



NOTICE OF MEETING

22nd District Agricultural Association Board of Directors
December 16, 2025 at 9:30 a.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 ([Public Information](#)) 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

Sam Nejabat, Chair
Lisa Barkett, Vice Chair
Mark Arabo, Director
Phil Blair, Director
Donna DeBerry, Director
Michael Gelfand, Director
Kathlyn Mead, Director
Joyce Rowland, Director
Frederick Schenk, Director

Secretary-Manager

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 22nd DAA and the Del Mar Fairgrounds.

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 Del Mar Fairgrounds.

MASTER PLAN

Create an environmentally and fiscally responsible land use plan for the Del Mar Fairgrounds, aligning with purpose, mission, vision, and values of the organization.

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 ensure 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
December 16, 2025, at 9:30 a.m.

1. **CALL TO ORDER** – CHAIR SAM NEJABAT

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 Chair.

2. **ROLL CALL**

3. **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. (Govt. Code, § 11126, subd. (e).)
- B. To confer with and receive advice from legal counsel, regarding potential litigation involving the 22nd DAA. Based on existing facts and circumstances, the Board will decide whether to initiate litigation. (Govt. Code, § 11126, subd. (e).)
- C. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. Melinda Carmichael v. 22nd District Agricultural Association, et. al., San Diego County Superior Court, Case No. 25-CU-047040C.
- D. Personnel: The Board will meet in closed session to consider those items authorized under Section 11126 of the Government Code, including but not limited to the evaluation of performance of the CEO. (Gov. Code, § 11126, subd. (a).)

4. **RECONVENE TO OPEN SESSION** [Anticipated by 10:00 a.m.]

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

5. **CONSENT CALENDAR** [Action Item]

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.

- **Minutes, Regular Meeting – November 18, 2025** 5-10
- **Contract Awards & Approvals** 11-19
 - Standard Agreements Exempt from Competitive Solicitation
26-001 Stage Labor
 - Revenue Agreement
L-2988 AM1 Telecommunications Lease Project # 15091

6. **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.

7. **EXECUTIVE REPORT** – CEO Carlene Moore [Information Item]
 - Presentation by Don Diego Scholarship Foundation Verbal
 - Executive summary of monthly financial reports 20-25
 - Schedule the Board Annual Work Plan Strategy Session in January 26-27
 - **Industry News & Updates** Verbal
 - IAFE Convention
8. **GENERAL BUSINESS**
 - A. **Finance Committee Report** – Mark Arabo, Committee Chair
 - 1. Consideration and vote on whether to approve the 2026 Operating Budget (or a modified 2026 Operating Budget based on Board discussion and public comment), including rates and out-of-state travel for employees and Board members [Action Item] 28-44
 - 2. Consideration and vote on whether to approve the 2026 Capital Expenditures Budget (or a modified 2026 Capital Expenditures Budget based on Board discussion and public comment) [Action Item] 45-55
 - Presentation of Facilities Condition Assessment Report Summary
 - 3. Consideration and vote on 2026 Delegation of Authority or Temporary Delegation of Authority [Action Item] 56-60
 - Contract Authority
 - Check Signing Authority
 - Credit Card Use Authority
 - 4. Consideration and vote on whether to authorize the District to replace and modernize three (3) existing video display boards located in the Grandstand, the Paddock and at 5 Points, all in accordance with District Policies, California law and the Race Track Operating Agreement [Action Item] 61-73
 - B. **Legal Committee Report** – Frederick Schenk, Committee Chair 74-88
 - Update on discussions with the City of Del Mar regarding amendments to the Exclusive Negotiating Rights Agreement (ENRA) and the studies completed so far under the ENRA [Information Item]
 - C. **Discuss and vote on whether to adopt a District resolution confirming that the simulcast wagering conducted on the District's property best serves the interests of the District** [Action Item] 89-90
 - D. **Board of Directors' one-way requests for placement of information or action items on an agenda for a future meeting of the District's Board of Directors** [Information Item] Verbal
9. **MATTERS OF INFORMATION**
 - **Correspondence** None
 - **Review of Contracts Executed per CEO Delegation of Authority** 91-106
 - Standard Agreements up to \$50,000
25-040 AM1 Executive Communications Training; 25-047 Chiller Leak Test; 25-048 AirTable Implementation; 26-006 Community Banner Photography
 - Rental Agreements – Revenue
26-902 Swim School Operator
10. **ADJOURNMENT**



22nd DISTRICT AGRICULTURAL ASSOCIATION

Board of Directors Meeting

Del Mar Fairgrounds
2260 Jimmy Durante Boulevard
Del Mar, CA 92014
November 18, 2025

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](https://www.delmarfairgrounds.com) website:

<https://www.delmarfairgrounds.com/p/public-information1>

OFFICERS PRESENT

Sam Nejabat, Chair
Lisa Barkett, Vice Chair

DIRECTORS PRESENT

Mark Arabo
Phil Blair
Donna DeBerry
Michael Gelfand
Kathlyn Mead
Joyce Rowland

OTHERS PRESENT

Joshua Caplan, Deputy Attorney General
Carlene Moore, Chief Executive Officer (CEO)
Tristan Hallman, Chief Communications Officer (CCO)
Katie Mueller, Chief Operations Officer (COO)
Mike Seyle, Chief Administrative Officer (CAO)

DIRECTORS ABSENT

Frederick Schenk – Excused

CALL TO ORDER

Chair Nejabat called the meeting to order at 9:31 a.m.

ROLL CALL

Chair Nejabat, Vice Chair Barkett, Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland were all present. Director Schenk had an excused absence.

RECESS TO CLOSED EXECUTIVE SESSION

Chair Nejabat recommended that Items 8-A, 8-B, 8-C, and 8-E-1, be deferred to a later date. The Board concurred to hold a December Board meeting. CEO Moore will reach out for availability.

The Board recessed to Closed Executive Session at 9:41 a.m.

RECONVENE TO OPEN SESSION

The Board reconvened to Open Session at 11:49 a.m. Public comment was moved to the beginning of the Consent Calendar in consideration of time.

PUBLIC COMMENT ON NON-AGENDA ITEMS (see pages 15-33 of transcript)

Shane Harris, Abdur-Rahim Hameed, Vic Ross, Janiece Hameed, Ismar Rodriguez, Carla Echols-Hayes, Amy Cheshire, Angelina Neglia, Martha Sullivan, Jane Cartmill

CONSENT CALENDAR

Director Arabo requested to pull agreements 24-005 AM1, 23-014 AM2, and 22-003 AM3 for further discussion.

Vice Chair Barkett moved to approve the Consent Calendar with the removal of agreements 24-005 AM1, 23-014 AM2, and 22-003 AM3. Director Blair seconded the motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland all voted in favor. The motion was passed 8-0.

PUBLIC COMMENT ON CONSENT CALENDAR (see page 33 of transcript)

None

EXECUTIVE REPORT

- The District will run a Black Friday pass promotion for San Diego County Fair season passes, as well as a family pack discount for the new year.
- The District has established a Hispanic Community Advisory Council to provide insight and suggestions on Spanish-language based programming and outreach.
- Zachary MacQuarrie of Southwest Strategies and CCO Hallman presented the quarterly progress report on Master Site Plan public outreach and engagement efforts.
- CEO Moore presented the executive summary of monthly financial reports.
- The Board will meet in December for its annual work plan strategy session.
- CEO Moore recapped District staff's recent visit to the State Fair of Texas, the CDFA Fairgrounds and Events Center Symposium, and California Fairs Alliance Leadership Conference. CEO Moore referenced the report on pages 46-47 of the meeting packet on the California Construction Authority and noted that CCA welcomed its new executive officer earlier in November.

PUBLIC COMMENT ON EXECUTIVE REPORT (see page 83 of transcript)

None

GENERAL BUSINESS

Director Rowland moved to approve Standard Agreements 24-005 AM1, 23-014 AM2, and 22-003 AM3. Director Arabo seconded the motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland all voted in favor. The motion was passed 8-0.

PUBLIC COMMENT ON AGREEMENTS 24-005 AM1, 23-014 AM2, AND 22-003 AM3 (see page 84 of transcript)

None

Item 8-A: 2026 Operating Budget

Postponed to a later date

Item 8-B: 2026 Capital Expenditures Budget

Postponed to a later date

Item 8-C: 2026 Delegation of Authority

Postponed to a later date

Item 8-D: Discuss and vote on whether to authorize the District to charge customers for all credit card surcharge fees in accordance with California law, and to deposit into the District's Rainy Day Fund all revenue generated through the imposition of credit card surcharge fees

PUBLIC COMMENT ON ITEM 8-D (see page 105 of transcript)

None

Director Arabo made a motion to direct staff to work with counsel to incorporate the District's credit card processing costs into the Fair's all-inclusive pricing and return with an updated price schedule. Director DeBerry seconded the motion. Director Arabo amended the motion to direct staff to provide a study of all-inclusive pricing to the Finance Committee prior to presenting it to the Board. Director Gelfand seconded the amended motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland all voted in favor. The motion passed 8-0.

Item 8-E: DMTC Liaison Committee Report

PUBLIC COMMENT ON ITEM 8-E (see pages 122-125 of transcript)

Jane Cartmill, Martha Sullivan

Item 8-E-1: Consideration and vote on whether to authorize the District to reimburse the Del Mar Thoroughbred Club (DMTC) up to \$3,000,000 payable over five (5) years, with no more than \$600,000 per year, for the replacement and modernization of three (3) existing video display boards located in the Grandstand, the Paddock, and at 5 Points

Director Arabo introduced Del Mar Thoroughbred Club President and COO Josh Rubinstein to outline DMTC's request to update three video boards with reimbursement from the District. Director Arabo made a motion to authorize the video display board and replacement and reimbursement, and Director DeBerry seconded the motion. After Board discussion, Director Arabo withdrew the motion and the Board agreed not to vote on the matter until the District's 2026 budget is approved.

Item 8-E-2: Vote on whether to recommend that the State Race Track Leasing Commission explore legal options available to extend the term of the Del Mar Race Track Leasing Operating Agreement so that the agreement remains in effect until the Del Mar Race Track Authority's Series 2015 bonds have been fully paid off

CEO Moore explained that the Del Mar Race Track Authority Revenue Bonds Series 2015 are financed through net horse racing and concessions revenue. The current Del Mar Race Track Leasing Operating Agreement cannot be extended beyond 2030, but the bonds will not mature until 2038.

PUBLIC COMMENT ON ITEM 8 E-2 (see pages 177- 179 of transcript)
Martha Sullivan

Director Gelfand moved to recommend that the State Race Track Leasing Commission explore legal options available to extend the term of the Del Mar Race Track operating agreement so that the agreement could remain in effect until the Del Mar Race Track Authority Revenue Bonds Series 2015 have been fully paid off. Director Rowland seconded the motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland all voted in favor. The motion passed 8-0.

Item 8-F: Discuss and vote on whether to revise Policy 3.02

Chair Nejabat referred to the report on pages 100-101 of the meeting packet.

PUBLIC COMMENT ON ITEM 8-F (see page 181 of transcript)
None

Director Gelfand suggested tabling item 8-F until the Board can learn more and review potential changes to the policy. No action was taken by the Board.

Item 8-G: Discuss and vote on whether the District CEO should discontinue affordable housing discussions with the City of Del Mar under the Exclusive Negotiating Rights Agreement entered into between the District and the City of Del Mar until a future District Board meeting during which the Board can consider proposed amendments to the Exclusive Negotiating Rights Agreement

Chair Nejabat referred to the report on pages 102-107 of the meeting packet.

PUBLIC COMMENT ON ITEM 8-G (see pages 184-190 of transcript)
Terry Gaasterland, Carol Lazier, Amanda Lee

CEO Moore reported that, as directed by the Board at an earlier meeting, District staff and the Legal Committee are working together with City of Del Mar officials to develop potential changes to the ENRA for the Board to vote on at a future meeting. Multiple studies are under way regarding the feasibility of siting affordable housing on Fairgrounds property, and the results will be presented to the Board when they are available. No action was taken by the Board.

Item 8-H: Discuss and vote on whether to direct District staff to meet with the City of San Diego to discuss the possible development of affordable housing on those portions of the District's property that are within the boundaries of the City of San Diego

CEO Moore reported that District staff has met with the San Diego Mayor's Office about affordable housing, and that there is no formal request by the City of San Diego to build affordable housing on the Fairgrounds.

PUBLIC COMMENT ON ITEM 8-H (see pages 212-215 of transcript)

Terry Gaasterland, Darren Pudgil

Director Arabo made a motion to direct District staff to meet with the City of San Diego to discuss a study of possible development of affordable housing on those portions of the District's property that are within the boundaries of the City of San Diego, and to report back to the Board with an update in writing. Director DeBerry seconded the motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo and DeBerry voted in favor the motion. Directors Blair, Gelfand, Mead, and Rowland voted against the motion. The motion failed 4-4.

Item 8-I: Discuss and vote on whether to direct District staff to design and install a public "Living Memorial" honoring all past and present District Board members and California Governors

PUBLIC COMMENT ON ITEM 8-I (see page 227 of transcript)

None

Director Arabo made a motion directing staff to design a public living memorial to honor all past and present District Board members, and all California governors. Director Barkett seconded the motion. After discussion, Director Arabo amended the motion to direct District staff to design and install a living memorial honoring the current California Governor. Director Rowland seconded the amended motion. Chair Nejabat, Vice Chair Barkett, and Directors Arabo, Blair, DeBerry, Gelfand, Mead, and Rowland all voted in favor. The motion passed 8-0.

Item 8-J: Discuss and vote on whether to direct District staff to solicit proposals through a competitive bidding process for the installation of electric vehicle charging stations and solar panels in an effort to advance the District's sustainability and energy independence goals

PUBLIC COMMENT ON ITEM 8-I (see pages 237-238 of transcript)

Sam Jammal

CEO Moore asked the Board to table Item 8-I until the District can provide more information on whether consideration of electric vehicle charging stations would be a project under CEQA. After discussion, the Board requested that staff study the feasibility of installing electric vehicle charging stations and solar panels and present the results to the Board within 240 days. No action was taken by the Board.

MATTERS OF INFORMATION

New Committee Assignments can be found on pages 112-118 of the meeting packet.

ADJOURNMENT

There being no further business to discuss; Chair Nejabat adjourned the meeting at 4:16 p.m.

Carlene Moore
Chief Executive Officer

SUBJECT TO BOARD APPROVAL

ITEM 5 – Consent Calendar

December 16, 2025

Expense Contracts

Standard Agreements Exempt from Competitive Solicitation				
26-001	Contractor: Hands on Labor, Inc.	Categorical Exemption / Exception: Informal Procurement Process	Term: 4/1/2026 - 9/30/2028	Not to Exceed: \$56,887.50
	Purpose: Provide temporary personnel services on an as-needed basis for stage operations during the San Diego County Fair			

Revenue Contracts

Revenue Agreement					
Lease #	Lessee	Purpose	Scope of Work	Term	Rent Amount
L-2988 AM1	Cellco Partnership, dba Verizon Wireless	Telecommunications Lease – Project # 15091	Remove (1) cabinet at ground level, install (1) new cabinet at ground level, install (8) new antennas and new screen walls	8/1/2025 - 1/10/2034	\$6,374.00 monthly through 1/31/2027

This modification to an existing cell tower will provide better coverage for the Del Mar Race Track, commuting traffic on Interstate 5, and the surrounding areas. The parapet screen wall will be extended about 2 feet on both sides of the grandstand-facing video board as well as the backside of the board. Monthly rent increases from \$5,024.00 to \$6,374.00 (2/1/2026-1/31/2027) if the project is approved. Lease terms are negotiated by the California Department of General Services on behalf of the 22nd DAA.

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

26-001

GL ACCOUNT NUMBER (If Applicable)

GL#: 515100-40

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

Hands on Labor, Inc.

2. The term of this Agreement is:

START DATE

April 1, 2026

THROUGH END DATE

September 30, 2028

3. The maximum amount of this Agreement is:

\$56,887.50

Fifty-Six Thousand Eight Hundred Eighty-Seven Dollars and Fifty 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	3
Exhibit B, Attachment I	Pricing and Rate Schedule	1
Exhibit C	General Terms and Conditions (February 2025)	5
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

*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.)

Hands on Labor, Inc.

CONTRACTOR BUSINESS ADDRESS

1244 Knoxville St.

CITY

San Diego

STATE

CA

ZIP

92110

PRINTED NAME OF PERSON SIGNING

Paul Yahnke

TITLE

Director of Labor Sales and Business
Development

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

EXHIBIT A SCOPE OF WORK

1. Services Overview

- A. Hands on Labor, Inc., hereinafter referred to as Contractor, shall provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, with services as described herein:
- B. Contractor shall provide temporary personnel services on an as-needed basis as directed by District. District needs temporary personnel with skills and expertise in the following job classifications:
- Crew Chief
 - Stagehand
- C. The services shall be performed at the District located at 2260 Jimmy Durante Boulevard, Del Mar, CA 92014.
- D. The services shall be provided during the San Diego County Fair (Fair). Each year, the Fair runs for approximately four weeks, beginning in early-to-mid June and ending on the Fourth of July weekend or shortly thereafter. The specific dates for each Fair will be provided to the Contractor once they are determined. Contractor may also be required to provide services before and after the Fair, including but not limited to preparation, set-up, breakdown, and other related activities, as requested by District.
- E. A standard work shift is defined as eight (8) consecutive hours, regardless of the time of day or day of the week. Overtime applies only to hours worked exclusively for District under this Agreement beyond the standard shift and must be authorized solely at the District's discretion. Services performed during evenings, overnight hours, weekends, or holidays does not, by itself, constitute overtime. No overtime shall be incurred without prior written approval by the District's Project Representative or designee.
- F. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Hands on Labor, Inc.
Name: Henry Rivera, Production and Entertainment Director	Name: Paul Yahnke, Director of Labor Sales and Business Development
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 1244 Knoxville St. San Diego, CA 92110
Phone: 858-792-4281	Phone: 619-843-2055
e-mail: hrivera@sdfair.com	e-mail: paul@handsonlabor.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 By Contractor

EXHIBIT A SCOPE OF WORK

- A. Contractor shall provide temporary personnel, on an as-needed basis, for the District's Grandstand Stage, Paddock Stage, and any other venue on the fairgrounds, as directed by District.
- B. **Safety Equipment**
Personal safety equipment such as, but not limited to, specialty clothing, boots, harnesses and hard hats will be the responsibility of the Contractor.
- C. **Timesheets and Hour Tracking**
Contractor shall be responsible for tracking and reporting the actual hours worked by its employees through a sign-in timesheet. These timesheets shall be submitted for review and approval by District Management.
- D. **Job Classification and Qualification Descriptions**
The Contractor shall be responsible for providing temporary staffing whose responsibilities and qualification requirements are detailed below:

1. Crew Chief

Position Overview

The Crew Chief is responsible for supervising and coordinating a team of stagehands during all phases of an event, including load-in, setup, show execution, and load-out for concerts, comedy acts, and other live performances. In addition to supervisory duties, the Crew Chief must perform stagehand tasks as needed. This role ensures that all technical and logistical elements are executed safely, efficiently, and in alignment with District's requirements.

A. Key Responsibilities

1. Pre-Event Preparation

- a. Conduct walkthroughs of the venue to assess load-in paths, staging areas, and safety concerns.
- b. Assign specific roles to stagehands (e.g., audio assist, lighting crew, backline support).
- c. Lead a safety briefing and outline the day's schedule and expectations.

2. Load-In & Setup

- a. Coordinate with venue staff to ensure alignment of technical needs.
- b. Monitor progress and reassign tasks as needed to stay on schedule.
- c. Must also work as a stagehand in addition to Crew Chief responsibilities.

3. Load-Out & Strike

- a. Supervise the breakdown and packing of all equipment.
- b. Ensure gear is returned to proper cases and loaded safely into trucks.
- c. Confirm that the venue is cleared and left in good condition.
- d. Must also work as a stagehand in addition to Crew Chief responsibilities.

EXHIBIT A SCOPE OF WORK

4. Safety & Compliance

- a. Enforce safety protocols and ensure all crew use appropriate personal protective equipment (PPE).
- b. Monitor for fatigue and ensure compliance with break schedules.
- c. Report any incidents or injuries immediately and complete necessary documentation to the District's Project Representative (Production & Entertainment Director).

5. Communication & Reporting

- a. Act as liaison between stagehands and District management.
- b. Keep accurate records of crew hours, task completion, and any issues encountered.

6. Qualifications

- a. Proven experience leading stagehand crews in live concert environments.
- b. Strong knowledge of concert production equipment and workflows.
- c. Excellent leadership, communication, and problem-solving skills.
- d. Minimum of 5 years' experience as a stagehand and crew chief.

2. Stagehand

Position Overview

Stagehands are responsible for the physical setup, operation, and teardown of equipment and staging elements for events such as concerts, comedy acts, and other live performances. They work under the direction of the Crew Chief and technical leads to ensure all production elements are installed safely and efficiently.

A. Key Responsibilities

1. Load-In & Setup

- a. Unload trucks and transport equipment to designated areas.
- b. Assemble staging, trusses, platforms, and barricades.
- c. Assist with setup of lighting, audio, video, and backline gear.
- d. Run cables, hang lights, and position speakers as directed.
- e. Follow instructions from department heads (e.g., lighting director, audio engineer).

2. Show Support

- a. Remain on standby for set changes, cue execution, or troubleshooting.
- b. Operate spotlights or assist with stage transitions if assigned.
- c. Monitor equipment and report any issues to supervisors.

3. Load-Out & Strike

- a. Disassemble and pack equipment safely and efficiently.
- b. Return gear to proper cases and assist with truck loading.
- c. Clean and clear the venue of production materials.

**EXHIBIT A
SCOPE OF WORK**

4. Safety & Conduct

- a. Follow all safety protocols and wear required PPE (e.g., gloves, steel-toe boots).
- b. Use proper lifting techniques and tools to avoid injury.
- c. Maintain a professional demeanor and work collaboratively with crew and talent.

5. Qualifications

- a. Basic knowledge of concert production equipment and terminology.
- b. Ability to lift heavy objects and work in fast-paced environments.
- c. Willingness to follow instructions and work flexible hours.
- d. Two years' experience in live event production preferred but not required.

3. Projected Temporary Staffing Demands for the San Diego County Fair

The following is a sample projection of the District's temporary staffing needs for a typical Fair season. This is provided for planning purposes only and does not constitute a guarantee or minimum commitment. The actual staffing needs will vary from year to year and will be directed by District. District estimates that it may need approximately 50 hours of Crew Chief labor and 450 hours of Stagehands labor in a typical fair season, subject to change based on the District's staffing needs. Shift schedules will be established according to District's requirements.

AGENCY: 22nd District Agricultural Association

Project ID No: 15091
Lease File No.: L-2998
Amendment No.: One (1)

AMENDMENT No ONE (1) TO LEASE

This Amendment to the Telecommunications Lease Agreement dated June 19, 2025 for reference purposes only, by and between the State of California, at the direction of the 22nd District Agricultural Association (22nd DAA), and the Department of Food and Agriculture acting by and through the Director of the Department of General Services (DGS), hereinafter collectively referred to as State, and Cellco Partnership, a Delaware general partnership dba Verizon Wireless, hereinafter referred to as "Lessee", with principal offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, New Jersey 07920 . State and Lessee may also be referred to as "Party" or "Parties".

WITNESSETH:

WHEREAS, State and Lessee hereto entered into that certain Lease Agreement, dated September 29, 2023 (the "Lease") covering certain premises located at 2260 Jimmy Durante Blvd., San Diego, CA. 92014, in the County of San Diego, State of California, commonly referred to as Del Mar Grandstand – Site #2; and

WHEREAS, State and Lessee hereto desire to amend said lease to: (1) Modify the Use of the Premises as outlined in Section 1, Clause 1, to account for modifications to existing equipment at the site, and (2) adjust the monthly Rents resulting from the modification, installation and operation of additional telecommunications equipment referenced on State Form 311 Radio Vault Space Application approved on April 15, 2025 and marked as Exhibit "A-1" attached hereto;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed between the Parties as follows, effective August 1, 2025:

1. Section 1, Clause 1, "USE" of the Lease shall be amended and replaced with the following:

The Premises shall be used during the term hereof solely and only for the purpose of enabling Lessee to construct, repair, maintain and operate in, on and upon the Premises telecommunications equipment for purposes of providing wireless communications services. The Premises, along with existing cables and wires and which includes wireless antennas, remote radio units, raycaps, Hybriflex Cables, wireless equipment cabinets and a generator as further described in Lessee's Approved Radio Vault Space Application (State Form TD-311) dated April 15th, 2025 attached hereto as Exhibit A-1.

2. Section 1, Clause 4, "RENT PAYMENTS" of the Lease shall be amended and replaced with the following:

Lessee shall make rental payments starting August 1, 2025 for the leased Premises, monthly in advance, due upon commencement of this amendment and thereafter on the first of each month, and shall be as follows:

Start Date		End Date	Payment per Month
Initial Term			
August 1, 2025	to	January 31, 2026	\$6,158.00
February 1, 2026	to	January 31, 2027	\$6,374.00
February 1, 2027	to	January 31, 2028	\$6,597.00
February 1, 2028	to	January 31, 2029	\$6,828.00
February 1, 2029	to	January 31, 2030	\$7,067.00
February 1, 2030	to	January 31, 2031	\$7,314.00
February 1, 2031	to	January 31, 2032	\$7,570.00
February 1, 2032	to	January 31, 2033	\$7,835.00
February 1, 2033	to	January 31, 2034	\$8,109.00
First Renewal Option			
February 1, 2034	to	January 31, 2035	\$8,393.00
February 1, 2035	to	January 31, 2036	\$8,687.00
February 1, 2036	to	January 31, 2037	\$8,991.00
February 1, 2037	to	January 31, 2038	\$9,306.00
February 1, 2038	to	January 31, 2039	\$9,632.00
February 1, 2039	to	January 31, 2040	\$9,969.00
Second Renewal Option			
February 1, 2040	to	January 31, 2041	\$10,318.00
February 1, 2041	to	January 31, 2042	\$10,679.00
February 1, 2042	to	January 31, 2043	\$11,053.00
February 1, 2043	to	January 31, 2044	\$11,440.00
February 1, 2044	to	January 31, 2045	\$11,840.00
Third Renewal Option			
February 1, 2045	to	January 31, 2046	\$12,254.00
February 1, 2046	to	January 31, 2047	\$12,683.00
February 1, 2047	to	January 31, 2048	\$13,127.00
February 1, 2048	to	January 31, 2049	\$13,586.00
February 1, 2049	to	January 31, 2050	\$14,062.00

All payments are to be made to 22nd District Agricultural Association and must include State's lease number L-2998. Payments are to be made directly to the following address:

22nd District Agricultural Association
Attn: Accounts Receivable - L-2998
2260 Jimmy Durante Blvd.
Del Mar, California 92014

Lessee acknowledges that rent and past due rent shall be due and payable to State whether or not an actual invoice is sent by State or received by Lessee.

Except as amended herein, all the terms of said lease hereinabove referred to shall remain unchanged and in full force and effect.

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The persons who have executed this Amendment represent and warrant that they are duly authorized to execute it in their individual or representative capacity as indicated. This amendment may be executed in any number of counterpart copies, each of which shall be deemed an original, but all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, this amendment has been executed by the Parties below and is effective upon the date identified on page 1.

STATE OF CALIFORNIA

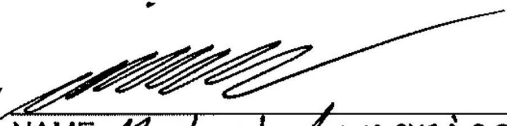
LESSEE

APPROVED:

DEPARTMENT OF GENERAL SERVICES
REAL ESTATE SERVICES DIVISION
ASSET MANAGEMENT BRANCH

CELLCO PARTNERSHIP, A DELAWARE
GENERAL PARTNERSHIP DBA VERIZON
WIRELESS

By _____
Trevor Johnson, Manager
State Owned Leasing & Development

BY 
NAME *Michael Armanios*
TITLE *Sr Director, Network Engineering*
DATE: *10/8/2025*

APPROVAL RECOMMENDED:

CONSENT:

STATE OWNED LEASING AND
DEVELOPMENT

22nd DISTRICT AGRICULTURAL
ASSOCIATION
DEL MAR FAIRGROUNDS

By _____
Rick Haycock, Real Estate Officer
State Owned Leasing & Development

By _____
Carlene Moore, CEO



Item 7, Executive Report

Executive Summary of the October Financials [Information Item]

Overview

Accompanying this Report are preliminary financial reports for October 2025. Figures are subject to final close adjustments.

The Balance Sheet includes the consolidated activity of 22nd DAA, State Race Track Leasing Commission (SRTLCL), and Del Mar Race Track Authority (RTA). The Income Statement reflects only 22nd DAA operations and programs.

As previously 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 in reporting (for example, March is reported to the Board in May). Comparative data for fiscal years 2023 and 2024 are included to provide historical context.

About the Financial Statements

Income Statement (All Programs & Operations):

Revenues are recognized in the month in which they are earned while expenses are recognized in the month incurred. For example, revenues for the San Diego County Fair are reflected in the June and July financial reports, while expenses for producing and preparing for the Fair are reflected in the months leading up to and after the Fair.

Executive Summary

The 22nd DAA's overall financial position through October 2025 remains favorable compared to the approved budget. Operations for the month of October exceeded expectations by \$506K, while year-to-date results are ahead of budget by \$4.6M. This positive variance is driven primarily by expense savings in payroll, professional services, program services and supplies. At the same time, revenue shortfalls in fair-related activities such as Gate Admissions, Midway, and Parking offset some of these gains. Cash balance through October is higher than the same period in 2024.

Monthly Performance (October 2025)

In October, revenues were 1% (\$50K) below budget, primarily due to an overestimation of Food & Beverage (F&B) revenues for day one of the Breeders' Cup event. This shortfall was partially offset by higher F&B revenues at The Sound,

driven by double the number of scheduled shows. Overall, F&B sales fell short of the forecast by 11% (\$289K) during the month. In contrast, Facility Rental and Parking revenues exceeded expectations by approximately 33%, contributing an additional \$105K and \$90K respectively.

<u>Category</u>	<u>Status</u>	<u>Variance</u>	<u>Notes</u>
Total Revenues	●	-1% / -\$50K	F&B lower than forecasted sales.
Operating Expenses Savings	●	-13% / -\$597K	Savings in payroll, professional services, and program expenses.
Food & Beverage Revenues	●	-23% / \$399K	Over Estimation of Day One of Breeders' Cup.
Facility Rentals	●	+32% / \$106K	Special event at the Sound; Rental facilities and year-round RV Parking fees.
Parking Revenues	●	+34% / \$90K	Increased shows at the Sound by a factor of two.

Year-to-Date Performance (Jan–Oct 2025)

For the first 10 months of 2025, results remain favorable compared to budget by approximately \$4.6M. This variance is almost entirely expense-driven, with year-to-date costs running below forecast by 9% (\$6.9M). Savings were realized across payroll, contracted professional services, and facility-related costs. Revenues were short of budget by 3% (-\$2.2M). Sponsorships and interest earnings remain a bright spot, exceeding budget by 33% (\$673K) and 94% (\$526K), respectively. Facility rentals and Concessions (which include ride-and-game operations and food concessions) trailed expectations. Interest earnings exceeded expectations by \$539K.

<u>Category</u>	<u>Status</u>	<u>Variance</u>	<u>Notes</u>
Total Revenues	●	-3% / -\$2.2M	Driven by Fair-related categories, KAABOO 2025 cancelation
Operating Expenses	●	-9% / -\$6.9M	Expense savings across multiple areas
Concessions Revenue	●	-4% / -\$1.7M	Midway under budget (-8%), F&B lower by 1%

Payroll & Related	●	-10% / -\$1.7M	Vacancies and reduced temp labor
Professional Services	●	-9% / -\$2.6M	Reduced expenses to date; additional spend expected in Nov/Dec
Admissions	●	-6% / -\$870K	Driven by Fair attendance
Facility Rentals	●	-6% / -\$488K	Below budget expectations
Parking Revenues	●	-16% / -\$1.1M	Driven by event and Fair attendance
Sponsorships	●	+32% / +\$673K	Well above forecast

Key Definitions

- Restricted Cash (RTA): Funds held in trust to cover Race Track Authority bond obligations.
- Deferred Revenue: Advance payments for future events, recognized in the event month.
- Accrued Employee Leave: Current value of accrued leave owed upon separation.

Legend

- Favorable financial impact (better than budget)
- Neutral financial impact / on target
- Unfavorable financial impact (worse than budget)

22nd DAA
Consolidated Balance Sheet (DAA, RTA, RTLC)
As of October 31, 2025

	2025	2024	2023
Assets			
1 Cash	\$ 25,998,042	\$ 30,394,842	\$ 37,219,721
Reserves - BOD as DAA Reserved Funds	11,250,000	-	-
Reserves - Surf & Truf Utility	30,724	-	-
Restricted Cash - JLA	132,555	79,212	58,631
2 Restricted Cash - F&B Equipment Fund	29,598	236,660	46,467
3 Restricted Cash - RTA	7,873,390	9,207,399	10,334,578
Total Cash and Cash Equivalents	45,314,309	39,918,113	47,659,397
Accounts Receivable	1,731,224	2,658,553	1,912,902
Prepaid Expenses	532,358	624,566	635,922
4 Deferred Outflows Pension	7,035,722	7,035,722	5,298,571
Total Current Assets	9,299,303	10,318,841	7,847,395
Land and Land Improvements	46,998,212	46,998,212	45,166,113
Building and Improvements	218,544,813	218,544,813	217,564,033
Equipment	40,713,500	39,830,732	38,823,915
Capital Projects in Process	1,327,601	2,512,064	1,806,615
Accumulated Depreciation	(202,196,701)	(200,402,393)	(189,997,999)
Total Capital Assets	105,387,426	107,483,428	113,362,677
Total Assets	\$ 160,001,038	\$ 157,720,382	\$ 168,869,469
Liabilities			
Accounts Payable	6,851,952	6,306,793	6,312,405
Payroll Liabilities	1,323,498	1,268,632	741,622
Accrued Liabilities	1,829,564	1,662,890	1,903,107
Other Current Liabilities	(280,743)	644,520	(103,351)
6 Deferred Revenue	2,004,859	1,746,824	1,276,850
5 Current Long Term Debt	1,287,165	1,929,258	2,612,472
7 Accrued Employees Leave Liabilities	1,365,335	1,141,648	1,349,579
8 Long Term Debt	51,615,582	54,545,122	58,148,477
Reserve - F&B Equipment Fund	415,868	232,844	197,259
Reserve - JLA	60,691	43,292	36,607
4 Pension Liability	21,689,418	21,535,419	40,108,357
4 Deferred Inflows - Pension	1,717,258	1,717,258	1,754,199
Total Liabilities	89,880,446	92,774,501	114,337,585
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	22,863,164	11,515,553	11,783,919
Investment in Capital Assets	(3,891,786)	(3,891,786)	(3,891,786)
	63,490,079	52,142,468	52,410,834
Net Proceeds from Operations	6,630,513	12,803,413	2,121,050
Total Net Resources	70,120,591	64,945,881	54,531,884
Total Liabilities and Net Resources	\$ 160,001,038	\$ 157,720,382	\$ 168,869,469

- 1- Repaid Paycheck Protection Program (PPP) Loan in October 2024. Minimum Operating Fund Balance (Policy 4.05) requirement is \$19,933M.
- 2- Per Food & Beverage Services agreement, 1.50% of all Gross Revenues for unexpected or emergency expenses, including repair and maintenance of equipment.
- 3- Per bond Pledge Agreement, maintain Reserve account and District cash separately equal to at least Maximum Annual Debt Service.
- 4- Information provided by CDFA/State Controllers Office; results from changes in components of net pension liability; applicable to a future reporting period.
- 5- Current portion of long-term debt due within the next 12 months.
- 6- Advance payments for events/activities in the future.
- 7- Due to employees at time of separation for paid leave balances.
- 8- RTA Bonds \$27.3M; Ibank WQI \$5.7M; Ibank Sound \$12.6M; Premier \$1.3M; Energy Efficiency \$3.1M; CalPers SB84 \$1.5M.

22nd DAA
Income Statement
For the Period Ending October 31, 2025
DAA

	October 2025			Year-to-Date			Full 2025
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
REVENUES							
Admissions Revenue	0	0	0	13,570,568	14,441,375	(870,807)	14,441,375
Gates	0	0	0	13,570,568	14,441,375	(870,807)	14,441,375
Concessions Revenue	2,321,614	2,598,122	(276,508)	43,347,381	45,003,277	(1,655,896)	49,286,503
Food & Beverage Contra	2,303,888	2,593,122	(289,234)	21,231,525	21,381,818	(150,293)	25,641,444
Other Food & Beverage	0	0	0	4,861,841	4,820,000	41,841	4,820,000
Midway	0	0	0	17,126,189	18,697,839	(1,571,650)	18,697,839
Facility Rentals Revenue	435,053	329,301	105,752	7,472,842	7,961,300	(488,458)	10,079,614
Commercial	0	0	0	3,261,660	3,549,710	(288,050)	3,549,710
Racetrack	0	0	0	500,000	500,000	0	2,025,000
Leases Revenue	55,027	51,164	3,863	542,309	503,672	38,637	606,000
Program Revenues	390,819	299,260	91,559	6,502,315	7,654,263	(1,151,948)	8,007,033
JLA	0	0	0	54,692	22,500	32,192	22,500
Parking	354,389	263,960	90,429	5,688,779	6,771,163	(1,082,384)	7,070,933
Participation Fees	0	0	0	284,385	380,000	(95,615)	380,000
Satellite Wagering	36,429	35,300	1,129	474,460	480,600	(6,140)	533,600
OPERATING REVENUE TOTALS	3,202,513	3,277,847	(75,334)	71,435,415	75,563,887	(4,128,472)	82,420,525
Contributions	3,900	3,900	0	2,764,925	2,112,040	652,885	2,039,840
Sponsorships	3,900	3,900	0	2,748,965	2,076,040	672,925	1,303,840
Other Non-Operating Revenue	29,220	9,035	20,185	1,886,058	817,170	1,068,888	1,025,905
Interest Earnings	0	0	0	1,101,732	562,500	539,232	750,000
Reimbursed Costs	1,120,882	1,115,816	5,066	1,805,368	1,854,007	(48,639)	2,158,954
Prior Year Revenue	0	0	0	310,782	0	310,782	0
NON-OPERATING REVENUE TOTALS	1,154,002	1,128,751	25,251	6,767,133	4,783,217	1,983,916	5,224,699
TOTAL REVENUE	4,356,515	4,406,598	(50,083)	78,202,549	80,347,104	(2,144,555)	87,645,224
EXPENSES							
Payroll & Related Expense	1,158,035	1,376,199	218,164	15,656,519	17,347,354	1,690,834	20,004,959
Professional Developmer	6,098	15,317	9,219	88,025	252,862	164,837	321,308
Professional Services Expense	2,156,244	2,488,321	332,077	25,569,411	28,182,323	2,612,912	32,343,018
Food & Beverage Expens	2,040,586	2,104,113	63,527	17,023,388	17,037,603	14,215	20,424,275
Insurance Expense	155,502	170,999	15,497	1,759,314	1,763,709	4,395	2,175,708
Facility & Related Expense	346,322	347,117	795	6,329,268	6,706,210	376,942	7,560,830
Equipment & Small Ware	11,992	0	(11,992)	108,532	0	(108,532)	0
Telephone & Internet	7,995	8,329	334	86,674	83,225	(3,449)	100,318
Repairs & Maintenance	18,963	73,296	54,333	851,596	906,960	55,364	1,066,052
Utilities	304,000	256,368	(47,632)	3,270,959	3,404,314	133,355	4,064,500
- Electricity	172,732	-	-	1,731,964	-	-	-
- Water	76,091	-	-	799,625	-	-	-
Supplies Expense	22,603	39,750	17,147	1,388,909	1,885,395	496,487	1,971,470
Marketing & Related Expense	5,256	0	(5,256)	1,300,298	1,422,175	121,877	1,427,175
Program Expenses	23,317	35,625	12,308	16,193,183	17,557,494	1,364,311	17,624,610
Prizes & Premiums	0	0	0	95	0	(95)	0
Artists & Entertainment	0	0	0	5,994,254	6,400,850	406,596	6,400,850
Midway Operator Expen:	0	0	0	9,758,190	10,545,194	787,004	10,545,194
Other Operating Expense	78,785	84,978	6,193	2,124,433	2,363,083	238,651	2,515,339
Bank & Service Fees	12,937	19,058	6,121	1,426,853	1,647,558	220,706	1,668,694
Interest Expense	65,885	65,920	35	677,498	678,320	822	809,440
OPERATING EXPENSE TOTALS	3,946,064	4,542,990	596,926	70,321,335	77,227,744	6,906,409	85,623,109
Other Non-Operating Expense							
Prior Year Expense	40,320	0	(40,320)	122,677	0	(122,677)	0
NON-OPERATING EXPENSE TOTALS	40,320	0	(40,320)	122,677	0	(122,677)	0
TOTAL EXPENSE	3,986,384	4,542,990	556,606	70,444,012	77,227,744	6,783,732	85,623,109
NET INCOME (LOSS)	370,131	(136,392)	506,523	7,758,537	3,119,360	4,639,176	2,022,115

Note: Positive variances in this report denote better than expected results for that element.

Food & Beverage Report Oct-25

October 2025 Food Service Revenues were \$2,303,888. Budgeted Revenues for October 2025 were \$2,593,122

Net distribution to the District for October 2025 was \$242,009 or 10.5%. Budgeted distribution for October 2025 was \$489,010 or 18.9%.

Year-to-date 2025 distribution to the District is \$4,213,886 or 19.8%. The budgeted distribution for YTD 2025 was \$4,352,216 or 20.4%.

Oct-25	2025 ACTUAL	%	2025 BUDGET	%	2024 ACTUAL	%
TOTAL REVENUE	2,303,888	100.0%	2,593,122	100.0%	351,338	100.0%
TOTAL COGS	521,140	22.6%	523,409	20.2%	52,379	14.9%
GROSS MARGIN	1,782,748	77.4%	2,069,713	79.8%	298,959	85.1%
TOTAL PAYROLL	1,233,766	53.6%	1,179,823	45.5%	640,308	182.2%
OPERATING EXPENSES	272,400	11.8%	331,022	12.8%	239,475	68.2%
NET PROFIT	276,582	12.0%	558,868	21.6%	(580,824)	-165.3%
CLIENT DISTRIBUTION	242,009	10.5%	489,010	18.9%	(508,221)	-144.7%
YTD	2025 ACTUAL	%	2025 BUDGET	%	2024 ACTUAL	%
TOTAL REVENUE	21,248,464	100.0%	21,381,818	100.0%	17,776,147	100.0%
TOTAL COGS	4,442,018	20.9%	4,363,883	20.4%	3,710,616	20.9%
GROSS MARGIN	16,806,446	79.1%	17,017,935	79.6%	14,065,531	79.1%
TOTAL PAYROLL	9,506,011	44.7%	9,281,266	43.4%	8,516,449	47.9%
OPERATING EXPENSES	2,484,564	11.7%	2,762,709	12.9%	2,289,015	12.9%
NET PROFIT	4,815,870	22.7%	4,973,961	23.3%	3,260,067	18.3%
Y-T-D CLIENT DISTRIBUTION	4,213,886	19.8%	4,352,216	20.4%	2,852,559	16.0%



Schedule the Board Strategy Session

January 2026

February 2026

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30	31 New Year's Eve	1 New Year's Day	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19 Martin Luther King Jr. Day	20	21	22	23	24
25	26	27	28	29	30	31



Schedule the Board Strategy Session

February 2026

March 2026

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14 Valentine's Day
15	16 ● Presidents' Day	17	18	19	20	21
22	23	24	25	26	27	28



Item 8-A-1: Consideration and vote on whether to approve the 2026 Operating Budget (or a modified 2026 Operating Budget based on Board discussion and public comment), including rates and out-of-state travel for employees and Board members
[Action Item]

Background and Overview:

As recommended by the California Department of Food & Agriculture, the 22nd District Agricultural Association (22nd DAA) CEO annually develops and recommends an operating budget to the Board of Directors for approval.

The accompanying 2026 Operating Budget is presented as the financial operating plan for the year, including payment of the annual portion of principal on long-term debt obligations and investment into capital assets. The Operating Budget forecasts over \$5.5 million net proceeds from operations prior to payment of debt and capital expenditures, and overall reinvestment required from the 2026 net operations or reserves in the amount of \$3.4 million after payment of the debt and capital investment.

The budget also builds on the accomplishments and lessons learned from 2025, including:

- The execution of a safe, successful, and award-winning San Diego County Fair, despite social and economic anxieties;
- Management of expenses to offset underperforming revenue areas;
- The continued implementation of the responsible regrowth plan for employee development;
- Investments in employee development; and
- Extensive public outreach regarding the Board's master site planning initiative, also known as Fairgrounds 2050.

The proposed Operating Budget was provided to the full Board ahead of its November 18 Board meeting and was reviewed in a discussion with the newly appointed Finance Committee on December 5.

The following information provides background for the assumptions made in the preparation of the 2026 Operating Budget along with insight into the methodologies utilized. The overall goals for the budget include keeping the San Diego County Fair accessible through affordability (holding the price of admission steady) while creating add-on and VIP experiences options for customers willing to pay for them.

The 2026 Operating Budget reflects the ongoing commitment to responsibly grow the organization and its business activities in pursuit of the Board's strategic initiatives in the coming year.

Process/Approach:

The budgeting process was slightly different than in past years, following previous Finance Committee and full Board guidance to develop a realistic budget based on prior experience and in consideration of the economic climate. In addition, each department was challenged to develop "stretch" goals to increase revenues and reduce costs in a realistic manner, wherever possible. This new approach improves decision-making and collaboration while continuing to provide transparency into the operations and ongoing viability of 22nd DAA.

Since 2021, following the financial devastation of the pandemic era, the 22nd DAA has prepared the annual operating budget using Zero-Based Budgeting techniques. Now that sufficient time has passed, the 2026 Operating Budget was prepared using an Activity-Based budgeting process.

Similar to Zero-Based budgeting, Activity-Based budgeting starts with a zero balance on all revenue and expense accounts, analyzes past drivers of revenues and associated costs, and then sets targets and allocates resources based on Program necessity rather than budget history. An Activity-Based budget takes into account the information and experience gained from the overall financial performance of all programs and activities in previous years, as well as individual departments' actual prior-year activities, revenues and expenses.

The process begins with each department building its budget from the ground up based on this experience and key priorities. Departmental budgets are then rolled up and analyzed by the Executive Team and Finance Department.

The resulting information is presented in a Program-Based format. Programs have been identified as SDCF (San Diego County Fair), Rentals & Sales (non-fair events and activities), Horse Racing (Del Mar Thoroughbred Club and Satellite Wagering), The Sound, Resiliency Center (community emergency), and Administration + Overhead (everything else). The Activity-Based budget process continues to bring new opportunities for all levels of the organization to engage in planning the future from a ground-up approach as well as building on what's been learned from prior years' actual performance.

For 2026, every revenue and expense assumption was carefully considered and reviewed in the context of prior years' performance and future opportunities. The program-based format provides better understanding of, and insight into, revenues and expenses according to programs and functions instead of broad categories that cover multiple programs.

Assumptions:

This budget projects revenue targets and anticipated expenses, including adjustments for projected inflation, based on the following assumptions for 2026:

San Diego County Fair

This budget takes a comparative approach to 2025 revenues, projecting an increase in attendance and increased consumer spending. The focus remains on enhancing the guest experience, providing more mixed-use areas for guests, and integrating agriculture — central to the 22nd DAA's mission — throughout the Fair.

To achieve these goals, the budget assumes Fair admission and other prices will remain flat compared to 2025, along with plans to hold food vendor pricing levels. Discounts will continue to be offered for advance purchase on Admission, Midway, and Parking to maintain accessibility of the Fair to all community members.

- **2026 Fair Theme:** Once Upon a Fair
- **Fair Dates:** June 10th to July 5th, closed on Mondays and Tuesdays
- **Daily Fair attendance goals:** 50,000 total; 37,000 paid (an increase of 2,000 paid per day over 2025 goals)
- **Fair Hours:**
 - Daily – 11 am to 11pm (closed Mondays and Tuesdays)
 - A focus on driving paid attendance in the first two weeks of the Fair to improve daily utilization and enhance the guest experience
- **Admission, Parking & Midway Rates:**
 - Advance Sale (*purchased one day or more before redemption*)
 - Wednesdays-Thursdays: \$17 general, \$14 youth, seniors, & military
 - Fridays-Sundays: \$20 general, \$17 youth, seniors, & military
 - Parking: \$20 standard, \$55 preferred; \$10 @ Horsepark
 - **Day of Sale**
 - Wednesdays-Thursdays: \$20 general, \$17 youth, seniors, & military
 - Fridays to Sundays: \$25 general, \$22 youth, seniors, & military
 - Parking: \$20 standard, \$60 preferred; \$15 @ Horsepark
 - **Midway Tickets & Wristbands:**
 - Wristbands: \$55; advance sale/Pepsi promotional discount \$5
 - Tickets: \$1.25 per
 - **Kids' Days:** Every Friday youth 12 and under admitted free
 - **Definitions:**
 - Kids: 5 & under
 - Youth: 6-12
 - Seniors: 62 & over
- **Other Rates**

Ag & Ed Exhibitor Housing Rates	
Ag & Ed RV	\$105
Ag & Ed Jockey Quarters	\$85
Ag & Ed Extra Parking	\$60
Fairtime Housing Rates	
Fairtime RV*- Red Lot, West Lawn	\$1,315
Fairtime Jockey Quarters^	\$970
Fairtime Backstretch Parking	\$225
Fairtime Backstretch and Surf & Turf RV*	\$1,015
*includes 1 parking pass	^parking is <u>not</u> included
Commercial Space Rental Rates	
Avenue	\$4,200
Bing Crosby Hall	\$4,200
Exhibit Hall	\$3,265
Fairway & Thoroughfare	\$3,580
Gems & Minerals	\$3,865
O'Brien Hall	\$3,915
Seaside Pavilion	\$3,865
Concourse	\$3,500
Other	\$3,500
Clubhouse	\$2,780
Paddock 10x10	\$2,780
Durante/Arena/Livestock Way	\$2,060
Infield	\$1,550
Indoor Corners	\$550
Wyland	\$3,800
Concessions	
Deposit	\$5,000
Commission	25%
Add Ons	
Additional 20 amp hookup	\$280
Additional 30 amp hookup	\$350
Additional 50 amp hook up	\$560
Insurance through CFSA	\$300
Stock Truck with power	\$695
Stock Truck without power	\$345
Golf Cart Permit	\$178
Red Lot Parking	\$420

Revenues: Consists of program revenues including admission, midway, parking, concessions, concert tickets, food & beverage contract, etc. Variable revenues are forecasted based on the historic attendance pattern and per cap spending during the last week of the Fair and then applied to July 2-5.

The fair rate sheet above outlines revenues for housing, electricity requirements, golf cart permits, commercial exhibit rental, and concessions fees. Industry data was analyzed from other fairs in California similar in size and scope as well as the demand for rental space.

Anticipated Revenues from San Diego County Fair: \$55,161,411

Expenses: In tandem with the fiscally responsible approach to revenues above, associated expenses for the San Diego County Fair will provide a safe, enhanced guest experience at this annual family friendly event. Highlights of specific expenses fall into these broad categories:

- **Marketing:** Inclusive of digital ads and social media, radio, print, and television, including upgrades to the sdfair.com website and media monitoring services;
- **Midway:** Payments to operators of rides and games; 52% of ride gross, 70% of game gross;
- **Entertainment and Shows:** Featuring 20 days of ground shows, strolling acts, stage performances, demonstrations, contests, fireworks, and more including national touring acts on the Grandstand Stage and tribute bands and rising stars on the Paddock Stage
- **Prizes & Premiums:** Includes ribbons and other awards and is a cornerstone of the competitive exhibits and displays;
- **Professional Services:** With the priority on safety and security of all patrons, contracted services includes event security and law enforcement, marketing agency, talent booking agency, portable handwashing stations, off-site parking shuttle services, Premier's cost of goods sold, labor, and operations during the Fair, and other contracted services;
- **Service Fees:** Credit card fees calculated as a percentage of ticket sales for a contactless experience. The 22nd DAA only incurs fees for transactions directly with patrons such as admissions and parking, not food concessions or commercial vendors. These fees are built into the pricing structure.
- **Food & Beverage Contract:** Reimbursement of expenses including labor and cost of goods sold to Premier Food Services for food and alcohol services.

Anticipated Expenses for San Diego County Fair: \$34,406,302

Net Operations: The most profitable of all 22nd DAA programs, successfully producing the San Diego County Fair is paramount to the continued return to self-sustaining operations.

Anticipated NET OPERATIONS from San Diego County Fair, excluding

Payroll: \$20,755,109

LESS

Anticipated Payroll to produce the San Diego County Fair \$9,423,195

EQUALS

Anticipated NET OPERATIONS from San Diego County Fair after payment of debt principal, including Payroll: \$11,331,914

Rentals & Sales (third-party events and activities; non-fair)

Third-party promoters use 22nd DAA facilities for events and activities, including Horsepark and Surf & Turf Recreation campus operators such as tennis, swim center, volleyball, and golf activities. The 22nd DAA also operates an RV Park on the Surf & Turf Recreation campus and rents spaces for RVs on the main Del Mar Fairgrounds campus.

The 2026 Operating Budget forecasts facility and equipment rental rates, as well as the following rates for year-round RV operations:

Year-Round Camping Rates	
Location	Rate
Monthly*	
ST 25' or less	\$1,000
ST up to 30'	\$1,050
ST up to 40'	\$1,100
Nightly	
ST 30 amp less than 25'	\$61
ST 50 amp less than 25'	\$64
ST 30 amp up to 30'	\$66
ST 50 amp up to 30'	\$70
ST 30 amp up to 40'	\$77
ST 50 amp up to 40'	\$81
ST 50 am 40' concrete	\$105
Red Lot	\$77

Revenues: Consists of facility and equipment rental fees for events throughout the year such as consumer shows, trade shows, personal celebrations, overnight RV parking fees, etc.

Anticipated Revenues from Rentals & Sales: \$7,406,691

Expenses: Relatively minimum given that much of the program consists of managing the calendar outside of the Fair and horse racing seasons with activity provided by third-party promoters. The major expense category is Food & Beverage Contract which is reimbursement to Premier Food Services for labor and cost of goods sold for food and beverage services at third-party events.

Anticipated Expenses for Rentals & Sales: \$4,025,589

Net Operations: Due to business model changes, non-fair use of the properties has risen to a substantial positive net contributing program, contributing significantly to the return to self-sustaining operations.

Anticipated NET OPERATIONS from Rentals & Sales, excluding Payroll:

\$3,381,103

LESS

Anticipated Payroll to support the Rentals & Sales activities:

\$2,089,364

EQUALS

Anticipated NET OPERATIONS from Sales & Rentals after payment of debt principal, including Payroll: \$1,291,739

Horse Racing

Revenues:

Live Race Meets: Per the terms of the Operating Agreement with the Del Mar Thoroughbred Club (DMTC), the 22nd DAA will receive direct payments of \$1,467,750 for rent in 2026, along with reimbursement of direct expenses such as utilities and landfill charges during race meets, and portions of phone and internet access charges, including labor and material expenses incurred by the 22nd DAA for the live meets. This 2026 budget does not include any income from The Breeder's Cup which will be held at Keeneland in 2026. Per the terms of the Pledge Agreement for the 2015 RTA Bonds, DMTC contributes 100% of Net Horse Racing Revenues from the prior year to the State Race Track Leasing Commission toward the current year's debt service. Through the Food & Beverage Contract with 22nd DAA, Premier Food Services provides all food and beverage services to the live meets and the 22nd DAA receives a portion of net income from Premier. In the event Net Horse Racing Revenues fall short of the debt service payment, the 22nd

DAA contributes Net Concessions Revenues up to \$4,000,000 from its Food & Beverage Contract operation with Premier. DMTC's contribution from the 2024 race season was \$2,478,000; the contribution for 2025 has not yet been finalized. Current debt service for 2025 is \$3,199,500.

Satellite Wagering: The 22nd DAA continues to operate off-track betting during the months in which there is no live racing at Del Mar. These revenues are reflected in 22nd DAA Sales and Wagering.

Anticipated Revenues from Horse Racing (Live & Satellite): \$19,684,661

Expenses: The major expense category is Food & Beverage Contract which is reimbursement to Premier Food Services for labor and cost of goods sold for food and beverage services during the live meets, followed by interest payments on the RTA Bonds.

Anticipated Expenses for Horse Racing (Live & Satellite): \$14,125,624

Net Operations: The 22nd DAA is reimbursed by DMTC for all expenses incurred for the live meets and will receive a rent payment of \$1,467,750 in 2026 and retains 87.5% of the net from the food and beverage contract with Premier Food Services.

**Anticipated NET OPERATIONS from Horse Racing (Live & Satellite),
excluding Payroll: \$5,559,036 LESS**

**Anticipated Payroll to support Horse Racing (Live & Satellite) activities:
\$218,761 EQUALS**

**Anticipated NET OPERATIONS from Horse Racing (Live & Satellite) after
payment of debt principal, including Payroll: \$3,595,275**

The Sound

Revenues: Solana Beach-based Belly Up manages the promotions of shows and other activities at The Sound on behalf of the 22nd DAA. In the third year of operation, this budget forecasts 81 shows at The Sound in 2026, based on Belly Up's projections and previous history from 2025. In 2025, 75 shows were budgeted with only 72 shows booked, a 30% increase over 2023. The 22nd DAA will receive 8,437 or 10% of gross ticket sales, whichever is greater, per ticketed show and a sliding scale facility rent fee per private, non-ticketed event, based on contracted catering, and retains \$16 per parking ticket sold and all food and beverage receipts.

Anticipated Revenues from The Sound: \$3,262,668

Expenses: Primarily consisting of the Food & Beverage Contract which is reimbursement to Premier Food Services for labor and cost of goods sold for food and beverage services provided at ticketed shows and private events, and interest payments on the construction loans from California Infrastructure and Economic Development Bank, oftentimes referred to as IBank, and Premier Food Services. See loan details below for more information.

Anticipated Expenses for The Sound: \$1,788,458

Net Operations: Calculated after accounting for facility operational expenses such as janitorial supplies and landscaping.

**Anticipated NET OPERATIONS from The Sound, excluding Payroll:
\$1,474,210 LESS**

**Anticipated Payroll to support The Sound activities: \$1,318,882
EQUALS**

**Anticipated NET OPERATIONS from The Sound after payment of debt
principal, including Payroll: (\$467,520)**

Resiliency Center

Revenues: In the event the 22nd DAA properties are activated in response to community need, revenues may be realized in the form of donations or reimbursements.

Expenses: Anticipates purchase of a nominal number of supplies to have on hand to operate for at least the first 24 hours of an activation as well as employee training. In the event the 22nd DAA properties are activated, expenses may be realized, typically in the form of reimbursement and overtime costs.

These operations are never anticipated to make a positive net contribution.

Administration + Overhead

Comprised of overall organization operations and does not include direct revenues or expenses of other Programs.

Revenues: Includes leases for the Del Mar Fire Station and cell tower sites, sponsorship for printers and copiers, and interest earned for investments in the Local Agency Investment Fund (LAIF).

Anticipated Revenues from Administration + Overhead: \$2,592,030

Expenses: Costs that cannot otherwise be directly attributed to a specific Program, Administration + Overhead includes costs incurred as part of the 22nd DAA's business operations, administration, Human Resources, accounting, Public Safety, Facilities, and Environmental Stewardship programs, and maintaining operations of the campus and organization, oftentimes in support of the various other Programs, such as Insurance, Professional Services, Repairs & Maintenance, and Utilities.

Anticipated Expenses for Administration + Overhead: \$9,031,326

Net Operations: Typically a cost center to be funded by Program operations.

Anticipated NET OPERATIONS from Administration + Overhead, excluding

Payroll: (\$6,439,296)

LESS

Anticipated Payroll to support Administration + Overhead activities:

\$6,088,498

EQUALS

**Anticipated NET OPERATIONS from Administration + Overhead after
payment of debt principal, including Payroll: (\$13,145,794)**

Payroll Assumptions impacting all Programs:

Payroll includes wages for three employment categories at the 22nd DAA—Civil Service, Seasonal, and Temporary—and all related taxes, benefits, retirement, and workers compensation insurance. This budget anticipates filling 8 full-time Civil Service positions over the course of the coming year. These planned classifications follow this report. In approving the budget, the Board is authorizing a not-to-exceed amount for payroll, and not the specific civil service classifications used. This provides flexibility to adjust classifications used as restructuring opportunities present themselves and as business needs change.

Under Food and Agricultural Code section 3953, District Agricultural Associations are state institutions. As a state institution, the 22nd DAA is required to participate in and follow CalHR policies for all Civil Service and Seasonal employees of the 22nd DAA, including participating in the state's CalPERS pension program. Civil Service and Seasonal employees of the 22nd DAA are recipients of the same benefits as all other civil service employees of the State of California.

Civil Service employment is for full-time positions as defined in the Classification system through CalHR and consists of exempt and represented employees. Salaries, pensions, and benefit rates are determined by CalPERS and CalHR.

Seasonal employment is offered for a limited group of non-testing Classifications, including Maintenance Aide, Park Aide, and Senior Park Aide. Employees in this

category can work up to 1,500 hours per year, participate in CalPERS retirement, and earn vacation and sick leave on a pro-rated basis for hours worked. Wages, pensions, and benefit rates are determined by CalPERS and CalHR.

Temporary employment is exclusive of the civil service system and is subject to California labor laws. Employees in this category are statutorily limited to 125 days of work per calendar year. Additionally, employees should be limited to less than 1,000 hours of work per state fiscal year. Wages are determined by the 22nd DAA, subject to minimum wage laws, and employees do not participate in benefit programs. Prior to AB 1499 (3/4 of 1% of gross sales on fairgrounds) and the 22nd DAA adoption of employment policies to be eligible for funding during the pandemic, the 22nd DAA was exempted from overtime requirements for Temporary employees. Since adoption of those policies, the 22nd DAA has had to relinquish the exemption to receive a portion of AB 1499 funds and has worked diligently to budget based on actual spending, not carry-over from prior year budgets.

Anticipated Expenses for Payroll across all Programs: \$19,138,699

Out-of-State Travel Assumptions

On September 13, 2023, Governor Newsom signed SB 447 into law authorizing GO-BIZ to establish the Building and Reinforcing Inclusive, Diverse, Gender-Supportive Equity Project (BRIDGE Project) to promote social equity, civil rights, and antidiscrimination through marketing and advertising campaigns, thus repealing AB 1887 which previously prohibited state-sponsored travel to states with laws that discriminate against individuals on their sexual orientation and gender expression.

The California Department of Food and Agriculture requires Board approval for work-related out of state travel.

The Operating Budget assumes travel to other states for civil service employees and Board members for certain professional development opportunities and master site planning research that cannot be obtained in California, including:

- Western Fairs Association Conference & Convention (Reno, NV)
- International Association of Venue Management's Academy for Venue Safety & Security (Kansas City, MO), Senior Executive Symposium (Washington, D.C.), VenueConnect (Indianapolis, IN)
- International Association of Fairs & Expositions Conference & Convention (Louisville, KY)
- National Independent Concessionaires Association Marketplace (Las Vegas, NV)
- Adobe MAX (Miami Beach, FL)

- Accounting software training (Las Vegas, NV)
- Parallel concept visits: Minnesota State Fair (Minneapolis), Washington State Fair (Puyallup), State Fair of Texas (Dallas), Houston Livestock & Rodeo (Houston), Iowa State Fair (Des Moines), New York State Fair (Saratoga), Keeneland Race Track (Lexington, KY), Belmont Park (Elmont, NY)

For approved out-of-state travel, CEO Moore will make the final determination regarding which employee(s) will participate in the opportunity, taking into consideration the operational needs and financial resources of the 22nd DAA at the time.

The 22nd DAA will pay for reasonable and customary expenses related to the accomplishment of organizational activities by employees or Board members, per the rates and rules established by CalHR. The budget includes estimated expenses for planned travel, including airfare, meals, lodging, transportation, and associated registration and admission fees.

Long-Term Debt Obligations

Debt Service: Principal and annual fees for capital improvement project loans, energy efficiency loan, SB84 CalPERS loan, and bond obligations.

- The Water Quality Improvement loan from California Infrastructure and Economic Development Bank (IBank) originated in 2018 and will come to maturity in 2037. The Sound Renovation loan from IBank originated in 2019 and will come to maturity in 2048.
- The zero-interest Premier loan from ASM Global originated in 2020 and will come to maturity in 2040.
- The Energy Efficiency Loan from the Department of General Services (DGS) officially began on May 1, 2019, but DGS allowed a one-year deferral due to the COVID-19 pandemic and disruptions on 22nd DAA cash flows.
- Del Mar Racetrack Authority Revenue Bonds originated in 2015 and will mature in 2038.
- SB 84 was signed into law by Governor Brown on July 10, 2017, which had the effect of borrowing \$6 billion from the Pooled Money Investment Account to make a one-time supplemental payment to the California Public Employees' Retirement System as part of the 2017-18 fiscal year budget package. Under SB 84, the Department of Finance developed a repayment schedule for principal and interest and allocated the proportionate share to fairs for a total of \$9.9 Million. The 22nd DAA's share of this obligation is \$3,403,924. To date, the California Department of Finance has not provided payment instructions, so the 22nd DAA continues to carry the payable in Current Liabilities on the Balance Sheet.

Summary of Net Operations, including Payroll, and Debt Principal

After calculating all operational revenues and expenses for 2026, including payroll, and before payment of the current year's portion of principal on long-term debt obligations, the 22nd DAA anticipates realizing a positive net impact of \$5,579,263. After payment of the current year's principal, a positive net impact of \$2,985,849. And after reinvestment into the facility and capital equipment, an overall reduction in cash reserves of \$(852,586).

RollUP		Financial Year 2026							
	Programs =====>	SDCF	Rentals & Sales	Horse Racing	The Sound	Resiliency Center	A+O	2026 Budget TOTAL	2025 Budget TOTAL
GL #	REVENUES								
330000-	Government Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000	\$ 450,000	\$ 700,000
350000-	Non-government Grant	-	-	-	-	-	-	-	-
401110-	Admissions	14,882,630	-	-	-	-	-	14,882,630	14,441,375
402110-	Participation (Entry) Fees	271,240	2,500	-	-	-	-	273,740	380,000
403110-	Midway	18,980,100	-	-	-	-	-	18,980,100	18,697,839
405100-	Commercial Exhibit Space	3,401,950	-	-	-	-	-	3,401,950	3,549,710
410010-	SRTLCL Pledged Revenue	-	-	1,785,000	-	-	-	1,785,000	3,178,688
410100-	Concessions	5,456,855	-	-	-	-	-	5,456,855	4,820,000
411100-	Food & Beverage Contract	4,995,288	1,614,186	14,253,179	1,998,093	-	-	22,860,746	25,641,444
412100-	22nd DAA Sales	31,302	-	75,000	-	-	-	106,302	127,220
420100-	Facility Rental Fees	541,084	3,185,855	20,500	632,775	-	12,000	4,392,214	4,504,904
421050-	Lease Revenue (Cell Towers)	-	-	-	-	-	688,114	688,114	606,000
431102-	Sponsorships	2,091,000	-	-	-	-	46,800	2,137,800	2,083,840
431101-	Contra Sponsor - Trade & CIK	(730,000)	-	-	-	-	-	(730,000)	(780,000)
440210-	Wagering	-	-	507,000	-	-	-	507,000	533,600
441100-	Race Track Operator Agreement	-	-	1,467,750	-	-	-	1,467,750	2,025,000
450100-	Parking Revenue	5,059,815	2,310,828	-	631,800	-	11,120	8,013,563	7,070,933
460100-	Reimbursed Costs	-	268,000	1,397,902	-	-	305,290	1,971,192	2,158,954
490100-	Miscellaneous Revenue	94,347	25,322	28,330	-	-	88,706	236,705	275,905
490180-	Donations	22,800	-	-	-	-	-	22,800	36,000
490205-	N/A (JLA USE ONLY)	63,000	-	-	-	-	-	63,000	22,500
491100-	Interest	-	-	150,000	-	-	990,000	1,140,000	885,000
	Total Revenues	\$ 55,161,411	\$ 7,406,691	\$ 19,684,661	\$ 3,262,668	\$ -	\$ 2,592,030	\$ 88,107,460	\$ 90,958,912
	EXPENSES	63%	8%	22%	4%	0%	3%	100%	
510504-	Civil Service Overtime (Perm Staff Only)	\$ 219,900	\$ -	\$ 11,300	\$ -	\$ -	\$ 89,750	\$ 320,950	\$ 374,350
510511-	Recognition & Awards	319,050	-	-	-	-	3,000	322,050	342,000
515100-	Temporary Labor Services	72,000	-	-	-	-	-	72,000	153,500
520100-	Advertising & Marketing	1,258,256	-	-	-	-	45,000	1,303,256	1,292,000
530100-	Midway Operations	10,734,011	-	-	-	-	-	10,734,011	10,545,194
540100-	Entertainment	5,813,500	-	-	-	-	-	5,813,500	6,400,850
545100-	Repairs & Maintenance	221,100	-	17,000	12,000	-	668,452	918,552	1,066,052
550100-	Rental of Equipment	2,045,375	11,000	-	-	10,000	85,478	2,151,853	2,329,960
560075-	Contingency	-	-	-	-	-	-	-	-
560100-	Insurance (Excludes WC)	5,000	-	-	-	-	1,417,576	1,422,576	1,437,708
600100-	Professional Services	6,385,635	95,050	580,387	-	-	3,261,050	10,322,122	11,918,743
610100-	Promotional & Public Relations	98,350	-	-	-	-	8,000	106,350	135,175
620100-	Supplies	974,636	6,500	59,100	14,500	2,200	734,450	1,791,386	1,971,470
625100-	Dues, Subscriptions, Licenses & Permits	159,729	29,220	-	61,800	-	515,768	766,517	667,541

	Programs =====>	SDCF	Rentals & Sales	Horse Racing	The Sound	Resiliency Center	A+O	2026 Budget TOTAL	2025 Budget TOTAL
640100-	Professional Development (Training)	25,550	-	-	-	-	140,774	166,324	185,324
650100-	Travel & Transportation	47,350	-	-	-	-	72,925	120,275	135,984
670100-	Utilities	958,000	-	1,198,500	-	-	1,753,500	3,910,000	4,064,500
690100-	Miscellaneous Expense	42,900	-	-	-	-	6,000	48,900	37,205
690120-	Service Fees: Bank, Credit Card	1,678,580	133,858	2,000	16,760	-	37,085	1,868,283	1,668,694
695100-	Food & Beverage Contract	3,338,769	3,749,961	10,614,260	1,168,598	-	-	18,871,587	20,424,275
723000-	Capital Expenditure for Equipment	-	-	-	-	-	-	-	-
850200-	Loan Interest Expense	-	-	1,643,078	514,800	-	81,000	2,238,878	2,323,128
63????-	Office Expense	8,610	-	-	-	-	111,518	120,128	111,343
	Total Specific Expenses	\$ 34,406,302	\$ 4,025,589	\$ 14,125,624	\$ 1,788,458	\$ 12,200	\$ 9,031,326	\$ 63,389,499	\$ 67,584,997
		54%	6%	22%	3%	0%	14%	100%	
	Total Net Operating Budget by Program before Pa	\$ 20,755,109	\$ 3,381,103	\$ 5,559,036	\$ 1,474,210	\$ (12,200)	\$ (6,439,296)	\$ 24,717,962	\$ 23,373,915
		84%	14%	22%	6%	0%	-26%	100%	
	Payroll								
510501	Wages - Civil Service & Seasonal	\$ 3,041,892	\$ 984,781	\$ 127,267	\$ 550,079	\$ -	\$ 3,367,893	\$ 8,071,911	\$ 8,311,771
510502	Wages - Temporary	\$ 4,106,552	\$ 370,428	\$ -	\$ 346,430	\$ -	\$ 302,314	\$ 5,125,724	\$ 5,117,812
510506	Payroll Tax - All	\$ 306,110	\$ 85,631	\$ 10,372	\$ 49,855	\$ -	\$ 277,538	\$ 729,506	\$ 751,618
510507	Payroll Emp Benefits - Civil Service & Seasonal	\$ 710,282	\$ 229,946	\$ 29,717	\$ 128,443	\$ -	\$ 782,597	\$ 1,880,985	\$ 1,823,307
510508	Payroll Pension - Civil Service & Seasonal	\$ 955,762	\$ 309,418	\$ 39,987	\$ 172,835	\$ -	\$ 1,053,071	\$ 2,531,073	\$ 2,510,986
560110	Workers Comp Insurance	\$ 302,597	\$ 109,161	\$ 11,418	\$ 71,240	\$ -	\$ 305,084	\$ 799,500	\$ 738,000
	Total Payroll Expense	\$ 9,423,195	\$ 2,089,364	\$ 218,761	\$ 1,318,882	\$ -	\$ 6,088,498	\$ 19,138,699	\$ 19,253,494
		49%	11%	1%	7%	0%	32%	100%	
	TOTAL OPERATING BUDGET	\$ 11,331,914	\$ 1,291,739	\$ 5,340,275	\$ 155,328	\$ (12,200)	\$ (12,527,794)	\$ 5,579,263	\$ 4,120,421
	Debt Service-Principal Only								
	Debt Service - Principal Only - WQI \$8.8M	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 436,000	\$ 436,000	\$ 423,105
	Debt Service - Principal Only - The Sound \$15.0M	\$ -	\$ -	\$ -	\$ 374,000	\$ -	\$ -	\$ 374,000	\$ 361,100
	Debt Service - Principal Only - Premier \$2.0M	\$ -	\$ -	\$ -	\$ 248,849	\$ -	\$ -	\$ 248,849	\$ 225,524
	Debt Service - Principal Only - Energy Efficiency \$3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 182,000	\$ 182,000	\$ 176,700
	Debt Service - Principal Only - RTA Bond	\$ -	\$ -	\$ 1,745,000	\$ -	\$ -	\$ -	\$ 1,745,000	\$ 1,665,000
	Total Debt Service - Principal Only	\$ -	\$ -	\$ 1,745,000	\$ 622,849	\$ -	\$ 618,000	\$ 2,985,849	\$ 2,851,429
	Total Cash Flow after Operations & Debt Service	\$ 11,331,914	\$ 1,291,739	\$ 3,595,275	\$ (467,520)	\$ (12,200)	\$ (13,145,794)	\$ 2,593,414	\$ 1,268,992
	Capital Expenditure								
	Capital Expenditure Cash Layout	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,958,930	\$ 3,146,592
	Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,958,930	\$ 3,146,592
	Total Cash Flow after Operations, Debt Service & Capital Expenditures	\$ 11,331,914	\$ 1,291,739	\$ 3,595,275	\$ (467,520)	\$ (12,200)	\$ (13,145,794)	\$ (3,365,516)	\$ (1,877,600)

2026 Civil Service Summary

22nd DAA

Civil Service Classification	# of Positions	Salary
Accounting Administrator I (Supervisor)	1	\$ 124,795
Accounting Administrator II	1	\$ 137,001
Accounting Analyst	3	\$ 154,176
Administrative Assistant I	3	\$ 214,353
Assistant Satellite Facility Supervisor	1	\$ 16,256
Associate Accounting Analyst	1	\$ 80,955
Associate Governmental Program Analyst	3	\$ 268,120
Audio-Visual Equipment Technician	1	\$ 58,725
Carpenter I	1	\$ 60,042
Career Executive Assignment, Level A	3	\$ 546,056
Custodian II	3	\$ 127,598
Custodian Supervisor I	1	\$ 45,966
Deputy Manager I	1	\$ 88,006
Electrician II	2	\$ 163,153
Event Coordinator-DAA	6	\$ 397,573
Events Services Supervisor	4	\$ 409,632
Executive Assistant	1	\$ 57,648
Exhibit Worker-CMSI	1	\$ 62,752
Graphic Designer III	2	\$ 191,694
Heavy Equipment Mechanic	1	\$ 81,884
Information Officer I (Specialist)	1	\$ 47,894
Information Technology Specialist I	2	\$ 283,309
Lead Security Guard	1	\$ 50,721
Maintenance & Ops Sup II	3	\$ 304,789
Maintenance Mechanic	1	\$ 79,161
Maintenance Worker, District Fairs	8	\$ 484,528
Marketing Specialist	1	\$ 100,978
Personnel Technician II (Specialist)	2	\$ 142,628
Plumber I	2	\$ 122,313
Secretary-Manager VII, DAA	1	\$ 242,722
Security Guard	7	\$ 319,741
Service Assistant (Maintenance)	1	\$ 34,001
Staff Services Manager I	5	\$ 598,123
Staff Services Manager II (Managerial)	9	\$ 1,183,908
Supervising Environmental Planner	1	\$ 175,114
Telecom Systems Manager I (Supervisor)	1	\$ 131,865
Telecommunications Systems Analyst I	1	\$ 31,583
Tractor Operator-Laborer	1	\$ 66,503
Warehouse Worker	1	\$ 56,040
Total Civil Service Position	89	\$ 7,742,309

Seasonal Classification

Sr Park Aide-Seasonal	17	\$ 313,303
Total Seasonal Positions	17	\$ 313,303
Total Positions and Gross Wages	106	\$ 8,055,611

Current Civil Service Head Count	81
Current Seasonal Head Count	12
Civil Service Vacancies	8

2026 Temp Labor Cost Schedule - Summary

22nd DAA

2026 San Diego County Fair - Temp Labor Cost Schedule - Summary	2026
GL 510502-##	Total Payroll with OT
Dept 00 - Admin	\$332,215
**Dept 00 - Admin - Administration	\$ 31,728
**Dept 00 - Admin - Customer Care (2024 in Dep 20)	\$ 291,847
**Dept 00 - Admin - Eco Hut (Dustin)	\$ 8,640
Dept 02 - Finance	\$ 46,585
Dept 04 - HR	\$ 92,929
Dept 10 - Facilities	\$ 885,592
Dept 20 - Public Safety	\$ 1,299,545
**Dept 20 - Public Safety - Ambassadors (Moved to Admin) - (FY202	\$ -
**Dept 20 - Public Safety - Security	\$ 82,577
**Dept 20 - Public Safety - Transportation	\$ 394,477
**Dept 20 - Public Safety - Public Safety	\$ 110,910
**Dept 20 - Public Safety - Parking Attendant	\$ 356,429
**Dept 20 - Public Safety - Traffic Control	\$ 355,152
Dept 30 - Marketing	\$ 44,324
Dept 40 - Production	\$ 284,064
**Dept 40 - Production - Cart Based	\$ 82,072
**Dept 40 - Production - Production	\$ 201,992
Dept 50 - Other Events & Sales	\$ 63,112
Dept 60 - Ag & Education	\$ 1,077,124
**Dept 60 - Ag & Education - Admin Office Staff	\$ 104,728
**Dept 60 - Ag & Education - Creative Youth	\$ 20,160
**Dept 60 - Ag & Education - Desing in wood	\$ 64,677
**Dept 60 - Ag & Education - Exhibit Design	\$ 74,965
**Dept 60 - Ag & Education - Fine Art	\$ 77,332
**Dept 60 - Ag & Education - Flower Show	\$ 26,372
**Dept 60 - Ag & Education - Garden Show	\$ 76,998
**Dept 60 - Ag & Education - Gems & Mineerals	\$ 56,084
**Dept 60 - Ag & Education - Home Made	\$ 87,134
**Dept 60 - Ag & Education - Livestock	\$ 146,692
**Dept 60 - Ag & Education - Photography	\$ 79,492
**Dept 60 - Ag & Education - Student Showcase	\$ 77,527
**Dept 60 - Ag & Education - The Farm	\$ 83,497
**Dept 60 - Ag & Education - Theme Exhibits	\$ 101,467
Dept 65 - Ticketing	\$ 907,159
**Dept 65 - Ticketing - Box Office	\$ 186,661
**Dept 65 - Ticketing - Gate Admissions	\$ 61,481
**Dept 65 - Ticketing - Gate Attendants	\$ 197,648
**Dept 65 - Ticketing - Midway Cashier	\$ 300,329
**Dept 65 - Ticketing - Parking Cashier	\$ 161,040
Total	\$ 5,032,647



Item 8-A-2, Consideration and vote on whether to approve the 2026 Capital Expenditures Budget (or a modified 2026 Capital Expenditures Budget based on Board discussion and public comment)

[Action Item]

Background:

The 22nd District Agricultural Association (22nd DAA) has owned and operated the Fairgrounds since 1936 and has served as a community gathering place for millions of San Diegans and visitors annually.

However, over the past several years, the 22nd DAA's Fairgrounds and Surf & Turf campuses have begun to show signs of aging, which puts at risk the venues' ability to compete in the market for major events and attract and retain guests for existing events such as the annual San Diego County Fair and horse racing.

The newest structures on campus are now 25 years old. Most other structures on campus range from the 1940s to 1990s. In the last decade, the 22nd DAA has made two major significant investments intended to grow business operations: the \$15 million infield water quality improvements and the \$17 million renovations of the Surfside building, which previously housed off-track betting operations, to open The Sound. The water quality improvement project was necessary to maintain the Del Mar Thoroughbred Club's annual fall race meet and to allow the Fairgrounds to occasionally serve as the home of the Breeders' Cup World Championships. The Sound was constructed to create opportunities for additional year-round revenue-generating events, such as concerts.

Historically, the 22nd DAA has financed capital expenditures through the issuance of long-term debt obligations, including bonds and loans through financial institutions and the Department of General Services. Currently, the principal and interest on debt obligations cost about \$5.2 million per year, funds that would otherwise be available for maintenance and capital investments. This debt is on track to be fully paid after 2040, which will free up those funds in the future. In the meantime, the 22nd DAA must continue to generate enough revenue through operations alone to fund maintenance, repairs, and renovations.

Capital expenditure decisions in previous eras were oftentimes made without any specific plans for ongoing scheduled maintenance and repairs. As a result, the 22nd DAA in recent years has had to contend with a litany of maintenance issues,

including leaking roofs, plumbing problems, aging infrastructure, elevator outages, escalator accidents, cracked asphalt, structural deficiencies, failing equipment, etc. To address these issues, the 22nd DAA Board approved Policy 4.05 (Financial Reserves), creating a Capital Replenishment Fund and specifying that an annual capital expenditure budget be presented to the Board for approval to draw from the Capital Replenishment Fund. In recent years, the Board has committed to reinvesting approximately \$5 million each year into capital needs, including new equipment necessary to conduct efficient and effective operations.

Previously, the 22nd DAA engaged Bureau Veritas, a world leader in facilities assessments, testing, and inspection services, to conduct a Facility Condition Assessment (FCA) of the entire campus and systems. An initial draft of the FCA was completed in July and provided to staff for review, comment, and revision. The revised FCA was completed in September 2025. It is a living document that provides an overall life-cycle assessment of all current facilities and systems, along with anticipated costs for repair, renewal and replacement, and is to be updated regularly as repairs and other work are completed.

The FCA provides an outline for use in developing capital spending in the next 5 to 10 years. In the coming years, the 22nd DAA will be able to use the FCA and user experience information to proactively plan for future capital expenditures. The findings of the FCA identifying immediate capital needs are incorporated into the repairs and maintenance line item of the 2026 Operating Budget and the Capital Improvement Plan that informs the 2026 Capital Expenditures Budget. An overview of the FCA and findings will be provided to the Board at the upcoming meeting and an executive summary of the FCA has been provided in the pages following this report.

The 22nd DAA is also engaged in a master site planning process, and financial flexibility to make major decisions about the property will be key. Taking on new debt to maintain structures for current venue needs, especially in the current high-interest environment, would make that goal more challenging.

2025 Capital Expenditures Budget Recap

In 2025, the Capital Expenditures budget totaled \$5,476,505, including projects that carried over from the prior year.

In addition to various health and safety repairs, the budget included:

- Surfside, mechanical roof: \$100,665 (underway, complete in 2025)
- Surfside, boiler replacement: \$200,000 (underway, complete in 2025)
- Exhibit Hall transformer and switchgear replacement: \$360,000 (underway, complete in 2026)

- Mission Tower, repair 3 of 4 HVAC air handling units: \$215,000 (underway, complete in 2026)
- DMTC Executive Office Building, HVAC replacement: \$474,000 (underway, complete in 2026)
- Hacienda Room HVAC: \$90,000 (underway, complete in 2026)
- New Patrol Vehicle: \$38,000 (completed in 2025)
- Surfside Connection Center: \$1,000,000 (not spent in 2025, moved to 2026)
- The Sound, Handrail repair: \$175,000 (not spent in 2025, moved 2026)
- Roof repairs: general \$500,000 (not spent in 2025; revised for 2026)
- HVAC controls in the Grandstand, Caballo Hall, and Administration Building: \$200,000 (not done in 2025, on hold pending I-VU System in 2026)
- Utility Box Truck: \$100,000 (revised, mechanic's truck moved to 2026)
- Asphalt repairs: \$1,450,000 (project cancelled, consider in 2027)
- Painting O'Brien Hall: \$110,000 (project cancelled)
- Replace Grandstand Railings: \$225,000 (project cancelled)

In addition, in 2025 the 22nd DAA reimbursed DMTC \$731,000 for repairs and upgrades to the Turf Club, Grandstand, and Stable Area. Another \$98,271 was incurred to install new speakers in the Grandstand area for Breeder's Cup.

In total, the 22nd DAA completed, and intends to complete by year-end 2025, over \$3.8 million in investments in capital needs. Some asphalt repairs and the Surfside stairs replacement and coating were cancelled in favor of other more urgent items identified by the FCA.

2026 Capital Expenditures Budget Highlights

In addition to carryover from projects that were planned in the 2025 budget but not completed, the following are among the projects prioritized for 2026 in alignment with the Facility Condition Assessment findings, recommendations from the Facilities team, and in consultation with DMTC:

- Transformers replacements (oldest units first) - 8 units: \$400,000
- Surfside Air Handler (HVAC replacement): \$500,000
- Grandstand Roof 2 & 3 (new roof surface): \$900,000
- Fire Alarm Panels for 5 Halls (replace old panels): \$70,000
- Exhibit Hall: Transformer and Switchgear replacement: \$60,000
- I-VU Building Control System (replace HVAC control panels): \$250,000
- Escalator Modernization (replace/refurbish one set): \$1,400,000
- Connection Center repairs and renovations: \$1,500,000
- The Sound handrail repair: \$175,000

Total: \$5,255,000

In addition, DMTC has submitted repair and maintenance requests for 2026 in the amount of \$750,000. These reimbursements will be paid from the Operating

Budget. The project plan above meets the 22nd DAA's goals of continuing to invest in needed capital repairs and improvements.

The recommended 2026 Capital Expenditures Budget of \$5,958,930 (including the projects above plus \$703,930 in equipment replacement) reinvests anticipated net revenue from year end 2025. Consistent with the approach to funding 2025 capital expenditures, the 2026 Capital Expenditures plan includes approximately \$1.7 million unspent from the 2025 Capital Expenditures Budget, an anticipated \$3.6 million net from 2025 operations, and an additional \$660,000 from 2026 Operating Funds. In the event net operations from 2025 do not result in a \$3.6 million surplus, it would be necessary to draw down additional amounts from the 22nd DAA's Operating Fund to completely fund the 2026 Capital Expenditures Budget.

This approach to reinvestment through the Capital Expenditures budget also provides the 22nd DAA with myriad benefits, including:

- **Value:** These investments will provide value to the 22nd DAA in the short and long term by enhancing the guest experience and ensuring that facilities remain operational and competitive in the current business environment.
- **Control:** Without needing to obtain debt financing, the 22nd DAA is better able to control costs, project phasing, and plan implementation.
- **Flexibility and stability:** Through this pay-as-you-go system, the 22nd DAA can more nimbly plan for expenses related to capital needs and shift priorities as needed.
- **Responsibility:** The 22nd DAA has budgeted responsibly and will maintain a reasonable amount of reserves and operating cash.



Item 8-A-2: Facilities Condition Assessment Report Summary

[Information Item]

Executive Summary:

This report provides a comprehensive summary and analysis of the 2025 Facility Condition Assessment (FCA) conducted for the 22nd District Agricultural Association (22nd DAA) by Bureau Veritas under contract through the California Construction Authority (CCA). The assessment represents a complete physical inventory and evaluation of the 22nd DAA's 324-acre campus, encompassing approximately 32 buildings and major infrastructure systems. The objective of the FCA is to establish a factual, data-driven foundation for capital planning, risk management, and long-term stewardship of public assets.

The FCA confirms that the Del Mar Fairgrounds remains fundamentally sound and serviceable but exhibits widespread signs of aging consistent with the property's history, coastal environment, and intensity of use. Roofing, mechanical, and electrical systems represent the most significant areas in need of repairs and upgrades. The Facility Condition Index (FCI) values calculated by Bureau Veritas place the majority of buildings in the 'Fair' category (10–30%), meaning they are fully functional but some are approaching or at the end of service life for key systems that support the buildings.

The FCA provides a defensible, quantitative basis for prioritizing future capital projects. It is not a design document or budget, but a diagnostic tool that allows the 22nd DAA to allocate resources strategically and transparently. This report summarizes the FCA's methodology, findings, and implications, and outlines next steps toward development of a multi-year Capital Improvement Plan (CIP).

Background:

The Del Mar Fairgrounds, owned and operated by the 22nd District Agricultural Association, is a complex, multi-use public venue constructed in the 1930s and expanded over successive decades. It includes horse racing and equestrian facilities, exhibit halls, concert and entertainment venues, administration and operations buildings, and extensive public infrastructure such as parking, roads, utilities, and site lighting.

In coordination with the California Construction Authority, the 22nd DAA commissioned Bureau Veritas to perform the FCA to establish a current, objective

understanding of the condition of Fairgrounds assets. The FCA is intended to serve as a baseline reference for maintenance planning, capital budgeting, and strategic reinvestment decisions.

Purpose and Methodology of the FCA

The FCA is a standardized engineering process used across state agencies and public institutions to evaluate the physical condition of facilities and infrastructure. The assessment examines building components and systems including structure, building envelope, roofing, mechanical, electrical, plumbing, fire and life safety, accessibility, and site utilities.

Bureau Veritas conducted site inspections between March 2023 and May 2025. Field teams reviewed architectural and MEPF systems, documented observed deficiencies, and estimated the remaining useful life of key components based on construction or installation date, expected useful life, current condition, recent repairs and upgrades. Cost estimates were developed using industry-standard data and localized cost factors. All findings were entered into the AssetCalc database to support future updates and scenario modeling.

The assessment results in two primary outputs:

1. A database of observed deficiencies, with estimated costs and recommended years of correction.
2. Calculation of the Facility Condition Index (FCI) for each building, providing a benchmark for comparative analysis.

What the FCA Does—and Does Not—Provide

The FCA provides a factual snapshot of physical conditions and anticipated renewal costs. It identifies deficiencies, assigns costs, and supports long-range capital planning. However, there are also important limitations to its scope.

The FCA Does:

- Establish a baseline inventory of assets and their condition.
- Quantify deferred maintenance and future renewal costs.
- Provide objective indices (FCI) for prioritization and benchmarking.
- Calculate useful life based on age.
- Serve as a foundation for multi-year capital and maintenance planning.

The FCA Does Not:

- Evaluate operational efficiency or space utilization.
- Take into account expected use or non-use.
- Make recommendations for repair or replacement.
- Include design, code compliance, or environmental studies.
- Estimate costs for programmatic improvements or new construction.

- Capture issues concealed from visual inspection or occurring after the survey date.

The FCA should therefore be viewed as a technical tool that informs — but does not replace — management judgment and Board discretion.

Summary of Findings and Key Observations:

The 22nd DAA facilities remain structurally stable but exhibit conditions typical of an aging, salt-air environment. The following summarizes principal findings across the campus:

- Structural and Architectural Systems: Most buildings are sound, but exterior finishes, roofing, and corrosion-prone elements show wear. Roofing deficiencies are a major cost driver.
- Mechanical, Electrical, and Plumbing (MEP): Systems vary widely in age. Several HVAC units and electrical panels are beyond their useful life. Fire protection systems are inconsistent.
- Accessibility and Life Safety: Most buildings are compliant for general access, but certain older structures may require further study for ADA and alarm upgrades.
- Site Infrastructure: Asphalt surfaces, parking lots, and stormwater drainage will require resurfacing and grading improvements.
- Technology Infrastructure: IT and communication systems are outdated and not integrated campus-wide.

Overall, the FCA categorizes most facilities in 'Fair' condition, meaning that while safe and operational, they will require capital renewal within the 5 to 10-year planning horizon to prevent serious deterioration.

Facility Condition Index (FCI) Analysis

The Facility Condition Index (FCI) measures the ratio of current repair costs to the current replacement value (CRV) and provides a gauge of overall condition:

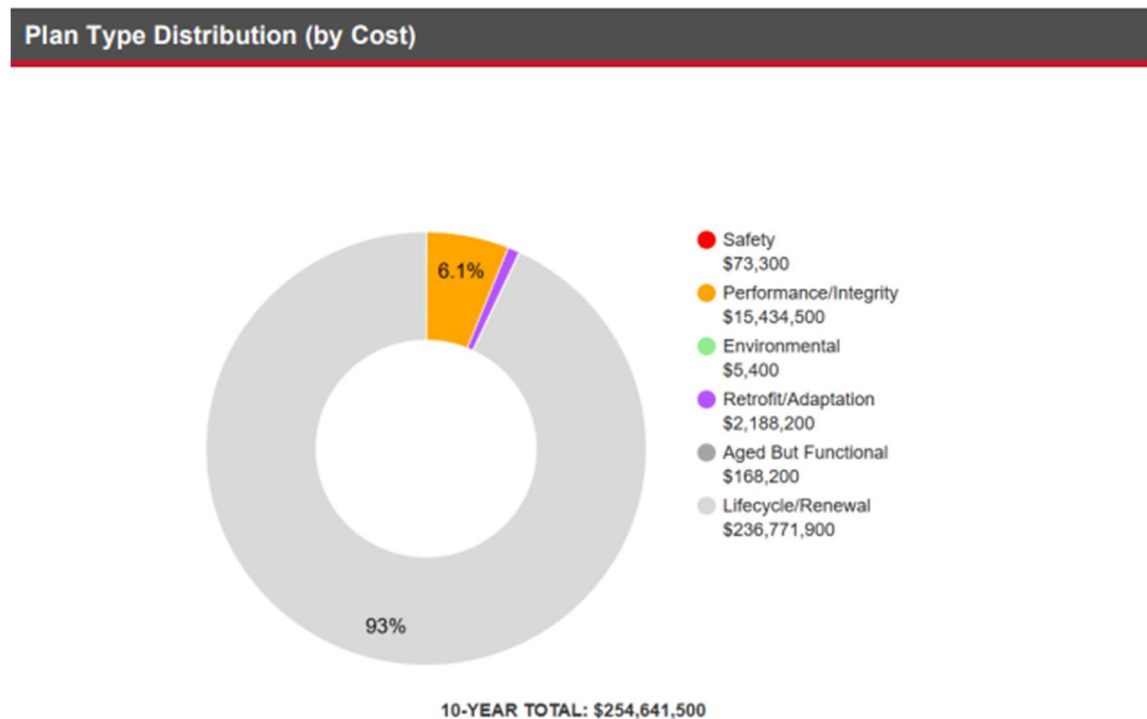
FCI Ranges and Description	
0 – 5%	In new or well-maintained condition, with little or no visual evidence of wear or deficiencies.
5 – 10%	Subjected to wear but is still in a serviceable and functioning condition.
10 – 30%	Subjected to hard or long-term wear. Nearing the end of its useful or serviceable life.
30% and above	Has reached the end of its useful or serviceable life. Renewal is now necessary.

Across the portfolio, FCI values range primarily from 10% to 25%, placing the Fairgrounds in the 'Fair' category. The Grandstand, Bing Crosby Hall, and Exhibit Hall rank toward the higher end of this range, while newer structures such as the Wyland Center and Expo Center are lower. The aggregate campus FCI represents a healthy but aging asset base requiring timely reinvestment.

Plan Type Cost Distribution and Implications

Each cost item identified in the FCA is categorized by 'Plan Type' to explain the reason for the recommended work:

Plan Type Descriptions	
Safety	■ An observed or reported unsafe condition that if left unaddressed could result in injury; a system or component that presents potential liability risk.
Performance/Integrity	■ Component or system has failed, is almost failing, performs unreliably, does not perform as intended, and/or poses risk to overall system stability.
Accessibility	■ Does not meet ADA, UFAS, and/or other accessibility requirements.
Environmental	■ Improvements to air or water quality, including removal of hazardous materials from the building or site.
Retrofit/Adaptation	■ Components, systems, or spaces recommended for upgrades in in order to meet current standards, facility usage, or client/occupant needs.
Lifecycle/Renewal	■ Any component or system that is not currently deficient or problematic but for which future replacement or repair is anticipated and budgeted.



In the assessment, approximately two-thirds of identified costs fall under Performance/Integrity and Lifecycle/Renewal, indicating a need for systematic reinvestment rather than emergency repair. Safety-related items are comparatively limited, reflecting an overall safe operating environment.

Interpretation and Board-Level Considerations:

The FCA data provides the 22nd DAA with a planning framework rather than a prescriptive to-do list. Its value lies in comparative analysis and prioritization. For example, a building with an FCI of 25% is not unsafe but is approaching the point where cumulative renewal costs may equal replacement cost. The FCA thus assists the Board in determining whether to invest, repurpose, or replace.

For financial planning purposes, the FCA should be integrated into the CIP and updated on a rolling five-year cycle. Projects identified through the FCA can be sequenced by urgency, cost, and operational impact. The data also supports external funding requests, as it provides transparent justification for state or grant assistance.

It is recommended that the Board view FCI trends in context: the goal is not a specific numerical target, but sustainable reinvestment that prevents the overall condition index from rising year over year.

Next Steps and Recommendations:

Based on the FCA findings, the following next steps are recommended:

- **Validation:** Staff to review and reconcile the Bureau Veritas dataset against completed or in-progress projects to ensure accuracy.
- **Prioritization:** Develop a facility-by-facility matrix ranking projects by FCI, safety impact, and operational criticality.
- **Integration:** Incorporate priority projects into the multi-year CIP and align with the annual budget cycle.
- **Preventive Maintenance:** Use FCA data to enhance preventive maintenance schedules and reduce future deferred costs.
- **Funding Strategy:** Identify potential funding sources, including state allocations, grants or partnerships.
- **Reassessment:** Schedule an update to the FCA every five years, or sooner if significant projects are completed.

Implementation of these steps will allow the 22nd DAA to use the FCA as a living management tool that guides responsible, transparent stewardship of Fairgrounds facilities.

Conclusion:

The 2025 Facility Condition Assessment provides the 22nd DAA with a comprehensive, data-supported understanding of the current state of the Del Mar Fairgrounds. The findings confirm that the campus remains operationally sound, but that deferred renewal is accumulating in predictable areas. The FCA establishes a factual basis for prioritizing investments, managing risk, and planning for the next decade of capital improvements.

By integrating this assessment into ongoing capital and maintenance planning, the 22nd DAA will strengthen its ability to make informed, transparent decisions that preserve the Del Mar Fairgrounds as a timeless community treasure where the community can connect and interact through year-round exceptional experiences.

2026 Capital Expenditures Budget

22nd District Agricultural Association

Priority - Risk Rank	Facility: Investment	Total Budget (2024 & 2025)	Change in Budget	Total Spent	Total 2025 Carryover	Total 2026 Budget
2025						
CANCELED	Asphalt: Repairs in Infield, Solana Ramp, Green Lot, West Lot	\$ 3,230,000	\$ (654,495)	\$ 2,190,000	\$ -	\$ -
CANCELED	Surfside: Mechanical Roof	\$ 207,000	\$ 3,000	\$ 210,000	\$ -	\$ -
CANCELED	Surfside: replace exterior stairs and deck coating	\$ 500,000	\$ (500,000)	\$ -	\$ -	\$ -
CANCELED	Replace Grandstand Railings	\$ 225,000	\$ (225,000)	\$ -	\$ -	\$ -
CANCELED	Replace: Jockey Kitchen HVAC	\$ 30,000	\$ (30,000)	\$ -	\$ -	\$ -
					\$ -	
in Progress	Exhibit Hall: transformer and switchgear replacement	\$ 360,000		\$ 300,000	\$ 60,000	\$ 60,000
in Progress	Education kitchen	\$ 106,094		\$ 106,094	\$ -	\$ -
in Progress	DMTC Executive Office Building: HVAC replacement	\$ 474,000		\$ 474,000	\$ -	\$ -
in Progress	Hacienda Room HVAC	\$ 90,000		\$ 90,000	\$ -	\$ -
					\$ -	
DONE	Promenade Design	\$ 6,125	\$ (6,125)	\$ -	\$ -	\$ -
DONE	Mission Tower: repair 3 of 4 HVAC air handling units	\$ 215,000	\$ (5,000)	\$ 210,000	\$ -	\$ -
DONE	Surfside: replace Box Office HVAC	\$ 10,000		\$ 10,000	\$ -	\$ -
DONE	Replace: Caballo HVAC	\$ 25,000		\$ 25,000	\$ -	\$ -
					\$ -	
					\$ -	
2025	Surfside: replace boiler	\$ 200,000	\$ 32,000	\$ 232,000	\$ -	\$ -
Total 2025		\$ 5,678,219	\$ (1,385,620)	\$ 3,847,094	\$ 60,000	\$ 60,000

New for 2026						
	Transformers - (7 to 8 units of 32 total)	\$ -		\$ -	\$ -	\$ 400,000
	Surfside Air Handler	\$ -		\$ -	\$ -	\$ 500,000
	Grandstand Roof 2 & 3	\$ -		\$ -	\$ -	\$ 900,000
	Fire Alarm Panels for 5 Halls	\$ -		\$ -	\$ -	\$ 70,000
	IVU, replace HVAC Control Pannels Districtwide	\$ -		\$ -	\$ -	\$ 250,000
	Escalator Modernization - one set					\$ 1,400,000
Total 2026		\$ -	\$ -	\$ -	\$ -	\$ 3,520,000

From 2025						
	Surfside: The Connection Center	\$ 1,000,000		\$ -	\$ 1,000,000	\$ 1,500,000
	The Sound: Handrail repair	\$ 175,000	\$ -	\$ -	\$ 175,000	\$ 175,000
	Total	\$ 1,175,000	\$ -	\$ -	\$ 1,175,000	\$ 1,675,000
Total Capital Expenditures:						\$ 5,255,000

	Equipment: New & Replace	Total Budget (2024 & 2025)	Change in Budget	Total Spent	Total 2025 Carryover	Total 2026 Budget
Done	Mobile Electronic Traffic Sign	\$ 26,000	\$ 4,053	\$ 30,053	\$ -	\$ -
Done	Rigid Water Jetter	\$ 12,000	\$ (2,370)	\$ 9,630	\$ -	\$ -
Done	10K Projector	\$ 15,000	\$ (11,466)	\$ 3,534	\$ -	\$ -
Done	Parking Trailer Replacement	\$ 40,000	\$ (11,684)	\$ 28,316	\$ -	\$ -
Done	Monitor for Underground Inspection Camera	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ -
Done	Security Camera Server	\$ 7,000	\$ (207)	\$ 6,793	\$ -	\$ -
					\$ -	
Canceled	16x9 Fast Fold Screen	\$ 10,000	\$ (10,000)	\$ -	\$ -	\$ -
					\$ -	
In Progress	Surfside Generator automatic transfer switch	\$ 40,000		\$ -	\$ 40,000	\$ 40,000
					\$ -	
	Mechanic Truck	\$ 110,000	\$ (50,000)	\$ -	\$ 60,000	\$ 60,000
	Digital Radio System	\$ 67,930		\$ -	\$ 67,930	\$ 517,930
	Large Format Printer	\$ 10,000		\$ -	\$ 10,000	\$ 10,000
	Golf Carts			\$ -	\$ -	\$ 50,000
	Patrol Vehicle				\$ -	\$ 26,000
Capital Equipment Subtotal				\$ 84,326	\$ 177,930	\$ 703,930

Total Capital and Equipment expenditure:						\$ 5,958,930
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Item 8-A-3, Finance Committee Report

Consideration and vote on 2026 Delegation of Authority or Temporary Delegation of Authority

- **Contract Authority**
- **Check Signing Authority**
- **Credit Card Use Authority**

In Brief:

- On an annual basis, the 22nd DAA Board must authorize credit card use and determine the level of contract approval and check signing authority to delegate to the CEO.
- The Board separately approves a budget under which the CEO and 22nd DAA operate.
- Almost all the contracts executed under the authority delegated to the CEO provide for the successful production of the annual San Diego County Fair.
- The level of contract approval and check signing authority is consistent with other industry entities and local governments and ensures the ability to provide quality entertainment for the Fair.
- Adopting the Delegation of Authority language, thresholds, and requirements that the Board previously adopted for 2025 ensures that business operations continue without interruption.

Background:

In accordance with compliance regulations and requirements of the California Department of Food & Agriculture (CDFA), the 22nd District Agricultural Association (22nd DAA) Board of Directors must annually, or upon the appointment of a new Chief Executive Officer (CEO):

- 1) Determine the level of contract approval to delegate to the CEO or their designee;
- 2) Determine the check signing authority to delegate to the CEO or their designee; and
- 3) Authorize credit card use.

The delegation may be given based upon dollar amount and/or type of contracts. For all contracts that do not fall under the Delegation of Authority, Board approval is required prior to entering into the contract. An Agreement is a document that has a legal effect, regardless of whether it is called a contract.

Process/Approach:

Delegations of authority are a standard practice, especially in Board-manager structures, to ensure smooth and effective business operations. According to the Society on Corporate Governance, delegation of authority policies “can be critical to internal controls and operational effectiveness.”

The Board, which approves the Operating Budget, may set the thresholds under which contracts can be approved without a duly noticed meeting of the Board. Under CEO Carlene Moore, these contracts are provided in full in the Board meeting materials each month to provide the Board and public with transparency. (Previously, as late as 2019, the Board was generally not provided copies of contracts for Board approval or those executed under the CEO’s delegated authority).

Beginning in 2023, the Board has delegated authority to the CEO to enter into 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. The threshold for Entertainment Agreements is particularly important for Grandstand concerts as offers to perform at the Fair are considered legally binding once accepted by the entertainer. Talent fees have also increased significantly in recent years, with most top-drawing, national touring acts for Grandstand performances seeking fees in the \$250,000-\$500,000 range. As part of the annual Operating Budget, the Board approves the total budget for the Grandstand summer concert series and sets revenue expectations under which staff select performers.

Additionally, the Board delegated authority to the CEO to execute revenue agreements without further authorization from the Board of Directors, up to \$250,000 consisting of Rental/Operator/Lease Agreements, Sponsorship Agreements, and Vendor Agreements, as long as these Agreements do not exceed a one-year term.

The 22nd DAA’s Delegation of Authority thresholds are in line with many other governmental entities:

- **32nd DAA (OC Fair & Event Center):** By policy, the CEO can execute standard agreements up to \$50,000 and entertainment agreements up to \$600,000 without Board approval.
- **CalExpo (California State Fair):** By policy, the General Manager is authorized to enter into expenditure agreements up to \$100,000.
- **City of Del Mar:** By ordinance, the city manager is authorized to approve agreements up to \$60,000 without City Council approval.
- **City of Solana Beach:** By ordinance, the city manager is authorized to approve agreements up to \$50,000 without City Council approval.

Thus far in 2025, 853 contracts have been executed under the 22nd DAA CEO's delegated authority. The vast majority of these contracts are executed from April through July for fair judges, concessionaires, entertainers, and commercial exhibitors. (For transparency, these contracts are included in monthly Board agendas and packet).

The 2025 Delegation of Authority, as adopted by the Board, also stated:

- Individual Project Agreements (IPA) with the California Construction Authority (CCA) require Board Chair (or Vice Chair, if the Board Chair is unavailable) and CEO approval.
 - Emergency expenditures or change orders over \$100,000 also require dual approval from the CEO and Board Chair (or Vice Chair, if the Board Chair is unavailable).
- Checks for \$15,000 or more must be signed by the CEO and a second executive. In the CEO's absence, signatures are required by two Executives or Board Officers on all checks.
- The CEO is authorized to further delegate their signature authority authorizing individuals to conduct business on behalf of the 22nd DAA only when the CEO is absent. The CEO retains responsibilities for actions taken by individuals exercising delegated authority.
- The CEO is authorized to maintain a corporate travel credit card for the purpose of conducting business on behalf of the 22nd DAA.

Next Steps:

Adopt the Delegation of Authority for 2026 (on the following pages), the language of which is consistent with the Board-approved 2025 Delegation of Authority, including Contract Authority, Check Signing Authority, and Credit Card Use Authority.



Delegation of Authority for 2026

(Effective January 1, 2026)

Contract Authority

The CEO has delegated authority to execute expense agreements without further authorization from the Board of Directors consistent with Policy 4.03, Contract and Procurement, 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. Additionally, the CEO has delegated authority to execute revenue agreements without further authorization from the Board of Directors, up to \$250,000 consisting of Rental/Operator/Lease Agreements, Sponsorship Agreements, and Vendor Agreements, as long as these Agreements do not exceed a one-year term.

Individual Project Agreements (IPA) with the California Construction Authority (CCA) require dual approval of the CEO and Board Chair or Vice Chair in the absence of the Board Chair.

All such executed agreements are to be submitted to the Board of Directors for review at the subsequent meeting.

Expense Authority

The CEO is responsible for ensuring that the organization stays within the parameters of its approved budget during the year; the Board of Directors is responsible for providing oversight to the CEO. The CEO has delegated authority for payroll and related expenses within the approved budget; expenses for contracts that were previously approved by the Board; purchases and expenses that are otherwise categorically exempt from or exceptions to competitive bidding per Policy 4.03; and up to \$100,000 for other expenses within the approved budget made through purchases or competitive bidding.

For expenses below the \$100,000 limit, the CEO is responsible for developing and maintaining operating procedures that define signatory authority levels by position.

For expenses related to emergencies or construction change orders that exceed the \$100,000 limit, approval for such expenses requires dual approval of the CEO and Board Chair or Vice Chair in the absence of the Board Chair. Any expense related to emergencies or construction change orders approved by the CEO and the Board Chair or Vice Chair shall be reported to the full Board at the next Board meeting.

Splitting expenses or orders to avoid authority limits is unacceptable.

Check Signing Authority

The CEO has authority as the first signer for checks up to \$15,000 and the other Executives shall serve as the authorized second signature on checks over \$15,000. In the absence of the CEO, signatures are required by two Executives or Board Officers on all checks.

The signatures of those authorized shall be officially recorded on bank signature cards.

In the absence of the CEO

In addition, the Board authorizes the CEO to further delegate their signature authority authorizing individuals to conduct business on behalf of the 22nd DAA only when the CEO is absent. The CEO retains responsibilities for actions taken by individuals exercising delegated authority.

Credit Card Authority

The CEO is authorized to maintain a corporate travel credit card account, authorize additional users, and develop operating procedures for the purpose of conducting business on behalf of the 22nd DAA.

Additionally, the 22nd DAA participates in the State of California Department of General Services CAL-Card Purchase Card Program. It is a payment mechanism for the purchase of goods and services. The CEO is the CAL-Card Program Administrator for the 22nd DAA and has the authority to develop and maintain operating procedures that permit cardholders and define signatory authority levels by position and in compliance with the CAL-Card Program.

This Delegation of Authority is issued annually and expires on December 31, 2026.



Item 8-A-4 – Finance Committee Report: Consideration and vote on whether to authorize the District to replace and modernize three (3) existing video display boards located in the Grandstand, the Paddock and at 5 Points, all in accordance with District Policies, California law and the Race Track Operating Agreement

[Action Item]

Background:

At the 22nd District Agricultural Association (22nd DAA) Board of Directors meeting on November 18, 2025, the Board requested staff research and report back on a proposed replacement and modernization of three (3) existing video boards located at the Grandstand, the Paddock and 5 Points.

Currently, the Fairgrounds campus features six electronic video boards: One at the corner of Jimmy Durante and Via d la Valle (also known as "5 Points"); one at the Main Entrance facing Jimmy Durante Boulevard; one in the Paddock; and, on the edge of the turf track facing the Grandstand, one main board and two "tote" boards.

The Del Mar Thoroughbred Club (DMTC) has proposed working with the 22nd DAA to replace and modernize three of the video boards - 5 Points, the Paddock and the large Main Track video board at the turf track edge, including significantly increasing the size of the 5 Points and Main track boards.

DMTC estimates a \$3 million total cost of the proposed replacement and modernization project based on a preliminary quote from vendor Daktronics. DMTC's initial proposal was to purchase and install the three video boards and that the 22nd DAA will then reimburse DMTC \$600,000 per year over five years to pay for the cost of the purchase and installation.

Recent upgrades – The Paddock and Main track video boards were installed in 2015 and 2017, respectively, making them approximately eight to ten years old. These video boards were funded through 2015 Bond proceeds.

The 5 Points video board was also installed in 2015; however, that video board was replaced ahead of the 2025 Breeders' Cup. The 22nd DAA covered the cost of the replacement, at a total expense of \$83,156.

DMTC's proposal to replace and modernize the three video boards is focused on achieving two goals:

- 1) Improve the image quality of the Paddock and Main Track video boards which are significantly degraded; and
- 2) Increase the overall size of the 5 Points and Main Track video boards to increase visibility and impact.

DMTC has also expressed that the proposed improvements would greatly enhance the customer experience for horse racing, could potentially be used to increase promotional revenues, and would be a significant factor in attracting The Breeder's Cup to return to Del Mar in the future.

Potential Issues and Concerns:

While two of the existing video boards are likely due for upgrades of some kind in the near future, the overall cost, procurement, funding and installation of the proposed video boards has raised several issues and concerns, including the following:

5 Points Video Board size increase could trigger "public works"

requirements: In discussions with DMTC and the video board vendor, it appears that the request to replace the video board at the Paddock may involve only a like-for-like replacement of electronic equipment without any alterations or construction. However, the video board at 5 Points is proposed to be increased in size by approximately 100% and will involve alteration of the existing sign monument. In that case, the project may be considered a "public work," which requires permits, may require environmental approval, and a formal competitive procurement and contracting method or an approved exception.

Main track video board replacement involves constructing an entirely new structure and may also trigger "public works" requirements: DMTC has proposed a Main Track video board replacement that involves a completely new installation of a video board that is more than twice the size of the current screen. The installation would involve demolition and removal of a concrete pad in front of the building that houses the current video board, installation of new foundation or concrete supports, and erection of a video board structure situated approximately eight (8) feet in front of the current video board. This new structure would also require new electrical connections and permitting, and likely be considered a "public work" requiring a competitive procurement and contracting method or an approved exception under current policies.

A cellular site lease could be impacted: It is unclear how or whether the construction of a new Main Track video board could potentially interfere with

Verizon cellular equipment that is mounted on the back of the existing structure. The 22nd DAA currently leases space on top of the structure for Verizon cell antennas and equipment, which generates revenue for the 22nd DAA and helps to boost cellular signal for guests in the Grandstand. Verizon is planning to add additional equipment to the structure to improve 5G connections as part of a previously negotiated lease amendment with the Department of General Services (DGS). The impact of a larger video board as part of, or in front of, the existing structure has not been determined; However, it appears that a taller video board could interfere with the cell tower performance. The 22nd DAA will need to confer with Verizon to determine what alterations can be made to the Main Track video board to avoid interfering with the lease terms and cellular site. The site is projected to produce more than \$400,000 in revenue for the 22nd DAA over the next five years, based on the terms negotiated by DGS.

In addition, based on 22nd DAA experience with work near other cellular sites on the Fairgrounds, measures may need to be considered to ensure the safety of construction workers spending prolonged periods of time in close proximity of an active cellular site.

For the Board's reference, photo simulations of the existing and proposed new antennas on the back of the existing video board – and additional photos of existing video board sites and proposed renderings – are included on the following pages.

Financing structure raises questions: DMTC has requested that the 22nd DAA allow DMTC to purchase and install video boards on 22nd DAA property, and that the 22nd DAA reimburses DMTC over 5 years for the expenses incurred. The financing structure proposed by DMTC raises questions regarding compliance with Board policies; the Operating Agreement between the State Race Track Leasing Commission and DMTC; impacts to the Bond Pledge Agreement; and California contracting and procurement laws. Additional research is needed in these areas.

Recommendation:

The proposed replacement and modernization of video boards on 22nd DAA property raises potential issues that need to be addressed before the project can commence.

To avoid concerns about financing and to provide staff with flexibility to ensure the project is moved forward in a financially responsible manner; in compliance with any applicable legal requirements; and with due consideration to operational and logistical concerns, such as the existing cell tower lease, the Board could consider adding replacement video boards as an additional Capital Expenditure for the 22nd DAA's 2026 Budget, rather than as a reimbursement to DMTC. The Board can then identify whether the expense should be funded from existing operating cash balances or through vendor financing over 5 years, paid through operating funds.

OPTION 1

- 6.6mm Video Display
960x4020 pixels
21' x 87.93'



DEL MAR THOROUGHBRED CLUB

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OPTION 2

- 6.6mm Video Display
1260x4020 pixels
27.56' x 87.93'



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EXISTING



PROPOSED LOOKING NORTHEAST FROM GRANDSTANDS



LOOKING NORTHWEST FROM GRANDSTANDS



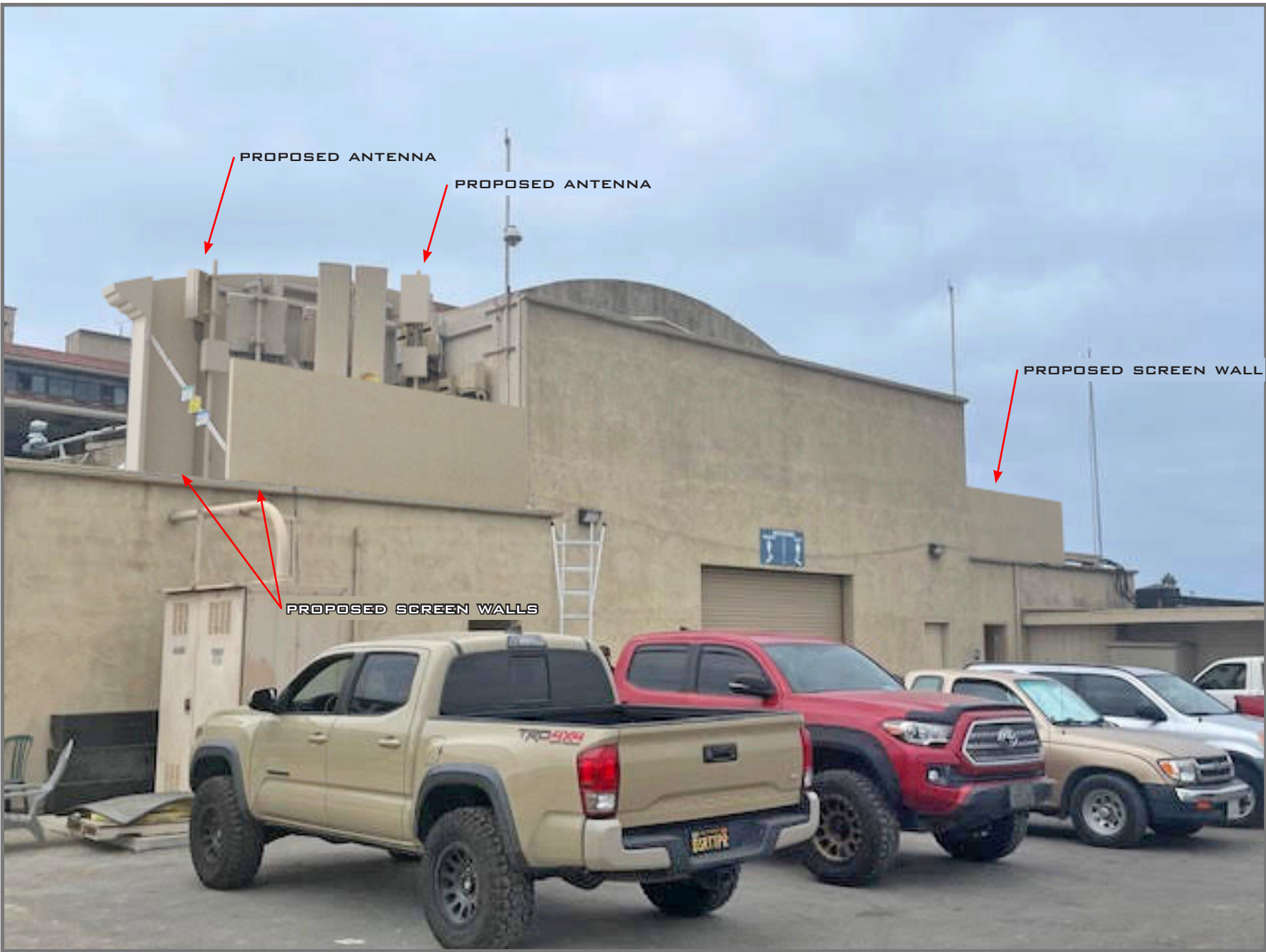
EXISTING



PROPOSED LOOKING EAST FROM GRANDSTANDS



EXISTING



PROPOSED LOOKING SOUTHWEST FROM INFIELD PARKING LOT

REFERENCE PHOTOS



REFERENCE PHOTOS



Pls Reply ASAP/Reimburse Del Mar TB Club \$3 Mil for new/bigger Video Boards

From Martha Sullivan <[REDACTED]>
Date Wed 11/19/2025 4:22 PM
To Sierra Ceballos <sceballos@sdfair.com>; Molly Arnold <marnold@sdfair.com>
Cc Carlene Moore <cmoore@sdfair.com>

Please share the following with the Board Members, Officers and Senior Management for the 22nd District Agricultural Association (Del Mar Fairgrounds), State Race Track Leasing Commission and Del Mar Race Track Authority, as well as include in their next Board Packets.

Thank You for your assistance,

Martha Sullivan
Imperial Beach

Stronach/1ST Racing closed [GoldenGateFields](#) last year due to its \$3 Million purse overpayment ... Stronach/1ST Racing-owned Santa Anita Park got to twice that and is still almost 25% higher. Santa Anita Park Handle down 9.1% for its recent Autumn Meet. *Daily Racing Form* reported today:

"Officials have said in the last year that the purse pool overpayment grew to as much as \$6 million. Purses were underpaid by more than \$3.92 million at the track's two meetings in the first half of this year, according to figures the track presented to the racing board." (California Horse Racing Board) <https://www.drf.com/news/overnight-purses-increased-santa-anita-winter-spring-meet>

Reimbursing the Del Mar Thoroughbred Club up to \$3 Million over the next 5 years for new and larger video boards would be a foolhardy investment, based upon the continuing decline in the U.S. Horse Racing industry and especially in California, where there are now only 3 operating tracks, all in Southern California — compared to 9 last year.

DMTC operates 12 weeks out of the year compared to Santa Anita Park which runs about 30 weeks of the year. Handle on races run at Santa Anita Park declined 9.1 percent at the track's autumn meeting this year, according to the Daily Racing Form. ,,,

"Scott Daruty, senior vice president with 1/ST Racing, told Bloodhorse.com in an interview earlier this week that betting through computer-assisted wagering accounts declined by \$8.5 million at the Santa Anita autumn meeting. ,,,

"Daruty warned that a similar decline in CAW business during the track's longer winter-spring meeting that begins on Dec. 26 'will be catastrophic.'"

<https://www.drf.com/news/handle-falls-2025-santa-anita-fall-meet-after-decline-caw-wagering-lack-california-crown-event>

If Santa Anita stops racing, as its owner stopped Golden Gate Fields in the Bay Area last year, DMTC isn't viable as the only top-level Thoroughbred racing track in California — the costs to ship in all horses from out of state will make it cost-prohibitive.



Item 8-B – Legal Committee Report: Update on discussions with the City of Del Mar regarding amendments to the Exclusive Negotiating Rights Agreement (ENRA) and the studies completed so far under the ENRA

[Information Item]

In Brief:

- The 22nd District Agricultural Association (22nd DAA) entered into the Exclusive Negotiating Rights Agreement (ENRA) with the City of Del Mar (Del Mar) in March 2024, effective April 2024, to study whether and where affordable housing could be sited at the Fairgrounds.
- The “exclusive” nature of the agreement does not restrict Del Mar from exploring other options for affordable housing.
- Del Mar has secured a Housing Acceleration Program grant (HAP grant) to fund necessary studies by the 22nd DAA.
- The 22nd DAA and Del Mar entered into a Memorandum of Understanding (MOU) providing for the reimbursement to the 22nd DAA for conducting studies beneficial to the ENRA and the 22nd DAA Board’s master site planning process.
- Through these studies and other requests for information, 22nd DAA staff has been working to provide information to the Board to make an informed decision about whether to site affordable housing on 22nd DAA property at Del Mar’s request.
- The Board voted in October to authorize the CEO to work with the City of Del Mar on amendments to the ENRA, which would require Board and Del Mar City Council approval.
- The Board Chair assigned the matter to the Legal Committee, which has scheduled a meeting with the Del Mar officials on December 18 to discuss proposed amendments.

Background:

Since 2021, the 22nd DAA has been working cooperatively with Del Mar regarding an exploration of Del Mar’s request to site affordable housing at the Fairgrounds. This request was prompted by the State of California’s affordable housing requirements of Del Mar.

These conversations led the then-22nd DAA Board Chair to create an Ad-Hoc Affordable Housing Committee to engage in formalized discussions about Del Mar's request to site up to 61 affordable units on the Fairgrounds. The Committee's work culminated in the creation of the ENRA with Del Mar. The narrowly drafted "exclusive" provision of the agreement does not restrict Del Mar from exploring other options for affordable housing. Rather, it prevents the 22nd DAA from negotiating with any entity for the development or use of the "prospective sites" for an affordable housing project or for the development or use of the "Development Site" (if one is identified) for an affordable housing project. The agreement's narrow exclusivity provision applies to the portion of the 22nd DAA's property in the City of Del Mar. It does not apply to portions of the 22nd DAA's property not identified as a "prospective site" in the agreement – including those portions of the property located within the boundaries of the City of San Diego – and does not limit the 22nd DAA's ability to conduct its master site planning process.

The ENRA identifies the processes to:

- Complete site due diligence and establish timelines;
- Determine the scope/components of potential development;
- Make a preliminary determination on the feasibility of the proposed development;
- Identify a potentially mutually agreeable site for the development of up to 61 units of affordable housing; and
- Establish procedures and standards for the negotiation of a mutually acceptable long-term ground lease agreement for development of affordable housing.

The ENRA does not commit the 22nd DAA to providing a site for affordable housing. The ENRA instead addresses the process for determining whether, when, and how to proceed — if the Board determines affordable housing should be sited on 22nd DAA property. The 22nd DAA also intended for the ENRA study period to align with the master site planning process so that these decisions about future land use on 22nd DAA properties could be made in concert.

The 22nd DAA Board and the Del Mar City Council separately voted to adopt the ENRA in early 2024.

Process/Approach:

Through the ENRA, the 22nd DAA has committed to performing due diligence on the possibility of siting affordable housing. The 22nd DAA's goal is and has been to provide the Board with the best possible information about the feasibility of

affordable housing on 22nd DAA property — including where on the property it could and would be best sited, if at all — and its impacts.

The ENRA lays out the initial steps in a lengthy process. First, 22nd DAA staff and consultants will gather information and studies to present to the Board. Then, the 22nd DAA Board must decide whether and where to site affordable housing on the property as part of its master site planning process. The 22nd DAA and Del Mar must approve the master site plan to allow for the use of affordable housing, as the current coastal development permits do not allow for such a use at the Fairgrounds. Upon approval from the California Coastal Commission, the 22nd DAA, with the Department of General Services, and Del Mar, would begin negotiating terms of a lease. Under California Food and Agriculture Code 4051(a)(12), a DAA may: "With the approval of the Department of General Services, lease for the use of its real property, or any portion of that property, to any person or public body for whatever purpose as may be approved by the board. This purpose may include, but not be limited to, the construction and maintenance of housing affordable to persons and families of low or moderate income, as defined by Section 50093 of the Health and Safety Code, pursuant to a lease of not more than 55 years." Del Mar has expressed an interest in a 65-year lease, which would require legislative action.

To gather the information required for the Board to make a decision and for potential California Coastal Commission and Department of General Services approval, Del Mar applied for and received a \$1.5 million HAP grant, administered by the San Diego Association of Governments (SANDAG). The HAP grant funds due diligence studies such as site design feasibility, economic and financial feasibility studies, transportation and traffic analyses, environmental assessments (e.g., geotechnical, biological, sea level rise studies) and infrastructure assessments (e.g., water/sewer capacity studies, access improvements, sea level rise resiliency).

The MOU with Del Mar enables the 22nd DAA to use this grant for five technical studies of 22nd DAA property, including:

- Affordable Housing Feasibility
- CEQA Constraints
- Sea Level Rise Vulnerability Assessment
- Transportation Demand/Mobility
- Water/Sewer Infrastructure

Thus far, about \$200,000 of the \$771,525 budgeted for the feasibility studies through the grant funding has been spent.

These studies will also be beneficial to the 22nd DAA and its broader master site planning discussions, regardless of whether the 22nd DAA and Del Mar come to resolution on affordable housing. The 22nd DAA's on-call consultants are conducting the studies.

To accommodate the continued studies and to better align with the timeline of the 22nd DAA's master site planning process, the 22nd DAA and Del Mar exercised both available options to extend the ENRA period by 12 months, to April 2027.

Ultimately, at the conclusion of the ENRA process, the 22nd DAA Board of Directors will review the provided information and determine whether to proceed with seeking the necessary approvals from the aforementioned entities.

At its October 14, 2025 meeting, the 22nd DAA Board voted to direct the CEO to discuss amendments to the ENRA with Del Mar to:

- Implement guiding principles to ensure any amendments are in total alignment with SB 79, to reflect California's housing vision;
- Require all actions and milestones to be presented to the Board for review and approval; and
- Drop the exclusivity clause for the 22nd DAA.

Next Steps:

The Committee has a meeting scheduled on December 18 with Del Mar officials.

Additionally, the Committee intends to propose amending the ENRA to clarify that the 22nd DAA Board will have the final say on any potential site location, if the Board moves forward with affordable housing.

Any proposed amendments will need to be presented to the Del Mar City Council and the 22nd DAA Board for approval.

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Fairgrounds housing studies continue despite hiccups

by Leo Place 🕒 December 10, 2025 👁 110

DEL MAR — Studies for a potential affordable housing development at the Del Mar Fairgrounds are progressing, despite ongoing debates among Fairgrounds board members that have previously put these conversations at risk.

On Dec. 1, the Del Mar City Council commissioned updated architectural and financial feasibility studies related to affordable housing at the Del Mar Fairgrounds, including the study of a new potential site south of the east stable gate.

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Del Mar and the 22nd District Agricultural Association, the state organization that governs the Fairgrounds, have been in discussions for years about constructing 61 affordable units on Fairgrounds property to help the city meet its affordable housing requirements in its 6th Cycle Housing Element.

Back in 2022 and 2023, consultants Keyser Marston Associates (KMA) and Stephen Dalton Architects (SDA) completed [feasibility studies](#) for two potential housing sites on the Fairgrounds — one at the east main stable gate at the corner of Jimmy Durante Boulevard and Via de la Valle, and one adjacent to the Del Mar Fire Department site just north of the San Dieguito Lagoon bridge.

The Del Mar City Council approved agreements with SDA and KMA to update studies for those two sites, and to complete a study for a new third site south of the east stable gate. The item was approved as part of the consent calendar on Dec. 1 and was not discussed.

Updated studies will analyze senior and family housing options of various sizes and affordability levels, as well as potential funding sources and financing options.

The newly identified site south of the east stable gate was proposed by Harris & Associates, a consultant for the Fairgrounds, in their Housing Sites Assessment completed in November. This assessment evaluated five potential housing sites on the property, including the three previously mentioned in Del Mar and two in the City of San Diego.



Consultants have studied placing 61 units of affordable housing next to the Del Mar Fire Department site at the south end of the Fairgrounds along Jimmy Durante Boulevard. Photo by Leo Place

This assessment and other studies are being conducted under an exclusive negotiating rights agreement (ENRA) entered into by the city and Fairgrounds in early 2024 and are funded through Housing Acceleration Program funds.

Del Mar is facing state-imposed deadlines for producing housing on the Fairgrounds, and is hoping these updated studies will move things along “in accordance with the ENRA objective to identify a conceptual development program and mutually agree on a location for affordable housing on District property,” per a staff report.

The results are expected to be shared with the City Council and Fairgrounds by June 2026, the city said. After that, the city hopes to negotiate the terms and conditions of a ground lease to prepare for the construction of affordable housing on the property by June 2031.

The state Housing and Community Development Department (HCD) originally set an Oct. 2025 deadline for the city and Fairgrounds to approve a ground lease in a letter last year. With that date now past, HCD representatives said they were in touch with the city and determining next steps as of mid-November.

There have been multiple bumps in the road since the adoption of the ENRA with the Fairgrounds. In February, the 22nd DAA board [paused housing talks](#) for a month after Del Mar Mayor Terry Gaasterland publicly shared support for a proposed rail realignment route that would be detrimental to the Fairgrounds.

Board members voted to resume talks with the city the following month, but with the caveat that the board would regularly revisit whether to continue the exclusive negotiating rights agreement. Some board members, particularly Mark Arabo, have repeatedly advocated [pausing negotiations](#).



One target for a housing project at the Fairgrounds lies within a 10-acre site used for parking on the corner of Via de la Valle and Jimmy Durante Boulevard. Coast News file photo

In October, Arabo requested that the Fairgrounds bring back proposed amendments to the ENRA to make it more favorable to the Fairgrounds. At a Nov. 18 board meeting, he advocated pausing talks again, but the board ultimately chose to continue engaging with the city in the site study.

However, board members said they would like more updates from staff on the status of negotiations with the city, particularly the specific sites under consideration for housing construction.

“How do we request if sites have been even identified to study? I think the board should see that immediately,” Arabo said on Nov. 18. “Because they [the city] might pick sites or we [the Fairgrounds] might pick sites out that are total nonstarters for the board.”

Fairgrounds CEO Carlene Moore assured the board that site studies are underway and will be presented in the coming months. She also noted that the board will make the final decision on which sites are suitable for potential housing.

“In March, we will have the result of these seven or eight reports ... with regard to, ‘can this facility, can this property hold affordable housing, where potentially could it be built?’” Moore said.

The Fairgrounds board also said they would like to engage with the city of San Diego to explore placing affordable housing on portions of the Fairgrounds property within its city limits.

Gaasterland noted at the City Council's Dec. 1 meeting that the city's own studies are already assessing conditions at other parts of the Fairgrounds. These affordable housing studies of the town and Fairgrounds are being completed with Housing Acceleration Program (HAP) grant funds.

"It was very important to be able to point out ... that our studies through our consultants, of feasibility of where housing could go, include two parcels that are east of Jimmy Durante Boulevard, that the Fairgrounds staff had asked for to be included," Gaasterland said.

Related Articles:

- [Election Q&A with Oceanside City Council candidates October 22, 2024](#)
- [Carlsbad homeowner fined \\$1.4M in 'Levyland' beach... October 13, 2025](#)
- [Fairgrounds pauses affordable housing talks with Del Mar February 12, 2025](#)
- [Fairgrounds OKs housing negotiation agreement with Del Mar February 21, 2024](#)
- [Lagoon access center of Coastal Commission,... August 11, 2025](#)
- [Del Mar, Fairgrounds affordable housing talks hit... July 30, 2025](#)

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State AG issues warning letter to Del Mar regarding Seaside Ridge

by Leo Place 🕒 December 12, 2025 👁 236

DEL MAR — The city of Del Mar could face penalties from the state if it continues refusing to process the Seaside Ridge housing project application, California Attorney General Rob Bonta's office said in a Dec. 5 letter to city officials.

Carol Lazier, who owns the 929 Border Avenue property on the bluff overlooking Del Mar Dog Beach, first proposed the 259-unit Seaside Ridge project back in 2022. Of the 259 units, it proposes 42 units for low- to extremely low-income households.

While Lazier argued that the city was required to process the application administratively, city staff have repeatedly stated that the application cannot

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proceed because it is missing required materials, including a rezoning application, a Local Coastal Program Amendment, a coastal development permit, and conditional use permits.

Bonta's letter follows Lazier's re-filing of a lawsuit against the city to compel it to process the application. Lazier originally [sued](#) the city in 2024, but a judge [dismissed](#) the case, ordering the developer to first exhaust all available remedies by appealing the city's determination that the application was incomplete.

At a September meeting, the Del Mar City Council unanimously [declined](#) to order a de novo hearing to consider an appeal formally. Lazier re-filed her lawsuit in San Diego County Superior Court in October, asking the court to step in once again.

Bonta's office argues that Del Mar has effectively blocked Seaside Ridge developers from any straightforward process to seek an appeal from the City Council or courts, stating that this approach is "untenable."



Artist's renderings of the Seaside Ridge housing project proposed for Del Mar's north bluff. Courtesy graphic



A view of the southwest corner of the proposed Seaside Ridge site along Border Avenue, where the overhang of a gazebo and concrete lookout area shows the impacts of bluff retreat over the years. Photo by Leo Place

“Our letter simply tells the City that it must either narrow its questions and process the application without further delay, or deny the application so the project applicant can seek relief in court,” the AG’s office said. “Lowering the cost of rent and homeownership for Californians has been a top priority for Attorney General Bonta since taking office, and he is committed to ensuring that cities and counties comply with state housing laws to get us there.”

City Manager Ashley Jones acknowledged Bonta’s letter in a Thursday statement.

“While the City was not contacted by the DOJ prior to receiving the comment letter, we are currently evaluating the DOJ’s comments and will continue to adhere to the procedures set forth in State housing law regarding our review of the Seaside Ridge development application,” Jones said.

Seaside Ridge developers argue that because their preliminary application was submitted while Del Mar's Housing Element was uncertified, the city is required to process the project under the state builder's remedy law.

However, Del Mar staff contend that the builder's remedy does not apply in this case because the project's square footage changed by more than 20% between the preliminary application and subsequent applications.

Bonta pushed back against this argument.

"The City's conduct to date could be seen as a deliberate attempt to avoid an adjudication regarding the applicability of the Housing Accountability Act's Builder's Remedy provisions," Bonta said.

He also said Del Mar could be assessed financial penalties under [Assembly Bill 712](#). This law takes effect at the start of 2026 and states that when housing developers prevail in a lawsuit against a public agency for noncompliance with housing reform laws, they are entitled to reasonable attorneys' fees and costs, and the court must impose a fine on the public agency.

Other builder's remedy cases have resulted in favorable outcomes for developers, such as the recent case against the city of La Cañada Flintridge.

Last year, a Los Angeles Superior Court judge sided with a housing developer in their lawsuit against the city, ruling that La Cañada Flintridge violated housing law by refusing to process an application for an

affordable housing project that qualified under builder's remedy.



The city initially appealed the ruling, but dropped the appeal in March after being told it would have to pay a \$14 million bond to continue litigation. This is an element of the Housing Accountability Act, which states that cities that pursue appeals after being found to have improperly denied a housing development are liable for the costs of delay to the project caused by the appeal.

Related Articles:

- [Studies indicate bluff's perilous state at Seaside...](#)
September 19, 2023
- [Seaside Ridge returning to courts after city appeal fails](#)
September 23, 2025
- [Seaside Ridge developer sues Del Mar for denying...](#)
February 26, 2024
- [Judge grants Del Mar's motion to dismiss Seaside...](#)
June 17, 2025
- [Del Mar council to consider Seaside Ridge appeal next month](#)
August 20, 2025
- [Seaside Ridge draws concern from Del Mar residents,...](#)
May 17, 2023

AFFORDABLE HOUSING

CALIFORNIA ATTORNEY GENERAL ROB BONTA

CITY OF DEL MAR

SEASIDE RIDGE





Item 8-C: Discuss and vote on whether to adopt a District resolution confirming that the simulcast wagering conducted on the District's property best serves the interests of the District

Background:

Simulcast wagering, also known as satellite wagering and off-track betting, began in 1991 at the Del Mar Fairgrounds to provide horse racing fans with opportunities to watch and place bets live on races at other racetracks.

Simulcast wagering was first housed in the Fairgrounds building then known as Surfside Race Place. Simulcast wagering is now operated in the Hacienda Room of the Grandstand after the Surfside Race Place building was partially converted into The Sound, the 22nd District Agricultural Association's (22nd DAA) live indoor entertainment venue.

The 22nd DAA operates simulcast wagering year-round with the exception of the summer and fall live horse racing meets when it is operated by DMTC.

Although simulcast wagering is a smaller operation than it was in the 1990s, it remains an important form of revenue for the 22nd DAA, grossing \$528,921 in revenue in 2024. This resulted in a net of \$423,886 to the 22nd DAA for the year.

Process/Approach:

On October 28, 2025, California Horse Racing Board (CHRB) notified the 22nd DAA of upcoming changes to requirements for simulcast wagering facilities. These changes would require the 22nd DAA to complete an "Application for Authorization to Operate a Simulcast Wagering Facility."

The application calls for "a resolution of its governing body that determined that the conduct of simulcast wagering at its fair facility best serves the interest of the fair."

To ensure compliance with the requirements, 22nd DAA staff reached out to other Fairgrounds with simulcast operations to understand their board resolutions, which were also drafted in response to the new CHRB requirements.

A draft resolution for the 22nd DAA Board's consideration is included on the following page.

Recommendation:

Approve the draft Resolution, as presented on the following pages, to ensure the 22nd DAA may continue to operate simulcast wagering at the Del Mar Fairgrounds.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE 22ND DISTRICT AGRICULTURAL ASSOCIATION THAT THE CONTINUED OPERATION OF SATELLITE WAGERING ON THE PROPERTY BEST SERVES THE INTERESTS OF THE 22ND DISTRICT AGRICULTURAL ASSOCIATION

WHEREAS, the District is authorized by the California Horse Racing Board to operate on the District's property located at 2260 Jimmy Durante Boulevard, Del Mar, California, 92014 (the "District's Premises") (1) an annual live horse race meet and (2) Satellite Wagering as set forth in Business and Professions Code, Division 8 [Special Business Regulations], Chapter 4 [Horse Racing], Article 9.2 [Satellite Wagering], Sections 19605, et seq.; and

WHEREAS, the District has operated on its property Satellite Wagering since the early 1990s, which operation allows patrons the opportunity to view and wager on horse racing broadcast from around the country; and

WHEREAS, the District operates Satellite Wagering throughout the year, except during the Del Mar Thoroughbred Club's Summer and Fall Race Meets; and

WHEREAS, the District generates approximately \$530,000 in gross revenue and approximately \$425,000 in net revenue through its operation of Satellite Wagering on the property, which revenue strengthens the District's financial position; and

WHEREAS, the District's operation of Satellite Wagering supports the District's statutory purposes of (a) holding fairs, expositions and exhibitions for the purpose of exhibiting all of the industries and industrial enterprises, resources and products of every kind or nature of the state with a view toward improving, exploiting, encouraging, and stimulating them, and (b) constructing, maintaining, and operating recreational and cultural facilities of general public interest; and

WHEREAS, the District's operation of Satellite Wagering increases year-round attendance and engagement at the District.

NOW, THEREFORE, BE IT RESOLVED that the District's operation of the Satellite Wagering facility serves the best interests of the District insofar as that operation provides a tremendous benefit to the District and its patrons.

CERTIFICATION

The undersigned **Chair of the Board of Directors of the District**, or his designee, of the District does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Directors of the District held on December 16, 2025.

Sam Nejabat
Chair, Board of Directors of the 22nd District Agricultural Association

Dated: _____

ITEM 9 – Matters of Information

December 16, 2025

Expense Contracts Executed per Delegated Authority

Standard Agreements up to \$50,000				
25-040 AM1*	Contractor: JagTag Enterprises, Inc.	Acquisition Method: Fair & Reasonable	Term: 9/15/2025 - 3/31/2026	Not to Exceed: AM1: \$0.00
	Purpose: Provide training to develop communication skills for Executive Team members*			
25-047	Contractor: Trane, Inc.	Acquisition Method: Sole Source - Exigency	Term: 10/20/25 - 10/26/25	Not to Exceed: \$12,985.00
	Purpose: Perform a comprehensive leak test on two (2) existing chillers at The Sound			
25-048	Contractor: Echo Consulting	Acquisition Method: Fair & Reasonable	Term: 11/10/25 - 1/31/26	Not to Exceed: \$15,000.00
	Purpose: Implement and configure project management software for Facilities work order system			
26-006	Contractor: Fair-ly Decent Promotions	Acquisition Method: Categorical Exemption: Marketing and Media Services	Term: 1/1/2026 - 4/30/2026	Not to Exceed: \$8,000.00
	Purpose: Provide photography for the Community Banner program prior to the 2026 Fair			

* 25-040 Amendment 1 extends the contract term to allow for completion of services outlined in Scope of Work (original term end date was 12/21/2025). Contract value amount and scope of work are unchanged.

Revenue Contracts

Rental Agreements						
Contract #	Contractor	Purpose	Acquisition Method	Effort Type	Term	Amount
26-902	Noonan Family Swim School, Inc.	Swim School Operator	Categorical Exemption: Revenue Generating - Rental Agreement	Year-Round	1/1/2026 - 12/31/2026	\$3,233.77 monthly

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ PAGES

AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Authority Number
25-040	1	GL: 600100-00

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
JagTag Enterprises, Inc.

2. The term of this Agreement is:

START DATE
September 15, 2025

THROUGH END DATE
March 31, 2026

3. The maximum amount of this Agreement after this Amendment is:
\$4,295.00
Four Thousand Two Hundred Ninety Five 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 extend the term in order to allow for the completion of services. The Through End Date is hereby extended from December 31, 2025 to March 31, 2026.

Amendment Effective Date: December 31, 2025

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.)
JagTag Enterprises Inc.

CONTRACTOR BUSINESS ADDRESS 2110 Artesia Blvd., B404	CITY Redondo Beach	STATE CA	ZIP 92078
---	-----------------------	-------------	--------------

PRINTED NAME OF PERSON SIGNING Jacqueline Devlin	TITLE CEO/Director
---	-----------------------

CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME
22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)

CONTRACTING AGENCY ADDRESS 2260 Jimmy Durante Boulevard	CITY Del Mar	STATE CA	ZIP 92014
--	-----------------	-------------	--------------

PRINTED NAME OF PERSON SIGNING Carlene Moore	TITLE Chief Executive Officer
---	----------------------------------

CONTRACTING AGENCY AUTHORIZED SIGNATURE	DATE SIGNED
---	-------------

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL	EXEMPTION (If Applicable) FAC §4051 .a. 1
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EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

- A. JagTag Enterprises, 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:

The Contractor shall provide training to develop communication skills for members of District's Executive Team focusing on organizational team building and motivation.

- B. Services shall be performed at the District located at 2260 Jimmy Durante Boulevard, Del Mar, CA 92014.
- C. Training shall be provided in two sessions. The dates of the training will be agreed upon by the District and Contractor at a later time.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	JagTag Enterprises, Inc.
Name: Carlene Moore, Chief Executive Officer	Name: Jacqueline Devlin, Owner
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 2110 Artesia Boulevard, B404 Redondo Beach, CA 90278
Phone: 858-755-1161	Phone: 310-344-8163
e-mail: cmoore@sdfair.com	e-mail: jnason@msn.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. CONTRACTOR RESPONSIBILITIES:

- A. Facilitate two (2) three-hour communication training sessions with District's Executive Team focusing on team building and motivation. These will include Part 1 Training "When All is Well" and Part 2 Training "When There is Conflict." Each training will be three hours and on separate days to allow the training participants to practice when all is well and time to bring up challenges in the conflict session.
- B. Provide expertise on each topic including energetic presentations.
- C. Support District's core values of Fun, A+ Quality, Integrity, Respect and Service.
- D. Utilize all types of learning styles including auditory, visual, and kinesthetic and an abundance of interactive involvement including lectures, group involvement, role-playing, and hands on motivational instruction.
- E. Provide evaluation forms for all participants to complete at the end of each training session.
- F. Provide all development materials and additional handouts.

3. DISTRICT RESPONSIBILITIES:

- A. To provide meeting room set in configuration requested by Contractor, monitor/LCD

EXHIBIT A
SCOPE OF WORK

projector, large self-stick flip charts, water and coffee service, snacks, and lunch for group, including Contractor.

- B. To ensure that all members of District's Executive Team complete the Core Strengths Inventories in advance.

4. TRAVEL AND RELATED EXPENSES:

- A. District will provide mileage reimbursement to the Contractor for both training sessions.
- B. When lodging is needed for Contractor, District will arrange and directly pay for hotel accommodations for up to two nights, limited to one night per training session. Lodging expenses shall not be reimbursed to Contractor.
- C. Contractor shall be responsible for all personal meal expenses incurred, excluding the working lunch provided by the District during each training session.

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

25-047

GL ACCOUNT NUMBER (If Applicable)

GL#: 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

Trane U.S. Inc.

2. The term of this Agreement is:

START DATE

October 20, 2025

THROUGH END DATE

October 26, 2025

3. The maximum amount of this Agreement is:

\$ 12,985.00**Twelve Thousand Nine Hundred Eight Five 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	3
Exhibit C	General Terms and Conditions	5
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

*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.)

Trane U.S. Inc

CONTRACTOR BUSINESS ADDRESS

3565 Corporate Court

CITY

San Diego

STATE

CA

ZIP

92123

PRINTED NAME OF PERSON SIGNING

James Barrus

TITLE

Area General Manager

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

EXHIBIT A
SCOPE OF WORK

A. SERVICES OVERVIEW

1. Trane U.S. Inc, hereinafter referred to as Contractor, shall provide to the 22nd District Agricultural Association, herein after referred to as District, the goods and services described herein. All terms, conditions, and pricing set forth in this contract are *fixed and non-negotiable*.
2. At the direction of District Management, Contractor shall perform a comprehensive leak test on two (2) of the District's existing chillers at the Sound Building.
3. The services shall be performed at Del Mar Fairgrounds, located at 2260 Jimmy Durante Boulevard, Del Mar, CA 92014.
4. Where the terms of this Agreement are more specific, or are inconsistent or in conflict with the provisions, terms and conditions set forth in the Contractor's proposal or Contractor's documents, both parties agree that the terms set forth in District's documents shall supersede and take precedence over Contractor's proposal or Contractor's documents.

The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Trane U.S. Inc.
Name: Brad Mason, Facilities Director	Name: Brian Bloker
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 3565 Corporate Court San Diego, CA 92123
Phone: 858-755-1161 Ext 4285	Phone: (858) 576-2561 (916) 997-0539
e-mail: bmason@sdfair.com	e-mail: bbloker@trane.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. GENERAL REQUIREMENTS

The Contractor shall perform a comprehensive leak test of the chillers and associated equipment, including troubleshooting, repairing, and reporting any deficiencies identified during testing. All work under this task shall be completed within 48 hours.

C. WORK TO BE PERFORMED BY CONTRACTOR:

1. Contractor shall provide all labor, equipment, and materials necessary to conduct the leak test safely and efficiently.
2. Contractor shall inspect all refrigerant lines, valves, fittings, and connections to identify leaks or potential points of failure.

EXHIBIT A
SCOPE OF WORK

3. Contractor shall document all findings, including the location and severity of any leaks or deficiencies, and submit a detailed report to the District within two (2) days of completing the testing.
4. Recommend corrective actions and, subject to District approval, perform necessary repairs or maintenance to address identified issues.
5. Ensure that all testing and corrective actions are conducted in compliance with applicable environmental regulations and safety standards.

D. DELIVERABLES

1. Evidence that all chillers and associated equipment were tested for leaks in accordance with the contract and industry standards.
2. Includes confirmation that proper testing procedures, equipment, and safety measures were used.
3. A detailed report identifying any leaks, equipment deficiencies, or potential points of failure.
4. Documentation of any repairs or maintenance performed to correct identified leaks or deficiencies.
5. Confirmation that all work was conducted in compliance with environmental regulations, safety standards, and manufacturer guidelines.

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

25-048

GL ACCOUNT NUMBER (If Applicable)

GL#: 600100-00

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

Echo Consulting, LLC

2. The term of this Agreement is:

START DATE

November 10, 2025

THROUGH END DATE

January 31, 2026

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	4
Exhibit B	Budget Detail and Payment Provisions	3
Exhibit C*	General Terms and Conditions (April 2017)	5
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.)

Echo Consulting, LLC

CONTRACTOR BUSINESS ADDRESS

52 Kriste Lane

CITY

Jericho

STATE

VT

ZIP

05465

PRINTED NAME OF PERSON SIGNING

Molly Yanus

TITLE

Chief Executive Officer

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

- A. Echo Consulting, LLC, hereinafter referred to as the Contractor, agrees to provide to the 22nd District Agricultural Association / Del Mar Fairgrounds, hereinafter referred to as District, the professional consulting services described herein.

The Contractor shall implement and configure an AirTable-based Facilities Work Order System to streamline and manage intake, assignment, communication, and completion tracking for Facilities work requests. The system shall provide transparent status visibility, Service Level Agreement (SLA) tracking, and role-based dashboards to support effective management and reporting.

- B. The services shall be performed remotely by the Contractor using Microsoft Teams or a comparable online meeting platform during District business hours.
- C. The services shall be performed Monday through Friday, excluding holidays, during the hours 8:00 a.m. to 5:00 p.m. Pacific Time. Contractor is not required to perform services for the full duration of these hours each day but shall provide services as necessary to fulfill the contract requirements.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Contractor: Echo Consulting, LLC
Name: Evan Graham, Info Tech Specialist I	Name: Molly Yanus, CEO
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 52 Kriste Lane, Jericho, VT 05465
Phone: 858-740-9261	Phone: 802-318-2141
e-mail: egraham@sdfair.com	e-mail: molly@echolocity.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 BY CONTRACTOR:

- A. Background and Goals

The District requires a centralized platform to manage Facilities work orders for maintenance and repairs. Contractor shall implement an AirTable system that enables staff to submit requests, assign tasks, track status and SLA compliance, and review departmental workload and response metrics.

- B. Tasks and Deliverables

EXHIBIT A SCOPE OF WORK

Project Management and Administration

Contractor shall be responsible for the performance of tasks, and for the preparation of deliverables as specified in this Exhibit.

Contractor shall provide all technical and administrative services necessary for the successful completion of this Agreement, including monitoring, supervising, and reviewing all work performed by their staff or specialists. Contractor shall also coordinate budgeting and scheduling to ensure that all work is completed within budget, on schedule, and in accordance with approved procedures, applicable laws, and regulations throughout the term of the Agreement.

Contractor shall ensure that all Agreement requirements are met by submitting weekly progress reports to the District and maintaining regular communication with the District. Each progress reports shall detail activities undertaken, accomplishments of each task, milestones achieved, and any issues or challenges encountered in the performance of the work under this Agreement.

A. Task 1.1 – Conduct Discovery Workshops

Subtask 1.1.1 – Workshop Planning and Scheduling

Deliverable: Workshop schedule and agendas for Facilities stakeholders and IT.

Subtask 1.1.2 – Facilitation of Workshops

Deliverable: Workshops conducted with key staff to identify challenges, process gaps, and requirements for the Airtable Facilities Work Order System.

Subtask 1.1.3 – Documentation of Workshop Findings

Deliverable: Comprehensive notes summarizing current workflows, desired outcomes, and functional requirements.

B. Task 1.2 – Solution Design and Configuration

Subtask 1.2.1 – Architecture and Data Model Design

Deliverable: Data architecture recommendation covering Locations, Assets, Categories, Employees, and Departments.

Subtask 1.2.2 – System Build and Automation Setup

Deliverables: Contract shall develop and create:

- **Facility Request Intake Form (up to five conditional flows)**
- **Requester/Submitter Tracker View**
- **Manager and Team Schedule Views**
- **Review/Approval Workflow Automation**
- **SLA Reporting Dashboard for Management**

C. Task 1.3 – Testing

Subtask 1.3.1 – Quality Assurance

**EXHIBIT A
SCOPE OF WORK**

Deliverable: QA checklist and test results document.

Subtask 1.3.2 – User Acceptance Testing (UAT)

Deliverable: Pilot UAT execution log and sign-off by District staff.

D. Task 1.4 – Training and Implementation Support

Subtask 1.4.1 – Role-Based Training

Deliverables: Two to three training sessions by user role. Each session, Contractor shall provide attendance records and materials which shall include a clear flowchart and process documentation.

Subtask 1.4.2 – Administrator Guide and Cutover Support

Deliverables: Administrator documentation, cutover plan, and support for go-live week.

E. Task 1.5 – Final Documentation and Closeout

Subtask 1.5.1 – Final Report

Deliverable: Final summary report documenting deliverables, issues resolved, and recommendations for the next phase.

C. Task and Deliverables Schedule

Task #	Deliverable	Deliverable Due Date
1.1.1, 1.1.2	Workshop Planning and Facilitation	Nov 14 2025
1.1.3	Documentation of Workshop Findings	Nov 26 2025
1.2.1, 1.2.2	Solution Design and Configuration (Build Complete)	Dec 5 2025
1.3.1, 1.3.2	Testing and User Acceptance	Dec 10 2025
1.4.1, 1.4.2	Training and Implementation Support	Dec 22 2025
1.5.1	Final Documentation and Closeout	Jan 31 2026

3. PROGRESS REPORTS:

- A. Not later than November 24 and bi-monthly thereafter for the duration of this Agreement, Contractor shall provide a written progress report to the District. Each report shall describe activities undertaken, accomplishment of milestones, and any problems encountered in the performance the work under this Agreement, and the delivery of intermediate products, if applicable.
- B. Contractor shall submit to the District, for review and approval, reports containing the results of the work performed in accordance with the schedule of this Agreement.

EXHIBIT A
SCOPE OF WORK

- C. Not later than January 15, 2026, Contractor shall submit to the District for approval one (1) reproducible master of the final report. The report shall contain the results of the work performed and shall address all comments submitted to the Contractor by the District.
- D. The report shall not be considered final until accepted and approved by the District.

4. Contractor Responsibilities

- A. Maintain regular communication with the District regarding activities and schedule.
- B. Host online meetings using Contractor's Microsoft Teams account or an approved alternative provided by the District.

5. District Responsibilities

- A. Provide timely access to stakeholders and relevant documentation.
- B. Ensure staff availability for workshops and UAT sessions.
- C. Provide Contractor with appropriate system access and user licenses as required for implementation.

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

26-006

GL ACCOUNT NUMBER (If Applicable)

GL#: 600100-30

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

Fair-ly Decent Promotions

2. The term of this Agreement is:

START DATE

January 1, 2026

THROUGH END DATE

April 30, 2026

3. The maximum amount of this Agreement is:

\$8,000.00

Eight 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	2
Exhibit C	General Terms and Conditions (February 2025)	5
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

*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.)

Fair-ly Decent Promotions

CONTRACTOR BUSINESS ADDRESS

4785 Niagara Avenue

CITY

San Diego

STATE

CA

ZIP

92107

PRINTED NAME OF PERSON SIGNING

Payton Ryan

TITLE

Founder/Owner

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

EXHIBIT A SCOPE OF WORK

1. SERVICES OVERVIEW

- A. Fair-ly Decent Promotions, 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 photography for the Community Banner Program prior to the 2026 San Diego County Fair (Fair).

- B. The services shall be performed at various locations in San Diego County, California, to be determined as cities/communities/business districts sign on to be involved in the Fair's Community Banner program.
- C. The services shall be provided between January 1 and April 30, 2026. It is estimated based on previous years' banner programs that there will be up to 25 total photography sessions lasting approximately 1-2 hours each from set-up to tear-down. Photography schedule shall be coordinated by the District's Marketing Specialist and communicated in a timely manner to Contractor.
- D. The Project Representatives during the term of this Agreement will be:

22 nd District Agricultural Association	Fair-ly Decent Promotions
Name: Luis Valdivia, Marketing Specialist	Name: Payton Ryan, Owner/Founder
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 4785 Niagara Ave. San Diego, CA 92107
Phone: (858) 792-4227	Phone: (541) 815-1462
e-mail: lvaldivia@sdfair.com	e-mail: payton@fairlydecentpromotions.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:

District will provide the Contractor with a photography session schedule that outlines the community location, date, time, number of participating subjects and any additional details a minimum of one week prior to the scheduled shoot date.

- A. Photography services shall include digital image processing, file conversion, upload of high-resolution photos and videos to Dropbox for viewing and download, without watermarks.
- B. Contractor shall ensure coverage includes photos and videos that can be used for marketing purposes including, but not limited to, advertisements, websites, newsletters, billboards and media outreach.

EXHIBIT A
SCOPE OF WORK

- C. District reserves the right to use photos and videos for marketing purposes without including photographer 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 shall supply images and full usage rights at no additional cost to the District.
- D. By the end of every photography session, the Contractor shall provide same-day editing of 3-5 "behind-the-scenes" photos to the District's Marketing Director for immediate use on social media.
- E. Contractor shall provide curated, color-corrected, post-produced photos of all community banner participants within fourteen days of the scheduled shoot date.
- F. Contractor shall edit one social media video per shoot location; content decided in collaboration with District. Edited video, as well as unedited b-roll, will be uploaded to Dropbox within fourteen days of the scheduled shoot date.
- G. District shall be responsible for coordinating and scheduling all photography sessions, including all communication between venues, participants and photographer.
- H. District shall provide photography backdrop, props, and lights for photography sessions.
- I. District shall provide Contractor with Dropbox link for photo upload.
- J. District will assist with on-location set-up when necessary.

Term Sheet for Operator Rental Agreement

Operator:

Noonan Family Swim School, Inc.

Premises:

Pool deck area located in the Surf & Turf Recreation Center
15555 Jimmy Durante Blvd, Del Mar, CA 92014

1. Premises Use:

Operation of a swimming school and similar activities for children.

2. Term:

One (1) year, commencing on January 1, 2026, and expiring on December 31, 2026.

3. Monthly Rental Fee:

\$3,233.77, payable on the first day of each month.

4. Facility Usage Fee:

Operator shall pay a pro rata monthly Facility Usage Fee of \$914.00, payable on the first day of each month, to cover costs incurred by 22nd DAA for utilities, maintenance, and other shared operational costs.