd DAA Purpose and Mission</u>: All contracts and purchases shall operate in conformity with 22nd DAA goals, objectives, and mission and shall consider the impact of 22nd DAA events and activities on the local community.
- C. <u>Be Written</u>: All contracts for the purchase of Goods and Services shall be in writing, free from any type of discrimination and conflict of interest, in compliance with applicable law, and duly executed by the 22nd DAA.
- D. <u>Require Board Approval</u>: Excluding situations where the 22nd DAA's Board has expressly delegated limited authority to the Chief Executive Officer, all contracts must be submitted to and approved by the Board during a public meeting to be effective and legally binding on the 22nd DAA.

E. <u>Be Approved by CDFA and DGS where required</u>: All contracts that require the approval of the California Department of Food & Agriculture (CDFA) and/or the Department of General Services (DGS) must be submitted to CDFA and/or DGS pursuant to Food & Agricultural Code section 4051 *et seq.* to be reviewed and approved before implementation by 22nd DAA.

Categorical Exemptions to Formal Competitive Procurement

The following are categorically exempt from Formal Competitive Procurement.Before conducting a purchase or may be made on the basis of a Categorical Exemption, the Manager of the Contracts and Purchasing Unit must approve the applicable Categorical Exemption. Once a Categorical Exemption is approved, the 22nd DAA may forego the Formal Competitive Procurement process. Even if exempt, the 22nd DAA may elect to still enter into a Formal Competitive Procurement in some circumstances.

- A. <u>Utility Services</u>: The item or service to be procured is from a utility company or wholesale utility provider where service connections are allowed only in 1) geographically defined service territories; 2) a competitively limited wholesale provider market; or 3) where the work involves a utility system and only the utility company itself is allowed to perform the work.
- B. Standard Commercial Off-the-Shelf Software Packages (COTS) or Hardware Products: Software or hardware products which are ready-made, available for sale to the government and to the public, and designed to be easily integrated into existing systems without the need for extensive customization. COTS software can either be installed on 22nd DAA electronic equipment or delivered over the Internet. COTS include, but are not limited to, those items approved by 22nd DAA's Technology Office.
- C. <u>Equipment Maintenance Services</u>: Maintenance Services Agreements provided by the equipment manufacturer or dealers / distributors, provided no satisfactory alternative sources exist, as determined by the 22nd DAA.
- D. <u>Software, Software Licenses and Operating System Maintenance Services</u>: Where the 22nd DAA has procured software and operating systems for its use, procurement of the continuing maintenance and upgrades of the software and operating systems, training, and renewal of software licenses.
- E. <u>Small Business (SB), Micro Business (MB), and Disabled Veteran Business Enterprises (DVBE)</u>: In compliance with Government Code section 14838.5, the 22nd DAA may acquire Goods and Services from a DVBE, SB or MB certified by the State of California without a Formal Competitive Procurement process provided at least two price quotations are received from two or more certified small businesses, including microbusinesses, or from two or more DVBEs.

- F. Revenue Generating: In accordance with section 3965.1 of the Food and Agricultural Code, Agreements that provide revenue for the District are exempt, excluding those that involve hazardous activities as determined by CDFA, unless adequate insurance is provided.
- G. <u>Fair-time Vendor Rental Agreements:</u> In accordance with Title 3, California Code of Regulations, section 7010 et seq, short term contracts (not to exceed five years) for the non-exclusive use of a portion of the Premises by vendors or independent contractors during the annual Fair.
- H. <u>Informal Procurement Process</u>: As defined in Definitions above.
- Newspapers and Publications Services: Notices and publication services used to post notices required by law or policy, and subscriptions to newspapers, journals, websites, newsletters, and other periodicals.
- J. Contract extensions during Pending Protest or Ongoing Procurement Process: Extension of existing contracts where the Goods or Services provided under the existing Contract are the subject of an ongoing competitive bid process and the results of that process have been delayed or protested in accordance with applicable Bid Protest Procedures set forth below or by court order.
- K. <u>Non-Profit Community Services</u>: Procurement of services acquired from not-for-profit organizations.
- L. Sponsorship Acquisitions: See Policy 4.03.1 below.
- M. <u>Professional Development Services</u>: Procurement of educational or specialized training services.
- N. <u>Governmental Entities</u>: Contracts with other governmental entities, also known as "Inter Agency Agreements." This includes, but is not limited to federal, state, and local entities, as well as Joint Power Authorities established for the benefit and/or use by the 22nd DAA.
- O. <u>Architectural, Engineering and Related Professional Services</u>: Professional services of private architectural, landscape architectural, engineering, environmental, land surveying, or construction project management firms.
- P. <u>Legal Services</u>: Subject to the applicable provisions of the Government Code, legal services, legal consultation, representation, research, and analysis to support the 22nd DAA.
- Q. <u>Highly Specialized Consultants</u>: The Chief Executive Officer may determine that specialized consultant services are critical to the 22nd DAA's success and may authorize, without a competitive procurement, a consulting contract, not to

exceed the limit established by the Board through the annual Delegation of Authority for Contract Approval, Check Signing Authority, and Credit Card Use.

- R. <u>Marketing and Media Services and Products</u>: Marketing and media services and products in digital and physical form, including the design and production of print or promotional materials, photographs, videos, graphics, social media content, websites, radio and television airtime, internet advertising, streaming services advertising, outdoor advertising and other forms of media advertising.
- S. <u>Entertainment</u>: Note that entertainment coordinator/director and talent-buying contracts are not exempt from bidding, only entertainment itself.
- T. <u>Matter of Law</u>: Contracts that the 22nd DAA is required to enter into as a matter of law.

Exceptions to Formal Competitive Procurement

Competitive bidding may not apply under certain circumstances if an exception is warranted. The following are examples of circumstances that may be considered in authorizing case-by-case exceptions to this Policy:

- A. <u>Sole Source</u>: A situation where only one person, firm, or manufacturer exists that can provide the needed Goods or Services and no equivalent person, firm or manufacturer is available that would meet the 22nd DAA's minimum needs.
- B. <u>Lack of Competition</u>: Competition is precluded because of the existence of patent rights, copyrights, secret processes, controlled or limited market or distribution, restricted or limited availability of the basic raw material(s) or similar circumstances, and there is no equivalent item or service.

C. Absolute Compatibility:

- 1. The procurement is for replacement parts or components for equipment, and no information or data is available to ensure that the parts or components obtained from another supplier will perform the same function in the equipment as the part or component to be replaced;
- 2. The procurement is for replacement parts or components for equipment, and the replacement parts or components would compromise the safety or reliability of the product, or would void or invalidate a manufacturer's warranty or guarantee; or
- The procurement is for upgrades, enhancements or additions to hardware or for enhancements or additions to software, and no information and data is available to ensure that equipment or software from different manufacturers

or developers will be as compatible as equipment or software from the original manufacturer(s) or developer(s).

- D. Opportunity Purchases: Opportunity purchases from local businesses that, for similar things available through the state purchasing program, may be purchased locally at a price equivalent to or less than that available through the state purchasing program. (Food & Agr. Code, § 4051, subd. (b)(1).) Purchases made from a local vendor (physical location within San Diego County) that have rates that are equal to or less than those provided through a state purchasing program (such as Department of General Services' Leveraged Procurement Agreements) OR document in writing that the purchase is financially beneficial to the overall fair[grounds] program, regardless of price. Utilizing this method requires comparison between a local vendor and established state contract. State contracts can be found here: https://caleprocure.ca.gov/pages/LPASearch/lpasearch.aspx.
- E. <u>Exigency Purchases</u>: In cases of a Public Exigency as defined under "Definitions" above, the Chief Executive Officer may authorize contracts for Goods and Services in the best interests of the 22nd DAA.

<u>Threshold Amounts and other Requirements for Approving Exceptions to Formal Competitive Procurement:</u>

Unless otherwise allowed under this Policy, Exceptions to Formal Competitive Procurement with an estimated expenditure value may be approved as follows:

- A. If a Contract was previously approved by the Board, any Amendment to that Contract must be presented to the Board for consideration and approval during a 22nd DAA Board Meeting before the Amendment is made.
- B. Any Contract of a controversial nature or that may be of great public interest must be presented to the Board for consideration and approval during a 22nd DAA Board Meeting.
- C. Exceptions up to \$100,000 Chief Executive Officer
- D. Exceptions over \$100,000 Board

Requests for Exceptions:

Requests for Exceptions to this Policy must be submitted in writing or in electronic format, and include the following information:

- Description of and necessity for the procurement.
- Items and the term period.
- Benefits to the 22nd DAA.

- The factual basis for the claimed exception; identify item that applies.
- The requesting party's determination of fair and reasonable price.

In the event a request for an Exception to Formal Competitive Procurement is denied, one of the Formal Competitive Procurement processes must be utilized.

<u>Small Business (SB), Micro Business (MB) and Disabled Veteran Business Enterprise (DVBE)</u>

By way of this Policy, the 22nd DAA encourages SB, MB and DVBE prime contractors to participate in the competitive procurement process.

Bid Protests

With public contracts, the opportunity or option to "protest" a bid award is provided under certain limited circumstances.

The Proposer or Bidder must file the protest with the 22nd DAA and with Department of General Services.

A protest cannot be considered if:

- The protestant was not a Proposer or Bidder.
- The protestant has not alleged that it was the lowest responsible Bidder or the highest-scored Proposer.
- The protestant is not able to make a supportable assertion that it was the lowest responsible Bidder or should have been the highest-scored Proposer.
- The protest was not submitted timely.
- The grounds for the protest do not meet the permissible grounds stated in the Public Contract Code.
- The Contract is not subject to Formal Competitive Procurement.

22nd District Agricultural Association

Policies

Policy 4.03.01: Sponsorship Acquisitions

Date Adopted/Last Revised:

Note: Capitalized terms not otherwise defined in this Policy have the meanings set forth in the Definitions section of Policy 1.01. Should any provision in this Policy contradict any provision of California law, California law shall control.

<u>Purpose</u>

Pursuant to Food and Agriculture Code, section 4051.1, the purpose of this Policy is to establish the procedures to secure corporate sponsorships to support the activities of the 22nd DAA.

Policy

It is the Policy of the 22nd DAA that sponsorships will be used to support and further the mission of the 22nd DAA. Within this context, a sponsorship is defined as a mutually beneficial exchange whereby the sponsor receives value in consideration of money, or services or products in lieu of money, provided by that sponsor to the 22nd DAA.

Sponsorship Guidelines

- The 22nd DAA selects which sponsorships it wishes to accept and reserves the right to reject any sponsorship offer.
- The 22nd DAA does not endorse either explicitly or implicitly any of its sponsors, nor does it endorse those sponsors' products, services, or ideas.
- The 22nd DAA will avoid any real or perceived conflicts of interest related to sponsorship agreements (see Policy 2.03). As such, and in addition to any and all other legal requirements related to conflicts of interest, 22nd DAA Personnel shall not receive any financial benefit from any sponsor or sponsorship agreement, including but not limited to gifts or financial rewards or benefits.
- The 22nd DAA will not afford preferential treatment to a business, organization, or individual as a result of an existing sponsorship agreement. The 22nd DAA

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- will not favor a party to a sponsorship agreement over a competitor due to the existence of the sponsorship agreement or sponsorship status.
- The 22nd DAA retains full control of the content of its programs, projects, and services. Sponsors will not have any authority or control over the 22nd DAA's operation of the subject of the sponsorship.
- The 22nd DAA retains the right to review and approve all communications related to the sponsorship. This includes, but is not limited to, announcements, advertising and marketing materials, articles, and press releases about the sponsorship.
- The 22nd DAA will not enter into sponsorship agreements with businesses, organizations, or individuals that do not align with the 22nd DAA's purpose, mission, vision, or values. The 22nd DAA's long term reputation and credibility always take precedent over short-term monetary needs.
- The 22nd DAA will not enter into sponsorship agreements in tobacco or vaping product categories.
- While each potential sponsorship agreement will be considered on its merits, and judgement and discretion will characterize the decision making, the following questions will always be addressed:
 - Does the sponsorship align with the 22nd DAA's purpose, mission, vision, and values?
 - Does the sponsorship align with the 22nd DAA's overall strategy?
 - Will the sponsorship help the 22nd DAA realize its strategic initiatives?

Sponsorship Agreements

All sponsorship agreements will be confirmed through a written contract consistent with the size and the scope of each sponsorship. All agreements shall include a clarification of all sponsor benefits, a defined process for marketing material approval in advance of publication, and the statement that the 22nd DAA does not endorse sponsor's products or services.

In addition to the items stated above, the contract will clarify relevant aspects of:

- When the sponsor will provide payments or make promised in-kind products or services available.
- Who the main contacts will be for each party.
- Any interim or final reporting agreed upon, how the agreement will be monitored and reviewed.
- When the agreement terminates, and how early termination is handled.

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- Any minimum or maximum amount, and how that will be determined, and any exclusivity commitment.
- How any failure to meet commitments will be handled (i.e. what happens if the event is cancelled).



Item 5-F, 2024-2025 Insurance Procurement Report

Background:

Per the California Department of Food and Agriculture, all District Agricultural Associations are required to carry General Liability insurance to cover \$25 million per occurrence and to carry Workers Compensation insurance. Other insurance policies that the 22nd District Agricultural Association (District) elects to carry are Property, Earthquake, Equipment, and Crime. Currently, these additional policies expire on April 30th each year.

As a reminder, a five-year commitment for General Liability insurance was made when District rejoined the California Fairs Service Authority (CFSA) risk and insurance pool in 2021. In addition, District joined CFSA's Workers Compensation insurance pool in 2023 and this policy renews annually.

District's Board of Directors delegated authority to Director Michael Gelfand at the April 2024 Board meeting to work with staff to review, select, and procure insurance for policies set to expire on April 30, 2024 (other than General Liability and Workers Compensation), and to report back to the Board at the May meeting.

See attached table for renewal rates.

Process/Approach:

District staff sought quotes from the Department of General Services Office of Risk and Insurance Management (ORIM) beginning last spring, and the private broker that District has historically utilized to procure Property, Earthquake, Crime, and Cyber Insurance policies. ORIM was unable to provide quotes for these policies in a timely manner. To avoid any gaps in coverage, it was necessary for District to secure the elected policies through the private broker, which are now secured for the period of 5/1/2024 through 4/30/2025. ORIM has requested the District to reach out in six months to attempt to attain these coverages for 2025-26 renewals.

Recommendation:

Staff will seek Department of General Services after-the-fact approval for District's recent procurement of the elected policies – Property, Earthquake, Equipment, Crime, and Cyber – that are due to expire April 30, 2025. District will continue to make every effort to be in full compliance with Government Code section 11007.7 for all insurance services.

Environmental/Coastal Review:

None.

Fiscal Impact and Summary of Coverage:

General Liability:

Provided by Prism through CFSA covering up to \$24,900,000 with a premium of \$398,824, a \$69,218 increase.

Business Auto:

Included in the General Liability policy provided by Prism through CFSA and covering \$100,000 per occurrence and up to \$24,900,000.

D&O/EPLI:

Included in the General Liability policy provided by Prism through CFSA and covering \$100,000 per occurrence and up to \$24,900,000.

Workers Compensation:

Provided through CFSA covering up to \$500,000 per occurrence with a premium of \$701,500, down by \$67,754. Note: this coverage runs January through December.

Moter Vehicle:

Provided through DGS/ORIM which covers full liability coverage with a premium of \$4,788, a \$49,602 reduction. The reduction in premium is due to removing vehicles from the policy that will no longer operate on public roads.

Property:

Provided by Affiliated FM Insurance through Brown & Brown Insurance covering up to \$267,371,928 with a premium of \$357,265, a \$3,000 increase. This was achieved by increasing the deductible to \$250,000 (\$100,000 for Business Interruption and \$50,000 for machinery) from the prior \$10,000 deductible in 2023.

Equipment:

Included in the Property policy provided by Affiliated FM Insurance through Brown & Brown Insurance and covering up to the same policy limits.

Property Terrorism:

Provided by Affiliated FM Insurance through Brown & Brown Insurance and covering up to the Property policy limit with a premium of \$16,449, a \$16,449 increase. Last year, it was included in the Property policy.

Earthquake:

Provided by multiple carriers, Palomar Excess & Surplus Ins. Co: 33.33%; Bricktown Specialty Insurance Co: 13.33%; CUMIS Specialty Insurance Co: 6.67%; General Security Indemnity Co of Az: 5.00%; Mercer Insurance Co: 6.67%; QBE Specialty Insurance Co: 21.67%; and Underwriters at Lloyds of London: 13.33% through Brown & Brown Insurance and covering up to \$75,000,000 with an EQ/EQSL of 5% per unit subject to \$50,000 per occasion. Buildings covered in this policy include the Grandstand, Mission Tower, District Administration, DMTC Executive Offices, 17-Hands, Paddock Club, Caballo Hall, Activity Center, Expo Center, and Wyland Center. The policy increased \$25,000 while additional fees such as Company, Surplus Line Taxes, and Wholesale Broker Fees resulted in an overall increase of approximately \$34,000.

Total Premiums for 2024-2025: \$1,702,827.

2024-2025 Insurance Renewals

Coverage	Carrier	Total Limits Covered	Deductible	Renewal Premiums 2024- 2025	Premiums 2023-2024
Property*	Brown & Brown - Affiliated FM Insurance	\$267,371,928	Property (including water damage) \$250,000; \$100,000 for Business Interruption; Machinery \$50,000	\$ 357,265	\$ 354,265
Property Terrorism	Brown & Brown - Affiliated FM Insurance	\$267,371,928	\$250,000	\$ 16,449	included
Equipment	Brown & Brown - Affiliated FM Insurance	\$267,371,928 (Trams \$873,360)	\$50,000	Included in Property	Included in Property
Earthquake	Brown & Brown - *Palomar Excess & Surplus Ins. Co: 33.33% *Bricktown Specialty Insurance Co: 13.33% *CUMIS Specialty Insurance Co:: 6.67% *General Security Indemnity Co of Az: 5.00% *Mercer Insurance Co: 6.67% *QBE Specialty Insurance Co: 21.67% *Underwriters at Lloyds of London: 13.33%	\$75,000,000 per occ/agg.	EQ/EQSL - 5% per unit subject to \$50,000 per occ. (buildings include: Grandstand; Mission Tower; 22nd DAA admin; DMTC Admin; 17-Hands; Paddock Club; Caballo Hall; Activity Center; Expo Center; Wyland Center)	\$ 200,000	\$ 175,000
Company Fees (EQ only)	Brown & Brown	N/A	N/A	\$ 2,100	\$ 2,100
Surplus Line Taxes & Fees	Brown & Brown	N/A	N/A	\$ 6,497	\$ 5,698
Wholesaler's Broker Fee	Brown & Brown	N/A	N/A	\$ 8,045	\$ 7,045
General Liability	Prism through CFSA	\$100,000 per occurrence self insured retention/\$24,900,000	None	\$ 398,824	\$ 329,606
Business Auto	Prism through CFSA	\$100,000 per occurrence self insured retention/\$24,900,000	None	Included in GL	Included in GL
D&O/EPLI	Prism through CFSA	\$100,000 per occurrence self insured retention/\$24,900,000	None for D&O/\$10,000 for EPLI	Included in GL	Included in GL
Crime	Brown & Brown - Hiscox Insurance Co.	\$1,000,000	\$25,000	\$ 5,146	\$ 5,146
Cyber	Brown & Brown - *Arch Specialty Insurance Co: 30% *Fortegra Specialty Insurance Co: 30% *Ascot Specialty Insurance Co: 20% *Fireman's Fund Indemnity Co: 20%	\$1,000,000	\$5,000	\$ 2,213	\$ 2,107
Motor Vehicle	Department of General Services Office of Risk and Insurance Management	Full Liability Coverage	\$0	\$ 4,788	\$ 54,390
Workers Comp.	CFSA	\$500,000 per Occurrence Excess coverage: \$50M per occurrence	\$0	\$ 701,500	\$ 769,254
TOTAL				\$1,702,827	\$ 1,704,611

^{*}increased Property deductible 2024-2025



Item 5-G, Contract Delegation of Authority

Background:

Per the *Delegation Of Authority For Contract Approval, Check Signing, And Credit Card Use* approved by the Board of Directors of the 22nd District Agricultural Association on January 9, 2024, "the CEO has delegated authority to execute expense agreements consistent with the 22nd DAA Contracting and Formal Protest Policies and Procedures including Interagency Agreements, Standard Agreements up to \$50,000, and Entertainment Agreements up to \$500,000, as long as these Agreements do not exceed a one-year term, without further authorization from the Board of Directors."

Historically, the Board does not meet during the months of June and July due to the production of the San Diego County Fair. Though every effort has been made to present contracts that may exceed the CEO's authority to the Board for approval as of the May board meeting, a plan should be in place to minimize business interruptions should a service need arise with a cost greater than the CEO's delegated approval authority. For the sake of efficiency, the District's Board has traditionally delegated authority to the Board President to approve such expenditures during the time from the end of the May Board meeting until the next scheduled and noticed Board meeting.

For reference, in the summer of 2023, then-President Joyce Rowland approved nine contracts, including for trash and janitorial services, a ride operator (due to change-outs of equipment), an additional game operator, and a sponsorship.

Process/Approach:

Under Section 3965 of the Food & Agricultural Code, the Board has the authority to delegate "to its officers or employees any of the powers that are vested in the board" to "manage the affairs" of District. Section 3965.1 of the Food & Agricultural Code provides, in part, that the Board "may arrange for and conduct, or cause to be conducted, or by contract permit to be conducted, any activity by any individual, institution, corporation, or association upon its property at a time as it may be deemed advisable." When read together, these sections authorize the Board to delegate to District officers or employees the authority to enter into contracts on behalf of District.

Recommendation

Staff requests that the Board delegate authority to the Board President, Frederick Schenk, to approve contracts that exceed the CEO's delegated authority — so long as these contracts do not exceed \$1 million and/or three years — beginning May 15, 2024, through the next regularly scheduled and noticed District Board meeting.

Any contract approved by President Schenk under this delegation will comply with California law and be brought back to the Board for review at the next regularly scheduled and noticed District Board meeting.

Environmental/Coastal Commission Review

None.

Fiscal Impact

Unknown at this time.

SECTION BREAK

ITEM 6 - EXECUTIVE REPORT May 2024

CONTRACT APPROVALS

Review of Contracts to be Executed per Delegated Authority

Expense Contracts per Delegated Authority

Standard Agreements up to \$50,000						
Contract #	Contractor	Purpose	Acquisition Method	Effort Type	Term	Not to Exceed
24-011	Terra Bella Nursery	Plant Rental	IFB	Fair	6/5/24 - 7/9/24	\$36,476.45
24-018	SD Street Banners	Community banner installation	Categorical Exemption	Fair	6/1/24 - 7/31/24	\$40,000.00
24-019	RDO Equipment Company	Base Loader repair	Categorical Exemption	Year Round	3/31/24 - 4/15/24	\$15,431.21
24-024	Global Door	Large Roll up Door repair	Categorical Exemption	Fair	5/31/24 - 7/31/24	\$11,513.00
24-025	Lopez Works Inc	Commercial Grounds Sweeping Services	IFB	Fair, year round	STILL IN PROGRESS	STILL IN PROGRESS
24-027	Fred Greaves Photography	Fair photography	Categorical Exemption	Fair	6/1/24 - 7/31/24	\$15,000.00
24-029	TBD	Portable restrooms, sin ks	IFB	Fair	STILL IN PROGRESS	STILL IN PROGRESS
24-030	Cindy Weight-Carter	Livestock Small Animal Coordinator	Categorical Exemption	Fair	5/1/24 - 7/31/24	\$10,000.00
24-03 5	Nuway Express Inc	Plant Rental	IFB	Fair	BID WITHDRAWN	BID WITHDRAWN

Individual Project Agreements (IPA) with California Construction Authority (CCA)				
Project #	Purpose	Term	Not to Exceed	
022-23-108	Del Mar Surfside Mechanical Roof Repair	3/25/24 - 3/1/25	\$106,335.00	
022-23-113 Funding Change Order (FCO) #1	Horsepark Culvert Assessment and Repair	11/1/23 - no end date	FCO1 \$53,311.01 (Total contract value \$57,547.21)	
022-23-507703	Del Mar Frontside Promenade	4/15/24 - 2/2/26	\$3,828,250.00	

Entertainment Contracts up to \$500,000

Grounds I	Entertainment: Categorical Exemption		
Contract #	Entertainer/Agency	Summary/Genre	Amount
24-1092	Jackson Hines	The Surf Birdz/Surf Band Music	\$200.00
24-1093	Kelsey Boncato	Indie, R&B, Hip-hop, Global, Dance	\$625.00
24-1094	Kevin Manuel	Tk & The Deadlist/Country	\$400.00
24-1095	CR Music Service Inc	Some Girls/Rolling Stones Tribute	\$1,200.00
24-1096	3 Car Garage f/s/o Eye-To-Eye Communicaations, Inc	Classic Rock	\$1,500.00
24-1097	Sara Petite	Americana Music	\$700.00
24-1098	Molly Kruse	Country/Americana	\$600.00
24-1099	April Mosebrook f/s/o April and the Funk Junkies	Cover Band/Funk, Disco, Pop Rock	\$500.00
24-1100	John Lowery	Acoustic Rock/Pop	\$150.00
24-1101	Encore Vocal Ensemble of SD Inc	Choral Group	\$250.00
24-1102	Pete Macias	Speaker	\$150.00
24-1103	Sam Bearpaw	Dancer	\$400.00
24-1104	Julie LaBrake	Dancer	\$400.00
24-1105	Daniel Razo f/s/o Gabriel Razo	Dancer	\$200.00
24-1106	Winter Begay	Dancer	\$200.00
24-1107	Julie LaBrake f/s/o Jaxton La Choppa	Dancer	\$150.00
24-1108	Cynthia Valdez f/s/o Willow Sky Garfield	Dancer	\$150.00
24-1109	Ivan Sam	Dancer	\$400.00
24-1110	Glen Begay	Drummer	\$599.00
24-1111	Terry Hinsley	Drummer	\$599.00
24-1112	Walter Ahhaitty	Emcee	\$500.00
24-1113	Adam Loya	Event Coordinator	\$500.00
24-1114	Richard DeCrane	Dancer	\$300.00
24-1115	Adolfo Artega	Dancer	\$500.00
24-1116	David Duro American Indian Veterans Association of Southern California	Dancer	\$300.00
24-1117	David Salomon	Event Coordinator	\$396.00
24-1118	Chuck Cadotte	Event Coordinator	\$396.00
24-1119	Carla Tourville	Event Coordinator	\$792.00
24-1120	Abel & Ana Jacome	Event Coordinator	\$396.00
24-1121	Mel Vernon	Event Coordinator	\$396.00
24-1122	Steven Mojado	Event Coordinator	\$396.00
24-1123	Kameron	Drummer	\$599.00
24-1124	Tim Redbird	Drummer	\$599.00
24-1125	Paul Cuero Jr.	Bird Singers	\$400.00
24-1126	Marlene Fosselman	Basketry/Arts and Crafts	\$1,425.00
24-1127	David Spitzfaden	Pop/Rock/Blues/R&B/Funk	\$300.00
24-1128	On Trend Apparel, Inc	Revenue Contract	n/a
24-1129	PSQ Productions	Revenue Contract	n/a
24-1130	Dellinger Entertainment	DJ	\$4,500.00

Other Entertainment: Categorical Exemption				
Contract #	Entertainer/Agency	Purpose	Term	Amount
24-1209	A Simpler Time	Provide alpacas for CA Grown	Run of the Fair	\$3,000.00
24-1210	Foyil Farms, LLC	Provide animals for demonstrations in CA Grown	Run of the Fair	\$5,000.00
24-1211	Margaret Tyler	Daily spinning demonstrations in CA Grown	Run of the Fair	\$750.00
24-1212	Sand and Soleil Landscape	Create a design for the Feature Landscape Garden in the Garden Show	Run of the Fair	\$17,000.00

Judging A	Agreements: Categori	cal Exemption			
Contract #	Judge	Purpose	Effort Type	Term	Amount
24-53J	Zane Bone	To judge Livestock	SDCF	6/12/24 - 6/16/24	\$2,742.92
24-54J	Drew Lobwnstein	To judge Livestock	SDCF	6/14/24 - 6/15/24	\$874.20
24-55J	Lisa Shepard	To judge Livestock	SDCF	6/18/24 - 6/20/24	\$1,200.00
24-56J	Dr. Joan Dean Rowe	To judge Livestock	SDCF	6/20/24 - 6/23/24	\$2,255.54
24-57J	Joey Airoso	To judge Livestock	SDCF	6/21/24 - 6/22/24	\$1,053.76
24-58J	Scott Schaake	To judge Livestock	SDCF	6/26/24 - 6/28/24	\$2,019.56
24-59J	Austin Langemeier	To judge Livestock	SDCF	6/26/24 - 6/27/24	\$1,496.12
24-60J	David Dillabo	To judge Livestock	SDCF	6/27/24 - 6/28/24	\$1,543.00
24-61J	Myrna Cadena	To judge Livestock	SDCF	6/23/24 - 7/4/24	\$330.40
24-62J	Amanda Hughes	To judge Livestock	SDCF	6/23/2024	\$571.77
24-63J	Allen Messick	To judge Livestock	SDCF	6/23/2024	\$450.50
24-64J	Jake Parnell	To judge Livestock	SDCF	6/29/2024	\$5,000.00
24-65J	Jim Weseloh	To judge Livestock	SDCF	7/3/24 - 7/5/24	\$1,519.00
24-66J	Harvey Pool	To judge Livestock	SDCF	7/6/24 - 7/7/24	\$1,709.00
24-67J	Denise Aragon	To judge Livestock	SDCF	7/4/2024	\$1,371.30
24-68J	Manny Antonacci	To judge Livestock	SDCF	7/5/2024	\$1,190.30
24-69J	Armando Cabrera	To judge Livestock	SDCF	6/20/24 - 6/21/24	\$996.14
24-70J	Allen Barr	To judge Livestock	SDCF	6/27/24 - 6/28/24	\$780.40
24-71J	Eric Kutch	To judge Livestock	SDCF	7/4/24 - 7/5/24	\$1,270.84

Revenue Contracts per Delegated Authority

Sponsorship Agreements					
Contract #	Sponsor	Purpose	Effort Type	Term	Amount
SPO-24-011	SponsorSource for Images Everywhere	Images will be taking and selling photos to patrons	Fair	6/12/24 - 7/7/24	\$40,000.00
SPO-24-015	TCM International	Selling umbrellas and kitchen cleaning appliances	Fair	6/12/24 - 7/7/24	\$21,000.00
SPO-24-017	SponsorSource for the Zespri Kiwi Tour	Mobile tour sampling kiwis	Fair	7/3/24 - 7/7/24	\$12,500.00
SPO-24-025	San Diego FC	San Diego's major league soccer club will promote their upcoming season	Fair	6/28/24 - 6/30/24	\$15,000.00
SPO-24-027	Redfern Home + Health	Selling a heater and showerhead	Fair	6/12/24 - 7/7/24	\$18,000.00
SPO-24-030	Automobile Club of Southern California	Selling insurance and car emergency services	Fair	6/12/24 - 7/7/24	\$14,000.00
SPO-24-039	Red Blind Media for Kirschenmann Mobile Food Service	Operating a candy maze that patrons can buy retro candy by the pound	Fair	6/12/24 - 7/7/24	\$85,000.00
SPO-24-043	Super Dentists	Promoting their dentistry	Fair	6/28/24 - 7/7/24	\$19,000.00
SPO-24-062	True Frequency Products	Selling jewlery and frequency products	Fair	6/12/24 - 7/7/24	\$18,000.00

Event Agreements					
Contract #	Licensee	Event Name	Term	Rental Fee	
24-668	Giant Shows, Inc	Great American Train Show	10/4/24-10/6/24	\$9,470.00	
25-476	Boulevard Trash	Oddities and Curiosities	1/10/25-1/12/25	\$10,160.00	
25-477	Bitwell Inc	Motorcycle Accessory Sale	1/10/25-1/13/25	\$9,470.00	
25-478	Jurassic Quest Holdings, LLC	Jurassic Dinosaur Show	1/15/25-1/20/25	\$28,065.00	
25-481	FJS Productions	The Great Junk Hunt	2/27/25-3/1/25	\$10,160.00	
25-496	Gem Faire	Gem Faire	2/26/25-3/3/25	\$14,205.00	
25-498	Gem Faire	Gem Faire	1/8/25-1/13/25	\$12,825.00	
25-499	Tiny Fest, LLC	Tiny Fest	3/5/25-3/10/25	\$17,670.00	
25-500	Silver Bay Kennel Club of SD	Silver Bay Dog Show	2/19/25 - 2/23/25	\$42,270.00	
25-528	Goodguys Rod & Custom	Goodguys Car Show	4/1/25 - 4/7/25	\$67,440.00	
25-573	TC's Rockets	San Diego Rocket Con	3/14/25 - 3/16/25	\$9,470.00	
25-577	SCEGA	California Classic Gymnastics	1/15/25-1/20/25	\$14,205.00	
25-769	San Diego Cat Fanciers	SD Cat Show	1/24/25-1/26/25	\$9,470.00	
25-771	Plumbing Heating Cooling Assn	PHCC Trade Show	1/30/25 - 2/1/25	\$8,550.00	
25-830	Westward Expos	Home Show	1/29/25 - 2/3/25	\$10,160.00	
25-831	Westward Expos	Home Show	4/9/25 - 4/14/25	\$10,160.00	
25-832	Just Between Friends	Clothing Consignment Sale	3/18/25-3/24/25	\$14,205.00	

Contract #	Vendor	Product Category	Rental Fee
24-462	Action Orthotics	Orthopedic Supplies	\$9,145.00
24-402	Cal Spec Enterprises Inc. DBA	Orthopedic Supplies	φ9,143.00
24-463	Calbath Renovations	Bathroom Remodel Lead Generation	\$8,500.00
24-464	A Blend Above LLC	A spice above dips, spreads, dressings	\$4,250.00
24-465	Action Promotions	Jewelry	\$4,250.00
24-466	Advanced Exteriors, Inc.	Lead Generation - Rhino Shield	\$3,800.00
24-467	All Around Products	Salsa, Dips	\$4,250.00
24-468	Amazon Wonders	Lorikeet Encounter	\$6,885.00
24-469	Amazon Wonders	Digital Photos & Wax Hand Jive	\$10,200.00
24-470	American Home Remodeling	Home Remodeling Lead Procurement	\$8,400.00
24-472	Avi Unique Jewelry	Jewelry, Gemstones, Crystals, Deco	\$7,150.00
24-473	Yurivilca's Made	Clothing	\$8,735.00
24-474	Wild's Creations LLC	Wood Art/ Products	\$3,750.00
24-475	Weststar Chimney Sweeps	Lead generation	\$4,150.00
24-479	West Coast Rocks	Various Gemstones, fossils, jewelry,	\$7,550.00
24-480	West Coast Innovations Int'l	Garlic Grater	\$11,775.00
24-482	West Coast Innovations Int'l	Cyclone Telescopic Stools & Accessories	\$5,625.00
24-483	We Have Your Flag	Flags & accessories	\$8,295.00
24-484	Vitamix	Vitamix Blenders & Accessories	\$14,400.00
24-486	Vesper LLC	Mushroom Based Products	\$4,445.00
24-487	Nick Motosko dba Versa Products	Sweeper	\$8,800.00
24-488	Nick Motosko dba Versa Products	FlatStacks	\$6,000.00
24-489	AC Bees Honey	Honey	\$3,750.00
24-490	Airplanteria LLC	Airplants	\$3,800.00
24-491	All About Dips	Dlps. Seasonings	\$8,900.00
24-493	Azero Monogram LLC	Stamped Jewelry & Laser Engraved Gifts	\$3,750.00
24-501	Angelo's Comics	Comic book Collectables	\$9,050.00
24-502	Bath Fitter	Bathroom Remodel Lead Generation	\$8,400.00
24-503	Belt Bonanza	Retro / Classic Video Game Consoles	\$5,295.00
24-504	Bhu Namdol	Clothing	\$8,170.00
24-505	Bhu Namdol	Clothing	\$6,000.00
24-506	Black & White Art Studio	Charcoal Drawings	\$4,250.00
24-507	UNCOMMON USA	Flag poles & accessories	\$12,200.00
24-508	Ultra Dzolik	Cork Products	\$9,370.00
24-509	U.S. Jaclean, Inc.	Daiwa massage chairs	\$12,100.00
24-510	Tropical Attitudes Gear	Clothing	\$9,295.00
24-511	Sunny West	Clothing	\$8,185.00
24-512	Sunshine Kitchen Products	Steam Mop & JR	\$10,385.00

Contract #	Vendor	Product Category	Rental Fee
24-513	Sunshine Kitchen Products	KLAD cookware	\$7,500.00
24-514	Sunshine Kitchen Products	Magic Magnetic Cube & Bonezsound Headphones	\$3,750.00
24-516	System Pavers	Lead Generation	\$7,600.00
24-517	T-Town B&C Ventures, LLC DBA Happy Place	Croc Charms, Other Novelty	\$8,895.00
24-518	Teema	Turkish Towels & Turkish Blankets	\$4,250.00
24-519	TGS Trading Company	Karique Shea Butter	\$4,000.00
24-520	The Amber Gift Shop	Jewelry	\$8,900.00
24-521	The Caricature Entertainment	Caricatures	\$3,885.00
24-522	Cynthia Gustafson DBA The Larimar Stone	Jewelry	\$12,000.00
24-523	The Supra Store	Diecast collectable toys	\$4,250.00
24-524	TLG Adhesives LLC	The Last Glue	\$4,650.00
24-525	TLM INternational Inc	Mobile Scooters	\$4,250.00
24-526	Traeger Pellet Grills LLC	Traeger Grills & accessories	\$17,400.00
24-527	Traeger Pellet Grills LLC	Traeger Grills & accessories	\$7,500.00
24-529	Trimlight San Diego Inc.	Lead Generation	\$8,400.00
24-530	Borgil Enterprises	Back Massager	\$5,185.00
24-531	Bosky Hat Co LLC	Hats	\$4,400.00
24-532	Branch and Vine	Olive Oils	\$4,935.00
24-533	Buddha's Gift	Handcraft items from Nepal, India & Tibet	\$8,400.00
24-534	Buddha's Gift	Handcraft items from Nepal, India & Tibet	\$8,000.00
24-535	Cali Charmz	Croc Products	\$7,900.00
24-536	California Gemstones	Gemstone Jewelry	\$3,850.00
24-537	California Solutions	CBD - Non Ingestibles	\$5,045.00
24-538	CanU Marketing DBA Fab Brows	Makeup	\$8,400.00
24-539	Careco LLC	Quick Care Shoe Cleaner	\$4,650.00
24-540	Castillos Inc.	Call Phone Accessories	\$6,800.00
24-541	Castillo's Wireless Sunglasses	Call Phone Accessories	\$4,000.00
24-542	Castillo's Wireless Sunglasses	Sunglasses	\$6,800.00
24-543	Cats & Crystals	Crystals, Pins	\$4,150.00
24-544	Cayamoon	Crystals, jewelry	\$7,500.00
24-545	CE Harper Enterprises	Pressure activated massaging pillows	\$8,395.00
24-546	Chapman Fashion Int.	Jewelry	\$16,055.00
24-547	Chapman Fashion Int.	Jewelry	\$12,000.00
24-548	Chia Handcrafted	Handcrafted items from columbia.	\$3,750.00
24-549	Child Evangelism Fellowship	Bible Stories	\$2,990.00
24-550	Remember When Photos	Old Tyme Photo Emporium	\$9,390.00

		air Commercial Vendor Agreem	
Contract #	Vendor	Product Category	Rental Fee
24-551	Renewal by Anderson	Lead Generation	\$4,600.00
24-552	Renewal by Anderson	Lead Generation	\$8,000.00
24-553	RIKI CO. (Sock Empire)	Socks, croc sharms, slippers.plush toys	\$7,750.00
24-554	RM Art Designs	hand made mosaic lamps	\$24,470.00
24-555	Epstein Industrial Supply Inc.	Rodman Cutting tools	\$3,800.00
24-556	Rosemary and Sage	Handmade Earrings	\$7,170.00
24-557	Rufio's Socks Inc	Socks,	\$8,400.00
24-558	Rufio's Socks Inc	Socks,	\$8,000.00
24-559	Sameday Heating & Air Conditioning	lead generation	\$8,500.00
24-560	Scotlin Scents LLC	Wax melts	\$4,650.00
24-561	ForgePro 3D Prints	3D Printed dragons and assorted animals	\$8,550.00
24-562	Shader Productions	Jewelry	\$5,625.00
24-563	Shane Lee	Original Handmade tshirt designs, classic movies, original movie posters	\$8,400.00
24-564	Smart Age Inc. Shasta Fashions	Leather wallets	\$7,500.00
24-565	Sheena Chou DBA Patchy Patchenstein	Iron on patches, blank toes, blank hats	\$3,800.00
24-566	Bath Makeover by Shugarman's, Inc	lead Generation	\$7,600.00
24-567	So Relax California, Inc.	Massage services	\$9,570.00
24-568	Solatube Home	Lead Generation	\$8,100.00
24-569	Adventureful Inc. dba Collectivescents.com	Handmade: Natural Perfume, Incense	\$4,400.00
24-570	Corky's Signs	Carved Signs	\$10,080.00
24-571	Country Wide Liquidator	Cologne & Perfume	\$6,685.00
24-572	Creative Henna	Henna Body Art	\$11,785.00
24-574	Di-Lar Industrial Supply Inc.	Lead Generation	\$8,100.00
24-575	Diploma Artwork	Custom diploma framing	\$4,000.00
24-576	doTERRA essential Oils-Wellness One Drop At A Time	doTERRA essential oils	\$4,645.00
24-578	Creative :LegacyX	CLothing	\$7,200.00
24-579	Cutco	Cutco Products	\$8,000.00
24-580	D & M Rock & Gem	Jewelry	\$7,550.00
24-581	CRH California Water, Inc.	Water delivery Service Lead generation	\$8,000.00
24-582	Crown US Inc.	Lead Generation	\$8,000.00
24-583	D'Moncayo Investments, LLC	100% Handmade kids clothing	\$8,395.00
24-584	DamonArts Event Caricatures	Caricature Art	\$8,250.00
24-585	DamonArts Event Caricatures	Caricature Art	\$4,250.00
24-586	Dandy Souvenirs	Light Up Novelty	\$17,305.00
24-587	DaVinci LLC	Teeth Whitening	\$8,795.00

	2024 San Diego County i	Fair Commercial Vendor Agreem	ents
Contract #	Vendor	Product Category	Rental Fee
24-588	San Diego Crystals & Jewelry LLC	Sterling Silver Jewelry, crystals, gems	\$7,500.00
24-589	Delara Fine Gems and Jewelry	Jewelry	\$8,250.00
24-590	Deoja Creations, LLC	International Items	\$2,990.00
24-591	Deoja Creations, LLC	International Items	\$8,400.00
24-592	Rock of Israel	Products of Israel	\$7,900.00
24-593	Poppers Toy Store	Trading Cards, Plush	\$4,150.00
24-594	Precious Petals Clothing	Children's Clothing	\$1,495.00
24-595	Premium Cashmere	Cashmere Products	\$8,185.00
24-596	Primera Enterprises	Sand Art	\$4,845.00
24-597	Pristine Promotions LLC dba Gadgets & Neat Stuff	Personal care tools	\$9,980.00
24-598	Progressive Security Screens	Lead Generation	\$4,200.00
24-599	Psychic Shoppe	Psychic Readings	\$4,800.00
24-600	Ralph's Sportswear, LLC dba Allegiance Clothing	Allegiance brand Clothing	\$7,200.00
24-601	Rama Handicraft	jean products	\$4,935.00
24-602	Randy's Pet Supply	Pet Supply Items, leaches, colars, embroidery	\$8,380.00
24-603	Rayne Water	lead Generation	\$8,800.00
24-604	Reborn Cabinets	Lead Genereation	\$3,800.00
24-605	Redfern Ent. Inc.	InstaChill	\$8,000.00
24-606	Redfern Ent. Inc.	Back Plus/ Foot Bucket	\$8,000.00
24-607	Redfern Ent. Inc.	Backplus Pro 3in1 Massager	\$8,000.00
24-608	Redify Enterprises Inc	ShelfGenie	\$7,600.00
24-609	Refreshed Enterprise	Refreshed Shoe Cleaner	\$8,400.00
24-610	My Green Home, Inc.	Lead Generation - HVAC	\$4,800.00
24-611	Nani's Bonita Beauty Supply	Cosmetic Beauty & Health Supply	\$8,150.00
24-612	Navera LLC	Clothing	\$5,545.00
24-613	New England Leatherworks	LEather Goods	\$7,900.00
24-614	Nifty 50's	Retro Branded Products	\$7,200.00
24-615	Norwex	Norwex cleaning solutions & accessories	\$4,300.00
24-616	Ocean Sales Ltd.	15' - TumeriX & 15' Toastie	\$12,835.00
24-617	Ocean Sales Ltd.	Quattromed Massager III & V	\$8,500.00
24-618	Ocean Sales Ltd.	Vertex Hybrid Cookware	\$8,000.00
24-619	Omar Industries	Marionette Puppets	\$3,925.00
24-620	Matthew Mohammadi dba Own Your Own Arcade Game	Arcade games	\$4,300.00
24-621	PaperPie	Children's books, puzzles, games, Smart Lab toys, and book accessories.	\$4,895.00
24-622	Paul's Products	Kinetic Dough/ sand	\$4,500.00

011 #		air Commercial Vendor Agreen	1
Contract #	Vendor	Product Category	Rental Fee
24-623	Peruvian Wonders	Peruvian handmade Items	\$8,185.00
24-624	Pet Walker Plus	Pet Products	\$5,625.00
24-625	Photo brick	Photo Brick	\$8,900.00
24-626	Pibe Sports	Sports Clothing	\$12,050.00
24-627	PNW International Inc	Cocktail Bombs & Spartan Sandals	\$8,500.00
24-628	PONTIGO	Childrens Items	\$4,435.00
24-629	Advanced Marketing Int'l, dba Kitchen Craft	Kitchen Craft Cookware	\$8,500.00
24-630	L.A. International Marketing, Inc.	touch of purple	\$4,885.00
24-631	Lakeside Product Inc.	Gadgets	\$9,295.00
24-632	Laser Bob's	Lasered Wood Products	\$8,445.00
24-633	Leabrig	Umbrellas	\$3,385.00
24-634	LeafFilter North, LLC	LeafFilter Lead Generation	\$3,800.00
24-635	Lea's Chinese Gifts	Chinese Gifts	\$4,435.00
24-636	LILI AND ME	Button Products	\$8,650.00
24-637	Luxe Retail LLC	Nail Polish	\$8,400.00
24-638	M & E SALES	Vrienden Outdoor Patio Umbrell	\$7,600.00
24-639	Mark Enterprises Inc	Liquid Gel Insoles (various sizes)	\$3,750.00
24-640	MCS Jewelry	Jewelry	\$8,000.00
24-641	MCS Jewelry	Jewelry	\$8,000.00
24-642	MDS Products	Splat Ball	\$4,935.00
24-643	Mexican Candy	Mexican Candy	\$3,675.00
24-644	Mi Amor Vintage & Decor	Handmade	\$4,435.00
24-645	Modern Sunshine	Live hand drawing name Art	\$4,685.00
24-646	Mule Inc	Allett brand wallets	\$3,750.00
24-647	Khausak	Clothing	\$9,040.00
24-648	Kelly Styles	Jewelry, gemstones, crystals, glass products	\$4,685.00
24-649	High Seas Trading Co.	High Seas Brand Clothing	\$8,400.00
24-650	Hortencia Purses	Childrens Items	\$8,795.00
24-651	House of Pistachios	Prepackaged Nuts	\$12,435.00
24-652	Howard Industries	Lead Generation	\$5,400.00
24-653	Huaraches Artesanales Sahuayo	Mexican Clothing & Items	\$7,500.00
24-654	Hydro Magnetic Systems (Superior Water)	Whole House Water Filtration Systems	\$8,400.00
24-655	Ikon Associates	Jewelry, gemstones, crystals, glass products	\$7,550.00
24-656	Infinity Lights	Jewelry, gemstones, crystals, glass products	\$7,750.00
24-657	Inka's Art	-Handcrafts from Latin America	\$3,240.00
24-658	Innovated Designs	designer jewelry & Clothing	\$8,650.00
24-659	Instant Shine Cleaners	Instant Shine Cleaner	\$7,500.00

Contract #	Vendor	Product Category	Rental Fee
24-660	International Leather	Leather Goods	\$9,580.00
24-661	J.H. Store	Handcrafted Wooden items	\$4,685.00
24-662	Jan Cates dba The Cates Company	Gold Chain by the Inch, charms/ pendants	\$8,900.00
24-663	Jan Cates dba The Cates Company	Gold Chain by the Inch, charms/ pendants	\$8,000.00
24-664	Jana Mcknight DBA My Fair Photo	Photo Buttons	\$3,885.00
24-665	Jhana International Inc	Smittys Glass Wax & accessories	\$4,650.00
24-666	Keep it Safe of California	Safes	\$8,000.00
24-667	Dreamstyle Remodeling	Lead Generation	\$7,600.00
24-669	DThao shop	Crochet Gifts, Accessories	\$3,750.00
24-670	Ego Electric Bikes San Diego	ELECTRIC BIKE SALES	\$7,500.00
24-671	ELAUN	Womans Apparel	\$8,150.00
24-672	Mahlon Moore (Elephants Etc.)	Hand Made Items from Tibet	\$3,675.00
24-673	Elizabeth Shutters	Lead Generation	\$4,200.00
24-674	JCD Enterprises	Butterfly Exhibit	\$9,695.00
24-675	Calipso Enterprises	Hats, Baseball Hats, Visors, Sun HAts	\$9,790.00
24-676	Ella Bella Collection	Soaps	\$4,400.00
24-677	Embroidery Unlimited	Hats, Baseball Hats, Visors, Sun HAts	\$9,790.00
24-678	Euroshine USA, Inc. I	Euro Scooter & Accessories	\$9,395.00
24-679	Euroshine USA, Inc. I	My Cool Comfort Pillows/ sheets	\$8,500.00
24-680	Exmore Inc.	Leather clothing products & accessories	\$9,145.00
24-681	Face Painting by KC	Face Painting	\$1,400.00
24-682	Fallbrook Gem and Mineral Society	Various gems/ stone products	\$8,550.00
24-683	Fickle Finger Airbrush	Airbrush Art	\$11,295.00
24-684	Fickle Finger Airbrush	Henna Art	\$8,000.00
24-685	First 2 Market Products	GripStic	\$4,895.00
24-686	Florida's Best Inc.	Florida's Best Products	\$8,900.00
24-687	Forest Art	Art	\$12,950.00
24-688	Health Quest Enterprises	Orthotics	\$4,150.00
24-689	Francesco Palmieri	Soaps, Lotions	\$8,685.00
24-690	Fun Water Outdoor Inc.	Fun Water Sports Inflatable Paddle Boards	\$11,400.00
24-691	GE Roofing Inc., dba A-1 Rain Gutters	Lead generation	\$4,600.00
24-692	Generations	Toys	\$5,750.00
24-693	Geodes Jean P Bucher	Geode sales	\$4,100.00
24-694	Geoshi Designs	All Natural Jewelry Cleaner	\$6,895.00
24-695	Geoshi Designs	All Natural Jewelry Cleaner	\$4,250.00
24-696	Ghost Scream Hot Sauce	Hot Sauce	\$4,650.00
24-697	Ghost Scream Hot Sauce	BBQ Sauces, seasonings, branded hats	\$4,000.00

	2024 San Diego County Fair Commercial Vendor Agreements			
Contract #	Vendor	Product Category	Rental Fee	
24-698	Glittery LLC	Glitter	\$10,575.00	
24-699	Glittery LLC	Face Painting	\$3,400.00	
24-700	Gnome Hollow Candle and Soap Co.	Soy Candles	\$3,750.00	
24-701	Green Acres Nursery	Plant sales	\$4,050.00	
24-702	Grizzly Joe's Seasoning	Grizzly Joes Seasoning	\$4,650.00	
24-703	H.I.S.C., Inc	Garden Products	\$4,700.00	
24-704	Hawaiian Jewelry Inc.	Jewelery	\$8,695.00	
24-705	Hawaiian Moon	Hawaiian Moon Organic Aloe Skin Cream	\$3,750.00	
24-706	Jensen Taueu	Original Canvas art	\$4,150.00	
24-707	K&M Brothers LLC	RETRO VIDEO GAMES	\$8,900.00	
24-708	Loria Enterprises	Corium 21 Aloe Skin Cream	\$4,400.00	
24-709	Marketing Management Inc.	Home Improvement	\$3,800.00	
24-710	Nicholas Ivins Art & Illustration	Art	\$8,400.00	
24-711	SUPERIEUR Electrolytes	Plant and mineral based electrolytes	\$3,750.00	
24-721	Brogdon Concessions Inc.	Ice service to vendors & Footsie Wootsie	\$16,200.00	
24-817	Crystal Psychic Reader	Psychic Readings	\$3,400.00	
24-818	Euroshine USA, Inc. I	Euro Shaper	\$7,500.00	
24-819	Fay Brothers Inc. dba Granite Transformations	Lead Generation	\$4,200.00	
24-820	Garlic Festival Foods	Garlic Flavored products	\$4,650.00	
24-822	Happy Day Pony Ride	Pony Rides & Photos	\$33,865.00	
24-823	House of Kashmir, Inc.	Tapestries, textiles, flower art, led flowers	\$8,000.00	
24-824	INDOCRAFT	Hawaiian CLothing	\$6,085.00	
24-825	Mojo Sports LLC	Interactive Games	\$10,435.00	
24-826	SAFETY-KLEEN SYSTEMS, INC.	Magic Magnetic Cube	\$3,750.00	
24-828	Tupperware	Tupperware products	\$4,650.00	
24-829	Wimberly Flying Toys	Face Painting, Mini Stealth Kite, Flying Glider	\$2,180.00	

	2024 San Diego County F	Fair Concessions Agreements	
Contract #	Vendor	Main Menu Item	Commission Rate
24-438	The Copper Kettle	Popcorn	25%
24-471	Australian Battered Potatoes LLC	Australian Battered Potatoes	25%
24-485	Victor Marcus Inc. DBA Vics Concessions	Corn Dogs	25%
24-492	ARH Treats, LLC	Ice Creams	25%
24-712	Alamo Amusements	Candy Apples	25%
24-713	Alamo Amusements	Funnel Cakes	25%
24-714	B & J Concessions LLC	Fry Bread	25%
24-715	BackyardBBQ Village	AGUA FRESKA, CHAMOY, PAN DULCE	25%
24-716	BackyardBBQ Village	Burgers	25%
24-717	BackyardBBQ Village	Coffee	25%
24-718	Brander Enterprises Inc.	Texas Donuts	25%
24-719	Brander Enterprises Inc.	Mini Donuts	25%
24-720	Brogdon Concessions Inc.	Pizza	25%
24-722	C&C Concessions Inc.	BBQ	25%
24-723	C&C Concessions Inc.	BBQ	25%
24-724	C&C Concessions Inc.	Fried Food	25%
24-725	Castillos Inc.	Smoothies	25%
24-726	Chan's concessions	Chicken on a Stick	25%
24-727	Chicken Charlies Enterprises	Chicken	25%
24-728	Chicken Charlies Enterprises	Chicken	25%
24-729	Chicken Charlies Enterprises	Sweet & Savory Funnel Cakes, Funnel Cake Dog, Funnel Cake Parfait, Fried Oreos, Koolaid Baby Bottles, Redbull, Pepsi Products, Mini Funnel Cakes	25%
24-730	Chuckwagon	BBQ	25%
24-731	Chuckwagon	BBQ	25%
24-732	West Coast Weenies Inc.	Corndogs	25%
24-733	West Coast Weenies Inc.	Pizza	25%
24-734	Vartanian Concessions Mgmt	Root Beer Floats, Bottled Water	25%
24-735	Vartanian Concessions Mgmt	Dole whip	25%
24-736	Vartanian Concessions Mgmt	Dole whip	25%
24-737	Universal Kimdom dba Hawaiian Honey Cones	Hawaiian Honey Cones	25%
24-738	Unique Concessions	Freeze Dried Candy	25%
24-739	Unique Concessions	Freeze Dried Cand	25%
24-740	Unique Concessions	Freeze Dried Candy	25%
24-741	Trinity Concessions	Ice cream	25%
24-742	Timbo's Beef Jerky, Sticks, & Dill Pickles	Jerky	25%
24-743	The Snax Shack	Candy Apples	25%

Contract #	Vendor	Main Menu Item	Commission
24-744	The Copper Kettle	Popcorn	Rate 25%
24-745	TC Dugan Enterprises, Inc.	Ice cream	25%
24-746	TC Dugan Enterprises, Inc.	Ice cream	25%
24-747	Stizzy Works LLC	Mexican Food	25%
24-748	Stizzy Works LLC	BBQ Oysters	25%
24-749	SHN INC (Roxy's)	Artichoke Sandwich	25%
24-750	Rock's Concessions	Boba	25%
24-751	Rock's Concessions	Boba	25%
24-752	Robert Jackson Enterprises	Funnel Cakes	25%
24-753	Robert Jackson Enterprises	Corn	25%
24-754	D&D Country Fair Cinnamon rolls	Cinnamon Roll	25%
24-755	Dee's Concesions	Chicken	25%
24-756	Duggans Concessions	Orange Julius	25%
24-757	Event Food Services (ICEE)	Icee, bottled water	25%
24-758	Event Food Services (ICEE)	Icee, bottled water	25%
24-759	Family A Fair (Pink's Hot Dogs)	Hot Dogs	25%
24-760	Fazackerley's Fudge dba Timbos Licorice	LICORICE ROPES	25%
24-761	Fruit Caboose Inc.	Ice Cream	25%
24-762	Fruit Caboose Inc.	Ice Cream	25%
24-763	Fun Biz Concessions Inc.	Pizza	25%
24-764	Fun Biz Concessions Inc.	BBQ	25%
24-765	Fun Biz Concessions Inc.	BBQ	25%
24-766	Fun Time Foods (Mom's Bake Shop)	Cookies	25%
24-767	Fun Time Foods (Mom's Bake Shop)	Cookies	25%
24-768	Gina Lockaby Concessions	Grilled Cheese	25%
24-770	Gina Lockaby Concessions	Pies	25%
24-772	Golden West Concessions Inc.	BBQ	25%
24-773	Hallak Sisters Inc.	Candy, Dole Whip	25%
24-774	HDS Fair Co. (Hot Dog on a Stick)	Corn Dog	25%
24-775	HDS Fair Co. (Hot Dog on a Stick)	Corn Dogs	25%
24-776	Helm & Sons Amusements	Candy Apples	25%
24-777	Helm & Sons Amusements	Slushees	25%
24-778	J&A Foods LLC	Cookies	25%
24-779	J. Crutch LLC	Bloomin Onion	25%
24-780	J. Crutch LLC	Corn Dogs	25%
24-781	Joe Mestmaker Enterprises	Fried Foods	25%
24-782	JP's Old West Cinnamon Rolls	Cinnamon Rolls	25%
24-783	Juicy's	Turkey Legs	25%
24-784	Juicy's	Turkey legs	25%

2024 San Diego County Fair Concessions Agreements			ts
Contract #	Vendor	Main Menu Item	Commission Rate
24-785	Juicy's	Turkey Legs	25%
24-786	Leap of Faith Adventures, Inc. (JK Dots)	Dippin' Dots	25%
24-787	Leap of Faith Adventures, Inc. (JK Dots)	Dippin' Dots	25%
24-788	Little T Concessions	Fried Chicken	25%
24-789	Lopez Concessions, LLC	Corn Dogs	25%
24-790	Lopez Concessions, LLC	Funnel Cakes	25%
24-791	Lori's Concessions Inc.	TAsti CHips	25%
24-792	W&R Country Fair Cinnamon Rolls	Cinnamon Rolls	25%
24-793	Maverick Concepts	Mexican Funnel Cakes	25%
24-794	Maverick Concepts	Fish & Chips	25%
24-795	Maverick Concepts	Pupusas	25%
24-796	Melissa Cagle Concessions	Fudge	25%
24-797	Melissa Cagle Concessions	Fudge	25%
24-798	M. Hill Enterprises, Inc.	Ice Cream	25%
24-799	Ryan Needham Concessions	Sandwiches	25%
24-800	Ryan Needham Concessions	Gyro Plate	25%
24-801	Ryan Needham Concessions	Ice Cream	25%
24-802	Odyssey Foods, Inc.	Cotton Candy	25%
24-803	Leavitt Family Trust dba Odyssey Foods, Inc.	Lemonade, sugar rimmed, chamoy rimmed	25%
24-804	Odyssey Foods, Inc.	Lemonade, sugar rimmed, chamoy rimmed	25%
24-805	Leavitt Family Trust dba Odyssey Foods, Inc.	Lemonade, sugar rimmed, chamoy rimmed	25%
24-806	Odyssey Foods, Inc.	Lemonade, sugar rimmed, chamoy rimmed	25%
24-807	RCS	BBQ	25%
24-808	Pacific Coast Concessions	Corn DOgs	25%
24-809	Pacific Coast Concessions	Apple Tower	25%
24-810	Paradise Management LLC	Breakfast Burritos	12%
24-811	Paul's Products	Candy Apples	25%
24-812	PHD & ME	Pretzels	25%
24-813	PHD & ME	Pretzels	25%
24-814	PHD & ME	Shave Ice	25%
24-815	R & K Concessions, LLC	Hamburgers	25%
24-816	Rico's Manjares Mosita	Tacos	25%
24-821	Uptown Photos, Inc.	Photo Booths	25%
24-827	Smart Age Inc.	VR Experience	25%

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER
24-011

GL ACCOUNT NUMBER (If Applicable)
GL Account #: 600100-60

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Terra Bella Nursery

2. The term of this Agreement is:

START DATE

June 5, 2024

THROUGH END DATE

July 9, 2024

3. The maximum amount of this Agreement is:

\$36,476.45

Thirty Six Thousand Four Hundred Seventy Six Dollars and Forty Five Cents.

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	3
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit B, Attachment I	Pricing Table	2
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D, Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Terra Bella Nursery

CONTRACTOR BUSINESS ADDRESS PO Box 551	Chula Vista	STATE CA	ZIP 91912
PRINTED NAME OF PERSON SIGNING Dustin Shepard	TITLE Manager	1	
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

- A. This Agreement is the result of a competitive solicitation that is incorporated by reference and made part of this Agreement.
- B. Terra Bella Nursery, hereinafter referred to as the Contractor, agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

Contractor shall provide shrub and plant rental services for the 2024 San Diego County Fair (SDCF). If approved by the District, Contractor may also provide optional plant maintenance and care services.

- C. Services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar, CA 92014.
- D. The project representatives during the term of this agreement will be:

22 nd District Agricultural Association	Terra Bella Nursery Incorporated	
Name: Mike Hogan	Name: Marquez Mejia	
Address: 2260 Jimmy Durante Blvd. Del Mar, CA 92014	Address: 303 Hollister Street San Diego, CA 92154	
Phone: 858-399-0247	Phone: 858-312-9873	
e-mail: mhogan@sdfair.com	e-mail: marquez@terrabellanursery.com	

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED

A. Background

The District is a sea of asphalt punctuated by beige buildings with only a few small gardens in existence. Each June and July the site transforms into the SDCF, attended by nearly 1 million visitors. The District uses living green plants as temporary screening, space dividers, boundary markers and decoration.

B. Requirements

 For the 2024 SDCF, the District will require the rental of up to 390 shrubs and trees for 35 days, from June 5 to July 9, 2024. The required plant species, including sizes and quantities, to be provided by Contractor are listed in the table below and separated by Service (Plant) Category.

EXHIBIT A SCOPE OF WORK

Service Category	Plant Species / Color	Size	Quantity
Service Category 1	Bougainvillea (On Stick)	5 Gallon	15
Service Category 2	Bougainvillea (On Trellis)	5 Gallon	15
Service Category 3	Buxus Microphylla Japonica (Japanese Boxwood)	24"	15
Service Category 4	Elaeocarpus Decipiens (Japanese Blueberry)	24"	15
Service Category 5	Ficus Nitida	24"	15
Service Category 6	Hydrangea	5 Gallon	30
Service Category 7	Juniper (Any)	10 Gallon	10
Service Category 8	Juniper (Any)	15 Gallon	10
	Ligustrum Japonicum "Texanum"		
Service Category 9	(Waxleaf Privet)	24"	15
Service Category 10	Mirror Plant	5 Gallon	30
Service Category 11	Phormium "Rubra Nana"	15 Gallon	10
Service Category 12	Podocarpus / Not Blue	24"	15
Service Category 13	Toyon	15 Gallon	20
Service Category 14	Vitex Trifolia "Purpurea" / Purple	24"	30
Service Category 15	White Bird of Paradise (Strelitzia Nicolai)	5 Gallon	15
Service Category 16	White Bird of Paradise (Strelitzia Nicolai)	24" Box	15
Service Category 17	Indian Laurel Fig	5 Gallon	15
Service Category 18	Queen Palm	15 Gallon	20
Service Category 19	Queen Palm	24" Boxx	20
Service Category 20	Sago Palm	15 Gallon	15
Service Category 21	Sago Palm	24" Box	15
Service Category 22	Yellow Daisy	1 Gallon	15
Service Category 23	Yellow Daisy	5 Gallon	15

- a. Please note that items and quantities listed above are an estimation only and do not imply any guaranteed minimum or maximum usage by the District. **Contractor must be able to supply a minimum of 5 plant rental categories** listed in the above table.
- 2. Contractor may, but is not required to, supply all the plant rental categories. Award may be split between Contractors if in the best interest of the District.

EXHIBIT A SCOPE OF WORK

- 3. Contractor will be required to deliver the plants to the Garden Show area on Wednesday, June 5, 2024, by 11:00 a.m. and pick-up on Tuesday, July 9, 2024, by 3:00 p.m.
- 4. Each variety of plants supplied by the Contractor must be accompanied by instructions specifying care needs, including but not limited to sun exposure and watering requirements, indicating the amount and frequency.
- 5. District personnel will be responsible for the care and watering of all plants and shrubs during the rental period. However, Contractor may submit the cost for this optional service. If approved by the District, Contractor shall then be responsible for plant maintenance.
- 6. District hose bibs shall be available for use by Contractor. Contractor must provide all necessary tools and hoses required for plant maintenance and abide by District's Storm Water Prevention Plan. Spills or draining water must be removed from walkways prior to Contractor leaving for the day. District shall do a walkthrough with Contractor prior to the commencement of the SDCF to identify Contractor plant locations.
- 7. If District provides care to the plants, District agrees to purchase any plant that is not in "good condition" when Contractor picks up on July 9, 2024, if Contractor identifies such plant(s) prior to leaving the District. Good condition is defined as not obviously neglected, damaged or dead in appearance. Any plant(s) not in good condition must be brought to the attention of authorized District personnel and documented by photograph in order for District to be responsible for payment. District will not be responsible for payment for any plants that are removed from District property without proper authorization and documentation.
- 8. Contractor shall not advertise on plants or shrubs; however, Contractor name(s) will be included on signage in the Garden Show acknowledging all who have supported the Garden Show effort.

SCO ID: N/A STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES AGREEMENT NUMBER PURCHASING AUTHORITY NUMBER (If Applicable) STANDARD AGREEMENT 24-018 GL Account #: 600100-30 STD 213 (Rev. 04/2020) 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) **CONTRACTOR NAME** Dekra-Lite Industries, Inc. dba SD Street Banners 2. The term of this Agreement is: START DATE May 1, 2024 THROUGH END DATE July 31, 2024 3. The maximum amount of this Agreement is: \$40,000.00 Forty Thousand Dollars and Zero Cents 4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement. **Exhibits** Title **Pages** Exhibit A 3 Scope of Work **Budget Detail and Payment Provisions** 2 Exhibit B Exhibit C* General Terms and Conditions (April 2017) 4 5 Exhibit D Special Terms & Conditions Exhitib D Attachment | Insurance Requirements 4 **Preventing Storm Water Pollution** Exhibit E Exhibit F 22nd DAA RESOURCE CONSERVATION POLICY Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO. **CONTRACTOR** CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Dekra-Lite Industries, Inc. dba SD Street Banners **CONTRACTOR BUSINESS ADDRESS** CITY STATE Ζ**Ι**Ρ CA 92704 3102 W. Alton Avenue Santa Ana

TITLE

General Manager

DATE SIGNED

PRINTED NAME OF PERSON SIGNING

CONTRACTOR AUTHORIZED SIGNATURE

Russell Warner

Exhibit A SCOPE OF WORK

1. SERVICES OVERVIEW

- a. SD Street Banners, herein after referred to as Contractor, agrees to provide banner installation and removal services in various cities / communities throughout the San Diego area for 22nd District Agricultural Association / Del Mar Fairgrounds, herein after referred to as District as described herein:
- b. At the direction and to the satisfaction of District Management, Contractor shall provide all labor, tools, transportation, fuel, equipment, supplies, and necessary permits to perform banner installation and removal services of promotional banners for the District.
- c. Contractor shall install and remove San Diego County Fair promotional banners, provided by the District, to existing streetlights and/or banner poles in the cities / communities listed below, where Contractor is the sole authorized installer and has existing contracts with the cities / communities for banner installation services.
- d. Contractor shall be responsible for picking up all the banners from District's banner printing vendor and shall coordinate the pick-up date/time for all San Diego County banners (approximately 565) with District's Marketing Representative.
- 2. The project representatives during the term of this Agreement will be:

22 nd District Agricultural Association	SD Street Banners LLC	
Name: Jennifer Hellman	Name: Russell Warner	
Address: 2260 Jimmy Durante Boulevard	Address: 9126 Togan Ave.	
Del Mar, CA 92014	San Diego, CA 92129	
Phone: 858-792-4227	Phone: 310-775-1060	
e-mail: jhellman@sdfair.com	e-mail: russ@sdstreetbanners.com	

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

3. WORK TO BE PERFORMED

- a. Contractor agrees to install all banners before May 31, 2024 and remove all banners before July 28, 2024.
- b. Contractor shall coordinate with District's Marketing Representative for a list of each designated city/community representative and their contact information for coordination of exact time and location of installation and removal services.
- c. Upon removal of banners, Contractor shall give the used Fair banners to each designated community representative.
- d. Contractor shall provide the installation and removal of the following banners, at the locations in the quantities, and at the rates as listed below:

Exhibit A SCOPE OF WORK

Location/Community	No. of Banners
Chula Vista	50
Clairemont-Morena	52
Convoy	40
Diamond District	53
Mira Mesa	40
Mission Hills	72
Pacific Beach	40
Point Loma	66
Rancho Peñasquitos	30
Rolando Park	30
University City	22
Logan Heights	69
North Park	20
Oceanside	30
Otay Mesa	34
TOTAL	648

- e. Additionally, the City of Chula Vista requires an Encroachment Permit with an associated fee of \$430.00. Contractor shall make a good faith effort to request a waiver of said fee, and may invoice the District for \$430.00 should the fee not be waived by the City of Chula Vista.
- f. Each individual city/community is responsible for providing the brackets and bands for placement of the banners. The brackets and bands are pre-installed on the streetlights and banner poles prior to hanging of the banners.
- g. The District is responsible for monitoring the banners throughout the contract term for any loose banners or banners in need of repair at each individual city/community where the banners are located.
- h. District shall notify Contractor of any loose or broken banners, brackets, bands, or any repairs that should be required at any of the above locations. Contractor shall respond to District's call/request for service within forty-eight (48) hours upon receiving notification. Contractor shall provide the service call to repair/replace banner/hardware at no additional cost.
- i. Contractor will remove and re-install any banners that were in-place prior to the installation of District's promotional banners. Depending on each individual city/community request, Contractor shall either deliver removed banners to District for safe storage or give to each designated city/community representative for safe-keeping while District's promotional banners are being displayed. Contractor shall re-hang the city/community banners upon removal of District's banners.
- j. Contractor must provide appropriate licenses and permits to install banners in all of the locations/cities described in this contract. Contractor must provide C-61/D-42 license for Specialty Non-Electrical Sign from Contractor State License Board (CSLB). Each of the

SD Street Banners LLC Agreement Number: 24-018 Page 3 of 3

Exhibit A SCOPE OF WORK

locations/cities may have different rules and requirements to be followed when installing banners. Banner permits must be pulled for all banners in all cities according to each city before installation begins.

- k. Contractor may also be required to furnish and maintain traffic control devices when lane closures along the roadway are required to place the banners. Some cities may require work zone type traffic control guidelines such as those used for street construction, maintenance and utility operations. In addition, Contractor may be required to provide specialized equipment used to install banners. It is the installer's responsibility to know and adhere to these requirements and/or rules for each location/city. All costs associated with the adherence of these requirements or equipment is the responsibility of the Contractor and are included in this contract.
- I. Contractor agrees that all work must be performed to meet safety regulations as established by Occupational Safety and Health Administration (OSHA).
- m. Contractor will be liable for damage or loss of banners while in their custody or during installation or removable.
- n. Contractor must perform the installation of the banners in a professional manner and to each city/location and the District's satisfaction. Damage to City or private property or mistakes in installation or location due to the installer's negligence must be corrected and or repaired in a timely manner and at the Contractor's expense.
- o. Contractor agrees to dispose of all generated waste in accordance with State and local laws and regulations.
- p. Contractor shall provide traffic control plan when requested.
- q. Contractor shall add the above communities as additionally insured when requested.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES AGREEMENT NUMBER GL ACCOUNT NUMBER (If Applicable) STANDARD AGREEMENT GL# 600100-10 24-019 STD 213 (Rev. 04/2020) 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

RDO Equipment Company

2. The term of this Agreement is:

START DATE

March 31, 2024

THROUGH END DATE

April 15, 2024

3. The maximum amount of this Agreement is:

\$15,431.21

Fifteen Thousand Four Hundred Thirty One Dollars and Twenty One Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	1
Exhibit A, Attachment I	Scope of Work - Attachments	7
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit D,		
Attachment I	Insurance Requirements	4
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR					
CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) RDO Equipment Company					
CONTRACTOR BUSINESS ADDRESS 10108 Riverford Road	CITY Lakeside	STATE CA	^{ZIP} 92040		
PRINTED NAME OF PERSON SIGNING Tate McCurley	TITLE Service Manager				
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED				

EXHIBIT A SCOPE OF WORK

A. SERVICES OVERVIEW

- 1. RDO Equipment Company, hereinafter referred as "Contractor" agrees to provide to the 22nd District Agricultural Association ("District") / Del Mar Fairgrounds ("Fairgrounds") equipment repair services.
 - a. Contractor agrees to provide all qualified labor, materials/supplies and equipment/tools, insurance, tax, and fees to the following equipment: 244J Base Loader.
- 2. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	RDO Equipment Company
Name: Kathie Okolski, Administrative Assistant	Attention: Tate McCurley
Address: 2260 Jimmy Durante Blvd. Del Mar, CA 92014	Address: 10108 Riverford Road Lakeside, CA 92040
Phone: 858-792-4285	Phone: 619-270-4300; 619-443-3758
Email: kokolski@sdfair.com	Email: Tmccurley@rdo.com

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

B. WORK TO BE PERFORMED

- Contractor shall provide repair of a 244J Base Loader. Repair includes the hydraulic temper, various sensors, thermocouples, engine control unit, computer part, vehicle controller. Additional tasks involve removing and replacing CCU and ECU, as well as installing a new payload system, and ensuring the engine control Is functioning properly. Repair tasks are further detailed in the attached Work Order Previews (Exhibit A, Attachment I).
- 2. The total contract amount shall not exceed Fifteen Thousand Four Hundred Thirty-One Dollars and Twenty-One Cents (\$15,431.21).

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES GL ACCOUNT NUMBER (If Applicable) AGREEMENT NUMBER STANDARD AGREEMENT GL#: 600100-10 24-024 STD 213 (Rev. 04/2020) 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTOR NAME Global Door & Gate, Inc. 2. The term of this Agreement is: START DATE May 31, 2024 THROUGH END DATE July 31, 2024 3. The maximum amount of this Agreement is: \$11,513.00 Eleven Thousand Five Hundred Thirteen Dollars and Zero Cents. 4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement. **Exhibits** Title **Pages** Scope of Work Exhibit A 1 Exhibit B **Budget Detail and Payment Provisions** 1 Exhibit C* General Terms and Conditions (April 2017) 4 Exhibit D Special Terms & Conditions 5 Exhibit D. Attachment I 4 Insurance Requirements Exhibit E Preventing Storm Water Pollution 1 Exhibit F 22nd DAA Resource Conservation Policy 1 Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO. CONTRACTOR

attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Global Door & Gate, Inc.

CONTRACTOR BUSINESS ADDRESS PO Box 2732 Vally Center	CITY CA	STATE CA	ZIP 92082
PRINTED NAME OF PERSON SIGNING Terry Heisel	TITLE President		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

A. Global Door & Gate, Inc., hereinafter referred to as the Contractor, agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

Contractor shall remove and replace the Sports Arena roll up door..

- B. The services shall be performed at the District located at 2260 Jimmy Durante Blvd., Del Mar, CA 92014.
- C. The Contractor shall ensure that any staff assigned to this project does not work outside normal business hours and does not incur overtime to complete the tasks outlined in this Agreement.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Global Door & Gate, Inc.	
Name: Brad Mason, Facilities Director	Name: Terry Heisel, President	
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: P.O. BOX 2732 VALLEY CENTER, CA 92082	
Phone: 858-755-1161X4285	Phone: 760-746-9670	
e-mail: bmason@sdfair.com	e-mail: global599@gmail.com	

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED:

- A. Contractor shall provide services outlined below and install new roll-up electric motors and switch.
- B. Contractor shall comply with all relevant codes and standards.
- C. Contractor shall evaluate and test the new roll-up door motors to ensure they are working properly. This will include checking the voltage, continuity, and grounding.
- D. Contractor shall dispose of the old parts in an environmentally responsible manner. This may involve recycling the metal components and properly disposing of the plastic components.
- E. Contractor shall supply and install the following with parts listed below:
 - (i) Install four (4) each ½ Horsepower 460 3PH (Phase Motor) Gearhead Operator.
 - a. Remove and haul away old operators.
 - b. Rewire new operators, new photo eyes and rewire key switches.
 - (ii) Install one (1) New Key Switch on North Door, and
 - a. Remove and discard existing damaged equipment and related hardware.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES AGREEMENT NUMBER GL ACCOUNT NUMBER (If Applicable) STANDARD AGREEMENT 600100-30 24-027 STD 213 (Rev. 04/2020) 1. This Agreement is entered into between the Contracting Agency and the Contractor named below: CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds) CONTRACTOR NAME Fred Greaves Photography 2. The term of this Agreement is: START DATE June 1, 2024 THROUGH END DATE July 31, 2024 3. The maximum amount of this Agreement is: \$15,000.00 Fifteen Thousand Dollars and Zero Cents 4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement. **Exhibits** Title **Pages** Exhibit A Scope of Work 2 Exhibit B Budget Detail and Payment Provisions Exhibit C* General Terms and Conditions (April 2017) 4 Exhibit D Special Terms & Conditions 5 Exhibit D. Attachment I Insurance Requirements Exhibit E Preventing Storm Water Pollution Exhibit F 22nd DAA Resource Conservation Policy Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO. CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

Fred Greaves Photography

CONTRACTOR BUSINESS ADDRESS 2120 Stewart Circle	CITY Woodland	STATE CA	ZIP 95776
PRINTED NAME OF PERSON SIGNING Fred Greaves	TITLE Owner		
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

Fred Greaves Photography Agreement Number: 24-027 Page 1 of 2

EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

A. Fred Greaves Photography, hereinafter referred to as the Contractor, agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:

The Contractor shall provide onsite photography during the 2024 San Diego County Fair (Fair).

- B. The services shall be performed at the Del Mar Fairgrounds located at 2260 Jimmy Durante Boulevard, Del Mar, CA 92014.
- C. The services shall be provided during the Fair on the following days: June 11, 12, 13, 15, 16 and July 3, 4, 5, 6, and 7 (10 days total). The Fair opens each day at 11 a.m.; Contractor should anticipate a typical shoot date to consist of 6-8 hours of shooting anywhere from 10 a.m. to 10 p.m. The photography schedule shall be mutually agreed upon between the District's Marketing Director and Contractor.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Fred Greaves Photography	
Name: Jennifer Hellman, Marketing	Name: Fred Greaves, Owner	
Director		
Address: 2260 Jimmy Durante Boulevard	Address: 2120 Stewart Circle	
Del Mar, CA 92014	Woodland, CA 95776	
Phone: (858) 792-4227	Phone: (619) 994-9207	
e-mail: jhellman@sdfair.com	e-mail: fred@fredgreaves.com	

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

2. WORK TO BE PERFORMED:

- A. District will provide the Contractor with a shot list that outlines the specific subject needs or general theme topics one week prior to the scheduled shoot date.
- B. Services outlined in this Agreement shall be provided at an all-inclusive daily rate of \$1,500.00, total contract amount shall not exceed \$15,000.00. Daily rate shall include 6-8 hours of onsite shoot time, all associated post processing, lodging, transportation, and other incidental expenses.
- C. Onsite photography services shall include digital image processing, file conversion, upload of high-resolution photos to Dropbox for viewing and download, without watermarks.

Fred Greaves Photography Agreement Number: 24-027 Page 2 of 2

EXHIBIT A SCOPE OF WORK

- D. Contractor shall ensure coverage includes photos that can be used for marketing purposes including, but not limited to, advertisements, websites, newsletters, billboards and media outreach.
- E. Photos used for marketing purposes may not include photo credit notation. All images shall become the property of the District. District shall retain the rights to use images in perpetuity. District shall assume responsibility for District's usage of the images submitted by Contractor. Contractor may not charge any additional fees for District's ownership and use of all imagery beyond Contractor's daily service rate.
- F. By the end of every shoot day the Contractor shall provide same-day editing of 3-6 photos to the District's Marketing Director for immediate use on social media.
- G. Contractor shall provide curated, color-collected, post-produced photos within three days of the scheduled shoot date.
- H. The Contractor will be provided with a parking pass and San Diego County Fair access credential by the District.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES AGREEMENT NUMBER GL ACCOUNT NUMBER (If Applicable) STANDARD AGREEMENT GL#: 600100-60 24-030 STD 213 (Rev. 04/2020)

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:

CONTRACTING AGENCY NAME

22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTOR NAME

Cindy Weight-Carter

2. The term of this Agreement is:

START DATE

May 1, 2024

THROUGH END DATE

July 31, 2024

3. The maximum amount of this Agreement is:

\$10,000.00

Ten Thousand Dollars and Zero Cents

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

Exhibits	Title	Pages
Exhibit A	Scope of Work	4
Exhibit B	Budget Detail and Payment Provisions	1
Exhibit C*	General Terms and Conditions (April 2017)	4
Exhibit D	Special Terms & Conditions	5
Exhibit E	Preventing Storm Water Pollution	1
Exhibit F	22nd DAA Resource Conservation Policy	1

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto. These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Cindy Weight-Carter

CONTRACTOR BUSINESS ADDRESS 10704 Palm Row Drive	CITY Lakeside	STATE CA	ZIP 92040	
PRINTED NAME OF PERSON SIGNING Cindy Weight-Carter	TITLE Small Animal Coordinator			
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED	DATE SIGNED		

EXHIBIT A SCOPE OF WORK

A. SERVICES OVERVIEW

- 1. Cindy Weight-Carter, hereinafter referred to as "Contractor", shall provide to the 22nd District Agricultural Association, hereinafter referred to as "District", small animal coordinator services for the 2024 San Diego County Fair (SDCF).
- 2. As Small Animal Coordinator, Contractor shall assist with pre-event, commencing on May 1, 2024; Fairtime, June 12 July 7, 2024; and post-event services, through July 31, 2024.
- 3. Services shall be performed both remotely and onsite at the District, located at 2260 Jimmy Durante Boulevard, Del Mar, California 92014.
- 4. The project representatives during the term of this Agreement will be:

	District		Contractor	
Name:	Rachelle Weir, Director of Agriculture, Arts and Education	Name:	Cindy Weight-Carter	
Address:	2260 Jimmy Durante Boulevard Del Mar, California 92014	Address:	10704 Palm Row Drive Lakeside, California 92040	
Phone:	(858) 792-4211	Phone:	(619) 787-3997	
Email:	rweir@sdfair.com	Email:	cweightcarter@gmail.com	

The parties may change their Project Representative upon providing ten (10) business days written notice to the other party. Said changes shall not require an Amendment to this Agreement.

B. WORK TO BE PERFORMED

- 1. Project Management and Administration
 - a. Contractor shall be responsible for the completion of all services specified in this Exhibit A.
 - b. Contractor shall invoice District on a monthly basis for payments corresponding to the work actually completed by Contractor and corresponding to the Payment Schedule outlined in Exhibit B, Budget Detail and Payment Provisions. Work completed shall be documented in a monthly progress report prepared by Contractor, which shall accompany each invoice submitted by Contractor, and delivered no later than the twentieth day of each month.

2. Pre-Event Services and Outreach

a. Contractor shall organize and hold an event with all associations including 4-H, Grange and Future Farmers of America (FFA) to strengthen the relationship between the associations and District. Event may include a speaker and/or food.

EXHIBIT A SCOPE OF WORK

- b. Contractor shall visit as many associations as possible, by attending general meetings and having an item on each association's agenda. Estimated number of meetings shall be fifteen (15) 4-H, three (3) Grange and fourteen (14) FFA.
- c. Contractor shall hold various outreach events, culminating with a small animal field day to be held at Del Mar Fairgrounds prior to the commencement of the 2024 SDCF.
- d. Contractor shall provide assistance to monitor phonelines and assist with entries, as well as send out entry deadline reminders in advance of the deadline.
- e. Contractor shall send personal welcome letters upon entry receipt, offering a timeline of what is to follow, including but not limited to SDCF passes, entry check-in and entry pick-up. Welcome letters shall also include information on the 2024 SDCF theme, "Let's Go Retro", costume classes and decorating the coop/pen contest.
- f. Contractor shall coordinate the set-up, change overs, tear down and maintenance of small animal barn as well as direct the layout, arrival, housing and departure of all small animal species (pigeons, rabbits, dog, cavy's and poultry).
- g. Contractor shall offer a "Clean Area" badge each day of the SDCF to small animal pens early in the morning. The exhibitor with the most badges at the end of the SDCF shall receive a small prize. Clean Area badges should be a different color for each day.
- h. Contractor shall increase social media presence for small animal information, including utilizing a Facebook group that is monitored at least three (3) times each day.
- i. Contractor shall have all species approved by the associations with which they are associated and enlist qualified judges.

3. Fairtime

- a. Contractor shall directly or through District staff, plan, organize, promote and direct small animal competitive events and programs. Contractor shall assist in preparing rules, regulations and policy governing the small animal entry process, methods of judging, judging criteria, system of awarding and display of entries in small animal exhibits and programs.
- b. Contractor shall create and distribute detailed instructions on how to navigate the pass process and badging area.
- c. Contractor shall send admission and parking passes to exhibitors no later than ten (10) days prior to the commencement of the 2024 SDCF.

EXHIBIT A SCOPE OF WORK

- d. Contractor shall offer guidance during the entry check-in period and a check-in station that has a shaded seating area for participants and animals. Check-in area shall be easy to find with directional signage as well as appear inviting, ensuring a welcoming experience for each guest.
- e. Contractor shall provide a shady place for all poultry awaiting inspection. Each poultry that passes inspection shall be given a sticker or ribbon indicating the inspection has been passed.
- f. Contractor shall complete coop/pen assignments prior to entry check-in and have written guidelines for each exhibitor to read and sign. Contractor may use Google Forms or QR codes to organize and provide direction to exhibitors on where to take the animals.
- g. Contractor shall provide a visibly appealing, well thought-out, judging table for all small animal species competitions.
- h. Contractor shall create rings set-up with visibly appealing aesthetics, such as decorations and/or plants to add to the exhibitor experience. Contractor may utilize local horticulture students from FFA or other groups to decorate and maintain these rings. Recognition of each group's contribution shall be displayed on a banner.
- i. Contractor shall utilize photo backdrops for all small animal venues, which may contain either a professional photographer or standalone as selfie stations.
- j. Contractor shall offer a small token of appreciation to exhibitors, such as a cup or key chain to show appreciation of participation.
- k. Contractor shall provide staff at the entry desk that is/are knowledgeable of and familiar with small animal breeds, strong in customer service and have the ability to show empathy and manage people who are nervous or stressed.
- I. Contractor shall have a specific and secure area to display all big awards for Del Mar. In addition, Contractor shall display banners about Small Animal Masters and have a dedicated Small Animal Master showmanship person. Contractor shall have a visibly appealing set-up ring with photo backdrop.
- m. Contractor shall promote small animals during Market Week.
- n. Contractor shall have at least one (1) dedicated person offered during regular business hours, 8:00 a.m. to 5:00 p.m. for all small animal inquiries. Contractor has the option of offering coffee, hot chocolate and/or donuts one morning of the event.

Cindy Weight-Carter Agreement Number: 24-030

Page 4 of 4

EXHIBIT A SCOPE OF WORK

3. Small Animal Masters Pre-Event

- a. Contractor shall place banners displaying event date next to each small animal breed to garner excitement.
- b. Contractor shall have rules printed and readily available before any competition.
- c. Contractor shall offer a spot for turkey and market chickens, without having the exhibitor bring the animals.
- d. Contractor shall approve the selection of high quality, approved/carded judges known to the species to judge the animals.
- e. Contractor shall provide a unique and quality award for each winner.

4. Post-Event Final

- a. Contractor shall send a thank you letter to all exhibitors, accompanied by a list of all winners and a survey to be returned to the District.
- b. Contractor will analyze and evaluate small animal competitive entry programs and processes, and prepare year-end reports. Reports shall be generated and recommendations formulated and presented to District management. Reports shall be due by July 24, 2024.

5. Travel

a. Contractor shall be responsible for paying all travel related expenses to and from the District, including but not limited to mileage, travel, lodging and food. District will not reimburse Contractor for any travel related expenses or provide a daily per diem.



California Construction Authority 1776 Tribute Road Suite 220 Sacramento, California 95815 Phone: (916) 263-6100

Funding Contract 1

Project: 022-23-108 - Del Mar Surfside Mechanical Roof 2260 Jimmy Durante Blvd. Del Mar , California 92014 Phone: 858-792-4202

Funding Agreement - Del Mar Surfside Mechanical Roof Repair

FUNDING SOURCE:	22nd District Agricultural Association 2260 Jimmy Durante Blvd. Del Mar, California 92014	CONTRACTOR:	California Construction Authority 1776 Tribute Road, Suite 220 Sacramento, California 95815
ARCHITECT/ENGINEER:		DATE CREATED:	12/12/2023
CONTRACT STATUS:	Approved	CREATED BY:	Krystal Toledo (California Construction Authority)
EXECUTED:	No	DEFAULT RETAINAGE:	0.0%
START DATE:	03/25/2024	SIGNED CONTRACT RECEIVED DATE:	
SUBSTANTIAL COMPLETION DATE:		ORIGINAL SUBSTANTIAL COMPLETION DATE:	
ESTIMATED COMPLETION DATE:	03/01/2025	ACTUAL COMPLETION DATE:	

DESCRIPTION:

Remove existing deck on coating material in mechanical area on the roof of the building and install new urethan waterproof deck coating with sand broadcast surface.

ATTACHMENTS:

TERMS:

This IPA, also called a Funding Agreement ("FA") is entered into by and between the California Construction Authority ("CCA"), a Joint Powers Authority, and the Funding Source ("Fair"). CCA and Fair are referred to as the "parties" and individually referred to as a "party."

Whereas CCA and Fair desire to enter into this Funding Agreement to specify how CCA will perform certain project services for Fair.

Now, therefore, the parties agree as follows:

- Master Project Agreement Incorporated. All terms and conditions of the Master Project Agreement / MOU between the parties are incorporated herein by this reference.
- Scope of Services. CCA shall perform the services and work set forth in the Scope of Services ("Services"), attached hereto as "Scope of Work" and incorporated herein, for the identified project ("Project").
- Not to Exceed Amount. This FA is a fixed sum for the cost to implement Construction of the scope of work, including estimated direct expenses and fees, and is broken out of the schedule of values below.
- 4. <u>Project Budget; CCA Fees.</u> The Schedule of Values, including CCA fees, is included and incorporated herein. Fair agrees to pay CCA for the Services in accordance with the Schedule of Values.
- 5. Project Budget Funds. The Fair shall place the Project Budget funds into the Project Fund Account held by CCA. CCA shall administer the Project Fund Account in accordance with the terms of this FA and CCA policy.

CCA shall provide the Fair with accounting reports of Project funds, at completion of project following reconciliation, or upon request of the Fair, if required.

6. <u>Termination</u>. Either party may terminate this FA by giving the other party 30 days prior written notice of termination and completing any non-revocable obligations. Upon termination of this FA, Fair shall compensate Authority, in accordance with the Project Budget, for all Services performed prior to termination including compensation for all non-



Funding Contract 1

revocable obligations. Notice of such termination shall be given in accordance with Section 11 (Notice) of the Master Services Agreement.

7. Third Parties. The performance of CCA's scope of services inures to the benefit of the Fair. To provide these services, CCA may engage third parties. Additionally, known, and unknown third parties may be affected by the performance of this FA. Therefore, the Fair agrees to reimburse CCA for all costs and expenses incurred in connection with the Project or arising out of the performance of this FA, including, but not limited to, all costs and expenses arising out of claims asserted by third parties against CCA. The Fair shall not reimburse CCA for costs and expenses incurred as a result of CCA's sole, active negligence or willful misconduct.

8. <u>Disputes.</u> Should a dispute arise and either party is required to institute any action or proceeding to enforce any provision of this FA or for damages by reason of an alleged breach of any provision hereof, the prevailing party shall be entitled to receive all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by such prevailing party in connection with such action or proceeding. CCA will take no further action until the Fair accepts the terms and conditions of this FA. CCA represents and warrants that it has the statutory and/or legal authority to enter into contracts with general contractors for the express and specific purpose of performing the work identified in the FA. CCA further represents and warrants that it has the statutory and/or legal authority to enter into this FA with the Fair.

SCOPE OF WORK:

Upon receipt of signed FA, CCA will perform the following services and work:

1.

- CCA will engage a qualified contractor to conduct the construction work in accordance with approved scope.
- CCA will bid out the construction contract accordingly based on the scope of the work
- CCA will provide project management and administration services associated with the construction process.

CCA will not provide indemnification or evidence of errors or omissions insurance to the Fair.

#	Budget Code	Description	Amount
1	01-100.4. CON Construction Contract.4. Construction	Construction Contract	\$78,000.00
2	01-110-20.2. CD Construction Contingency.2. Construction Development	Construction Contingency	\$780.00
3	01-110-20.3. BD Construction Contingency.3. Bid Development	Construction Contingency	\$390.00
4	01-110-20.4. CON Construction Contingency.4. Construction	Construction Contingency	\$7,800.00
5	01-140-10.2. CD Construction Project Management Fees (%).2. Construction Development	Construction Project Management Fees (%)	\$1,560.00
6	01-140-10.3. BD Construction Project Management Fees (%).3. Bid Development	Construction Project Management Fees (%)	\$780.00
7	01-140-10.4. CON Construction Project Management Fees (%).4. Construction	Construction Project Management Fees (%)	\$5,460.00
8	01-230-10.2. CD Plan Review.2. Construction Development	Plan Review	\$3,120.00
9	01-230-10.3, BD Plan Review.3, Bid Development	Plan Review	\$390.00
10	01-230-10.4. CON Plan Review.4. Construction	Plan Review	\$1,560.00
11	01-230-30.4. CON Inspections - Construction.4. Construction	Inspections - Construction	\$1,560.00
12	01-230-40.2. CD Inspections - Special.2. Construction Development	Inspections - Special	\$390.00
13	01-230-40.4. CON Inspections - Special.4. Construction	Inspections - Special	\$2,400.00



Funding Contract 1

#	Budget Code	Description	Amount
14	01-240-10.2. CD Travel.2. Construction Development	Travel	\$390.00
15	01-240-10.3. BD Travel.3. Bid Development	Travel	\$390.00
16	01-240-10.4. CON Travel.4. Construction	Travel	\$780.00
17	01-240-20.2. CD Reproduction / Printing.2. Construction Development	Reproduction / Printing	\$195.00
18	01-240-20.3. BD Reproduction / Printing.3. Bid Development	Reproduction / Printing	\$195.00
19	01-240-20.4. CON Reproduction / Printing.4. Construction	Reproduction / Printing	\$195.00
		Grand Total:	\$106,335.00

SS mt BM MC

22nd District Agricultural Association 2260 Jimmy Durante Blvd.
Del Mar, California 92014

California Construction Authority 1776 Tribute Road, Suite 220 Sacramento, California 95815

4/15/2024

DocuSigned by:

Carlene F. Moon 4/15/2024

Randy Crabtne

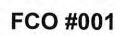
4/15/2024

SIGNATURE

DATE SIGNATURE

DATE SIGNATURE

DATE





California Construction Authority 1776 Tribute Road Suite 220 Sacramento, California 95815 Phone: (916) 263-6100 Project: 022-23-113 - Del Mar Horsepark Culvert Assessment and Repair 2260 Jimmy Durante Blvd
Del Mar, California
Phone: 858) 755-1161

Funding Change Order #001: Horsepark Culvert Assessment and Repair

то:	22nd District Agricultural Association 2260 Jimmy Durante Blvd. Del Mar, California 92014	FROM:	California Construction Authority 1776 Tribute Road, Suite 220 Sacramento, California 95815
DATE CREATED:	3/28/2024	CREATED BY:	Krystal Toledo (California Construction Authority)
CONTRACT STATUS:	Approved	REVISION:	0
REQUEST RECEIVED FROM:	Krystal Toledo	LOCATION:	
DESIGNATED REVIEWER:	Kristie Riddlesperger (California Construction Authority)	REVIEWED BY:	
DUE DATE:	04/02/2024	REVIEW DATE:	04/09/2024
INVOICED DATE:		PAID DATE:	
REFERENCE:		CHANGE REASON:	Client Request
PAID IN FULL:	No	EXECUTED:	No
ACCOUNTING METHOD:	Amount Based	SCHEDULE IMPACT:	
SIGNED CHANGE ORDER RECEIVED DATE:		REVISED SUBSTANTIAL COMPLETION DATE:	
FIELD CHANGE:	No	CONTRACT FOR:	1:Horsepark Culvert Assessment and Repai
		TOTAL AMOUNT:	\$53,311.01

DESCRIPTION:

CE #001 - Horsepark Culvert Assessment

This Funding Change Order 001 to cover project management and construction costs as a result of the assessment.

Other than the items addressed in this funding change order, all conditions remain unchanged. CCA and Fair are referred to as the "parties" and individually referred to as a "party."

ATTACHMENTS:

Executed IPA Del Mar Horsepark Culvert 022-23-113.pdf, Re_FW_Invoice & IPA_HorsePark Culvert Assessment 022-23-113.pdf, PR to CM request Correspondance - HorsePark Culvert Assessment 022-23-113.pdf

CHANGE ORDER LINE ITEMS:

#	Budget Code	Description	Amount
1	01-200-20.1. DD Engineer.1. Design Development	Misc	\$90.91
2	01-240-10.4. CON Travel.4. Construction	Travel	\$363.65
3	01-200-10.4. CON Architect.4. Construction	Architect	\$727.30
4	01-100.4. CON Construction Contract.4. Construction	Construction Contract	\$36,365.00
5	01-110-20.4. CON Construction Contingency.4, Construction	Construction Contingency	\$3,636.50
6	01-230-30.4. CON Inspections - Construction.4. Construction	Inspections	\$727.30
7	01-230-40.4. CON Inspections - Special.4. Construction	Special Inspections	\$2,400.00
8	01-140-10.4. CON Construction Project Management Fees (%).4. Construction	Project Management	\$2,545.55



FCO #001

#	Budget Code	Description	Amount
9	01-240-50.3. BD Misc.3. Bid Development	Misc.	\$90.91
10	01-240-10.3. BD Travel.3. Bid Development	Travel	\$181.83
11	01-140-10.3. BD Construction Project Management Fees (%).3. Bid Development	Project Management	\$363.65
12	01-240-50.2. CD Misc.2. Construction Development	Misc.	\$90.91
13	01-240-10.2. CD Travel.2. Construction Development	Travel	\$181.83
14	01-200-10.2. CD Architect.2. Construction Development	Architect	\$1,454.60
15	01-230-10.2. CD Plan Review.2. Construction Development	Plan Review	\$181.83
16	01-110-20.2. CD Construction Contingency.2. Construction Development	Construction Contingency	\$363.65
17	01-140-10.2. CD Construction Project Management Fees (%).2. Construction Development	Project Management	\$727.30
18	01-240-50.1. DD Misc.1. Design Development	Misc.	\$90.91
19	01-240-10.1. DD Travel.1. Design Development	Travel	\$181.83
20	01-200-10.1. DD Architect.1. Design Development	Architect	\$1,454.60
21	01-110-10.1. DD Design Contingency.1. Design Development	Design Contingency	\$363.65
22	01-140-10.1. DD Construction Project Management Fees (%).1. Design Development	Project Management	\$727.30
		Grand Total:	\$53,311.01

The original (Contract Sum)	\$4,236.20
Net change by previously authorized Change Orders	\$0.00
The contract sum prior to this Change Order was	\$4,236.20
The contract sum will be increased by this Change Order in the amount of	\$53,311.01
The new contract sum including this Change Order will be	\$57,547.21
The contract time will not be changed by this Change Order.	

TR BM TMC

22nd District Agricultural Association

2260 Jimmy Durante Blvd. Del Mar, California 92014

DocuSigned by:

SIGNATURE

Carlene F. Moore

4/16/2024

1/2024 Randy Crabtree

4/16/2024

SIGNATURE

California Construction Authority

1776 Tribute Road, Suite 220

Sacramento, California 95815

DATE



California Construction Authority 1776 Tribute Road Suite 220 Sacramento, California 95815 Phone: (916) 263-6100

Funding Contract 1

Project: 022-23-507703 - Del Mar Frontside Promenade 2260 Jimmy Durante Blvd. Del Mar, California 92014 Phone: 858-792-4202

Del Mar Frontside Promenade - Funding Agreement

FUNDING SOURCE:	22nd District Agricultural Association 2260 Jimmy Durante Blvd. Del Mar, California 92014	CONTRACTOR:	California Construction Authority 1776 Tribute Road, Suite 220 Sacramento, California 95815
ARCHITECT/ENGINEER:		DATE CREATED:	02/15/2024
CONTRACT STATUS:	Approved	CREATED BY:	Krystal Toledo (California Construction Authority)
EXECUTED:	No	DEFAULT RETAINAGE:	0.0%
START DATE:	04/15/2024	SIGNED CONTRACT RECEIVED DATE:	
SUBSTANTIAL COMPLETION DATE:		ORIGINAL SUBSTANTIAL COMPLETION DATE:	
ESTIMATED COMPLETION DATE:	02/02/2026	ACTUAL COMPLETION DATE:	

DESCRIPTION:

Reconstruction and design of the Front Entrance at the San Diego County Fair.

ATTACHMENTS:

TERMS:

This Funding Agreement ("FA") is entered into by and between the California Construction Authority ("CCA"), a Joint Powers Authority, and the Funding Source ("Fair"). CCA and Fair are referred to as the "parties" and individually referred to as a "party."

Whereas CCA and Fair desire to enter into this Funding Agreement to specify how CCA will perform certain project services for Fair.

Now, therefore, the parties agree as follows:

- Master Project Agreement Incorporated. All terms and conditions of the Master Project Agreement between the parties dated August 17, 2016, are incorporated herein by this reference.
- Scope of Services. CCA shall perform the services and work set forth in the Scope of Services ("Services"), attached hereto as "Scope of Work" and incorporated herein, for the identified project ("Project").
- Not to Exceed Amount. This Funding Agreement is divided into two phases ("Phase I: Design" and "Phase II: Bidding & Construction"). The "Design" portion is a fixed sum. The "Bidding & Construction" portion is an estimate, with the actual cost/fee to be presented in a Funding Change Order to this Funding Agreement. At this time, the project total cost is estimated to be Three Million Eight Hundred Twenty-Eight Thousand Two Hundred-Fifty, and 00/100 Dollars (\$3,828,250.00). Payment by Fair under this Funding Agreement is for Phase I only, and shall be the amount of One Hundred Forty Three Thousand Eight Hundred Seventy-Five, and 00/100 Dollars (\$143,875.00), or as later modified in writing between the parties.
- Project Budget; CCA Fees. The Schedule of Values, including CCA fees, is included and incorporated herein. Fair agrees to pay CCA for the Services in accordance with the Schedule of Values.
- 5. Project Budget Funds. The Fair shall place the Project Budget funds into the Project Fund Account held by CCA. CCA shall administer the Project Fund Account in accordance with the terms of this IPA and CCA policy. Payment will be made in two (2) installments, as follows:



Funding Contract 1

Initial Payment: The first payment (the "Initial Payment") addresses Phase I only and shall be in the amount of One Hundred Forty Three Thousand Eight Hundred Seventy-Five, and 00/100 Dollars (\$143,875.00), and shall be paid concurrently with the execution of this Agreement.

Second Payment: The second payment shall be determined based upon the Funding Change Order for the bidding and construction portion (Phase II) of the project and will be determined after the project has completed Phase I: Design. The second installment shall be paid within ten (10) business days following the selection of a contractor. The retaining of the Contractor and any construction activities will not be implemented until the second payment has been deposited into the project account.

CCA shall provide the Fair with accounting reports of Project funds, at completion of project following reconciliation, or upon request of the Fair, if required.

- Approvals by Fair. CCA will request Fair approval of the Project at the following milestones:
 - Fair to approve the award of the construction contract following procurement process, and prior to construction commencing.
 - Fair to approve payments to the Project contractor(s), prior to CCA making payments.
- 7. Termination. Either party may terminate this IPA by giving the other party 30 days prior written notice of termination and completing any non-revocable obligations. Upon termination of this Funding Agreement, Fair shall compensate Authority, in accordance with the Project Budget, for all Services performed prior to termination including compensation for all non-revocable obligations. Notice of such termination shall be given in accordance with Section 11 (Notice) of the Master Services Agreement.

SCOPE OF WORK:

Upon receipt of signed FA, CCA will perform the following services and work:

- CCA will retain a qualified engineer to prepare plans to design the new Frontside Promenade entrance.
- 2. CCA will obtain all Fire Marshal permits to reconstruct the Frontside Promenade entrance.
- CCA will provide project management and administration services associated with the project design process.
- 4. Based upon the Design Process, CCA will create a Funding Change Order to the original Funding Agreement with actual costs to conduct the bidding process and engage the Contractor for the construction work in accordance with approved plans and scope.

CCA will not provide indemnification or evidence of errors or omissions insurance to the Fair.

#	Budget Code	Description	Amount
1	01-200-10.1. DD Professional Services - Architecture (4%)	Architect	\$109,000.00
2	01-205.1. DD Design Contingency.1. Design Development	Design Contingency	\$9,000.00
3	01-140-10.1. DD Project Management (2%)	CCA Project Management Fees	\$18,000.00
4	01-240-10.1. DD Travel (.5%)	Travel	\$4,500.00
5	01-240-50.1, DD Printing/Misc. Office Supplies (0.25%)	Printing/Misc.	\$3,375.00
		Grand Total:	\$143,875.00



Funding Contract 1



22nd District Agricultural Association 2260 Jimmy Durante Blvd.
Del Mar, California 92014

California Construction Authority 1776 Tribute Road, Suite 220 Sacramento, California 95815

Docusigned by:

4/15/2024

Carlene F. Moore 4/15/2024

Randy Crabtree

4/15/2024

SIGNATURE

DATE SIGNATURE

DATE SIGNATURE

DATE

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-011

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

SponsorSource for Images Everywhere

2. The term of this Agreement is:

June 12 – July 7, 2024

3. The amount of this Sponsorship Agreement is:

\$40,000.00

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
SponsorSource for Images Everywhere		
BY (Authorized Signature)	DATE SIGNED	
₫ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING	<u>.</u>	
Marty More		
ADDRESS		
6 Montgomery Village Ave., Ste. 420		GL 431-102-00
Gaithersburg, MD 20879		
STATE OF CALIFORNIA		
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
∠ n		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

^{4.} The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

SPO-24-011

SponsorSource for Images Everywhere Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which SponsorSource for Images Everywhere ("Sponsor") has agreed to provide products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$40,000.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 21, 2024.
- 2. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than May 1, 2024 or on the following terms:
 - A \$20,000 payment on or before June 1, 2024.
 - A \$20,000 payment on or before July 1, 2024.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 4. Without the prior written consent of the State, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 7. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.

- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22nd DAA. Inadequate protection or security cannot be considered negligence of the 22nd DAA.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to the 22nd DAA. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such a statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on the 22nd DAA's property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by the 22nd DAA to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either the 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of

the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Images Everywhere booths at the 2024 San Diego County Fair for all hours of the fair.
- b. Allow a pre-approved by the 22nd DAA, usage of the fair's logos and marks.
- c. Provide to the 22nd DAA's Sponsorship office prior to May 1, 2024, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only 22nd DAA approved items may be sold or distributed by Sponsor.
- d. Provide Sponsor's brand logo to the 22nd DAA's Sponsorship office upon request.

22. Responsibilities of the 22nd DAA:

- a. Sponsor will have the right to use the Fair and/or the Fairgrounds name and promotional logos in advertising, cross promotion, marketing, and public relations efforts during the term of the agreement, subject to prior written approval of such uses by the 22nd DAA.
- b. Provide a 10' x 24' space for an Images Everywhere trailer outside the O'Brien gate. The 22nd DAA will provide electricity to this booth.
- c. Provide a 10' x 20' space for an Images Everywhere trailer inside the Arena gate. The 22nd DAA will provide electricity to this booth.
- d. Allow Images Everywhere staff to take photos of patrons as they enter the O'Brien and Arena gates. The 22nd DAA will define these areas where Images Everywhere staff can operate.
- e. Provide a logo and link on the Fair's website for the duration of this agreement.
- f. Include Sponsor's digital advertisement in rotation across the Fair's digital matrix boards each day of the Fair. The advertisement format may be a static slide image, or video up to 30 seconds.
- g. Include Sponsor's logo in the printed and digital Day Sheets.
- h. Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
- i. Include Sponsor's logo in rotation across the digital matrix boards in the main parking lot and Jimmy Durante Blvd. every day of the Fair.
- j. Provide twelve (12) sponsor badges for staff allowing unlimited admission to the Fair.
- k. Provide one hundred (100) single admission Fair tickets valid any day of the Fair.
- 1. Provide one hundred (100) single day parking passes valid any day of the Fair (location TBD).
- m. Provide four (4) season track parking passes valid all days of the Fair.
- n. Provide four (4) season main parking lot passes valid any day of the Fair.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-015

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

TCM International

2. The term of this Agreement is:

June 12 – July 7, 2024

3. The amount of this Participation Agreement is:

\$21,000.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Participation Terms

Exhibit B - Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

Exhibit C - Licensee Handbook

The Licensee Handbook is made part of this Agreement. All terms and conditions as set forth in this handbook will apply unless provided for in writing by the States' Participation office.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
TCM International		
BY (Authorized Signature)	DATE SIGNED	
∆ ı		
PRINTED NAME AND TITLE OF PERSON SIGNING	'	
Mauricio Castro		
ADDRESS		
1223 Wilshire Blvd. #945 Santa Monica, CA 90	1223 Wilshire Blvd. #945 Santa Monica, CA 90403	
STATE OF CALIFO	ORNIA	
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
∆ i		
PRINTED NAME AND TITLE OF PERSON SIGNING	<u>'</u>	
Carlene Moore, CEO/General Manager		405-100-00
ADDRESS		
2260 Jimmy Durante Blvd Del Mar, CA 92014	-2216	

SPO-24-015

TCM International

Exhibit A - Participation Terms 2024 San Diego County Fair

- 1. This participation agreement ("Agreement") includes the terms and conditions to which TCM International ("Sponsor") has agreed to providing products or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this participation is \$21,000.00.
- 2. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than March 17, 2024.
- 3. Sponsor shall make payment of the participation in total when the Agreement is signed, or no later than May 1, 2024.
- 4. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 5. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 6. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 7. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
- 8. Where the terms of this Agreement or 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 9. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 10. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 11. In the event the Sponsor breaches the terms of this Agreement, 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.

- 12. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
- 13. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of 22nd DAA. Inadequate protection or security cannot be considered negligence of the 22nd DAA.
- 14. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance always. Identification as Sponsor's employee will be prominently always displayed. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. The Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by 22nd DAA to the Sponsor or its employees.
- 15. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 16. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to 22nd DAA. A decision by 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such a statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 17. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment, and materials on the 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 18. Further, if Sponsor is found by a court of law to be in violation of 22nd DAA or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by 22nd DAA to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 19. It is understood and agreed that neither the 22nd DAA nor Sponsor nor DMTC shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial

inability). Further, if either 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the District hereunder.

- 20. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 21. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents, and vendors comply with this policy.

22. Responsibilities of Sponsor:

- a. Operate and maintain the TCM International booths at the 2024 San Diego County Fair for all hours of operation for commercial exhibitors as listed in the Licensee handbook.
- b. Provide to the District's Sponsorship office prior to June 1, 2024, examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only District approved items may be sold or distributed by Sponsor.

23. Responsibilities of the 22nd DAA:

- a. Provide a booth space approximately 10' x 30' in the Bing Crosby Hall (#B411) for the sale of the Dish Scrubby, Sunshade and the telescopic stool.
- b. Provide electricity to the booth at no charge.
- c. Provide six (6) Sponsor badges for staff allowing unlimited admission to the Fair.
- d. Provide fifty (50) single admission Fair tickets valid any day of the Fair.
- e. Provide two (2) season parking passes valid any day of the Fair.
- f. Provide eighty (80) single day parking passes.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-017

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

SponsorSource for the Zespri Kiwi Tour

2. The term of this Agreement is:

July 3 - 7, 2024

3. The amount of this Sponsorship Agreement is:

\$12,500.00

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
SponsorSource for the Zespri Kiwi Tour		
BY (Authorized Signature)	DATE SIGNED	
≰ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING	-	
Marty More		
ADDRESS		
6 Montgomery Village Ave., Ste. 420		GL 431-102-00
Gaithersburg, MD 20879		
STATE OF CALIFORNIA		
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
≰ n		
PRINTED NAME AND TITLE OF PERSON SIGNING	<u> </u>	
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

^{4.} The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

SPO-24-017

SponsorSource for the Zespri Kiwi Tour Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which SponsorSource for Zespri Kiwi Tour ("Sponsor") has agreed to provide products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$12,500.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 21, 2024.
- 2. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than June 1, 2024.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 4. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 7. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to State. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either the 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other

charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Zespri Kiwi Sampling tour booth at the 2024 San Diego County Fair on July 3 through the 7th.
- b. Provide to the 22nd DAA's Sponsorship office prior to May 1, 2024, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only the 22nd DAA approved items may be sold or distributed by Sponsor.
- c. Provide Sponsor's brand logo to the 22nd DAA's Sponsorship office upon request.

22. Responsibilities of the 22nd DAA:

- a. Sponsor will have the right to use the Fair and/or the Fairgrounds name and promotional logos in advertising, cross promotion, marketing and public relations efforts during the term of the agreement, subject to prior written approval of such uses by the 22nd DAA.
- b. Provide a 10' x 10' space for an Zespri Kiwi Sampling booth on July 3rd through the 7th (location TBD). The 22nd DAA will provide electricity to this booth.
- c. Allow Zespri Kiwi tour staff to sample Kiwis and provide 22nd DAA pre-approved merchandise to be distributed.
- d. Provide space in a refrigerated cooler for the storage of Kiwis. Space subject to availability.
- e. Provide a logo and link on the Fair's website for the duration of this agreement.
- f. Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
- g. Include Sponsor's logo in rotation across the digital matrix boards in the main parking lot and Jimmy Durante Blvd. every day of the Fair.
- h. Provide sixty (60) single admission Fair tickets valid any day of the Fair.
- i. Provide twenty (20) single day track parking passes valid any day of the Fair.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER
SPO-24-025

		21 0 21 020
1.	This Agreement is entered into between the State Agency and the Sponsor named below:	
	STATE AGENCY'S NAME	
	22 nd District Agricultural Association	
	SPONSOR'S NAME	
	San Diego FC	

2. The term of this Agreement is:

June 28, 29 & 30, 2024

3. The amount of this Sponsorship Agreement is:

\$15,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B - Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR			
SPONSOR'S NAME			
San Diego FC			
BY (Authorized Signature)	DATE SIGNED		
Ø			
PRINTED NAME AND TITLE OF PERSON SIGNING	•		
Paul Dewhurst			
ADDRESS		GL 431-102-00	
2100 Kettner Blvd.			
San Diego, CA 92101			
STATE OF CALIFOR	RNIA		
AGENCY NAME			
22 nd District Agricultural Association			
BY (Authorized Signature)	DATE SIGNED		
E			
PRINTED NAME AND TITLE OF PERSON SIGNING	•		
Carlene Moore, CEO/General Manager			
ADDRESS		<u>_</u>	•
2260 Jimmy Durante Blvd			
Del Mar, CA 92014-2216			

SPO-24-025 San Diego FC Page 1 of 4

Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which San Diego FC ("Sponsor") has agreed to in providing products, sponsorship and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$15,000.00 contract price.
- 2. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 15, 2024.
- 3. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than May 15, 2024.
- 4. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 5. Without the prior written consent of the State, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 6. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 7. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 8. Where the terms of this Agreement or 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in State's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 9. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 10. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 11. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 12. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
- 13. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the 22nd DAA.

- 14. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance always. Identification as Sponsor's employee will be prominently always displayed. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Sponsor or its employees.
- 15. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 16. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to State. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such a statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 17. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 18. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by the 22nd DAA to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 19. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.
- 20. The parties agree that this Agreement shall be interpreted as if drafted by both parties.

21. The San Diego Country Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents, and vendors comply with this policy.

22. Responsibilities of Sponsor:

- a. Operate and maintain the San Diego FC merchandise trailer, the Chrome Ball and any other activities at the 2024 San Diego County Fair on June 28, 29 & 30, 2024.
- b. Provide to the District's Sponsorship office prior to May 1, 2024, examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only 22nd DAA approved items may be sold or distributed by Sponsor.
- c. Provide all San Diego FC banners.

23. Responsibilities of the State:

- a. Provide a space approximately 40' x 30' located on the cross over area on the racetrack on June 28, 29 & 30, 2024 for the San Diego FC display.
- b. Display four (4) San Diego FC banners approximately 3' x 8' in close proximity to the display on the days on site.
- c. Provide forty (40) single admission Fair tickets valid any day of the Fair.
- d. Provide twenty five (25) single day track parking passes valid any day of the Fair.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-027

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

Redfern Home + Health

2. The term of this Agreement is:

June 12 – July 7, 2024

3. The amount of this Sponsorship Agreement is:

\$18,000.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A – Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

Exhibit C - Licensee Handbook

The Licensee Handbook is made part of this Agreement and Sponsor must comply with all terms and conditions contained in the Handbook unless provided for in writing by the District.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		1
Redfern Home + Health		
BY (Authorized Signature)	DATE SIGNED	
₫ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
4168 N. Pecos Road, Ste. 102 Las Vegas, NV 89115		
STATE OF CALIFORNIA		
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
₫ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		GL 405-100-00
ADDRESS		
2260 Jimmy Durante Blvd Del Mar, CA 92014-2216		

SPO-24-027

Redfern Home + Health Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which Redfern Home + Health ("Sponsor") has agreed to provide products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$18,000.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 21, 2024.
- 2. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than May 15, 2024.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from State.
- 4. Without the prior written consent of the State, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
- 7. Where the terms of this Agreement or State's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in State's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the State shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the State may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to State's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by State management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the State, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to State. A decision by the State, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The State reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the State to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the State, it is agreed that the State may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the District nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either District or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other

charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the District, if Sponsor shall for any reason fail to occupy the District, no refund shall be made of any amounts paid by Sponsor to the District hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Redfern booth at the 2024 San Diego County Fair for all hours of operation for commercial exhibitors as listed in the Licensee handbook.
- b. Agree to sell only the Eurosteam Iron and the Shower Me Showerhead in this booth.
- c. Provide to the District's Sponsorship office prior to May 1, 2024, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only District approved items may be sold or distributed by Sponsor.
- d. Provide Sponsor's brand logo to the District's Sponsorship office upon request.

22. Responsibilities of the 22nd DAA:

- a. Sponsor will have the right to use the Fair and/or the Fairgrounds name and promotional logos in advertising, cross promotion, marketing and public relations efforts during the term of the agreement, subject to prior written approval of such uses by the District.
 - e. Provide a 10' x 20' approximate booth (#2129 & 2131) for the sale of the Heater and the Shower me showerhead.
 - f. Provide electricity to the booth at no charge.
 - g. Include Sponsor's logo and link on the Fair's website for the duration of this agreement.
 - h. Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
 - i. Include Sponsor's logo in rotation across the digital matrix boards in the main parking lot and Jimmy Durante Blvd. every day of the Fair.
 - j. Provide eight (8) sponsor badges for staff allowing unlimited admission to the Fair.
 - k. Provide fifty (50) single admission Fair tickets valid any day of the Fair.
 - 1. Provide forty (40) single day parking passes valid any day of the Fair.
 - m. Provide four (4) season parking passes valid all day of the Fair.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-030

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

Automobile Club of Southern California

2. The term of this Agreement is:

June 12 – July 7, 2024

3. The amount of this Sponsorship Agreement is:

\$14,000.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

Exhibit C – Licensee Handbook

The Licensee Handbook is made part of this Agreement and Sponsor must comply with all terms and conditions contained in the Handbook unless provided for in writing by the District.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
Automobile Club of Southern California		
BY (Authorized Signature)	DATE SIGNED	
₺ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		☑ Exempt per: Sponsorship
3333 Fairview Rd., Costa Mesa, CA 92626 – Mail Sto	op A433	
STATE OF CALIFORNIA	A	
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
₺ 1		
PRINTED NAME AND TITLE OF PERSON SIGNING	-	
Carlene Moore, CEO/General Manager		GL 405-100-00
ADDRESS		
2260 Jimmy Durante Blvd Del Mar, CA 92014-2216		

SPO-24-030

Automobile Club of Southern California Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which **Automobile Club of Southern California** ("Sponsor") has agreed to in providing products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$14,000.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 15, 2024.
- 2. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than May 15, 2024.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 4. Without the prior written consent of the State, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 7. Where the terms of this Agreement or State's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22nd DAA. Inadequate protection or security cannot be considered negligence of the State.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient, and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to the 22nd DAA. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either the 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other

charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the District, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Auto Club booth at the 2024 San Diego County Fair for all hours of operation for commercial exhibitors as listed in the Licensee handbook.
- b. Promote, market and sell insurance products and Roadside Assistance Memberships.
- c. Provide to the District's Sponsorship office prior to May 1, 2024, examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only District approved items may be sold or distributed by Sponsor.

1. Responsibilities of the 22nd DAA:

- a. Provide a 10' X 20' space (#323) which is open on two sides for the duration of the Fair. The Fair will provide a canopy (if needed) and electricity.
- b. Provide two hundred (200) Fair admission tickets for short term staff.
- c. Provide ninety (90) single day parking passes valid any day of the Fair

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-039

1. This Agreement is entered into between the State Agency and the Sponsor named below:

STATE AGENCY'S NAME

22nd District Agricultural Association

SPONSOR'S NAME

Red Blind Media for Kirschenmann Mobile Food Service

2. The term of this Agreement is:

June 12 – July 7, 2024

3. The amount of this Sponsorship Agreement is:

\$85,000.00 Contract Price

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B – Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

Exhibit C – Licensee Handbook

The Licensee Handbook is made part of this Agreement and Sponsor must comply with all terms and conditions contained in the Handbook unless provided for in writing by the District.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR			
SPONSOR'S NAME			ı
Red Blind Media for Kirschenmann Mobile Food S	Service		
BY (Authorized Signature)	DATE SIGNED		
Ø.			
PRINTED NAME AND TITLE OF PERSON SIGNING			
ADDRESS			
2790 SW Hume St.			·
Portland, OR 97219			
STATE OF CALIFOR	NIA		
AGENCY NAME		GL 405-100-00	
22 nd District Agricultural Association		·	·
BY (Authorized Signature)	DATE SIGNED		
K			
PRINTED NAME AND TITLE OF PERSON SIGNING	-		
Carlene Moore, CEO/General Manager			
ADDRESS		<u></u>	·
2260 Jimmy Durante Blvd			
Del Mar, CA 92014-2216			

SPO-24-039

Red Blind Media for Kirschenmann Mobile Food Service Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which Red Blind Media for Kirschenmann Mobile Food Service ("Sponsor") has agreed to in providing products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$85,000.00 contract price.
- 2. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 15, 2024.
- 3. Sponsor shall make payment of the participation on the following schedule:
 - a. A \$15,000 payment on or before May 1, 2024.
 - b. A \$70,000 payment on or before June 12, 2024.
 - c. Failure to meet these deadlines for payment may cause for immediate cancellation of this Agreement. All fees are non-refundable; provided, however, in the event payment is made for a Fair and the Fair does not occur or the 22nd DAA terminates this Agreement prior to the Fair preventing sponsor's participation, then the payment for that Fair will be refunded.
- 4. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 5. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 6. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 7. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the District or the State of California.
- 8. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 9. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 10. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 11. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.

- 12. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.
- 13. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the 22nd DAA.
- 14. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Sponsor or its employees.
- 15. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 16. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to the 22nd DAA. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 17. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the State to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 18. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the State, it is agreed that the State may immediately terminate this Agreement.
- 19. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if

Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder

- 20. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 21. The San Diego Country Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

22. Responsibilities of Sponsor:

- a. Operate and maintain the booth #91201 at the 2024 San Diego County Fair for all hours of operation for commercial exhibitors as listed in the Licensee handbook.
- b. Provide to the District's Sponsorship office prior to May 1, 2024, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only 22nd DAA approved items may be sold or distributed by Sponsor.
- c. Provide Sponsor's brand logo to the District's Sponsorship office upon request.

23. Responsibilities of the State:

- a. Provide a booth space approximately 20' x 80' in the O'Brien hall (#1201) for the sale of bulk candy.
- b. Provide electricity to the booth at no charge.
- c. Provide fifteen (15) Sponsor badges for staff allowing unlimited admission into the Fair.
- d. Provide fifty (50) single admission Fair tickets valid any day of the Fair.
- e. Provide eighty (80) single day parking passes valid any day of the Fair (location TBD).
- f. Provide six (6) season track parking passes.

SPONSORSHIP AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

SPO-24-043

1.	This Agreement is entered into betwee	n the State Agency and the Sponsor named below:	
	STATE AGENCY'S NAME		
	22 nd District Agricultural Ass	ociation	
	SPONSOR'S NAME		
	Super Dentists		
2.	The term of this Agreement is:	June 28th-30th & July 5th-7th	

3. The amount of this Sponsorship Agreement is:

\$19,000.00

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

Exhibit A - Sponsorship Terms

Exhibit B - Insurance Requirements

Sponsor agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

SPONSOR		California State Use Only
SPONSOR'S NAME		
Super Dentists		
BY (Authorized Signature)	DATE SIGNED	
 <u></u>		
PRINTED NAME AND TITLE OF PERSON SIGNING	<u> </u>	
Nicole Bailey		
ADDRESS		
9737 Aero Drive, San Diego, CA 92123	GL 431-102-00	
STATE OF CALIFOL	RNIA	
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
		
PRINTED NAME AND TITLE OF PERSON SIGNING	<u> </u>	
Carlene Moore, CEO/General Manager		
ADDRESS		
2260 Jimmy Durante Blvd		
Del Mar, CA 92014-2216		

SPO-24-043

Super Dentists

Exhibit A - Sponsorship Terms 2024 San Diego County Fair

- 1. This sponsorship agreement ("Agreement") includes the terms and conditions to which Super Dentists ("Sponsor") has agreed to market and provide products and/or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State", "District" or "22nd DAA"). The cost of this sponsorship is \$19,000.00.
- 1. A list of privileges and rights afforded to Sponsor is included herein. Sponsor must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 21, 2024.
- 2. Sponsor shall make payment of the sponsorship in total when the Agreement is signed, or no later than May 1, 2024.
- 3. Sponsor shall not enter into any third-party promotions without prior written authorization from the 22nd DAA.
- 4. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Sponsor to any other party either in whole or in part.
- 5. To the fullest extent permitted by law, Sponsor shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Sponsor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Sponsor herein, or any of its employees or agents.)
- 6. This Agreement does not constitute a partnership, joint venture, or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 7. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsor's documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 8. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations, or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 9. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 10. In the event the Sponsor breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 11. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 12. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of, Sponsor's property, including without limitation all vehicles, equipment, materials, products, and supplies, except to the extent caused by the sole negligence or willful misconduct of the State. Inadequate protection or security cannot be considered negligence of the State.
- 13. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Sponsor understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Sponsor in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the State, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by the 22nd DAA management regarding these matters shall be final. Sponsor agrees that it will not sell, exchange, or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the State to the Sponsor or its employees.
- 14. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Sponsor violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Sponsor with written notice of the violation(s). If Sponsor fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 15. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Sponsor and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to State. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 16. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the 22nd DAA to be paid to the Sponsor. If the Sponsor has any vehicles, equipment and materials on State property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 17. Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if Sponsor engages in business practices or activities deemed by State to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either the 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other

charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the 22nd DAA, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Sponsors' employees, agents and vendors comply with this policy.

21. Responsibilities of Sponsor:

- a. Operate and maintain the Super Dentists booth at the 2024 San Diego County Fair June 28th through 30th and July 5th through the 7th. At this booth, promote the Super Dentist's services.
- b. Provide to the 22nd DAA's Sponsorship office prior to May 1, 2024, examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only the 22nd DAA approved items may be sold or distributed by Sponsor.
- c. Provide Sponsor's brand logo to the 22nd DAA's Sponsorship office upon request.

22. Responsibilities of the 22nd DAA:

- a. Sponsor will have the right to use the Fair and/or the Fairgrounds name and promotional logos in advertising, cross promotion, marketing, and public relations efforts during the term of the agreement, subject to prior written approval of such uses by the 22nd DAA.
- b. Provide a 10' x 10' space for the Super Dentists booth on June 28th through 30th and July 5th through the 7th located on the cross over to the infield. The 22nd DAA will provide electricity to this booth. Also allow the branded Super Dentist vehicle to be in the same area as the booth.
- c. Provide a logo and link on the Fair's website for the duration of this agreement.
- d. Include Sponsor's logo on entrance signage where the Fair's sponsors are listed.
- e. Provide one hundred and twenty five (125) single admission Fair tickets valid any day of the Fair. These will be for staff and social media giveaways.
- f. Provide twenty (20) single day track parking passes valid any day of the Fair.

PARTICIPATION AGREEMENT

(Rev 11/19)

AGREEMENT NUMBER

		SI U-24-002
1.	This Agreement is entered into between the State Agency and the Participant named below:	
	STATE AGENCY'S NAME	
	22 nd District Agricultural Association	
	PARTICIPANT'S NAME	
	True Frequency Products	
2.	The term of this Agreement is: June 12 – July 7, 2024	
3.	The amount of this Participation Agreement is: \$18,000.00 Contract Price	
4. 7	The parties agree to comply with the terms and conditions of the following exhibits which are by this reference.	rence made a part of the

Exhibit A – Participation Terms

Exhibit B – Insurance Requirements

Participant agrees to provide a valid Certificate of Insurance indicating a minimum \$1,000,000 coverage for General Liability, Automobile Liability and Workers Compensation, in accordance with Insurance Requirements attached herewith and made part of this Agreement.

Exhibit C - Licensee Handbook

The Licensee Handbook is made part of this Agreement. All terms and conditions as set forth in this handbook will apply unless provided for in writing by the States' Participation office.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

PARTICIPAN'		California State Use Only
PARTICIPANT'S NAME	-	
True Frequency Products		
BY (Authorized Signature)	DATE SIGNED	
Ø.		
PRINTED NAME AND TITLE OF PERSON SIGNING	·	
Terry Cannon		
ADDRESS		Exempt per: Sponsorship
2359 East Kenwood Street, Mesa, AZ 85213		
STATE OF CALIFO	ORNIA	
AGENCY NAME		
22 nd District Agricultural Association		
BY (Authorized Signature)	DATE SIGNED	
K		
PRINTED NAME AND TITLE OF PERSON SIGNING		
Carlene Moore, CEO/General Manager		I hereby certify upon my own personal knowledge that budgeted funds are available for the period and
ADDRESS		purpose of the expenditure stated above. SIGNATURE OF STATE ACCOUNTING OFFICER
2260 Jimmy Durante Blvd		~
Del Mar, CA 92014-2216		Date
CONTRACTS MANAGER		☐ MARKETING MANAGER

SPO-24-062

True Frequency Products Exhibit A - Participation Terms 2024 San Diego County Fair

- 1. This participation agreement ("Agreement") includes the terms and conditions to which True Frequency Products ("Sponsor") has agreed to in providing and selling products or services during the 2024 San Diego County Fair ("Fair"), produced by the 22nd District Agricultural Association, a California state institution ("State" or "22nd DAA"). The cost of this participation is \$18,000.00.
- 2. A list of privileges and rights afforded to Participant is included herein. Participant must sign this Agreement and return it to the Del Mar Fairgrounds no later than April 15, 2024.
- 3. Participant shall make payment of the participation in total when the Agreement is signed, or no later than May 1, 2024.
- 4. Participant shall not enter into any third-party promotions without prior written authorization from State.
- 5. Without the prior written consent of the 22nd DAA, this Agreement shall not be assigned or transferred by Participant to any other party either in whole or in part.
- 6. To the fullest extent permitted by law, Participant shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds/San Diego County Fair, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Participant be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Participant herein, or any of its employees or agents.)
- 7. This Agreement does not constitute a partnership, joint venture or principal-agent relationship between the parties. The Sponsor, and the agents and employees of Sponsor, in the performance of this Agreement shall act in an independent capacity and not as officers or employees or agents of the 22nd DAA or the State of California.
- 8. Where the terms of this Agreement or the 22nd DAA's documents are more specific, or are inconsistent or in conflict with the provisions, terms, and conditions set forth in a proposal by Sponsor or Sponsors' documents, both parties agree that the terms set forth in the 22nd DAA's documents shall supersede and take precedence over Sponsor's proposal or Sponsor's documents.
- 9. It is agreed by the parties that this Agreement constitutes the complete and entire Agreement between the parties. No amendments, alterations or other variations of the terms of this Agreement shall be valid unless made in writing and signed by the parties.
- 10. It is agreed by the parties that the laws of the State of California shall govern and in the event of litigation that the proper place of venue is in San Diego, California.
- 11. In the event the Participant breaches the terms of this Agreement, the 22nd DAA shall be entitled to recover, in addition to any other damages and remedies that they may be entitled to, all costs incurred in enforcing this Agreement, including attorney's fees.
- 12. Unless otherwise expressly authorized herein, the parties agree that this is a non-exclusive Agreement. The parties also expressly acknowledge and agree that the 22nd DAA may enter into agreements with other Sponsors and/or Sponsors offering the same or similar services or products during the term of this Agreement.

- 13. In all circumstances, Sponsor shall be solely responsible for damage to, or loss of Sponsor's property, including without limitation all vehicles, equipment, materials, products and supplies, except to the extent caused by the sole negligence or willful misconduct of the 22nd DAA. Inadequate protection or security cannot be considered negligence of the 22nd DAA.
- 14. Sponsor and Sponsor's employees shall dress uniformly and shall be courteous, efficient and neat and clean in appearance at all times. Identification as Sponsor's employee will be prominently displayed at all times. Participant understands and agrees that 22nd DAA management, at its sole and absolute discretion, may determine that a person or agent utilized by Participant in the performance of this Agreement, due to his or her appearance, conduct, or demeanor may be unacceptable to the 22nd DAA, this includes overly aggressive sales tactics, if it is determined that such appearance, conduct, or demeanor is detrimental to the 22nd DAA's operations. Sponsor agrees to immediately correct the behavior or remove such person or agent from operations arising out of this Agreement. Determination by 22nd DAA management regarding these matters shall be final. Participant agrees that it will not sell, exchange or barter, or permit its employees to sell, exchange or barter, any ticket, admission, permit, or license issued by the 22nd DAA to the Participant or its employees.
- 15. Sponsor is required to comply with the rules and requirements contained in the Licensee Handbook, which is made a part of this Agreement by this reference. If the 22nd DAA determines, in its sole and absolute discretion, that Participant violated the rules or requirements of the Licensee Handbook, the 22nd DAA will provide Participant with written notice of the violation(s). If Participant fails to correct the violation(s) within 24 hours of delivery of the written notice, the 22nd DAA may terminate the Agreement, in its sole and absolute discretion, under Section 17 below.
- 16. Sponsor is authorized to sell or promote only those products or services specifically identified in this Agreement. If Sponsor sells or promotes any product or service not specifically identified in this Agreement, the 22nd DAA may, in its sole and absolute discretion, terminate this Agreement in accordance with Sections 15 and 17. If, during the performance of this Agreement, a dispute arises between the Participant and the 22nd DAA, which cannot be settled by discussion, the Sponsor shall, within eight hours of the incident, which gave rise to the dispute, submit a written statement to the 22nd DAA. A decision by the 22nd DAA, in writing, shall be given to the Sponsor within four hours of receipt of such statement, and shall be final and conclusive. The Sponsor shall continue to perform the requirements under this Agreement without interruptions during the dispute period.
- 17. The 22nd DAA reserves the sole and exclusive right to terminate this Agreement, with or without cause, in whole or in part, at any time by written notice to the Sponsor. The Sponsor shall promptly submit its claim for any prorated fees within 24 hours of the written notice of termination to the State to be paid to the Participant. If the Participant has any vehicles, equipment and materials on 22nd DAA property, the Sponsor must remove this property within 24 hours of the written notice of termination.
- 18. It is understood and agreed that neither the 22nd DAA nor Sponsor shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure constitute default or breach of contract, if such delay or failure is caused by "Force Majeure." For purposes of this agreement, Force Majeure includes, but is not limited to, acts of God (such as earthquakes, floods, wildfires, hurricanes, volcanic eruptions, and other natural disasters that render performance impossible), war, riots, acts of public enemy, labor disputes that result in work stoppage, epidemics, pandemics, and governmental restrictions, appropriations, regulations or controls (except those reasonably foreseeable in connection with the uses contemplated by this Agreement) or other cause without fault attributable to and beyond the control of the party obligated to perform (except financial inability). Further, if either 22nd DAA or Sponsor will be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure, performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. If by reason of Force Majeure, performance is rendered impossible even if the period for performance is extended, this Agreement shall terminate. Except for delay or failure in performance caused by "Force Majeure," nothing in this Paragraph shall excuse Sponsor from prompt payment of any rent or any other charge required of Sponsor. Except as otherwise provided in this section or elsewhere in this Agreement or unless due by default of the 22nd DAA, if Sponsor shall for any reason fail to occupy the District, no refund shall be made of any amounts paid by Sponsor to the 22nd DAA hereunder, Further, in the event that Sponsor is found by a court of law to be in violation of State or federal law regarding discrimination or harassment, or if

Participant engages in business practices or activities deemed by 22nd DAA to be inappropriate or detrimental to the interests of the 22nd DAA, it is agreed that the 22nd DAA may immediately terminate this Agreement.

- 19. The parties agree that this Agreement shall be interpreted as if drafted by both parties.
- 20. The San Diego County Fair is a non-smoking event. Smoking is only allowed in designated areas. Please ensure that all Participants' employees, agents and vendors comply with this policy.

21. Responsibilities of Participant:

- a. Operate and maintain the True Frequency Technology booths at the 2024 San Diego County Fair for all hours of operation for commercial exhibitors as listed in the Licensee handbook.
- b. Provide to the District's Participation office prior to May 1, 2024, examples of all examples of all literature, samples, and merchandise to be sold or distributed during the Fair. Only District approved items may be sold or distributed by Participant.

22. Responsibilities of the State:

- a. Provide a booth space approximately 10' x 20' in the O'Brien Hall (#1134) for the sale of copper infused blankets and socks, and approved Global bands and Jewelry.
- b. Provide electricity to the booth at no charge.
- c. Provide eight (8) sponsor badges for staff allowing unlimited admission the Fair.
- d. Provide fifty (50) single admission Fair tickets valid any day of the Fair.
- e. Provide forty (40) single day parking passes valid any day of the Fair.
- f. Provide four (4) season track parking passes.

RENTAL AGREEMENT



AGREEMENT NO.: 24 - 7 DATE: 2/24/2023

Commercial Agreement

FORM F-31 Revised 12/13

THIS RENTAL AGREEMENT is by and between 22ND DISTRICT AGRICULTURAL ASSOCIATION, ("Association"), commonly known as the Del Mar Fairgrounds ("Fairgrounds"), and Template Customer for CP, ("Renter"). Association and Renter may be collectively referred to as the "Parties".

- 1. Association hereby grants to the Renter the right to occupy the space(s) known as:: NO BOOTH CODE or BOOTH DESCRIPTION located on the Fairgrounds at 2260 Jimmy Durante Blvd, Del Mar, California 92014 ("Premises") for the purposes hereinafter set forth and subject to the terms and conditions of this Agreement.
- 2. The term of this Agreement begins on 6/3/2023 and ends on 7/7/2023 (Dates include Setup & Teardown).
 - Renter shall guarantee the payment of any damage to Association property, removal of all property and the leaving of the Premises in the same condition in which Renter took possession.
- 3. The purposes of occupancy shall be limited to products/services as listed and shall be for no other purpose whatsoever.
 - PRODUCTS NOT LISTED ON THIS AGREEMENT MAY NOT BE SOLD OR DISPLAYED.

See Attached

4. Renter agrees to pay for the rights and privileges hereby granted, the amounts and in the manner set forth below:

Line	Description	Quantity	Price	Total Amount
1	Commercial Space		\$0.01	\$0.01
2	Red Lot Parking Lot	1	\$375.00	\$375.00
			Total:	\$375.01

SPACE RENT: \$375.01 (check or card) DUE on or before the date listed below. If payment is not received by the below due date, the space will be canceled.

Due Date	Description	Total Amount
5/15/2023	Add-On Payments	\$375.00
5/15/2023	Rent	\$0.01

- 5. To the fullest extent permitted by law, Renter shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorney's fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Contractor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Contractor herein, or any of its employees or agents.)
- 6. Renter agrees to not sell, exchange or barter, or permit its employees to sell, exchange or barter, any licenses or permits issued to Renter or its employees.
- 7. Renter will not be authorized to open its Food space operation unless and until it satisfies, or is in compliance with, each of the requirements set forth in this agreement.
- 8. Renter will conduct the privileges granted in this Agreement according to all the rules and requirements of applicable state and local health authorities, and without infringement upon the right and privileges of others; nor engage in any other business whatsoever upon or within Premises or Fairgrounds, except that which is herein expressly stipulated and contracted for; will confine said transactions to the Premises and privileges provided in this Agreement.
- 9. Special Provisions: 2 Badges per 10x10 booth
- 10. Renter shall abide by the additional terms and conditions indicated in the following Exhibits, attached to this Agreement and incorporated by these references:
 - Exhibits A (Licensee Handbook); B (Insurance Statement); C (Standard Contract Terms and Conditions); F (Worker's Comp Exempt Statement); and G (Storm Water Policy) ARE INCORPORATED AND MADE PART OF THIS AGREEMENT. THIS AGREEMENT IS NON-TRANSFERABLE. Your signature below serves as your acknowledgement that you have read and will abide by the information and content of attached exhibits.
- 11. This agreement is not binding upon Association until it has been duly accepted and signed by its authorized representative, and approved (if required) by the Department of Food and Agriculture and the Department of General Services.
- 12. Renter acknowledges that the Association's Fairgrounds may be required at any time, with limited advance notice, for the purpose of responding to an emergency declared by local, state, and/or federal governments. Association shall not be liable for any interference of Renter's use or possession of the Premises or loss to or expenses incurred by the Renter or its subcontractors or patrons that may result from such emergency use of the Premises.
- 13. All temporary tents or enclosures erected by Renter shall have the prior written approval of Association and local fire suppression authorities. Renter shall not affix any fixtures to the Premises without the written preapproval of the Association and if the removal of the fixture may be affected without injury to the Premises.
- 14. Association will furnish necessary janitor service for all aisles, streets, roads and areas used by the public, but Renter must, at his/her own expense, keep the Premises and adjacent areas properly arranged and clean. All concessions must be clean, all coverings removed, and the concessions ready for business each day at least one hour before the Association is open to the public. Receptacles will be provided at several locations to receive Renter's trash, and such trash must not be swept into the aisles or streets or any public areas.
- 15. All sound-producing devices used by Renter within the Premises must be of such a nature and must be so operated as not to cause annoyance or inconvenience to patrons or to other concessionaires or exhibitors. The decision of Association as to the desirability of any such sound- producing device shall be final and conclusive. Sound-amplification equipment may be installed only by first obtaining written permission from Association.

- 16. Renter agrees that there will be no games, gambling or any other activities in which money is used as a prize or premium, and that Renter shall not buy and/or permit "buy backs" for cash, any prizes or premiums given away to patrons. Only straight merchandising methods shall be used and all methods of operations, demonstration and sale, shall be subject to the approval of the Association and the local law enforcement officials.
- 17. Renter is entirely responsible for the Premises and agrees to reimburse Association for any damage to the real property, equipment, or grounds used in connection with the Premises, reasonable wear and tear excepted. Renter agrees to inspect the conditions of the Premises and of all property it will use on the Premises, including but not limited to equipment, furniture or other personal property owned by Association, and to be entirely responsible for the use of the Premises and such property.
- 18. Association may provide security related services, including the reasonable protection of the property of Renters. Notwithstanding the foregoing, but Association shall not be responsible for loss or damage to the property of Renter.
- 19. Each and every article and all boxes, crates, packing material, and debris of whatsoever nature must be removed from the Premises by Renter, at Renter's own expense, upon expiration or earlier termination of this Agreement.
- 20. No Renter will be permitted to sell or dispose of anywhere on the Fairgrounds alcoholic beverages as defined in the Alcoholic Beverage Control Act unless Association authorizes Renter in writing and unless Renter holds a lawful license authorizing such sales on the Premises.
- 21. All safety orders of the Division of Industrial Safety, Department of Industrial relations must be strictly observed.
- 22. Failure of Association to insist in any one or more instances upon the observance and/or performance of any of the terms and conditions of this Agreement shall not constitute a waiver of any subsequent breach of any such term and condition.
- 23. This Agreement shall be subject to termination with or without cause by either party at any time prior to or during the term hereof by giving the other party notice in writing at least 48 hours prior to the date when such termination shall become effective. Such termination shall relieve the Association of any further performances of the terms of this agreement.
- 24. If by any reason the Association is unable to perform their material rental obligations in connection with this Agreement, as a result of any Act of God, war, epidemic, accident, fire, public emergency, strike, lock-out, or other labor controversy, riot, civil disturbance, act of public enemy, law enactment, rule, restraint, order, or act of any governmental instrumentality or military authority, failure of technical facilities, failure, delay or reduction of services, explosion, destruction of Association property, or other buildings or facilities on the Association's fairgrounds property or other cause not reasonably within the Association's control and which renders the Associations obligations under this Agreement impossible feasible, or unsafe in any way or any event then, the Association may cancel this agreement in its entirety effective immediately upon notice and neither party shall have any further liabilities and/or obligations in connection therewith.
- 25. The Association shall have the privilege of inspecting the Premises covered by this agreement at any time or all times. Association shall have the right to retain a key to the Premises and may enter with at least 24-hour written notice to Renter.
- 26. Renter recognizes and understands that this rental may create a possessory interest subject to property taxation and that Renter may be subject to the payment of property taxes levied on such interest.
- 27. The Parties hereto agree that Renter, and any agents and employees of Renter, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of Association.
- 28. Time is of the essence of each and all the provisions of this agreement, and the provisions of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties hereto.
- 29. It is mutually agreed that this Agreement or the privileges granted herein, or any part thereof, cannot be assigned or otherwise transferred without the written consent of Association. Subleasing of the Premises is prohibited.

- 30. It is mutually understood and agreed that no alteration or variation of the terms of this contract shall be valid, unless made in writing and signed by the parties, hereto, and that no oral understandings or agreements not incorporated herein and no alterations or variations of the terms hereof, unless made in writing and signed by the parties hereto, shall be binding upon any of the Parties.
- 31. In the event Renter fails to comply in any respect with the terms of this Agreement and its Exhibits referred to herein, all payments under this Agreement shall be deemed earned and non-refundable by Association, and Association shall have the right to occupy the Premises in any manner deemed for the best interest of Association.
 - IN WITNESS WHEROF, the parties hereto have affixed their signatures on the date shown below. The signatories represent and warrant that they were duly authorized by their respective governing bodies to execute this Agreement and the parties hereby agree to all the terms and conditions set forth in this Agreement.

22ND District Agricultural Association Carlene Moore, Chief Executive Officer 2260 Jimmy Durante Blvd. Del Mar, CA 92014 Template Customer for CP FirstName TemplateContact 12345 Overthere Street Suite 100 Del Mar, CA 92014

Signature Date Signature Date

RENTAL AGREEMENT



AGREEMENT NO.: 24 - 4 DATE: 2/8/2022

Concession Agreement

FORM F-31 Revised 12/13

THIS RENTAL AGREEMENT is by and between 22ND DISTRICT AGRICULTURAL ASSOCIATION, ("Association"), commonly known as the Del Mar Fairgrounds ("Fairgrounds"), and Template Customer for CP, ("Renter"). Association and Renter may be collectively referred to as the "Parties".

- 1. Association hereby grants to the Renter the right to occupy the space(s) known as: <u>Food space</u>: ARENA-712, ARENA-715 located on the Fairgrounds at 2260 Jimmy Durante Blvd, Del Mar, California 92014 ("Premises") for the purposes hereinafter set forth and subject to the terms and conditions of this Agreement.
- 2. The term of this Agreement begins on 5/13/2024 and ends on 7/13/2024 (Dates include Setup & Teardown).
 - Renter shall guarantee the payment of any damage to Association property, removal of all property and the leaving of the Premises in the same condition in which Renter took possession.
- 3. The purposes of occupancy shall be limited to products/services as listed and shall be for no other purpose whatsoever.
 - PRODUCTS NOT LISTED ON THIS AGREEMENT MAY NOT BE SOLD OR DISPLAYED.

SAMPLE

4. Renter agrees to pay for the rights and privileges hereby granted, the amounts and in the manner set forth below:

Li	ne	Description		Quantity	Price	Total Amount
1		Commercial Rental			\$5,000.00	\$5,000.00

MINIMUM GUARANTEE: \$5,000.00 (check or card) DUE UPON RECEIPT OF CONTRACT vs. 25% OF GROSS SALES (LESS SALES TAX) whichever is greater. Guarantee will be applied against percentage of gross sales. Final payment of percentage is due no later than Midnight, 07/07/2024. If payment is not received by the above due date, the space will be cancelled.

CLICK HERE TO SUBMIT PAYMENT

PLEASE INCLUDE THE CONTRACT NUMBER IN THE NOTES SECTION

Due Date	Description	Total Amount
5/15/2024	Add-On Payment	\$0.01
5/15/2024	Concession Guarantee	\$5,000.00

5. To the fullest extent permitted by law, Renter shall defend, indemnify, and hold harmless the State of California, the 22nd District Agricultural Association aka Del Mar Fairgrounds, and their respective agents, directors, and employees (collectively the "State") from and against all claims, damages, losses, and expenses, of every kind, nature and description (including, but not limited to, attorneys fees, expert fees, and costs of suit), directly or indirectly arising from, or in any way related to the performance or

nonperformance of this Agreement, regardless of responsibility of negligence; by reason of death, injury, property damage, or any claim arising from the alleged violation of any state or federal accessibility law, statute or regulation, (including but not limited to, the Americans With Disabilities Act, and/or any state, local, successor, or comparable provision of law) however caused or alleged to have been caused, and even though claimed to be due to the negligence of the State. Provided, however, that in no event shall Contractor be obligated to defend or indemnify the State with respect to the sole negligence or willful misconduct of the State, its employees, or agents (excluding the Contractor herein, or any of its employees or agents.)

- 6. Renter agrees to not sell, exchange or barter, or permit its employees to sell, exchange or barter, any licenses or permits issued to Renter or its employees.
- 7. Renter will not be authorized to open its Food space operation unless and until it satisfies, or is in compliance with, each of the requirements set forth in this agreement.
- 8. Renter will conduct the privileges granted in this Agreement according to all the rules and requirements of applicable state and local health authorities, and without infringement upon the right and privileges of others; nor engage in any other business whatsoever upon or within Premises or Fairgrounds, except that which is herein expressly stipulated and contracted for; will confine said transactions to the Premises and privileges provided in this Agreement.
- 9. Special Provisions: SAMPLE
- 10. Renter shall abide by the additional terms and conditions indicated in the following Exhibits, attached to this Agreement and incorporated by these references:
 - Exhibits A (Licensee Handbook); B (Insurance Statement); C (Standard Contract Terms and Conditions); F (Worker's Comp Exempt Statement); and G (Storm Water Policy) ARE INCORPORATED AND MADE PART OF THIS AGREEMENT. THIS AGREEMENT IS NON-TRANSFERABLE. Your signature below serves as your acknowledgement that you have read and will abide by the information and content of attached exhibits.
- 11. This agreement is not binding upon Association until it has been duly accepted and signed by its authorized representative, and approved (if required) by the Department of Food and Agriculture and the Department of General Services.
- 12. Renter acknowledges that the Association's Fairgrounds may be required at any time, with limited advance notice, for the purpose of responding to an emergency declared by local, state, and/or federal governments. Association shall not be liable for any interference of Renter's use or possession of the Premises or loss to or expenses incurred by the Renter or its subcontractors or patrons that may result from such emergency use of the Premises.
- 13. All temporary tents or enclosures erected by Renter shall have the prior written approval of Association and local fire suppression authorities. Renter shall not affix any fixtures to the Premises without the written preapproval of the Association and if the removal of the fixture may be affected without injury to the Premises.
- 14. Association will furnish necessary janitor service for all aisles, streets, roads and areas used by the public, but Renter must, at his/her own expense, keep the Premises and adjacent areas properly arranged and clean. All concessions must be clean, all coverings removed, and the concessions ready for business each day at least one hour before the Association is open to the public. Receptacles will be provided at several locations to receive Renter's trash, and such trash must not be swept into the aisles or streets or any public areas.
- 15. All sound-producing devices used by Renter within the Premises must be of such a nature and must be so operated as not to cause annoyance or inconvenience to patrons or to other concessionaires or exhibitors. The decision of Association as to the desirability of any such sound- producing device shall be final and conclusive. Sound-amplification equipment may be installed only by first obtaining written permission from Association.
- 16. Renter agrees that there will be no games, gambling or any other activities in which money is used as a prize or premium, and that Renter shall not buy and/or permit "buy backs" for cash, any prizes or premiums given away to patrons. Only straight merchandising methods shall be used and all methods of operations, demonstration and sale, shall be subject to the approval of the Association and the local law enforcement officials.

- 17. Renter is entirely responsible for the Premises and agrees to reimburse Association for any damage to the real property, equipment, or grounds used in connection with the Premises, reasonable wear and tear excepted. Renter agrees to inspect the conditions of the Premises and of all property it will use on the Premises, including but not limited to equipment, furniture or other personal property owned by Association, and to be entirely responsible for the use of the Premises and such property.
- 18. Association may provide security related services, including the reasonable protection of the property of Renters. Notwithstanding the foregoing, but Association shall not be responsible for loss or damage to the property of Renter.
- 19. Each and every article and all boxes, crates, packing material, and debris of whatsoever nature must be removed from the Premises by Renter, at Renter's own expense, upon expiration or earlier termination of this Agreement.
- 20. No Renter will be permitted to sell or dispose of anywhere on the Fairgrounds alcoholic beverages as defined in the Alcoholic Beverage Control Act unless Association authorizes Renter in writing and unless Renter holds a lawful license authorizing such sales on the Premises.
- 21. All safety orders of the Division of Industrial Safety, Department of Industrial relations must be strictly observed.
- 22. Failure of Association to insist in any one or more instances upon the observance and/or performance of any of the terms and conditions of this Agreement shall not constitute a waiver of any subsequent breach of any such term and condition.
- 23. This Agreement shall be subject to termination with or without cause by either party at any time prior to or during the term hereof by giving the other party notice in writing at least 48 hours prior to the date when such termination shall become effective. Such termination shall relieve the Association of any further performances of the terms of this agreement.
- 24. If by any reason the Association is unable to perform their material rental obligations in connection with this Agreement, as a result of any Act of God, war, epidemic, accident, fire, public emergency, strike, lock-out, or other labor controversy, riot, civil disturbance, act of public enemy, law enactment, rule, restraint, order, or act of any governmental instrumentality or military authority, failure of technical facilities, failure, delay or reduction of services, explosion, destruction of Association property, or other buildings or facilities on the Association's fairgrounds property or other cause not reasonably within the Association's control and which renders the Associations obligations under this Agreement impossible feasible, or unsafe in any way or any event then, the Association may cancel this agreement in its entirety effective immediately upon notice and neither party shall have any further liabilities and/or obligations in connection therewith.
- 25. The Association shall have the privilege of inspecting the Premises covered by this agreement at any time or all times. Association shall have the right to retain a key to the Premises and may enter with at least 24-hour written notice to Renter.
- 26. Renter recognizes and understands that this rental may create a possessory interest subject to property taxation and that Renter may be subject to the payment of property taxes levied on such interest.
- 27. The Parties hereto agree that Renter, and any agents and employees of Renter, in the performance of this agreement, shall act in an independent capacity and not as officers or employees or agents of Association.
- 28. Time is of the essence of each and all the provisions of this agreement, and the provisions of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties hereto.
- 29. It is mutually agreed that this Agreement or the privileges granted herein, or any part thereof, cannot be assigned or otherwise transferred without the written consent of Association. Subleasing of the Premises is prohibited.
- 30. It is mutually understood and agreed that no alteration or variation of the terms of this contract shall be valid, unless made in writing and signed by the parties, hereto, and that no oral understandings or agreements not incorporated herein and no alterations or variations of the terms hereof, unless made in writing and signed by the parties hereto, shall be binding upon any of the Parties.
- 31. In the event Renter fails to comply in any respect with the terms of this Agreement and its Exhibits referred to herein, all payments under this Agreement shall be deemed earned and non-refundable by Association,

and Association shall have the right to occupy the Premises in any manner deemed for the best interest of Association.

IN WITNESS WHEROF, the parties hereto have affixed their signatures on the date shown below. The signatories represent and warrant that they were duly authorized by their respective governing bodies to execute this Agreement and the parties hereby agree to all the terms and conditions set forth in this Agreement.

22ND District Agricultural Association Carlene Moore, Chief Executive Officer 2260 Jimmy Durante Blvd. Del Mar, CA 92014 Template Customer for CP FirstName TemplateContact 12345 Overthere Street Suite 100 Del Mar, CA 92014

Signature Date Signature Date

SECTION BREAK

22nd DISTRICT AGRICULTURAL ASSOCIATION AD-HOC COMMITTEES

As of May 14, 2024

AFFORDABLE HOUSING

Kathlyn Mead, Chair Don Mosier (meets as needed)

AUDIT & GOVERNANCE

Sam Nejabat, Chair Kathlyn Mead (meets as needed)

<u>COMMUNITY & GOVERNMENT</u> RELATIONS

Don Mosier, Chair Michael Gelfand (every other month)

DMTC LIAISON

Mark Arabo, Chair Lisa Barkett (meets January, May, October)

FINANCE

Michael Gelfand, Chair Sam Nejabat (meets monthly)

STRATEGIC PLANNING

Michael Gelfand, Chair Joyce Rowland (meets quarterly)

FAIR OPERATIONS

Frederick Schenk, Chair Mark Arabo (meets monthly January-May, August)

LEGAL

Frederick Schenk, Chair Joyce Rowland (meets as needed)

PEOPLE & CULTURE

Joyce Rowland, Chair Phil Blair (meets annually, or as needed)

SUSTAINABILITY

Don Mosier, Chair Michael Gelfand

NOMINATING & RECRUITMENT

Lisa Barkett, Chair Sam Nejabat (meets quarterly)

STATE RACE TRACK LEASING

COMMISSIONERS (appointed by the

<u>Governor); Board Members of the Del Mar Race</u> <u>Track Authority</u>

Mark Arabo, Chair Lisa Barkett Kathlyn Mead (meets annually)

Officers:

Frederick Schenk, President Michael Gelfand, First Vice President Joyce Rowland, Second Vice President



April 3, 2024 D2024-03

TO: All District Agricultural Association CEOs

SUBJECT: Dymally-Allatore Bilingual Services Act Language Survey

Under Government Code Section 7299.4 the Dymally-Alatorre Bilingual Service Act requires state agencies that serve a substantial number of non-English-speaking people (5% or more of the people served) to employ enough bilingual persons to provide certain information and render certain services in a language other than English. To ensure that the members of the community are best being served, a survey is conducted every two years. The data is collected from individuals within each entity whom interacts with the public most. Agencies are required to participate and since DAA's are part of CDFA they are required to participate in the biennial language survey that is scheduled to be completed in 2024. CalHR uses this survey information along with implementation plans of each agency, and incorporates findings and recommendations in a report to the Legislature every two years.

The survey will entail keeping track with "tick marks" for every call or in-person contact you receive (by the language) on a daily tally sheet. This survey isn't meant to track nationalities or the ethnic heritage of the public with whom you come in contact. For example, if your fair has more than one person that comes into contact with the public only the person identified as the Public Contact Employee (PCE) is required to keep a tally. At the completion of the Survey the PCE will need to turn in the survey by email to Kaylen Yates no later than Monday, April 29, 2024.

Fairs and Expositions is asking that an individual be identified at each DAA who will participate in the biennial language survey. The person identified will be the Public Contact Employee (PCE) for your DAA. The language survey shall be conducted for the period of 10 days, spanning two consecutive weeks April 14th through April 27th, 2024. Once the DAA has identified the PCE who answers the phone or assists the



D2024-03 Dymally-Allatore Bilingual Services Act Language Survey April 3, 2024 Page 2

public most often, please email the name and contact information to Kaylen Yates by Friday, April 12th, 2024.

A detailed set of instruction will be emailed directly to the identified PCE prior to the survey start date. If you have questions or need additional information regarding this matter, please contact Kaylen Yates at (916) 708-9301 or by e-mail at Kaylen.Yates@cdfa.ca.gov

Sincerely,

Mike Francesconi

Michael & Francescoul

Branch Chief



May 9, 2024

The Honorable Carl Guardino
Chair
California Transportation Commission
1120 N Street, MS 52
Sacramento, CA 95814
ctc@catc.ca.gov

Re: Letter of Support for SANDAG's Request for 2nd Time Extension for the Senate Bill 1 Trade Corridor Enhancement Program – May 2024 CTC Reference No.: 2.8v.(5)

Dear Mr. Guardino:

As the Chief Executive Officer of the 22nd District Agricultural Association (the District), which owns and operates the Del Mar Fairgrounds (Fairgrounds), I would like to express support for the San Diego Association of Governments' (SANDAG) request for a 12-month time extension for the construction allocation of the Senate Bill 1 Trace Corridor Enhancement (TCEP) Program for the San Dieguito Double Track Phase 1 construction allocation.

SANDAG is requesting this time extension of the TCEP grant to combine the Phase 1 and Phase 2 of the San Dieguito Bridge Replacement, Double Track and Special Events Platform Project (Project). This time extension will allow time for SANDAG to combine the Phase 1 and 2 improvements into one Project; reduce at least 18 months of construction time to significantly lessen impact on Fairgrounds operations and the environment; and eliminate the Phase 1 funding gap by removing duplicative soft costs so the project can be constructed sooner.

The benefits of combining the phases and expediting construction are as follows:

- SANDAG will need to temporarily occupy several acres of the Fairgrounds for
 construction staging, laydown, and access to construct the phases. Events that are
 typically located in those areas will need to be relocated during the construction
 phase. If SANDAG constructs the project in two phases, the areas will be occupied
 for over seven (7) years. SANDAG anticipates 18 36 months of time savings if the
 project is to be constructed in one phase, which will allow the Fairgrounds to reclaim
 the areas to host events sooner.
- The District and City of Solana Beach are jointly responsible for the stormwater quality for Stevens Creek. The creek is an emergency flood control channel. It is a long shallow creek with very little elevational drop, which results in increased siltation within the creek. Coupled with heavy vegetation, the creek is difficult to access and maintain, which has contributed to the poor water flows over the years. SANDAG plans to construct the double box culvert and realign the creek to allow the

- flow from Stevens Creek to quickly outlet onto the San Dieguito lagoon. SANDAG believes this will greatly improve the creek's water quality, helping to ensure compliance with Regional Water Quality Control Board standards.
- SANDAG proposes to construct fire water service improvements in support of the special events platform. The fire water will complete the full loop on the Fairgrounds property, providing an additional fire water source for future needs. This new water service can be completed earlier if SANDAG is allowed to combine the phases. SANDAG will install a new electrical service in Phase 2 improvements in support of the special events platform. SANDAG's plan for the electrical service will provide additional power for the special events platform, and additional electrical transformers will be available sooner to support Fairgrounds events.

Thank you for your consideration, your time, and attention to this matter. Please let us know if you have any questions about our position or operations.

We look forward to continuing to work with you and SANDAG in the years ahead on this and other critical projects for our region.

Sincerely,

Carlene Moore

Chief Executive Officer

22nd District Agricultural Association



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75th Del Mar National Horse Show jumps into action

by Laura Place ② May 3, 2024 ③ 290

DEL MAR — The acclaimed Del Mar National Horse Show is celebrating its landmark 75th year at its new home at the Del Mar Horsepark along El Camino Real, welcoming back riders after a four-year hiatus.

The National Jumper-Hunter Week features events in the dirt arenas and the iconic Grand Prix grass field with jumps up to 4 feet tall. Hunter events focus on style and quality, while jumpers are judged on having a fast and clean round.

The show includes a \$100,000 Grand Prix taking place at 2 p.m. on Saturday. Hunter and jumper events were preceded by the Del Mar National Horse Show Dressage Week from April 11 to 14.

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Riders compete in jumper and hunter events on the main green at the Del Mar Horsepark during the 75th Del Mar National Horse Show on May 1. Photo by Laura Place

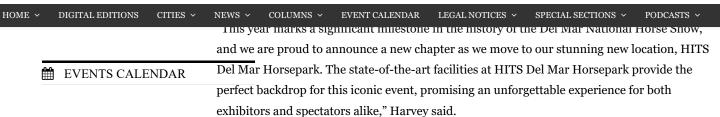


Hundreds of horses and riders come to the Del Mar Horsepark along El Camino Real for the five-day run of the 75th Del Mar National Horse Show, May 1-5. Photo by Laura Place

The national show began in 1946 as part of the San Diego County Fair and has since grown to be one of the country's top horse shows, traditionally taking place at the Surfside Race Place. In 2020, the show was canceled due to the COVID-19 pandemic, kicking off a four-year pause.

"The Del Mar National Horse Show is not just an event; it's a cherished tradition that brings together people who share a passion for horses and the equestrian lifestyle," said Dale Harvey, Del Mar Horsepark general manager.

Its move to the newly-renovated Del Mar Horsepark, which reopened last summer under a management by Horse Shows in The Sun (HITS), marks the start of a new era for the show



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For more information and tickets, visit hitsdelmar.com.

All photos by Laura Place/The Coast News









May 5th, 2024

Dear Del Mar Fairgrounds Board Members,

We are writing to you on behalf of the Coalition for Safer Trains regarding the LOSSAN Rail Realignment project commencing in the north coastal region of San Diego, between Solana Beach and Sorrento Valley. This will be one of the largest, most impactful and costly projects undertaken by SANDAG since the agency's inception.

The project team is a dedicated group of qualified professionals, who have undertaken a great responsibility to develop a solution to provide the realignment of the rail line off the eroding bluffs along the coastline. As this is such a large and technical project, the team has been working with engineering, construction and environmental consultants to assist in the progression of this very important project.

It will be critical for the Fairgrounds Board Members to stay informed about the scope and direction of this project, as we totally understand the Fairgrounds doesn't want any disruption to your operations or business.

Just as you are relying on the SANDAG project team to recommend the best solution, the SANDAG project team is relying on their consultants to recommend to them the same.

Now is not the time to rely solely on THEIR consultants to make massive and sweeping recommendations that will impact all of us. It will be critical for this project to have independent and qualified oversight.

There have already been questionable decisions made, affecting the expenditure of \$300 million granted by the state of California, for the purpose of studying the realignment and moving it forward. Consultants have stated that there are two "favored alignments," both of which route a freight train directly into, under and through established residential neighborhoods in the cities of Del Mar and San Diego. The favored alignments were selected using criteria developed exclusively by rail stakeholders. That is a fundamental flaw that cannot be accepted. The project team has stated that minimizing community impact is a high priority but weighted it the lowest on their criteria.

It's important to note that this is the first of several projects that support SANDAG's Big Move initiative, with the goal of increasing rail ridership by offering faster and more frequent Coaster service between Oceanside and Santa Fe Depot. In addition to improving this segment of the LOSSAN, the agency will also be redeveloping segments in Oceanside for double-tracking, and the very large and impactful Sorrento Hill/Rose Canyon segment, which affords a great deal of improvement in travel time. The scope of this overall plan is immense and will impact many communities throughout San Diego County for many decades to come.

It is highly questionable how SANDAG could obtain funding for the Trestle bridge to be replaced, yet there was no foresight or planning on the rail alignment north and south of the bridge. It is questionable how the bridge and event platform passed environmental study, because SANDAG considered it an Existing Structure, yet there was never an Event Platform in the Existing Structure. There was no discussion if a tunnel could come out of the SB trench and continue under the river, or rail/tunnel options instead of a bridge option. There was no environmental study regarding putting a new bridge in the floodplain, (except making the bridge double wide and 9 feet high with flood walls), impact of sea level rise,

high tide rise, increased (rainfall) flooding from the river to the ocean, and the impact on the Fairgrounds and bridge. This was a siloed separate funding project with no long-term cohesive planning process.

The realignment of the tracks between Solana Beach and Sorrento Valley will create the foundational "rules" for all of these future projects. It's important that these "rules" are established with the foresight that they will be applied throughout every community that the train traverses. Now is the time to state what the Fairgrounds Board Members are willing to accept in exchange for the increased rail traffic, pollution and noise. The overall scope of these improvements will impact thousands of San Diego residents, Fairgrounds, business owners and other stakeholders. Providing effective public transportation and oversight is part of that equation, but at what price? Taking private property from residents, forcing people from their homes, destroying businesses and damaging the natural environment?

We also have to consider this construction will be around for 150 years, impacting our community. All of these must be part of the equation when determining the "ground rules" for the continued rail improvements through our region. We are sure you would want to minimize destruction and community impact not only for

the Fairgrounds but also for the residents you serve in your community.

Which brings us back to the Rail Realignments between Solana Beach and Sorrento Valley, soon to be selected Short List in the NOP for the next step of Environmental Study. What should these rules be? No eminent domain of private property? No negative environmental impact? We have reviewed both the Fairgrounds and Del Mar Guiding Principles. We understand The Fairgrounds wants the Event Platform, which could help to cut road traffic and carbon emissions, and make the Fairgrounds more accessible to the public. Yet with the major increase in train traffic (as stated from SANDAG), there will be a vast increase in carbon emissions, noise and vibration next to the Fairgrounds, so the Alignment from the Coalition for Safer Trains, which involves a tunnel, would be a benefit to the Fairgrounds.

In summary we ask the Board of the Del Mar Fairgrounds to review our Presentation, and our SANDAG submission stating our Environmentally Safer I-5 Lagoon Alignment. We would like your input and comments instead of not communicating. Nothing is carved in stone yet, so we would like to engage with your team, to take all concerns into consideration before it is too late. We appreciate your input as this is one of

the biggest and most important projects for the Fairgrounds, Del Mar, Solana Beach and San Diego.

Kind Regards,

Angelina Neglia
Coalition for Safer Trains

https://safertrain.org/