BOARD OF DIRECTORS MEETING

22ND DISTRICT AGRICULTURAL ASSOCIATION

DEL MAR FAIRGROUNDS

2260 JIMMY DURANTE BOULEVARD

DEL MAR, CALIFORNIA 92014

(TELECONFERENCE)

TUESDAY, SEPTEMBER 15, 2026

--o0o--

Transcribed by:

QuickCaption, Inc.

3457 Arlington Avenue, Ste.

104

Riverside, CA 92506

--o0o--

IN ATTENDANCE:

22ND DAA OFFICERS AND DIRECTORS PRESENT:

SAM NEJABAT, CHAIR

LISA BARKETT, VICE CHAIR

MARK ARABO, DIRECTOR

PHIL BLAIR, DIRECTOR

DONNA DEBERRY, DIRECTOR

KATHLYN MEAD, DIRECTOR

TED MIYAHARA, DIRECTOR

ELSA MORALES-ROTH, DIRECTOR

FREDERICK SCHENK, DIRECTOR

22ND DISTRICT AGRICULTURAL ASSOCIATION STAFF:

BECKY BARTLING, CHIEF EXECUTIVE OFFICER

KATIE MUELLER, CHIEF OPERATIONS OFFICER

MICHAEL SADEGH, FINANCE DIRECTOR

JENNIFER HELLMAN, MARKETING DIRECTOR

HENRY RIVERA, PRODUCTION DIRECTOR

MOLLY ARNOLD, ADMINISTRATIVE ASSISTANT

22ND DISTRICT AGRICULTURAL ASSOCIATION COUNSEL

JOSHUA CAPLAN, OFFICE OF THE ATTORNEY GENERAL

OTHER SPEAKERS:

MATT CLAY, DEL MAR GOLF CENTER GENERAL MANAGER

JOSH RUBINSTEIN, DEL MAR THOROUGHBRED CLUB PRESIDENT & COO

PUBLIC COMMENTERS:

CARLA ECHOLS-HAYES

MARK RITTENBAUM

TRACY MARTINEZ

JOHN SPELICH

JENNIFER ANDERSON

CHAIR NEJABAT: Good morning, everybody.

MR. RIVERA: The room is live.

CHAIR NEJABAT: All right, good morning.

Today is Tuesday, September 15th, and the time is 9:38 a.m.

I now call this meeting of the 22nd DAA Board of Directors to order.

Before we take the roll, I'd like to call your attention to some changes to the agenda.

We will not have a presentation from the Don Diego Scholarship Foundation as part of item five, and also under general business item 6A1, the staff report and SANDAG presentation on the special events train platform is being tabled until a future meeting.

With that being said, can we please get the roll?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Here.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Here.

MS. ARNOLD: Director Arabo?

MR. ARABO: Here.

MS. ARNOLD: Director Blair?

MR. BLAIR: Here.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Here.

MS. ARNOLD: Director Mead?

MS. MEAD: Here.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Here.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Here.

MS. ARNOLD: And Director Schenk?

MR. SCHENK: Here.

CHAIR NEJABAT: All right, we have a quorum.

We'll now start by taking up public comment for items not on today's agenda.

As a reminder, the board will not debate nor act on any comments for today.

If you are here to speak on an agenda item, please wait until we take up that item.

For all public comment opportunities, each speaker will be given two minutes to make their remarks.

Out of respect for everyone's time, we'll mute your microphone after two minutes.

Do we have any members of the public in the room who wish to speak on public comment?

If so, please queue up and begin.

MS. ECHOLS-HAYES: Good morning, everyone.

I'm Carla Echols-Hayes, friends of Del Mar Horsepark.

I have good news.

Always good news.

When I show up, I try to have good news.

Number one, screw worm.

Remember?

Well, guess what?

They have fixed it, and they are allowing Mexican cattle and other hooved animals, also known as horses, in through the border, which that means is we lost a third of our jumpers.

For the last two years, because they closed down that border.

So a lot of the medium-sized barns, like out of Guadalajara or Monterrey, they could not come.

But now they can, and that means next year we'll have much better numbers in Southern California for our jumper community, and our dressage community as well.

The second thing that's really important, guys, is Western.

There are a million registered quarter horses in this country alone.

And that's the registered ones.

Quarter horses are huge, and they spend lots of money.

We're going to have barrel racing next April, and the Pacific Coast Western finals, they are booking Horse Park for next October.

That is a big, big deal.

And I'm really, really, really grateful for that.

The other thing that I wanted to mention, and it's back in the back, oh, there's Ma'Ceo.

Phil, you wanted public participation?

Ma'Ceo is like Cavalia.

It's like Cirque du Soleil with horses.

Even PETA will like it because the horses are at liberty.

I think Becky has seen it.

And the horses just, they do all this stuff without any bridles or bits or halters or anything.

It's really quite lovely and quite beautiful, and Becky can probably share more.

And the last thing, you guys, is Mark.

Halloween is going to be in the middle of October, and on Friday night, there's casino night where you buy, but you get all these chips, right?

It's really fun to gamble when you're not really

losing money.

And the other thing is, of course, the kids' stuff is the Dolly Parton.

CHAIR NEJABAT: Thank you, Carla.

MS. ECHOLS-HAYES: Is the thing we're going to do.

So anyway, guys, I just wanted to share all the good information.

Thank you.

CHAIR NEJABAT: Thank you for your comments.

MS. ECHOLS-HAYES: Thank you.

MR. RITTENBAUM: Good morning.

My name's Mark Rittenbaum.

Before I stop where I'm Mark's day, and hopefully you start the clock, I want to acknowledge that while I sit as a volunteer member with Del Mar's Planning Commission, my remarks reflect my views as a private citizen only.

In no way do I speak on behalf of or as a member of the commission.

By way of background, before moving to Del Mar, I held various senior executive positions, including CFO of a publicly traded company, and like many of you, have sat on a number of boards.

As I'm sure you recall, at the August board

meeting, the majority of this board voted to kill the agreement with Del Mar to build 61 affordable housing units or fairgrounds property.

Shame on the five board members who killed this opportunity, and in the process demonstrated a complete lack of social or moral responsibility.

It's breathtaking.

As part of your decision to kill the opportunity, some of you claim affordable housing isn't your problem or doesn't put the fairgrounds first, even though your own employees qualify and desperately need it, even though half of Del Mar's requirements are created by your employees, even though Governor Newsom who appointed you set a policy to use public lands, even as state and local officials have implored you to move forward, even as the state declared affordable housing a crisis.

How telling you describe it as a problem rather than a responsibility.

Let's look at the facts.

The fairgrounds sits on approximately 340 acres, much of which is unutilized or underutilized.

The City of Del Mar's request was for a mere one acre, less than one third of one percent of the total

property of the fairgrounds, yet you couldn't come up with one acre on Del Mar's property.

The whole kerfuffle's about one acre.

You examine, re-examine, manipulate, it's stalled and rope-a-dope.

You move the goalpost, in short, you acted in bad faith and you used public funds in doing so, and then be it, it's worse.

The five of you along with Director.

CHAIR NEJABAT: Thank you for your comments.

Thank you for your comments, as I mentioned earlier, two minutes.

MR. RITTENBAUM: Thank you.

CHAIR NEJABAT: Thank you.

MS. MARTINEZ Good morning.

On behalf of the City of Del Mar, I am here to respectfully ask that the board take action at your next meeting to formally reinstate discussions with the city of Del Mar regarding the development of affordable housing on site four, also referred to as the Surf and Turf lot.

In the absence of doing so, the opportunity to build 61 units of critically needed affordable housing west of the five will be lost.

The city of Del Mar has been a good faith partner to you.

Our intention has never been to inhibit your control over what happens on the fairgrounds.

On the contrary, we are asking for your partnership.

Believe me, as a small coastal city, we understand and support the preservation of local control.

At your last meeting, this board unnecessarily made the decision to terminate affordable housing discussions with the city based on information that just wasn't true.

It wasn't accurate.

It was inconsistent with the information that LAFCO staff provided directly to our city.

This project carries immense regional support, including SANDAG, the County Board of Supervisors, the city of Solana Beach, our state and federal representatives, and the governor's office.

Working together, we have a real opportunity to rise to the governor's challenge and build a significant and regionally important number of affordable units on state property at no cost to the District.

Please join me in doing so.

Thank you.

CHAIR NEJABAT: Thank you.

MR. SPELICH: Mr. Chairman, Directors, I'm John Spelich, Deputy Mayor of Del Mar.

As Mayor Martinez expressed, I'm also here today to ask you to respectfully reconsider your decision from last month.

State of California, which this agency is a part of, invested one and a half million dollars in this project, 800,000 of which were directly provided to the District.

The studies paid for by these funds clearly show that site four is feasible, and San Diego City Council President Joe LaCava has committed to working with the District and our city to make that happen.

Why end this work now when 61 low and very low-income properties west of the I-5 are hanging in the balance?

I mean, that's the thing that boggles my mind about this.

At a time when affordable housing is critically needed, which some of your own District employees can qualify for, closing the door on this opportunity seems to fly in the face of everything our governor, the state

legislature, and all of us have been working toward for years.

We just really can't lose sight of that right now.

Please reconsider your position, put the affordable housing matter back on the agenda for next month.

Let's work together, and we'll bring this much needed housing west of the I-5 in a coastal city, and we'll do some good in the process.

Thank you very much for your consideration.

CHAIR NEJABAT: Thank you for your comments.

Anyone else in the room would like to speak on public comment?

We do have one member of the public online.

Jennifer Anderson.

MS. ANDERSON: Good morning, Jennifer Anderson, Del Mar resident and concerned citizen here to ask you to please expedite a decision to bring back the ENRA and the opportunity to create 61 affordable housing units on a one square acre of Fairgrounds property.

Del Mar is a small dense city consisting of just 2.2 square miles.

Within this is more than 2,500 homes and 250 businesses, 23 acres of public beach, 1.7 miles of low sun rail tracks, San Diego Lagoon, and 340 acres of Del

Mar Fairgrounds.

So you can see how challenging it is to find a place to effectively create new housing, but we are making progress and we need to make more.

Something I'm not sure many of you are aware of is that more than half of Del Mar's housing allocation was allocated by SANDAG because of an in consideration of Del Mar Fairgrounds employees.

We are seeking just one square acre of the total 340 underutilized square acres at the Fairgrounds in order to provide 61 affordable homes.

To each of the six board members who voted to kill or not support this opportunity, I hope you understand your vote discards 10 years of studies, investment and discussion around this important matter.

Each of you stated that you understand and value the need for affordable housing while in the same breath and at the same meeting voted to kill this opportunity to create 61 affordable housing units on just one acre of the 340 underutilized acres of state land which would help further a state mandate.

I hope you've had an opportunity to reflect on that decision.

And if you truly value affordable housing, as you

say you do, find a way to expedite the decision to bring this opportunity back in a timely manner, not just because it's the right thing to do or that it's good for our collective community, but also because it will benefit your own Fairgrounds employees.

That's how you can put the Fairgrounds first by helping our employees who help you serve your customers each and every day.

We can't let the fears expressed in the last board meeting hold us back.

The fears of uncertainty, ambiguity, complexity and messiness.

Let's begin now to foster an environment of support and collaboration within our region by getting some wins together.

We can start by delivering 60.

CHAIR NEJABAT: Thank you.

All right, that concludes public comment.

Our next order of business is item four, the consent calendar.

Do we have any members of the public in the room today who wish to speak on consent calendar?

Seeing nobody in the room and no members signed up online.

Are there any requests from any board member to remove any items from consent calendar for further individual discussion under general business?

MR. ARABO: I'd like to pull contract number 26-027.

CHAIR NEJABAT: Okay, the Versa Music Group.

We will move that to general business.

Any other requests?

All right, do I have a motion for approval of the consent calendar?

MR. ARABO: So moved.

VICE CHAIR BARKETT: Sorry, I just wanted to point out and it's a very minor thing, but a date was incorrect on here.

CHAIR NEJABAT: Microphone, Director.

VICE CHAIR BARKETT: Sorry, let me look for this.

I was trying to look for it and wasn't paying attention.

My apologies, but it's missing a one.

I had it tabbed at home, but not here.

Anyway, if you could review the calendar, there is an error on it.

Okay, otherwise approved.

It's a minor, minor thing.

CHAIR NEJABAT: So noted, is that a second, Vice

Chair?

VICE CHAIR BARKETT: Yes, second.

CHAIR NEJABAT: Can we please get the roll?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

VICE CHAIR BARKETT: And I did find it.

It's on page 24, under the Pinery Wholesale Christmas Distribution.

That date should be 12-12-2026 in the third column.

CHAIR NEJABAT: Got it, and motion carries.

Thank you.

With that, we'll move on to item five, which is the CEO report.

This is an information item.

I'd like to recognize our CEO, Becky Bartling, to provide the report.

MS. BARTLING: Thank you.

And I would like to introduce Matt Clay, who is the Operator of our driving range and our mini golf, with a presentation about all the amazing improvements that he has done on the property.

MR. CLAY: Cool, good morning, Directors.

My name's Matt Clay.

I manage the Del Mar Golf Center across the street.

I think I can manage that.

Thanks for the opportunity to kind of introduce our property.

A few of you I haven't met before and haven't been over to the property.

So first off, I'd like to extend an invitation if you'd ever like to come and take a look at what we do.

I very much, as Director Blair found the other day,

like to show off what we do.

I'm proud of what we've built over the years.

So most of us think of the golf center as a driving range, and I contend that we're a lot more than that now.

We're actually multiple businesses now that we operate under one property.

Couple of pictures.

All I'm going to do is show you a few pictures and then talk about our property just a little bit.

We've been for 18 years now, top 50 Golf Range Association of America Driving Range.

We're also proud to be on the advisory board with the Golf Range Association.

So our real goal is to make sure that we always stay out ahead of what's going on in the golf entertainment space.

Obviously, COVID brought about some big changes in the golf world, and we've really tried to make sure that we've stayed ahead of that and then taken advantage of that as well.

We have one of the largest driving ranges in Southern California.

I have one of the largest and only grass tees also,

which is something that is becoming more and more unique.

From there, in 2017, we installed our Top Tracer system.

We were one of the first locations in the country to install this, and it's a high-speed camera system that tracks every golf ball that's hit.

Shows up on a screen.

You can play virtual golf.

You can play some games.

You can do some training.

Some really fun things.

So the picture on the left, which was our initial structure, kind of a mobile structure that we put in, was a test along with Top Golf just to see if the concept would work.

Top Golf purchased Top Tracer about 10 years ago, so we've been working with them since then.

In 2024, we redid the property in the outside Top Tracer area, which is the picture on the right-hand side with the nice sunset.

Really opened up the property, allowed us to host a lot larger groups, maintain the property a lot better, and really, I look at, we're an entertainment property.

We need to continue to raise our amenities, and that was one thing that was a big build for us.

So it really allows us to bring in people that aren't just traditional golfers.

If you can make the ball go forward, you can come and play.

So it really opens up a lot of things for us, too.

From there, the range has been around since about the late 70s, 1977.

There was an old miniature golf course that was there for many years.

In 2008, along with Becky's help, we were able to renovate that.

We put in Pelly's Mini Golf, which is two 36-hole miniature golf courses, and we really view this as our family entry into golf and into community involvement.

We've done now, in 18 years, we've done over two million rounds at Pelly's.

Our food service sits inside of us, inside of Pelly's.

It lets us do birthday parties and group events.

We've done, I think, about 8,000 birthday parties now in 18 years, and really expanding group events and our evening opportunities is something that we're

looking at for the future.

So the top right picture, you can see, we decorate the miniature golf courses for the holidays.

So we do that in October, November, and December.

We're going to decorate again, and we'll have Santa there this year during December.

Let's see.

From there, 12 years ago, my kids were starting to get a little bit bigger.

I wanted to learn a little more about how kids develop, and so I partnered with the Titleist Performance Institute, which is a division of Titleist up in Oceanside that has some great education and what have you.

I could talk about that for a while.

But we decided to put in and start our academy, along with Milo Bryant, which I'm going to talk about him here in just a moment.

We started with five kids in 2012.

We now have 185 kids that come to our program every week.

We have between 75 and 90 kids out on the golf course every weekend.

So it's something that we've been able to really

kind of create our own customers, in my opinion.

I think that if we get kids playing when they're younger, this is one of the few sports that they're going to play their whole lives.

And so my goal is to make it so that I can go play golf with my kids and my grandkids, and that's why I want people to come and play so that they can go do the same thing.

We have 12 PGA golf professionals that teach out of our property.

We teach about 12,000 private lessons a year.

We're one of the biggest training centers, really, in Southern California and the country.

And that's where I really say we're not a driving range anymore.

We're an entertainment and a training center.

In addition to that, Milo is our trainer on the left-hand side.

He's an advisory board member up at TBI, and he runs our performance center.

And he runs a gym called Limitless Fitness, which in 2024 was named one of Men's Health top 10 men's gyms in the country.

So it's something that we really look at.

We want to develop the athlete first, and then the player.

If we develop athletes, I can do a heck of a lot more with them from a golf side.

They can also do a lot more from any other sports side as well.

One of the programs that I'm really happy that we've been involved with for many years is called Operation Game On.

This is a Wounded Warriors program where we take, and I'm the lead instructor, we take combat injured troops through 10 weeks of golf lessons.

And then through our fundraising that we do, we take them up to TaylorMade, and they get a bag of clubs just like Tiger Woods would.

And they get kind of the same kind of experience that a tour player would.

We've had over 600 troops come through the program so far in the last 12 years, and I'm very confident to say that we have saved some lives with this program.

We have lost some guys along the way, but the connections that this has created and the chance that we get to bring some of these guys out and do some different things is great.

Now that kind of combat has changed a little bit, we're meeting more folks, guys that were in Vietnam, PTSD and some other things.

So I'm kind of having to learn how I coach a little bit to change that.

But it's been a really good program, and a lot of these guys we still keep up with on a regular basis, so it's really fun.

The reason I'm here today is to talk about a couple of the changes that we recently made at the property.

The Golf Mart, which is a subsidiary of Worldwide Golf Shops, which is the nation's largest discount golf retailer, they operated the retail side of the operation for over 30 years.

And I knew that they had been looking to find a new home.

They were looking for a bigger box.

Also, they had just challenges during June with the fair and the races and things with traffic.

And so they closed their Encinitas store, and they closed the Del Mar store, and they opened a big store about four exits up the street.

Beautiful store, but I knew that it was something with them just being right up the street that trying to

compete with them directly wasn't exactly something that was a good thing to do.

So what we did is we split the rest of the building kind of into two sections.

We installed our shop, which is more of a boutique golf shop.

It's about 1,500, 1,800 square feet.

It's a much different shopping experience.

And to us, it fits Del Mar a little bit more than the retail side that we used to have.

So the brands and things that we brought in here will be constantly changing, and we're learning kind of where we fit in that infrastructure.

And then in the back, one of the areas that I'm really happy with is our studio now.

And this really is a state-of-the-art training center where we have a biofeedback center.

I've got a putting studio.

For years, it was always -- when we looked at golf, it was, what's your golf ball doing?

Well, now I can tell you what your golf ball does, what your golf club does, what your body does, how you use the ground.

I can give you so much information, it's amazing.

But what really we can do is now I can give you a tour-like experience that you would get up at TaylorMade or Titleist or Callaway.

We can now do that here.

And so I'm excited at the future and the things that we can continue to expand on and do here in the new facility that we have.

So I appreciate the opportunity to come talk.

Like I said, I'd really like to show the place off.

So if you want to come see what we do, I'd love to have you by.

Does anybody have any questions?

MS. DeBERRY: I do.

I have two questions.

The first one is, based on your revenue projections, are you at par, over, under?

MR. CLAY: We're right about flat with last year so far.

The heat the last six weeks has been very challenging.

But now that it cooled off just in the last two days, we'll be OK.

So I have some more info if you'd like to see our revenue over the last few years.

But would you like me to hand that out?

MS. DeBERRY: No, no, no.

I'm just curious.

So is that quarterly are you reporting this?

Or is it your yearly projections when you said?

MR. CLAY: Oh, I provide a statement and then payment every month to the District.

MS. DeBERRY: And then a second question is, sorry, I went under.

Are you partnering with any organizations?

Well, I want to go back to your kids camp.

First of all, do you have any underrepresented organizations that you're partnering with where underserved children can be a part of that?

MR. CLAY: Yeah, multiple, actually.

We work with the Boys and Girls Club.

We work with the YMCA.

The First Tee down at Colina Park, we have them up at least every quarter.

We bring a bus up and let the kids come play miniature golf and then hit some balls and play with them as well.

Okay.

MS. DeBERRY: And does that just play a miniature

golf?

Or is that part of your golf?

MR. CLAY: We do both.

We do both with them.

MS. DeBERRY: All right.

Thank you.

VICE CHAIR BARKETT: I would just like to compliment you, Matt.

You've been great.

You have vision.

And yes, and what you've done is incredible.

And I can speak from, well, not me personally, but my sons love to come here.

And they bring their friends, and it's great.

They absolutely love it.

So I want to just say, you're doing it right.

That's for sure.

And I look forward to coming out and seeing it myself, all that's come here in Golf Mart, too.

So thank you.

MR. CLAY: Cool, thank you.

MR. BLAIR: I was there last Friday at the driving range.

And Matt is a wonderful host, behind the scenes of

all these programs he talks about in the miniature golf.

And I would encourage you to go by.

The way it's hidden back there, I've never been there.

And it's a gem now with this remodel.

So congratulations, Matt.

MR. CLAY: Thank you.

MR. ARABO: I have just a couple questions.

I haven't seen it, but it sounds amazing, especially with the colleagues on the board.

How much money does a District get monthly from your operations?

MR. CLAY: So we have a revenue share agreement.

We pay the District 20% of all of our gross revenue.

So in 2025, we paid just about $904,000 to the District.

And we've trended up starting in 2021 when we had this agreement.

We're up 45% on our lease payments since then.

So our overall gross revenue has continued to increase every year.

MR. ARABO: So around $900,000 a year.

MR. CLAY: I hope to hit a million this year.

If not for sure, we will next year.

MR. ARABO: That's great.

And the Food and Beverage - Legends does it?

How does that work?

MR. CLAY: We operate our own food and beverage operation.

So Premier - Legends - operates it on the District.

Years ago when we first opened, we actually had one of their subcontractors came and operated it for about six months and found that it didn't work trying to run two different operations at one time.

So we took it over.

So we have our own health permit and food operation.

MR. ARABO: And that does well?

MR. CLAY: I did $575,000 last year.

MR. ARABO: Great, great.

MR. CLAY: For the small trailer that we run it out of, I think we do pretty good, to be honest with you.

MR. ARABO: Great job.

Thank you.

MR. CLAY: Thank you.

MS. MEAD: Hi, Matt.

MR. CLAY: Hi.

MS. MEAD: I think earlier you said you had a financial report that you have prepared that you could provide to us.

I would love to see it if you are prepared to share that.

Thank you.

MR. CLAY: We have partnered up with a PGA tour player, his name is Beau Hossler.

He's been on the PGA tour for about 10 years now.

And --

MS. MEAD: Matt, thank you for distributing this.

And especially the one report you provided to us is a trending report.

And I just want to say, good job.

MR. CLAY: Thank you.

MS. MEAD: It just looks really very solid in terms of your operations the last five years.

Thank you for sharing.

MR. CLAY: Thank you.

Well, I think we've learned, and I'll talk about Beau in just a second, that everything this close to the coast takes a beating pretty hard.

And maintaining it takes a lot.

But also, when we look at some of the other

entertainment options that are out there, everyone is raising the bar.

And we really have to continue to do the same.

So we have additional plans that we want to continue with.

We have a meeting set up with Becky and Katie in a couple of weeks to discuss those.

So we know that, as you know, it takes money to make money.

You have to put something into it.

But Beau Hossler, for years on the PGA tour, he would go around and got to know local coffee shops.

So he started getting into kind of roasting coffee and what have you.

So he started his own company called Beau Rista.

And we now have his coffee trailer is on site.

It's the best coffee I've ever had.

And it's not a plug or anything.

Come try it.

It's really good.

And then the agreement that we made with him was that the rent that he pays, we match that and we donate to it to a charity every month.

So we thought that was a good way to get back

there, too.

MS. DeBERRY: I just want to say thank you, too.

I mean, you know, it's not always that you get organizations who not only live this meaningful and purposeful life that you see other people and you give kids an opportunity.

Like it's very inclusive.

And thank you for that.

I really mean that.

MR. CLAY: Thank you.

I think I've learned over the years that being part of the Fair family, that we are part of the community.

And really, I want our facility to be work home and then come to the range and hang out.

And if you come in the mornings, we know almost everybody that walks in by name and it's really important to us.

So thank you.

MS. MORALES-ROTH: Can I make a quick comment?

Could you share a calendar of special events that we can promote as, again, as ambassadors, we want to be a good partner and all of us have relationships where they would love to golf, they would love to do this.

So I would want to hear more about special events,

anything that we can support or promote on our site to bring in more people.

MR. CLAY: Okay, great.

Yeah, you got it.

Thank you.

MS. BARTLING: That's great.

MR. CLAY: Anything else?

MS. BARTLING: Thank you very much, Matt.

MR. CLAY: Thank you all very much.

MR. MIYAHARA: One more question.

Thanks for sharing this, the financials here.

I think this is exactly what, as a board member, I'd like to see.

The trend is on the ups.

I'm not as familiar with the facility as I probably should be.

I drive by it and see it, but can you speak to what you would attribute to this upward trend?

And then also from a advertising and marketing perspective, what do you do to promote the facilities?

MR. CLAY: Okay.

So I think a couple of things.

COVID really changed the golf landscape.

For months, we were really one of the only things

operating and I think in 2020, we were one of the only parts of the District that was even operating.

So it really opened it up to a lot of new players.

And then also the National Golf Foundation changed the way they view golfers.

They used to say it was an 18-hole round of golf was what they considered a golfer.

And with Topgolf and with all of the driving range technology that we have now, I can have somebody come and play 18 holes in an hour and a half.

And I certainly consider them a golfer.

So it opened kind of everybody's eyes up to that.

I think also the technology that we have now, like I said earlier, you don't have to be a golfer to come and play.

So we can market to non-traditional golfers.

And when you look at our property on a Saturday, where it used to be one and two people coming in, I mean, growing up, I played, I never called a friend to go practice with them.

But now if we see one person walk in by themselves on a Saturday, that's maybe 20% of the groups that come in.

It's groups of three, four or five people that come

in.

So it really changes kind of that dynamic.

They also spend longer.

And you're there for an hour and a half to two hours is their average spend, or average time that they're there.

And honestly, I think it's the improvements that we've made.

It's allowed us to increase our price, but also attract from a wider audience.

And so now we're learning kind of how to market because each of these different segments of our business are very different, and we have to market them differently.

So we're continuing to work on that.

I'm actually hiring a marketing company to help me with a little bit more now to kind of fine tune some of that so that we can make sure that we're capturing the right groups.

MS. BARTLING: Okay, thank you.

Thanks, Matt.

As you know, I'm a frequent user over there of Top Tracer, and it is impressive.

MR. CLAY: And now that you have more time, I can

take you through a full assessment and show you what we do.

MS. BARTLING: I need that.

I'm trying to lower my handicap, but it's pretty, it's stuck.

So I can use your help.

MR. CLAY: Awesome, cool.

MS. BARTLING: Thank you.

MR. CLAY: Thank you all very much.

I appreciate it.

And please let me know if you'd like to come by and take a look or hit some balls or whatever you'd like to do.

So, cool, thank you.

MS. BARTLING: Okay, moving on.

We have the events calendar, which goes through quite a while.

I think we're almost to the end of the year, or into May.

But just a couple things I wanted to point out.

We have the Lynyrd Skynyrd Loverboy concert that's going to be happening here on the 24th of September.

That's in the arena.

So we're very excited to see how that goes.

Looking forward to seeing the attendance and how it works in the arena and all of that.

Of course, then moving on, I'm not going to read the whole thing, so don't worry.

We've got the train show, which is always popular, the surfboard expo, drone show, which I'm very excited to see how that goes.

And quite a few other events.

Of course, we spoke last time about Cirque du Soleil coming in and, of course, the Pinery Christmas Tree, which is not on 2-12-26.

It's actually in December.

Thank you, Lisa, for pointing that out.

And then a lot of really great shows that are coming to The Sound.

So just keep that in mind.

They're partners with us.

Belly Up does a great job of promoting over there.

And Jurassic Quest is coming back, and lots of other things.

So I just wanted to include this so you get an idea of how busy our team is.

And thank you for the support in adding some support for our events department because things are

going to be going up and better.

MR. BLAIR: Becky, when it says “Legends” at the beginning of an event, is that catering services that they've booked and brought activity to our...

MS. BARTLING: Yes.

MR. BLAIR: So that program is working well with them booking?

Because there's a lot of Legends.

MS. BARTLING: Yes.

Yeah.

I think they --

When we lost probably most all of our events department for booking, Legends came in.

I think Premier started it as well in assisting with booking.

And I think they've done a really great job.

All right, in your packet, we have some project updates.

One of the ones, again, won't go through all of those, the Connection Center, we have canceled.

That was the idea to bring all of the staff over to the Sound building with kind of kiosks, but everybody wants to stay where they are.

So it also ended up being an estimate of about $7.4

million.

So we're not doing that.

Yeah.

Yeah, that grew up.

MR. ARABO: That's great.

So it's a savings of 7.4 million?

MS. BARTLING: Well, that was the estimate of the cost, yes.

We've spent a few dollars on it, but with California Construction Authority with some estimations, but we're getting about 600,000 back from the money that was posted to CCA.

Yeah.

MR. ARABO: But by changing it, we save, the District saves 7 million?

MS. BARTLING: Yes.

MR. ARABO: Great job.

Great job.

MS. BARTLING: Oh, and then DMTC, HVAC system, poor DMTC.

This took years to get an HVAC system with California Construction Authority.

And the good news is with working with Katie and working with Brad, we're looking through a different

process to be able to do more projects here on the grounds, saving money and particularly saving time.

But we're hoping that this gets done by November for DMTC.

And I think I mentioned in the previous meeting during the fair, Legends HVAC went out, the electrical room went out, and those are all being replaced and being done.

Paddock video screens, facilities is working with Daktronics on the submittals and scope of work.

And the sound air handlers on the way.

There's a few other things in there, but I just wanted to give you an update on kind of where we are.

MR. ARABO: Is there a way we could also check on the, I know the board approved the two elevators, because one of the elevators went out during the meet.

MS. BARTLING: Yes.

MR. ARABO: And that's always been my concern.

MS. BARTLING: We are just about in the process for an elevator assessment.

MR. ARABO: Okay.

MS. BARTLING: So we are working on that.

Yeah.

Okay, and just industry news.

I don't know if Carlene ever spoke with you about CERRFV, the California Emergency Response Resiliency - Venues and Fairgrounds.

It's an organization that was formed, I was involved with it when I was in Sonoma.

It is formed to help promote fairgrounds as emergency resiliency centers.

We've done it, we've done it quite a long time without really the acknowledgement and the awareness of our legislators and other individuals.

So it's a great organization.

They're coming to us to ask for, to join as members, which I'll support and hope you all will be putting it in our budget for next year.

It's $25,000, but it's a very good organization, particularly on with our Emergency Evacuation and Resiliency Committee.

And then some industry news.

IAFE, International Association of Fairs and Expos, their conference is November 29th through December 3rd in Louisville, Kentucky, of all places.

So, used to be in Vegas, was in Phoenix at one point, and now it's in Kentucky.

Western Fairs Conference is –

MR. SCHENK: Are we allowed to travel to Kentucky now?

MS. BARTLING: Yes, we are.

Yes, we are.

January, Western Fairs is January 31st through February 3rd at the Southpoint Hotel and Casino in Vegas.

I guess it's a little bit off the strip there somewhere.

And that's it.

CHAIR NEJABAT: Any other questions from the board?

All right.

We like it.

We'll now move on to public comment.

Seeing nobody in the room and nobody signed up online, that concludes public comment on the CEO report.

With that, we'll now move on to general business, which consists of items under item six of our agenda.

So, we will now take up the contract 26-027, the Versa Music Group, which was requested by Director Arabo to remove from consent calendar.

MR. ARABO: Thank you, Chair Nejabat.

I asked to get it pulled just to learn more information about it.

I see that it's, I guess, a contract for a company to book talent for the grandstand.

My first question is, was it gone through the Fair Ops Committee?

Okay.

Oh, then I'm good with it then.

I didn't know that.

MS. MEAD: The Fair Ops report is on page 51.

And in the Fair Ops report, we address the fact that this was brought to our attention and we are supporting this.

It's a hybrid approach where our CEO and this firm will help to book our acts for this next fair.

MR. ARABO: Okay, perfect.

MR. SCHENK: We think that - we can talk about it now.

MS. MEAD: Go ahead, Fred, of course.

MR. SCHENK: Just that it's going back to more of a direction that we were in before where we play a more active role rather than being told we're engaged.

We'll be engaged.

MR. ARABO: Perfect.

So, it's a different company?

MR. SCHENK: Yes.

Okay, okay, that's my question.

MR. ARABO: Okay, thank you.

VICE CHAIR BARKETT: I have a quick question too on this.

On the fair dates, which I love, that we're adding in those Tuesdays, those two Tuesdays.

I think that's brilliant.

What are going to be the hours?

Will those hours differ like on those Tuesdays?

MS. BARTLING: Should we wait till the Fair Ops report for that?

VICE CHAIR BARKETT: Yeah, okay, oh, you're coming out with that.

Okay, great.

Excellent.

MR. SCHENK: I'm glad to see that this is exciting that you guys wanted to have it.

VICE CHAIR BARKETT: Yeah, no, I really, I like the report.

I thought it was excellent.

CHAIR NEJABAT: We can just jump to "I" and just call it a day.

So, we do have to take a vote on that then, right?

Yes.

CHAIR NEJABAT: Do we have a -- yeah.

MR. ARABO: I'll do a motion.

Okay, motion.

CHAIR NEJABAT: Second?

MS. DeBERRY: Second.

CHAIR NEJABAT: All right, can we get the roll, please?

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: All right.

All right, motion carries.

As a reminder, we're postponing item 6A, the SANDAG presentation.

With that, we'll now take up our next item under general business, which is item 6B, the executive committee report.

We have an action item, which is the discussion and vote regarding creation of a second vice chair of the board.

Just a quick reminder under Robert's rules for action items, the item is read into record.

Next, we'll entertain public comment.

Then we'll go directly to a motion and second.

Then we'll have discussion and questions from the board and then a vote.

Do we have any members of the public who wish to speak on item 6B1, creation of a second vice chair of the board?

Seeing nobody in the room and nobody online.

That concludes public comment item on 6B1.

Before we begin discussion, I will entertain a motion.

MR. ARABO: I'll make a motion to create a second vice chair of the board.

MS. DeBERRY: I second.

CHAIR NEJABAT: Second, great.

All right, so just for board information, I thought it would be wise to bring a second vice chair on board as far as bringing more board members and getting them more involved in the process, future succession planning and hearing more voices at the table.

Obviously, there's a concern with Bagley-Keene and I think by assigning the appropriate portfolios to the vice chairs and being cognizant of the violations of Bagley-Keene, I don't think it should be an issue as long as we're aware of that.

And so I would like to entertain any comments or feedback folks have.

I know this was a system we had in the past.

So yeah, with that being said.

Director Arabo.

MR. ARABO: Thank you, Chair Nejabat.

I joined the board a few years ago and I remember we were always had a second vice chair.

I know this last year we changed it.

I have personally no interest to be in leadership.

I think the chair does a great job, vice chair, but the reason why I say that is because as a board member, I see tremendous value in seeing two vice chairs and a chair.

I think it helps the succession.

I think it helps with having more ideas and more people at the table.

And I think that just adds a lot of value and makes sense.

I've seen it for a couple of years where we had two vice chairs.

I've seen it with one year with only one vice chair and I feel really bad for our chair and for our vice chair now because all the work and I definitely think the more three brains are burned in two and that's why I brought the motion.

MS. MEAD: Are you going to go in order?

CHAIR NEJABAT: Sure, or -- no, we'll bounce around.

Yeah, Director Mead.

MS. MEAD: I'd just like to verify that we don't already have this in policy to have a second vice chair.

I believed that it was in policy.

We just elected not to elect a second vice chair.

I'm just wondering if somebody, the audit committee

or somebody did a review of the policy.

And that's, it won't hurt if I think if we take a second vote, but I just believed that we just elected not to elect a second chair this year.

So I don't know if anybody's had a chance to look at the policy.

MS. MORALES-ROTH: Yes, actually, as an Audit and Governance Committee, we actually reviewed the vice and it is part of our policy to have a vice chair just to confirm that.

So I believe, I wasn't here before, so I don't know why the election or that bypass, I don't have that context, but it is, this is part of our policy to have a second vice chair.

I would just like to hear.

I know.

MS. BARTLING: Well, I just want to clarify, and I think Josh does too.

It doesn't automatically, it doesn't automatically state that you do have two vice chairs.

It says that you can.

VICE CHAIR BARKETT: Yeah, we can.

And we have to vote on it.

It's in section two, article three.

MR. CAPLAN: Well, if you look at the bylaws, the bylaws as they currently are drafted and approved by this board, it says for each term of office, the president shall make a recommendation to the directors on whether the association should select one or two vice presidents to serve as officers for the upcoming term of office.

So I think this, it's my understanding that this is, Chair Nejabat, this is on the agenda.

He's making a recommendation and he's inviting the board to essentially, he wants to weigh whether the board approves or agrees with that recommendation or not through a vote.

For the upcoming term.

MS. MEAD: So just by way of question, it's not that we have to create this because it is created in our policies.

We just want to support whether we would do a vote for two this year.

MR. CAPLAN: Yes, because the board already has flexibility to have two vice presidents.

MS. MEAD: Okay, we have that flexibility.

Thank you.

MR SCHENK: So is the motion to establish that

immediately or wait until the 2027 chair, he or she decides that he or she wants to have that added?

Is that the right question?

CHAIR NEJABAT: I was going to say for the next term.

MR. SCHENK: Okay.

I appreciate that.

MR. ARABO: But the motion's now for the second vice chair for the following election.

CHAIR NEJABAT: Correct.

MR. ARABO: So you establish it now and then the election for the next year would be a chair and vice chair.

That was my motion.

MR. SCHENK: All right, well, the question I have is what are we establishing?

We already have that.

It's the board chair's discretion to choose whether or not he or she wants to implement that.

MR. ARABO: Right.

MR. SCHENK: So I just beg to ask for some clarification on this because when I was chair, we had it.

I was not a huge fan of it because of the Bagley-

Keene issues.

I will just tell you all.

When I was chair, the first time I was chair for almost three years, we didn't have it.

When I was chair the second time for two years, we did.

And I love the idea of helping to promote additional leadership.

The challenge, and I've said this many times, I really am a stickler about Bagley-Keene, it was very frustrating.

As much as one would try to set aside different, oversight for committees, I would have to meet with each of the vice chairs separately and make sure that we didn't have, because we couldn't have three people meeting together.

It is frustrating.

It's not very productive.

And I think there are other ways to promote what I think is a really good idea.

The problem is Bagley-Keene gets in the way of that.

And I can't get around that.

And I tried for two years.

It was very frustrating.

I couldn't meet with both Michael and Joyce.

I had to meet with Joyce, cover topics, and then I had to meet separately with Michael.

And there was always gaps in communication because of that.

It was frustrating.

I think there was things that were missed because they couldn't speak with one another, that we had to go through our board chair and with our CEO.

And I have to tell you, as much as I really do like the idea in practice, it just didn't work well.

MR. ARABO: I have a question.

So you were chair, I was on the board both years recently.

I know you've been here for many, many years, decades.

First year you had two vice chairs, but then you chose to repeat it the second year.

And then the third year when we went, the board said no more.

Why did you choose after one year to repeat it the second?

MR. SCHENK: It was urged that we try to, because

Joyce was, the way we did it was, and if you remember, there was some conversation about having me serve as the second chair because I was the immediate past president.

And what we did have in the process was someone who would be groomed to be the chair.

We didn't do that this year.

And to have the immediate vice president serve as an additional person to help provide historical reference and to help groom someone to become the board chair.

In my second year, that was to be Michael, Michael Gelfand.

So I agreed to it because it was suggested that that's how we're going to make a transition from one administrative leadership to the next.

Joyce was not going to be doing it again because she had already done that service.

So it was presumptively in the queue that whoever was going to serve as second chair was going to move up to be the chair.

And it was for that reason that I agreed to do it.

MR. ARABO: And then for the last, I don't know if Becky would even know, last, I don't know, 20, 25 years, how many years did the board have two vice chairs?

How many years did we have just a chair and a vice chair?

Just for context.

MS. BARTLING: Yeah, we only ever had one vice chair that I can remember at any time.

I think, in my understanding, this was created during Carlene's, your former CEO's timeframe.

But I do not remember us ever having two vice chairs.

MR. ARABO: Yeah, because since I joined, I've had, I don't know how many years, I've been here three, four years.

This is the only year we just have one vice chair.

We've always had two vice chairs and one chair since I've joined the board.

That's what I'm asking.

MR. BLAIR: The bylaws now say it's the prerogative of the chair.

I mean, I have the same concerns.

And I think especially for the CEO of -- the Executive Committee ought to be able to sit down as one team with the CEO versus one is left out each time or briefed later.

And that's awkward.

And right now, if the chair chooses to have a second vice president, that's their prerogative.

But there's not one forced on them, which I hope this doesn't do.

I like the idea if the chair likes the idea.

But I don't want to force a second one on because of exactly what Fred just described.

I don't know a way around that.

And it leads to confusion.

And I thought I told you and not told you.

Or the CEO having double meetings.

One vice president meets and then leaves and the other vice president comes in.

That's what we did.

MR. SCHENK:> We did it by Zoom, but that was, we would meet from three to four with one.

And then I would meet from four to five with the next.

MR. BLAIR: Yeah, and this gives the, if the new chair wants to do that, he can.

But not forced on him.

MS. DeBERRY: I can smell it.

I'm like, do I leave now?

MS. BARTLING: I wonder if it's our air

conditioning.

MR. BLAIR: I hope it kills that fly.

MS. DeBERRY: No, it's three flies.

MS. MEAD: I've got the fly, if he gets close.

MS. DeBERRY: Yeah, it's getting worse.

MR. CAPLAN: It's not my role to step in, but the head of security is checking in on the odor in the room, which may be related to the HVAC system.

But they're working with maintenance to figure out where the smell's coming from.

CHAIR NEJABAT: Okay.

MS. DeBERRY: Well, I don't know if closing the doors --

[off mic] I'm closing the door to keep the flies out.

MR. SCHENK: Well, that doesn't help us.

MS. DeBERRY: No, yeah, I'd rather have the door open.

MR. SCHENK: I don't mind the flies as much.

CHAIR NEJABAT: Should probably turn the AC off, too.

VICE CHAIR BARKETT: It's off, yeah.

MS. DeBERRY: I lived in another country where flies were every day.

Yeah, we'll live.

CHAIR NEJABAT: So Josh, just to clarify, I'm going to get everyone's input, but assuming that I want to move forward with this, we can take the election come November when the vote, or October when the election is if I decide.

MR. CAPLAN: Yes, you can.

I mean, the bylaws, the way the bylaws are drafted, it's somewhat unique because the bylaws, they give the existing board chair the ability to make a recommendation for the next term.

And presumably the next term, the existing board chair likely won't be the chair at the next term.

But this is essentially the existing chair's opportunity to make a recommendation based on the chair's experience, working with one or two vice presidents to then make a recommendation for the next term.

But I defer to this board on whether they want to wait for the next board chair to determine what he or she prefers or if they want to make that decision today.

MR. MIYAHARA: Question for counsel.

So would this require a board vote every time, whether we opt in or opt out of a second chair?

MR. CAPLAN: No, the way the bylaws are drafted, it's really a recommendation that's coming from Chair Nejabat.

And then presumably at the next election, the way the elections typically work is the board chair is elected first.

And then when the board chair is elected, that chair can also give his or her input on whether or not they would like to see support from one or two vice presidents.

It's kind of an odd setup and order of operations, but that's the way the bylaws work.

MR. MIYAHARA: But does that require a formal vote or they can make that election on their own?

MR. CAPLAN: They can make that election on their own.

MR. MIYAHARA: Okay, thank you.

Perfect.

CHAIR NEJABAT: So given that clarification, we'll take a couple more comments and then we can move on.

No need to take a vote today.

VICE CHAIR BARKETT: Okay.

Oh, sorry.

No, you're next.

Go ahead.

MS. MEAD: I was just going to state that I suspect the reason it was written that way was so that the nominating committee could act and make a nomination of a first and a second vice chair and that would come forward with a vote.

And so that's number one.

And then I was going to say, and we have a nominating committee and I think we'd like to see what the nominating committee does.

So that's it.

MS MEAD: Lisa?

VICE CHAIR BARKETT: Okay, so I'm not going to hit that issue because I know we have not discussed that.

Yeah, so I can't go there.

But I'm aligned with Fred and Phil.

I think it's very difficult.

I've been in this vice president position four times.

We've never had a second until Fred's term.

So, and because I've served in vice president with only a president and nobody else, I can only know that it's worked extremely well.

And the presidents have all been incredibly great.

I'd say the only downside is if a president is gone for a period of time, that's a downside because it does fall on the vice president's shoulders.

And so, especially if we had some major catastrophe, that could be very difficult.

And so you could then divide duties.

I could see it in that situation, great.

Now, will we have that?

An emergency situation, I don't know.

But I really think between communication, it's very important for your president to speak with their vice president and talk.

And to apprise them of meetings that they've had and discussions.

And it doesn't have to be a Bagley-Keene issue because you don't have to get into the meat of it.

But at least, from my standpoint, communication is what it's all about.

And so, you know, I wouldn't be in favor of this.

MS. DeBERRY: Yes.

CHAIR NEJABAT: We'll take one or two more comments and then move on.

MS. DeBERRY: Okay, I'm just trying to understand, being new, what the duties would be for two vice

presidents.

I mean, is it possible, is it possible that there's specific duties for each vice president so that when the chair is speaking to this particular, I'll say vice one, the chair is talking through those specific duties.

Chair two has completely different duties and the chair is speaking to them about that particular assignment or duties.

I'm asking the question.

CHAIR NEJABAT: Yeah, I mean, I can speak to that too.

I think assigning different portfolios and being cognizant of those portfolios and when to take into consideration who speaks to who about what.

I think if the chair is willing to put in the work, it works.

MS. DeBERRY: Yeah, because that's the only way to get around Bagley-Keene is that there's specific duties and deliverables.

MR. SCHENK: So I can say that we absolutely made that effort very, very diligently because I was very careful about those topics and issues.

It doesn't necessarily work that well because you've got basically three people making decisions plus

the Executive Director and two of them are not permitted to have a conversation directly outside of me as the chair at the time.

So it's not as simple as saying, well, this person's going to be responsible for this and the other for another because everything blends together.

Every decision requires more than just one committee if you're running the organization.

All right, I'm going to be talking with fair ops and then somebody else is going to be talking about audit and governance.

Audit and governance will ultimately overlap with fair ops on topics or with finance as we've seen in the last meeting.

So you can't necessarily just divide up and say, okay, you're in charge of one area and then the other will be the other group of.

You know, if you look at most organizations, there is a board chair and a vice chair and then you have committee chairs.

And for Mark for 20-some years that Lisa and I have been involved, it has worked very well that way.

VICE CHAIR BARKETT: Very well.

MR. SCHENK: But having said that, I do like the

idea of promoting people to leadership and I think we could do that just as well with the vice chair position and not get into these potential conflicts of trying to make assignments and making sure that people aren't having communications that they're not permitted to have.

So that's why I say I'm sort of, I have a conflict internally because I did have that.

I like the idea because I wanted to promote people to become new leaders.

I didn't want to continue to be a leader in this organization after five years of doing it.

I think it's a great idea to do that.

But I think maybe there's a different way to promote that.

But it's really what I said.

MR. ARABO: To that point though, you were chair for two years, you had two vice chairs.

I'm sure you had no Bagley-Keene violations.

So a chair could diligently make sure with two vice chairs not having Bagley-Keene.

You were a great example of that.

MR. SCHENK: I really did try and I was very diligent about it.

But as much as I was, I'm not so sure that was really a practical road to go down.

That's all.

MR. ARABO: The reason I made the motion is the way, especially after our council explained the bylaws, how it's written, the current chair has the prerogative to give recommendation to the board for the future chair.

I trust our chair.

He brought it to the board and I'm very happy with the motion.

VICE CHAIR BARKETT: Okay, I just would like to ask the background on this.

How did this come up?

How did this get brought up?

In committee?

CHAIR NEJABAT: You can ask me.

I'm the one that brought it up.

VICE CHAIR BARKETT: No, I thought she was the committee --

Oh, you brought it forward.

CHAIR NEJABAT: Yeah, yeah, because it's out of committee, executive committee.

Okay, so I thought it came out of audit.

MS. MORALES-ROTH: What I did was just clarify the

policies because there is a policy and it's out of discretion of the chair.

That's the only thing.

CHAIR NEJABAT: So I think we've heard everybody's opinions and whoever the chair will get elected, whoever that may be, will make that decision.

Okay.

MR. SCHENK: So what happens, is the motion being withdrawn?

Because there's been a motion and a second.

MR. ARABO: No, the motion is to --

VICE CHAIR BARKETT: I thought it was informational only.

CHAIR NEJABAT: No, it's an action item.

VICE CHAIR BARKETT: I know, but didn't you say informational only?

CHAIR NEJABAT: No, I read Robert's rules.

VICE CHAIR BARKETT: Oh, but I know, but I thought he took it back and said it was informational.

MR. ARABO: So I think, based on what, because I made the motion, based on what I understand from counsel, our bylaws is the current chair gives recommendation for the future chair of how it should be.

And I'm fully comfortable supporting what the chair

wants, our current chair wants, a second vice chair for the next election.

That's the motion.

CHAIR NEJABAT: So we can take a vote on that, just for clarity purposes then?

MS. MEAD: Yeah.

CHAIR NEJABAT: Okay.

MS. MEAD: I think we have a second.

MR. BLAIR: We're following the bylaws?

CHAIR NEJABAT: Yeah.

MR. ARABO: I don't know if counsel could explain.

MR. BLAIR: We're not creating a second vice chair?

MR. ARABO: No, but our counsel could repeat on the current bylaws.

How would Josh, sorry to do it again to you.

To make sure we're all understanding the same thing.

MR. CAPLAN: Yeah, under the current bylaws, the existing chair makes a recommendation on whether there should be one or two vice presidents during the next term.

And so I know Chair Nejabat has made his recommendation clear to this board.

And so there's no action this board needs to take.

I mean, the board could certainly take a vote on a motion supporting the board chair's recommendation, but I think ultimately the way the bylaws are drafted that the next board chair that's elected after the nominated committee goes through its process may ultimately determine that they think it's more efficient or practical to work with one vice chair rather than with two.

MR. BLAIR: So could we withdraw the motion?

Because I'm concerned regarding creation of a second.

Seems like our bylaws are what we're all supporting.

So I would suggest --

MR. ARABO: I'm happy to amend it to say that motion is to support our current chair's position of a second vice chair for the 2027 election.

So it's a statement from the board of, so the next chair could see where this board sees it now.

MS. MEAD: Second.

CHAIR NEJABAT: Okay, we have a motion and a second.

We can go to a vote.

MR. BLAIR: And that chair can accept the recommendation or not.

Right?

Let's be clear here.

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: The motion carries.

MS. BARTLING: Josh, can I ask a procedural?

So in the elections for 2027, a president will be elected.

And then a vice president elected.

And then at that point, the president can elect to put out for a second vice president, right?

MR. CAPLAN: Yes, that's correct.

MS. BARTLING: Okay, just procedurally.

CHAIR NEJABAT: And can the president wait to see how the second vote -- asking procedurally, right?

You can wait to see how that vice chair vote pans out.

MR. CAPLAN: Yes.

CHAIR NEJABAT: Okay, all right, that's good.

As long as we're all clear on the procedures so there's no confusion down the road.

MR. SCHENK: May I just explain something about the flies?

I learned the other day.

I'm sorry, this is just a side off, as we're all waving our notepads.

After the race meet ended and the horses leave, the flies have nowhere to go but here.

That's what, I was over at Milton's having lunch and the doors opened and the flies came in and the staff said, every year, immediately after the race meet, the flies come and visit Milton's.

CHAIR NEJABAT: DMTC's committee has to take up some solution for that.

MR. SCHENK: You're in charge of that one, bud.

MS. BARTLING: There actually is a process.

You can actually ask Josh.

He's coming to speak to us.

So you could ask him about that.

CHAIR NEJABAT: All right, moving on to item 6C, the nominating committee report, which includes a discussion regarding the process for board officer elections in November.

This is an information item only.

I'd like to recognize Committee Chair Barkett for the verbal report.

VICE CHAIR BARKETT: Yes, thank you.

My co-chair, Donna DeBerry, and I had a lovely committee meeting with our CEO, Becky Bartling, and there's two ways we can do this.

So the first is we evaluated and we recommend candidates.

And usually candidates that want to run will tell you that they want to run.

Nobody has given me any information on running and the same goes for Donna.

Nobody has said that they want to run.

And so we talk about potential candidates.

You're all candidates.

So the bottom line is you're all definitely seasoned in terms of boards, you know how they operate.

And so we decided that it would be better to allow for direct nominations from the floor.

Unless we hear otherwise that somebody feels strongly, and please go to Donna or myself and let us know.

So floor nominations would take place.

Someone would have to propose a candidate or a candidate can actually propose themselves.

And then a second though would be required.

And then, you know, that's pretty much then voting.

And in that case, it's transparent as this board has to be.

It's a vote that's done by everyone in open session.

So Josh, do you want to add anything?

No, okay.

Any questions?

Yeah, do you want to run?

MS. MEAD: Thank you, Lisa.

No, I actually just want to comment that I appreciate the fact that you let the entire board know that there is a process of, again.

There is a process for board members who have an interest in serving to allow the committee to, or to inform the committee.

I don't necessarily know that that has ever been announced to the full board.

So that may be why you haven't heard.

So I think this is a great opportunity for board members that want to move into those leadership roles to make themselves known to the committee.

And thank you for doing that today.

VICE CHAIR BARKETT: Okay.

MS. MORALES-ROTH: I second.

No, thank you for sharing that information because that was going to be one of my questions.

How do we do as a board the open call for nominations for each one of the roles?

Is there an email out?

Is there a certain timeline?

So I wanted to learn more.

Again, we're newer to the board.

So how would that process of communicating this to

the rest of the board.

So thank you for sharing that.

VICE CHAIR BARKETT: So timeline, Becky, do you want to address that?

Because we talked about November, December, and I don't know if a decision has actually been made.

MS. BARTLING: Well, we've talked about the elections in November.

And unless the board thinks otherwise, although I am going to bring to the board next month to actually have an early December meeting because of the budget and bringing in a new CFO, I want them to have time to actually be a part of the process.

So you could actually do the elections in December as well.

MR. SCHENK: Will there be a full agenda in December or just limited to what you just addressed?

MS. BARTLING: Well, it could have other items if we need to have some other items.

But otherwise --

MR. SCHENK: What is your expectation?

MS. BARTLING: Well, my expectation is just to bring the budget to the board and the presentation.

MR. SCHENK: Okay.

MS. BARTLING: So if you wanted to have the elections in December along with the budget, that would be fine.

MS. DeBERRY: Versus when?

MS. BARTLING: Versus November.

But remember, the new officers don't start until January.

So we're not -- moving it to December would be fine.

MS. DeBERRY: I thought we voted to move it.

MR. ARABO: To December.

MS. MEAD: If there is a meeting.

If there was going to be a meeting.

MS. DeBERRY: All right.

MR. ARABO: I want to thank the committee for doing it like that and not doing a slate.

I think it's more open process.

I appreciate that, the committee members.

CHAIR NEJABAT: Okay.

All right.

Seeing no other questions or comments from the board, we'll now take public comment.

Seeing no one in the room and no one signed up online, that concludes public comment on this

informational item.

We'll now continue with item 6-D, the finance committee report.

There are two information only items and the board will take no action.

You can find the reports beginning on page 26.

I'd like to recognize Committee Chair Blair for the report.

MR. BLAIR: Thank you.

We're on page 26 and it's pretty easy to follow.

I've never had 10 pages of financial reports.

And also know that Michael is here who produces these reports.

So if you have any in-depth questions, Becky's here and Michael's here.

Quickly, I'll just go through these.

If you've read them, it'll be redundant.

Sometimes we have to book talent and spend money ahead of what the actual budget being approved and we thought that was a good idea.

The budget will be produced in hopefully the late November or now we're hearing December meeting.

Contracts 500,000 a year and over have been reviewed by the staff and the key ones you can see right

there, read about them.

Verizon's offered to buy out their lease with cash.

Staff analyzed that and recommended not to take that offer.

We don't need cash and it was costly.

Going next to the page 29, monthly performance in July.

We like the green on revenues and we like the red on expenses.

So that's due to the new finance chair, I think, but says nobody ever.

And then year to date performance is there.

A couple of weird things have happened that -- there is another fly here.

MS. MEAD: I've got you.

Just talk and I'll get it.

MR. BLAIR: Okay.

I'd like you to warn me.

A couple of unbudgeted revenue items, going down to the second.

1.9 million from SANDAG and the city of Del Mar.

One of them is for 1.65 million from SANDAG as compensation for real estate transactions, including a quick claim, temporary and permanent easements

associated with the San Diego double track.

I don't know if we want to go into great detail, just take the check, right?

I mean, whatever that is, that was huge.

And then the city of Del Mar reimbursing us for 274,000 for that research project, the mayor.

MS. BARTLING: HAP grants.

VICE CHAIR BARKETT: The HAP grants, yeah.

MR. BLAIR: And then the red-greens on the next page too.

If any of interest and you want to go into details, but those are the hot buttons.

And I think if there are any questions, Michael or Becky are here or otherwise, it's an informational item only.

CHAIR NEJABAT: Director Mead.

MS. MEAD: Thank you.

I certainly am aware and understand the HBA grant reimbursement process, but I am kind of curious about the payment from SANDAG for the double track bridge replacement and rail platform project.

Does anybody have a little more information about that?

MS. BARTLING: Yes, I do.

MS. MEAD: Thank you.

MS. BARTLING: So you have been discussing this for quite a long time about an easement for the double track.

And so DGS reviewed all of that, sent us the documents and said, here, you can sign it.

And SANDAG sent us a nice check.

So that is for, you know, the area that they will be doing the seasonal rail platform.

MS. MEAD: And may I just add, I definitely understand we've talked about this for a while.

Is that because we actually lose a portion of land that was deeded to us to these projects?

So it's just a portion of land that's no longer available to us to use?

MS. BARTLING: Yes, that is correct.

It also is a portion of land that's not significant to our operation.

MS. MEAD: Yep.

Understood.

Sometimes I just ask these questions so they get on the record.

MS. BARTLING: That's a very good question.

MS. MEAD: Thank you.

MS. DeBERRY: I have a question.

I'm excited to see about the sponsorship revenue up, like 34%.

That's amazing.

What is that attributed to?

Was it adding additional sponsors or was it just asking for more money from your existing sponsors?

MS. BARTLING: Well, our sponsorship coordinator, Van Miller, does an excellent job in sponsorship.

He was actually, it's a little confusing the way that the former CEO had this presented in the financials.

In the past, whatever Van sold as a sponsorship went into sponsorship.

As an example, the mattresses, the massage chairs, Traeger this year, were all brought in by a sponsor.

So they're in the hall like a vendor.

So the former manager put that actually into vendor revenue instead of sponsorship revenue.

It's solely sponsorship revenue.

So it's been kind of split up.

And so we're moving it back.

So sponsorship goes into sponsorship and vendor revenue goes into vendor revenue.

But I do believe that Van was up, he was up not that significant amount, but over what his budget was.

MS. DeBERRY: Okay, and then I have one more question on the parking revenue.

I like the green too, thank you.

Wait, I may not have as much reduction revenue.

Okay, so, oh, it's down, sorry.

No, no, no, no, it's up.

Okay, so on the parking revenue, I'm just curious for this past fair, did you see, I know that we increased the prices.

Do we know, although we increased prices, did we have less parking, less people parking and more people taking like transit or things like that?

In other words, did you measure that?

Was that ever measured?

Like we only had, as opposed to having 200 cars, we had 100 cars, but because we increased the price, that's what is also.

MR. BLAIR: How elastic is that?

MS. DeBERRY: Yes, yes.

MS. BARTLING: Well, you know, it's actually a several part question and it's a very good question.

First of all, our attendance was down.

So that's automatically going to affect parking.

I think if you would look at the number of cars that we parked versus a year before, I'd say they're very similar.

And the reason I say that is because we had a fee at Horsepark of $15 and if you bought it in advance here, it was 20.

So there wasn't a huge incentive for people to actually go to Horsepark.

So the downside to that is it really caused some operational challenges here with more people coming here.

The other side to that is that we were not doing, in my mind, a good effort to be, to get programs out there that are affordable for folks.

So, you know, in our Fair Ops discussion, we are excited about some of the things that we're going, you know, moving forward with and also in the finances of the, you know, the $500,000 more, we have found a way to actually make Horsepark free.

So we'll be a much better incentive for our patrons that are more cost conscious.

So I think all in all, we will not lose revenue-wise because we have some, in the budget process, we'll

have some discussions with that.

But I think if the question really is, did we park less cars, only because our attendance was down.

MR. BLAIR: Becky, I do have one question.

Where does our one, of the SANDAG money, which was kind of free, what kitty does that go into?

MS. BARTLING: Well, that's a real good question.

Michael, we posted it in --

Yeah, other non-off.

MR. BLAIR: I mean, and it was unbudgeted?

MS. BARTLING: Yes.

MR. BLAIR: So we could consider moving up some construction plan or some rehab plan, or?

MS. BARTLING: You could.

MR. BLAIR: Remodeling the director's dining room, or --

MS. BARTLING: But you might consider the challenges that we had with the fair this year.

MR. BLAIR: I mean, I'm not saying right this second, but.

MS. BARTLING: Yeah, well, it helps us with cash.

MR. BLAIR: Unbudgeted money is my point.

MS. BARTLING: It helps us with cash, for sure.

MR. BLAIR: Right, well.

MS. BARTLING: And I'd like to point out, you know, we anticipated the fair being off its revenue projections due to, you know, numerous things happening.

But if you look at the P&L for fair versus the P&L for, the financials for DAA fairgrounds overall, we're actually doing pretty darn good.

So I was very, very excited about that.

You know, although, you know, revenues are off, expenses have been down in several areas.

So we're holding steady, which made all of us feel very happy.

But, you know, I'm always very cautious about going out and spending money until you really have a sense of where we're going to be at the end of the year.

MR. BLAIR: Right, and I'm not saying we rush into that.

Another thing to point out, since a lot of our income is food and beverage, look on page 34.

And I've got to tell you, as Finance Chair, this is the first time I've ever brought reading glasses to any public meeting.

But when you get to your numbers on the page something, whatever those tiny little numbers.

The one of interest is page 34.

I go right to year-to-date net profit.

And it is up over budget and very nicely up over last year.

So food and beverage, right?

Attendance is important.

Ticket sales is important.

Parking is important.

But net profit is good.

And the other one without going into great detail, it's 6D-2 discussion of SB84, if you read it.

In 2017, the state gave fair boards, loaned money to fair boards to cover pension payments.

And it is now coming due.

And if you'll just go to page 36, the staff recommendation is not to make a decision right now and see where we are and how we should pay it back.

But it is due or we'll start paying 485,000 in interest on it.

So your comment about stash it away because there might be an expense coming.

Unfortunately, it might be paying back a loan.

MS. BARTLING: Yeah, right.

MR. BLAIR: So that is my report.

MR. MIYAHARA: No, nothing really to add.

The thing that I would just note on the Verizon offer to purchase lease, we asked staff to provide us with the present value.

Having cash sooner rather than later can be a good thing.

But in that present value analysis, we determined that the discount rate was 10%.

If we take that cash, we're not going to reinvest it and get that so that that was an easy decision for us.

One thing I think I'd ask of Becky and staff is I think for the board, it might be helpful to get a separate breakout of P&L for actual fair operations so that we can get a closer look at revenues and expense.

I know that on the expense side, things are still settling, right?

You're still reconciling a few things.

But for me as a board member, especially I think I would get value out of actually seeing a P&L breakout, especially for decision making for next year.

MS. BARTLING: Absolutely.

And we can send that out to you all so that you can actually see.

The number was about, bottom line negative about

1.4.

MR. MIYAHARA: Which based on previous discussions, I think that was a win, right?

We thought that projections were going to be a heck of a lot worse than they actually were.

So all in all, I think we did better than anticipated.

MS. BARTLING: Yes.

MR. BLAIR: And I forgot to mention Ted is co-chair of finance.

So we're assistant chair, what do we call that?

Other positions.

So thank you.

CHAIR NEJABAT: Director Mead.

MS. MEAD: Thank you.

And I agree, I think that seeing, especially since the fair makes up such a large percentage of our total budget, seeing that separate P&L would be quite helpful.

I just would like to point out on page 30 and ask a question, because last year we had a number of conversations about lower credit card fees or the amount of credit card fees.

And seeing that this was a $500,000 savings, I'd just like to either acknowledge that we spent time

trying to resolve this issue in lowering our credit card fees and I'm just delighted to see that that was an area of interest and focus for us.

Thank you.

MS. BARTLING: Yes.

And we're looking at ways to accommodate in the future, but you also have to consider that we did sell less tickets, less food, or less on our side of it.

So that does impact.

It comes as a positive, but there's also a negative associated with that.

MS. MEAD: Certainly understand that.

Usually, there's always something in the middle.

Right.

Thank you.

MS. DeBERRY: And Becky, my next question is around on page 30, the lower F&B costs.

I'm trying, can you just provide a little bit more perspective on that or clarity?

Under professional services, it says a lower F&B cost.

MS. BARTLING: I'm going to let Michael speak to that.

What does that mean?

MR. SADEGH: Based on the forecast that we received earlier in the year last year, and based on comment to actuals, we've always asked our partners at Legend to review their cost structure, especially their payroll costs, which is one of the biggest components of their P&L and they've done a wonderful job to reduce some of their costs.

So that's why we have savings in the entire food and beverage cost category.

MS. DeBERRY: Because Legends --

MR. SADEGH: Doing their due diligence to reduce their costs based on forecast.

MS. DeBERRY: Okay.

MR. ARABO: That’s great.

MS. BARTLING: And again, all of that is, a little bit of that has to do with less sales for cost of goods because I can tell you the cost of goods are not getting cheaper.

MS. DeBERRY: That's why I asked that question.

That was like how did we lower ours when cost of goods --

MS. BARTLING: And we've had some great conversations with Legends.

As you all remember, I've been very concerned about

their labor costs.

And we have ongoing conversations with them.

I think moving forward, they're very cognizant of those challenges and looking at how to adjust that.

We had a great meeting with them just the other day on labor costs particularly.

MR. ARABO: Quick question.

Great job as the trends are looking good where we could save the money.

On page 30, the variances, is that, Michael, was more, were we as an organization overly optimistic on what we're going to do?

Or is it just, because I see the total revenue, we're off 3.3, admissions revenue down 3.7, concessions revenue down 2.2.

Do you think that was, in your opinion, overly optimistic on what we should do?

Or do you think it was just we missed the, because I think we were down, what, 3% for the fair?

I love the savings on the processing fees.

And I do think my last comment, and I'll add a question to Michael, is I see, maybe for the committee to look at, page 27, advertising agency.

I do think there's a lot of ad revenue the District

could make if we could turn, or put out an RFP to see who's out there to turn the screens into some type of rotating advertisement.

I know MTS did it, where MTS is, again, I think getting three or four million dollars a year.

It's a large amount of money to their bottom line just by turning some of their screens into ad loops.

And you could determine how many or whatnot, but it's another ad revenue for the committee.

But the question for the variances, what do you attribute it to?

MR. SADEGH: Well, Director Arabo, based on the revenues, I think we were trying to be a little bit optimistic comparing to what happened in 2025 when we were doing our budgets for 2026.

Because in '25, we went through significant admission declines because of the certain activities that were prevalent at the time with immigration that we may have had some deficiencies in having people come to the fairgrounds.

So in 2026, we tried to not only look at 25 and probably have a stretch goal to achieve those deficiencies.

But in '26, I think there were other macro issues

that affected the admissions to the fairground.

One of it would be the cost of gasoline, maybe, or maybe the FIFA.

I don't know if that had an impact on who comes to the fairgrounds.

So there were other elements that impacted admissions.

So with those revenues, they're always variable revenues.

So there's variable costs associated with it.

So if your revenue goes down, your associated costs will go down as well.

So it's a one-to-one, not one-to-one, but probably 60% to one kind of a reduction in cost in terms of revenues.

So I hope that answers your question.

MR. ARABO: What do you think the mindset going into ‘27's budget would be?

MR. SADEGH: Well, we're looking at it holistically.

We don't want to be overly optimistic and overly pessimistic.

We want to have a realistic picture.

We don't want to be too optimistic in our revenues, but also we don't want to be too pessimistic

artificially increasing our, not artificial, but over-exaggerating our cost because that's like a double-edged sword and that's not a really good situation to be.

So we try to be forecast right on the middle to have a realistic picture.

MR. ARABO: And great job on the rainy-day fund, keeping that amount in there.

So great job on that.

MS. BARTLING: And just to follow up on that, we're in the budget process, but we are being very conservative on revenues based on the economy and what's happening around the world.

And then hopefully, all that will be resolved by the fair and everything will be great.

We're being very conservative.

MR. BLAIR: Let me make a quick comment.

I think you're right about being conservative.

I'd also be interested when you present the budget, how other big fairs in the state of California are doing.

If they're starting to see trends, I hate to say down, but trends either way.

I mean, we're not an isolated, the only people in the world that do this.

And I'd like to learn and share best practices.

So it'd be interesting when you present what other major ones, two or three, not eight of them.

MS. BARTLING: That are?

MR. ARABO: Fairs and what they're forecasting and what they did last year.

And their net profit, maybe two or three metrics to sort of see if we're in the middle of the pack or how we're doing.

MS. BARTLING: I think we actually did pretty darn good this year compared to what other fairs are.

Katie, how much was LA County Fair down?

MS. MUELLER: They were down about 50,000 people from last year.

MR. BLAIR: From what to what?

MS. MUELLER: From 2025 to 2026.

MR. BLAIR: No, I mean, how many, what's 50 on a million?

MS. MUELLER: Oh, so their attendance was about 640, I believe.

And they were closer to seven last year.

MS. DeBERRY: So are you asking, Phil, to bench against others?

Do you want a comparison?

MS. MUELLER: We don't have --

MR. BLAIR: Can we close the door now?

Is that where the flies are coming from?

MS. MUELLER: We don't have access to other fairs, some other fair's financial information.

Because in the case of LA, they're a county entity, not a state.

And so, but we certainly have access to all of their attendance figures.

MR. BLAIR: I'm just out of curiosity to see where we're, where do you fit into the mix?

MS. MUELLER: I think what you saw with this year's fair is pretty commonplace across the events industry in general.

MS. BARTLING: Yes.

CHAIR NEJABAT: Okay.

MR. SADEGH: And Director Blair, also another point.

I was looking at the forecast that CPI increased for next year, looking at Moody's and what they're forecasting is about 2.5 or 2.9%, which is substantially lower than what we are right now because of, again, macro issues in terms of cost of gas.

They're substantially higher.

So, nobody has a crystal ball, but I think that

this situation may resolve itself within the next five months or so.

And things, you're right, things may come back to normal and people will feel better.

Our guests.

MR. BLAIR: Michael, I don't know what anything is back to normal.

I'm not sure normal is a word.

MR. SADEGH: Well, we hope, we hope that discretionary income will go up by next June, or at least by May, so people will feel better in terms of coming to the fairgrounds and spend money and have a great time.

Have a great time more than spending money.

That's our goal as well.

CHAIR NEJABAT: Thank you, Michael.

Thank you, appreciate it.

All right, we'll now take public comment on 6-D-1, seeing nobody in the room and nobody signed up online, we'll move on to item 6-D-2, the discussion of SB84, the supplemental payment obligations and repayment process.

I'll pass it on to you, Becky, to provide more context.

MS. BARTLING: Thank you.

So in your packet is a discussion of SB84, and that allowed the Department of Finance to assist fairs with payment of pension liability, 3.4 million, and there was a request to start paying that off.

I can say that I don't think any fairs did, but now the Department of Finance has now come and said, and as anything that has a due date, they have come and said, you need to start paying now.

So we put together, with Mike, Michael did, an estimated of here's what we could do with this, here's what we could do with that.

You know, what would happen if we, interest-wise, if we waited until the very end to pay it, if we pay it off before July 1st, 27, there would be no interest.

So we're still analyzing it, having discussions with CDFA about that, and trying to get an idea of really where we're going to be financially, and then maybe, you know, any changes that could come from CDFA as far as, you know, the repayment process.

So the recommendation is to not, at this point, you know, make any decision moving forward.

CHAIR NEJABAT: I just, I would suggest, you know, we see other organizations making lobbying efforts and getting funds from the state for, you know, their

different entities.

I think we should, you know, we do have representation.

We should look at possibly our options and what lobbying efforts we can make as an organization since we do have representation to see what we can do about these funds.

MS. BARTLING: Yeah, if you notice, there was a sort of vague comment in one of the letters that, you know, maybe there's something in the process that could assist there.

So that's another reason that I'm suggesting that we don't pay it off yet.

We do have the cash, but of course, we have a lot of expenses as well.

MS. MEAD: I'm just looking at the difference between a budget coming before us in December and the document on page 36 indicating that the recommendation will take, will wait until 2027, February 2027.

There seems to me we might want to remind those because since we zero-base budget annually, this is really a cash decision, and I think that's something we should be looking at with the December budget.

MS. BARTLING: It is, and it has been accommodated

in the balance sheet for the –

MS. MEAD: It has?

MS. BARTLING: Yes.

MS. MEAD: Okay, so, okay.

MS. BARTLING: As a liability.

MS. MEAD: Yeah, can we just consider looking at this, not waiting until 2027, but considering the cash position during the budget process?

MS. BARTLING: Sure.

MS. MEAD: Thank you.

MS. BARTLING: It'll stay, it certainly stays at a liability.

Right, right.

MR. ARABO: I think our chair has a phenomenal idea.

If we have the resources of someone to lobby Sacramento, I think we should definitely lean into that as much as possible.

I think the legislature and the governor really appreciate the fairs, everything we do.

So I think it's a great idea from the chair, I think.

MS. BARTLING: Absolutely.

MS. DeBERRY: I see the interest rate is what, 4.55?

MS. BARTLING: Yes.

MS. DeBERRY: Right?

What is our rate on wherever our money is?

MS. MEAD: What's our line of credit?

MS. DeBERRY: Yeah, yeah, yeah.

MS. BARLTING: Yes, thank you.

MR. SADEGH: Absolutely, it's a great question.

So the rate that is pegged to that loan payment is directly pegged to the treasury constant rates, which is a variable, I mean, depending what time frame you look at.

Right now, it's at 3.8%.

Interestingly, that's what we earn when we invest our money, because we are in the safest tranche of investment.

So at the best, it's a push.

What we pay and what we earn in terms of interest costs and interest earnings, it's a wash.

The 4.5%, that's the five-year constant rate for the treasuries forecasted.

So today is at 4.5.

If the rates go up, which they may, I think they're voting on it today, tomorrow, that will get affected.

So that's based on that.

We just wanted to provide, not two extremes, but

what ifs at this rate or this other rate.

But our earning rates will go up based on whatever that rate is, obviously.

MR. MIYAHARA: And just to add some context, what we discussed at committee was the idea of having cash on hand.

Right now, it's just discussed, the interest rate that we're being charged is basically on par with what we're earning, with our cash.

There might be an opportunity for arbitrage, but we decided that just kicking it down the road, kicking the can down the road, seeing that there's really no downside to seeing where things go, that we would discuss next year.

But hear you loud and clear about, perhaps this needs to be folded into budget projections for next year.

MS. MEAD: Thank you.

CHAIR NEJABAT: All right, any other questions?

Seeing no other questions and no members of the public in the room wishing to speak and nobody online, we'll conclude public comment on that informational item.

We'll now move on to item 6E, the Audit and

Governance Committee, items one through three.

This includes two information items and one action items.

I'd like to pass it on to Committee Chair Morales-Roth to provide their verbal report on the two information items.

MS. MORALES-ROTH: Thank you, Chair Nejabat.

We had a very productive meeting with our CEO and Chair Nejabat, as you all saw.

He's going to be stepping down and we're going to welcome Director DeBerry to our committee moving forward.

But thank you, Chair Nejabat for your guidance.

So we had a very productive conversation.

First of all, I want to thank Director Barkett.

Thank you so much for raising that, bringing up the policy, specifically around Government Code Section 11020.

We are looking into that.

We actually reviewed a couple of different policies.

So there are a couple of exceptions for fairgrounds, but we're going to look into that.

And the idea is that we will create a framework of

communications between the board and staff just to, one, all of us have daytime jobs.

So we are volunteers, so we want to be mindful of that, but also we want to be respectful of the team and do not overwhelm them.

We are, again, our priority is always to keep the staff safe and ensure that we have an open space.

So there are ways that we can do that and create a framework where we don't overburden a little bit of the staff.

So we are going to be discussing a framework.

Once that is concluded, we will be sharing it with the rest of the board.

So we have a formal policy on how we communicate any urgent issues versus any other regular operating issues.

So thank you, Director Barkett, for that.

Secondly, we are reviewing, and this is part of the 22nd DA ticket policy.

We started reviewing that, and we wanted to ensure that the framework was very clear and transparent in regards to ticketing.

As you all know, as volunteers, our job is to be ambassadors.

As we were sharing, we need to ensure that we communicate not only about the events, but truly ensure that we promote them, and again, that we invite others.

Because some people, while we all know and love the Del Mar Fairgrounds, not everyone has had the opportunity to come recently.

We want to make sure, again, that we communicate about our organization as a global destination.

All of that to say, we are going to be reviewing the ticket policy to ensure transparency and to ensure that it is equitable.

There are a couple of policies there that do not align with equity practices that we want as an agricultural District.

So we're going to be reviewing that soon, and we're going to be putting something forward for the board based on the recommendations that we have with the CEO.

MS. BARTLING: And then also we'll be reviewing that with Josh.

MS. MORALES-ROTH: Exactly.

MS. BARTLING: With legal.

MS. MORALES-ROTH: Yes.

So please assume, yeah, everything is going to be reviewed by Josh, obviously.

Thank you, Becky.

So we are working on that.

We just wanted to give you that information that we are looking into that.

If you have any recommendations, please send them my way.

Anything that you've seen in regard to current policies or practices, this is a moment so we can start chatting about that, and we bring it forward to Josh.

I know several of us had questions because we're newer to work, so what does this ticket policy look like?

So Josh, I appreciate you because we're going to be partners in this.

So that's an informational item.

And then finally, there was a discussion in regards to holding committee meetings during the second week after the full Board of Directors meeting.

So you're going to see in your packet on page 47, we are recommending that two weeks after the full board meets that we do have the committee meetings.

We have about 12 board committees right now.

So it's a little bit complex, one, to schedule those based on our very busy schedules, and also we

don't want to take too much time from the team.

But what we want to make sure is that we schedule them during the second week after.

This will also allow enough time to prepare the agenda and not have any required discussions previous to the board meeting.

So again, the recommendation here, what we want to discuss is for us to hold committee meetings during the second week after the full Board of Directors to be prepared for our meetings, have enough time to prepare agendas, but then also start creating those recurring meetings that we know that that second week after full Board meeting, all committees meet on time.

So I will just open it up again.

CHAIR NEJABAT: Sorry to interrupt.

We just need a motion and a second.

MS. MORALES-ROTH: I was just going to get to that, sorry.

So again, that's the action.

I will love to get maybe hopefully a motion to hold committee meetings during the second week after the full Board of Directors meeting.

MR. ARABO: I'll make the motion.

MS. MORALES-ROTH: Thank you.

MR. ARABO: Is it the “make the best faith” effort?

MS. MORALES-ROTH: Yes.

Yes, it's best faith effort.

Thank you, Director Arabo.

Can I get a second?

MR. BLAIR: I'll second.

That was going to be my question.

And staff, you like cramming them into one week, if possible?

MS. BARTLING: Yes.

And not every –

MR. BLAIR: Cramming was probably not the right word.

Planning.

MS. BARTLING: And not every committee always meets every month.

So this, I think this will help the board just in planning.

It helps us.

MR. BLAIR: No, as long as you're on board.

MS. MORALES-ROTH: This actually was a staff recommendation too.

So thank you, Mr. Chairman.

CHAIR NEJABAT: Any other discussion before we take

the vote?

MS. MORALES-ROTH: Becky, anything else that you want to add?

No, I think to Director Arabo's question, I think yes, it's the best effort because obviously there's vacations or things come up and you have to move it around.

But it helps us so that we're not two days before the agenda goes out or the packet, whatever, that we're cramming, trying to do the report to put into it.

So I think it'll be very beneficial for us.

CHAIR NEJABAT: All right.

With that, we can go ahead and take the vote.

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: All right, the motion carries.

The next item under general business is item 6F, the DMTC liaison committee report and an update on the summer race meet.

This is an information item only.

With that, I'd like to welcome the president of the Thoroughbred Club, Josh Rubinstein, to provide the update.

MR. RUBINSTEIN: Thank you, Chair Nejabat.

And good afternoon, District directors and staff.

Josh Rubinstein with the Delmar Thoroughbred Club.

Very pleased to report that we saw strong results across the board from our recently concluded summer meet.

And before I get into some of the specifics, I would like to thank Becky and Katie and the entire District team.

It is really an undertaking to transition from fair operations to horse racing.

The fair closed on July 4th this year.

We opened on July 17th.

So 13 days, and you all came to the fair.

You saw what it looks like to be able to get all that stuff out, get all the racing operations in.

It is really a Herculean effort.

So thank you all.

So as I said, we saw strong results across the board.

Our recently concluded eight-week summer meet saw full fields and competitive racing with enthusiastic fan support.

Average field size was a leading 8.6 runners per race.

And we reported, we were right at that level at the August board meeting.

We weren't sure if we were able to continue it, and we did.

Hats off to our racing office.

They did a terrific job.

And like I said, the racing was competitive all season.

Wagering across most all platforms increased.

Our most profitable segment is wagering on our live product.

And that was up 3.1%.

The opening day crowd was a sellout, and we saw positive attendance trends throughout the season.

As you heard from Erin Bailey, our vice president of marketing, when she presented our overall marketing plan, I believe it was at the May meeting, we continue to focus on social and digital media efforts, including influencers.

And we really saw that pay off with food and beverage sales.

As food and beverage sales increased, and the total number for the eight-week race meet was $11.82 million.

So some really great numbers on the F&B side.

And last, but certainly not least, you've heard us report before that equine safety is our absolute top priority.

And we continue to make significant investments in programs that enhance equine safety, including veterinary oversight.

And over the last several years, we have invested tens of millions of dollars in equine safety regulation

research, including helped fund one of the top equine research programs in the world at UC Davis.

So with that, I'm happy to answer any questions.

CHAIR NEJABAT: Any questions from any board members?

MR. BLAIR: I just want to make a quick comment.

Josh, what a fabulous host you are on giving tours of the locations when we have guests here, and really appreciate your hospitality.

MR. RUBINSTEIN: Well, thank you.

And again, it's important, I think, for you guys to see what we do on a daily basis.

So I appreciate you guys taking time out of your schedule to see racing operations.

MR. SCHENK: Josh, remind me, please.

This year, you said it was 13 days between striking the set and opening day.

How did that time compare to the year before, and how did it affect the horses?

MR. RUBINSTEIN: So we were short one day, and working with Katie and her team, we were able to accelerate the transition process.

The feedback that we received from horsemen and women, trainers, stable area staff, they were very

pleased with, and it's not, the racing surface, I wouldn't say is the easy part, but the really challenging part is getting everything out of the stable area, because as you've seen during the fair, it is packed.

It is packed with people and storage, and so getting all that out, and then getting the stalls prepared to welcome horses in is really a 24-7 operation for a good week leading up until racing operations.

MR. SCHENK: So as we plan for next summer's fair, 13 days, if that's the downtime, we believe that would be adequate.

MR. RUBINSTEIN: So the way the calendar falls this year, we're actually going to lose a day.

So we're already having conversations with Becky and Katie in what that looks like.

We are hopeful to open on a Friday.

Certainly financially, it is better than opening on a Saturday.

We get that nice three-day weekend.

But again, we need to analyze it and ensure that we can do it in the safest possible manner.

MS. DeBERRY: First of all, I had a heck of a great time.

Spent a lot of money, but I made a lot, anyway.

A couple things.

One is about the sellout.

So first of all, do you always sell out on opening day?

MR. RUBINSTEIN: So post-COVID, we made a decision.

So pre-COVID, when we had access to the infield, it was much larger tennis numbers because we didn't limit it.

And what we saw when we first hosted the Breeders' Cup in 2017, when we did put a cap on attendance, just a much better experience.

And financially, it has worked out essentially a break-even because we're spending less on some staffing.

But the biggest thing with capping attendance as we've done the last several years, it's a much better experience for patrons.

They're able to get food and get drink in reasonable time and get a wager in and walk around.

So we do this every year, post-event research.

And the feedback that we received has been overwhelmingly positive to having that sellout protocol in place.

MS. DeBERRY: Well, my next question was, do you

have a cap on attendance?

You answered that one.

And then the third question is around considering increasing attendance.

But I think you answered that.

You would rather keep it kind of contained, small, mighty, have a better experience with a smaller number.

MR. RUBINSTEIN: We're always looking to increase attendance.

Sorry to cut you off there.

I think opening day, the facility, the grandstand was built to hold about 20,000 people.

So any time you go over that, sellout was 22,600 and change, I believe.

Any time you go over that 20,000, you're really pushing it.

Now we do, on opening day, put in some temporary infrastructure to be able to accommodate those 2,000 plus people.

But certainly on non-opening day, we are always looking to increase attendance.

And we had some new promotions in place this year.

We'll take a look at those and analyze and come up with some new ideas for next year.

And we're certainly very open.

And we'd love to hear feedback from the board if there are some things that you feel that can help attendance.

MS. DeBERRY: What are your soft days?

What would you say?

MR. RUBINSTEIN: Easier question is that the biggest days, I think as you guys have seen, are the weekends.

So kind of Saturday, Sunday, Friday, and Thursday.

But Thursday and Friday are very profitable days for us because we tend to sell out in group sales areas on those days.

So those are when businesses are bringing customers or employees.

So those are really strong days for us, especially with food and beverage because those group sales areas tend to be the suites and the sky rooms with high end F&B.

MS. DeBERRY: Thank you.

MR. BLAIR: I'm always interested, the inner field, where there's some buildings and stuff, do you not see ever using that during race time in the reasonable near future?

MR. RUBINSTEIN: So it's something we look at every

year.

And for the Breeders' Cup we do.

There isn't a whole lot of infrastructure out there.

So it's really a cost analysis of bringing in the infrastructure, restrooms, food and beverage, wagering, does that pencil.

Now, could we sell it on an opening day?

Yes.

The analysis that we've done so far has shown us that it would be a difficult payback throughout the season.

But we look at it every year and we'll continue to do that for ‘27.

MR. BLAIR: I mean, that's sort of an interesting point for the master planning committee.

That's a lot of land out there that if it's not financially beneficial to use it, for one thing, if we might think about something else, I have a big horse owner that keeps lobbying me to put children's playgrounds out there.

To start breeding horse bettors very early in life.

Sort of like Matt was talking about golfing.

I don't know if that's a good comparison, but every

time he talks about playgrounds out there to encourage children.

MR. RUBINSTEIN: Yeah, we actually had multiple family fun days during the summer meet.

And we did it at the top of the stretch in the special events area.

So everything from jumps and bouncy houses and things like that.

So yeah, to your point, we certainly want to engage the next generation of horse racing fans.

MR. BLAIR: You did do that?

MR. RUBINSTEIN: We did, yeah.

And we'll continue to expand on that.

Yes, Sundays.

MR. ARABO: No, I think it's a different question.

It was the question, did they open up the infield?

Is that the question Phil had?

MR. RUBINSTEIN: No, no.

So the family fun days were at the top of the stretch, not in the infield.

Yeah, sorry for the confusion, yeah.

MR. BLAIR: Okay, so you don't use it?

MR. RUBINSTEIN: We have, no, we have not used the infield, right, since COVID, right.

MR. ARABO: But you know, it's something that the committee, Lisa and I could definitely study with Josh.

So we always try to look for new areas to open up, at least just for opening day or maybe Pacific Classic.

But DMTC, Josh, you guys do a great job.

I mean, fabulous job.

And I've seen the changes with the committee, Vice Chair Barkett and I, a few years ago, we saw maybe not all board members would come.

And now I'm so happy to see every board member shows up, spreads the word, brings stakeholders, DMTC do a great job, engaging people that are not, that maybe not like horse racing, but then they end up liking and then end up loving it.

Any idea the board has, please let Vice Chair Barkett or myself know, the committee wants to study this.

We want to make sure that this is a premier location for horse racing in the country.

So great job, the numbers are great.

Obviously, we can always, there's always room for improvement, but you do such a great job.

I mean, and we always, we press it, you know, you always, inches of better success, but food and beverage

is great.

I know you added a few new vendors this year.

Oggi's Pizza was a good hit, Tanner's Burgers, and overall, kudos and thank you for making equine safety a premier thing that you look at.

And thank you to my colleagues on the board for coming and supporting and making a point to support the horse races.

MR. SCHENK: And Mark, thank you for the donuts that you keep bringing to Directors.

MR. ARABO: We donate as much as we could, make our deposits to gamble, donate the donuts.

But any ideas you all have, we definitely want, we always asked what it could be, not what it is.

So, you know, always edging for excellence.

So thank you, Josh.

MR. RUBINSTEIN: Thank you.

MS. MORALES-ROTH: Can I jump in real quick, very quick, one minute.

One, thank you, Josh.

You have been a phenomenal host to all of us.

And again, we did come in a big group and brought our constituents and people that I wanted to add.

So I do want to mention this, talking a little bit

about what you were saying, at four o'clock, if anybody's open, we're actually meeting, we're meeting with staff to get to know more of the group sales, the venues and all of that.

I know the majority of you know all of this, but again, we are ambassadors.

So we want to make sure that we support and create other events.

So if you have any ideas, like Director Arabo said, send them their way, but then also let's connect directly with staff.

And thank you, Josh, for making that happen.

MR. RUBINSTEIN: Of course.

MR. ARABO: And I'll tell you one idea.

Elsa just reminded me, one idea Josh had, the committee will study it, Vice Chair Barkett and myself, is converting, we'll bring it back to the board, different ideas, different attendance, possibly converting more boxes, because I know we sell out on all that.

If you could talk about how we're oversold on the suites compared to the tickets, non-opening day like other days, because we're trying to drive more attendance to drive up the handle, drive the food and

beverage.

And if you could talk about that, it'd be great.

MR. RUBINSTEIN: Yeah, and I don't think that's, it's just unique to Del Mar, but people want high-end experiences.

So what we've seen, even on our premium days, opening day and the weekends, the tickets that move quickest are the high-end, the suites, the Sky Rooms, and the tougher sell is the traditional grandstand seat.

The celebrity suites, which are just to the west of the Director's room, and we currently have five of those.

So there has been some discussion, could we expand further down the grandstand?

And the nice thing, if we were able to do that, it is, the further west you go, the closer it is to the stage up during the fair.

So hopefully those, we could look at it as a multi-use type of project.

And again, would come into play during fair concerts as well as racing.

MR. SCHENK: Josh, there was some pretty decent press on the New Orleans Day, that experience.

Can you share how that played out for the general

population of those in attendance?

Did it bring in more people?

How did it affect food and beverage?

MR. RUBINSTEIN: Yeah, absolutely.

Taste New Orleans is one of our most successful promotions.

I believe we had just under 2,000 people that specifically bought tickets for that event.

And those promotions, we did a turf and surf lobster cookout, a craft beer and taco event, and several others.

And those events are really targeted non-core racing fans.

We want to bring people to the facility.

We are targeting something that they enjoy.

So we really went after foodies with the Taste of New Orleans event, getting them in the facility, showing them a good time, and then offering them a bounce back to come back and enjoy racing at a discount.

MR. SCHENK: I would encourage you to continue to pursue those options.

And to the extent that it doesn't have a tremendous negative impact on food and beverage, I think people really enjoy those experiences.

It brings a different clientele in, a different population that I think benefits the race meet and if you promote it properly, and I did see that promoted well, I think it has a very positive impact.

MR. RUBINSTEIN: And it really does add to food and beverage.

So we'll bring in, to have it be authentic, we're bringing in vendors that specialize in New Orleans cuisine, but on the beverage side, that all goes through legends.

So everything from hurricanes to specialty New Orleans beers, we really saw an uptick in beverage sales during that day.

MR. ARABO: Good.

CHAIR NEJABAT: All right.

MR. ARABO: To end the report, sorry, Chair.

We really want to thank the governor.

This legislature, they put in, the state put $4 million into the CHRB through horse safety.

It's a huge commitment from the state.

We have an amazing governor, as we all know, and they made that commitment.

Four million this year, four million next year.

And it takes a village to make sure that we fight

for this industry.

And I know DMTC has a great government relations lobbyist person, maybe they could work with the District to push more horse racing, equine safety, and support for CHRB.

And thank you to Peter Stern.

For those that don't know, Peter Stern was a big advocate on CHRB that was instrumental in getting the $8 million from the state of California.

Four million over, four million one year, four million the next year.

So thank you.

CHAIR NEJABAT: All right.

Thanks, Josh.

Congrats on a successful summer.

And thanks to the committee.

That's a lot of work in that committee, so grateful to you both.

All right, seeing no public comment in the room and nobody signed up online, we'll now move on to item 6G.

MR. BLAIR: Are you sure?

CHAIR NEJABAT: Yeah, that's strange, right?

We usually have public comment.

I know.

All right, we'll now move on to item 6G, the SRTLC and RTA meetings report.

Information item only.

I'd like to recognize Director Mead for the verbal report.

MS. MEAD: Thank you, Chair Nejabat.

The SRTLC and RTA committee met on Friday, August 28.

During the RTA meeting, Michael Sadegh, which is our finance representative, presented both the DAA and the RTA financial reports.

The SRTLC, I never get that right.

There used to be a band, though, called TLC, so that's my mnemonic.

I just thought of it.

SRTLC, I've got it.

That Josh Rubinstein presented an update on the DMTC summer race.

At that time, as you know, the summer race is completed now, but he presented a report to us.

Representatives from the state joined us for lunch following that meeting.

Also, the committee voted to request DGS approval for a non-competitive bid to allow for an amendment to

the current Del Mar racetrack operating agreement to extend the agreement through October 1, 2038, which will match the bond payoff date.

Now, that doesn't mean that this board has made that recommendation.

There's a step one, step two.

First, the DGS, Department of General Services, must approve a non-competitive bid.

And then that will go through, if they do so, then it will go through a second step of recommendation and approval to this board.

So we're at step one of that process.

Becky?

MS. BARTLING: Yeah, just a clarification.

This board did make that recommendation for the non-competitive bid in November of last year.

MS. MEAD: Oh, so I flipped that.

MS. BARTLING: Yes.

MS. MEAD: Thank you.

Just like I did TLC.

MR. BLAIR: How long is that extension request?

MS. BARTLING: Currently -- the existing agreement would expire in 2030.

So this is from an additional eight years.

MS. MEAD: Thank you for that clarification.

Any other comments or questions?

Hearing none, TLC and I are moving on.

CHAIR NEJABAT: All right.

Seeing nobody in the room wanting to speak and nobody signed up online, that concludes public comment on this item.

We'll now move on to item 6H, the Emergency Preparedness Committee, an information item only.

I'd like to pass it on to the Committee Chair, Barkett.

VICE CHAIR BARKETT: We had a fantastic meeting, co-chair Phil Blair and myself, on September 9.

And the committee is huge, but mighty, I have to tell you.

MR. BLAIR: I counted 46 people at a committee meeting.

VICE CHAIR BARKETT: Yes.

It's just been the rage.

It's fantastic to see the community support.

And we have, I just have to say, we have an incredible representative group.

We have representatives, community representatives from Del Mar, Solana Beach, and Rancho Santa Fe fire

departments.

We have the San Diego County Office of Emergency Services, Department of Animal Services, San Diego Humane Society, animal rescue volunteers, horse owners, veterinarian services.

We have a doctor who is actually a doctor to our own Del Mar that oversees the jockeys that will also come on board.

And it's great because they're local and involved in the Scripps system.

And so they will provide us with emergency care because we do get humans besides animals and equine.

So yes, we get a little bit of everything.

So we want to be really prepared.

In fact, one of our wonderful fire chiefs, Dave McQuead from Rancho Santa Fe, after the meeting, he has brought on board Cal Fire Chief Rick Johnson and San Diego County Sheriff Sergeant Mike Hanks because he was so impressed with the community involvement.

And the first 50 volunteers, in fact -- did you want to talk to that at all?

Sure.

Yeah, come on up, Katie.

And they could kind of tell you how we're going to

activate on an emergency basis about continuing classes not only for the staff but for directors, which I love.

Yeah.

And how we're going to do these partnerships through MOUs out there.

And communications to the public, we have Jennifer Hellman, who's great.

And she'll give you a little bit of detail on that also.

Thank you, Katie.

MS. MUELLER: Sure.

So this is a restarting of the internal process as well as reaching out to the community to get us going as an emergency activation center.

And we're so fortunate because even though we've had a lot of turnover in staff and things since the last time we did this, which was in 2017, I believe, we have quite a few staff members who have a lot of historical knowledge, including Becky, who was involved early on when she was a staff member here.

So working together with Mark Elvin, we're really putting together designating specific assignments for each of our full-time staff members, what everyone's role is going to be during an evacuation scenario.

And then we also have the first 50 volunteers, which is a group of experienced equine individuals who have all been vetted.

Now, because it's been so long since we have used them, we have a volunteer who is reaching out to all of them currently to see who's still available and interested in participating.

And then we will conduct more outreach to get more members should we need more numbers as there's some attrition, I'm sure.

So we are actually having a call with her, I think, this week or next week.

I can't remember.

It's on my calendar somewhere.

And just the community, like Lisa said, is so excited about us reactivating.

I think it was Dave McQuead, actually, who just wanted to let everybody know how important this was to everybody.

And I spoke with the CAL FIRE captain after he made that recommendation and just said, we're so glad that you guys are going to be available to us in a time of need.

So we talked a little bit about he actually serves

on the county.

They have a council that's dedicated to evacuation.

So I think also what we're seeing is that San Diego County is much more prepared for these situations than they have in the past.

And I'm sure you can talk to Becky about the stories of when we were first activated and how unprepared people were for these massive firestorms happening.

And so a lot's changed since then.

So we're just happy to be part of it and doing what we do best, which is community outreach and getting people involved.

And we've got a lot more work to do on our end, but I think we're pretty well there.

We still have supplies on site.

We have containers in the backstretch that can be mobilized any time we're ready.

We've got animal handling staff or animal handling experience staff on our team that can help us with animal care and things like that, and then, of course, all the wonderful people that are on the committee.

So yeah, it's great.

VICE CHAIR BARKETT: And then I didn't know,

Jennifer, did you want to talk about the website?

And yeah, which will be great because they're updating the website so you can go right on there and see exactly where you need to be, what needs to be done.

And please, go ahead.

I'm taking your thunder.

MS. HELLMAN: No, no, you're fine.

Just a quick summary.

So since we last activated, our website has been totally redone.

So none of that information currently exists.

So we're rebuilding that, but bigger and better than ever before.

So once we're activated officially, all messaging on that home page changes from anything promotional to emergency evacuation.

And then, of course, we've learned by doing, right?

So the last time that we were initiated as an evacuation was 2017.

And in that time, we really learned how important the social media component had become.

So not only do we have a checklist that we go through, should we be activated?

And of course, it all leads back to the website.

So that happens first.

But secondarily, the social media that came through in 2017, and it would just be tenfold now, were people.

We had the phone lines ready to go, but we didn't have anyone designated for social response.

And it was, I have a trailer, but I don't have a truck.

And someone else was going, I have a truck, but I don't have a trailer.

And we were like, wow, we weren't ready.

We're here to take people in.

We're not really ready to facilitate those kind of interactions.

So making sure that the designated links are there and that we have somebody responding.

The other things that's a lot different now than it was in 2017 is the way we intake the information from the people who are evacuating here.

So namely, our old forms, which are still relevant and we could get by in using them today.

You write down a description of your horse.

Well, wouldn't it be great if someone could just use their phone, take a picture of their horse, and attach it?

So we need to make sure that we have both ways to do things, depending on what cell service is like, depending what people bring with them at the time.

But those are all the things that we're going through right now to make sure that we're ready from a communication perspective when, if and when it happens.

VICE CHAIR BARKETT: Thank you, great job.

MS. DeBERRY: Are we partnering with anyone else for emergency response – oh.

VICE CHAIR BARKETT: That's okay, yes, I could hear you.

We are, I mean, those are what our MOUs are going right now.

They're starting to do all those, but everybody I mentioned, all the names in town, those are the ones that we want to.

So for instance, all the fire departments, OES, the County of Emergency Services.

Are you talking about --?

MS. DeBERRY: The animals themselves.

MS. BARTLING: Animal services.

MS. DeBERRY: Yeah, animal services, yes.

I apologize, I should have been very.

VICE CHAIR BARKETT: OES, was that?

MS. BARTLING: No, animal services.

Animal services was at the meeting, and they.

VICE CHAIR BARKETT: Yeah, they were.

MS. BARTLING: Yeah, and very interested in being involved.

We actually did a tour of the stable area, showing where the staging is, and I reminded them that they were very helpful with us during the outtake of the animals, helping us verify that this animal belongs to this person, and that kind of thing.

Kendra was her name.

VICE CHAIR BARKETT: Kendra, yes.

MS. BARTLING: And very interested in assisting us, being involved in that.

MS. BARTLING: I was just thinking about like fires, specifically Rancho Santa Fe, right, where fires in all of the ranches, all of the horse --

VICE CHAIR BARKETT: Community, yes.

MS. BARTLING: Thank you, community, I can't get it out.

And how many, you know, that number versus the amount of stables that we have here.

That was just my question.

VICE CHAIR BARKETT: We also have, we have to give a

shout out to Julie Swain, amazing woman.

She's a cardiac surgeon, but her love has been volunteering, and she's been volunteering for over 25 years.

And she really knew everybody in that room.

And yeah, and so she is just giving up her time too.

And she was amazing because she did the tour with us.

MS. BARTLING: Yeah, yeah, absolutely.

And that's, you know, having the first 50 individuals are -- however, it could be the first 25, we're not sure at this point.

But anyway, they are, that was established to assist all of the equine evacuations.

And you're absolutely right.

In the time, both times that I was involved here in 2003 and 2007, massive evacuation of animals, particularly from Rancho Santa Fe, right.

So that organization has become very organized, and we'll have barn -- basically barn managers in each aisle.

And the process is, you come in with your horse, you're identified to which barn you go to, you go to

that barn.

It's a very organized process.

But yes, that's a big part of this.

CHAIR NEJABAT: Director Arabo, or Director Mead, then Director Arabo.

MS. MEAD: Thank you, thank you.

This is just a thank you to the committee and the staff for reactivating and pulling this very, very strong group of participants in the community together.

As a family that lost a home in a fire, and Philip Blair's another one of our board members who lost a home, I can tell you this is both triggering to receive this news, and also very heartening to understand and know the place that we are playing in this community, and in terms of bringing everyone together, it's a very difficult situation during that time.

And I have to say that I just feel a lot better knowing how well organized we are, and the leadership role we're taking in the community.

So thank you, Lisa, and committee, and also the staff for your role in this.

VICE CHAIR BARKETT: Well, thank you.

You know, one thing we kept hearing over and over, and I'm sorry about both of your homes, and Phil, you're

perfect then to be on the committee with me on this, but we kept hearing, they will come.

Everybody looks to the fairgrounds.

So they're going to come.

Whether they're told not to, or, you know, come.

They're coming.

And we heard that from everybody.

They went around the room and said, you know, this is time, yes.

And Mark, thank you for all your help.

You were great, and you know all these guys too.

It's so nice, I know.

So, yes, so thank you so much.

CHAIR NEJABAT: And just so the newer board members know, this is a committee that was just started this past year.

So I commend the committee again for making so much progress.

VICE CHAIR BARKETT: I tried before, I tried before, but thank you.

MS. MORALES-ROTH: Thank you, on behalf of all the community and the county, thank you, Director Barkett.

VICE CHAIR BARKETT: I'm very excited, because the communities, it really brings us into focus with our

communities.

And, you know, we're hearing wonderful reverberations from it, which is what, you know, this is what's going to help people come here and feel, this is my community.

You know, the Delmar Fairgrounds is my community.

And that's what we wanted.

We wanted that family feeling.

MR. SCHENK: May I just say, though, while this is a new committee, the experience is not new.

We as a board over the years, when circumstances required it, I mean, I remember coming and helping feeding the horses that were brought in.

You know, we all came together.

Whoever was sitting at this table, different faces, but similar compassion.

And we came together, and we did everything that we could, working with the community.

And it wasn't just horses, it was people, it was other animals.

It was families, you know, and I would encourage, I hope in our time we don't see this, but if we do, we learn from what we did before and grow from it and help those that are in need.

I mean, I remember people sitting out, young families with young kids sitting in beach chairs, because they didn't have anywhere to sit.

Do you remember that?

VICE CHAIR BARKETT: Yeah, I remember the grandstand.

We were putting, yeah, people were sleeping overnight in the grandstand.

Because, yeah, hotels were closed.

MR. SCHENK: So, I mean, while it's a new committee It's not a first impression for what we did over the many years.

VICE CHAIR BARKETT: And you know, if you look at those training opportunities, too, on page 49, you know, these are offered by FEMA and the Office of Emergency Services.

And I think it would behoove all of us to take advantage of it.

It's great to know anyway, you know, whether here or your home.

Or, yeah, I think it'd be great.

So, we'll keep you apprised of when those are coming up.

MR. ARABO: Thank you.

Thank you very much.

VICE CHAIR BARKETT: And Phil, did you want to?

MR. BLAIR: Just on a more pragmatic note, as your finance -- brand-new Finance Chair, a lot of the conversation, and we need to order tons of hay and we need to order all this food, because people come with their horses.

And we need to buy and we need to buy.

And bottom line is we keep track of all of our expenses.

And then FEMA, or if that exists, or the county emergency, we get refunded.

VICE CHAIR BARKETT: Reimbursed, yeah.

MR. BLAIR: Which was a big relief, because I'm sure it is, over a week or two period, it can be very expensive.

And 2,000 horses and 2,000 people, because they want to be with their horse, right?

And they have nowhere else to go.

So, it's feeding people also.

MR. SCHENK: Right, I was just going to say, and it was feeding people.

People volunteered, donated food.

It was a community undertaking.

It really was.

VICE CHAIR BARKETT: That's why those MOUs are so important, because we can activate them.

The minute it happens, we call those vendors immediately.

It goes out.

Right, Katie?

Yeah, immediately.

And that's why those are so important, getting those done now.

CHAIR NEJABAT: Go ahead.

MR. ARABO: Yeah, I want to, Phil, answer a question.

I want to mention that there's a lot of grant money that's available for Office of Emergency Services, federal, state, and local.

I thank the committee for doing it.

Thank you, Chair, for creating the committee.

VICE CHAIR BARKETT: Yes, thank you.

MR. ARABO: I have a question for MOUs.

Does the board, the board would have, will the board see all the MOUs we enter in?

VICE CHAIR BARKETT: Yes.

MR. ARABO: Okay, good.

That's my question.

And phenomenal job.

I think we should, I don't know if it's audit and governance, but even update our mission statement to add emergency response services.

It's such an important thing that we should do.

But thank you.

MS. MORALES-ROTH: Sorry, I had a very quick note, very quick.

I swear it's going to be quick.

I just had a quick question.

Even for next month's meeting, I want to know a little bit more, just piggyback on Director Arabo's comment on grants in emergency.

There's so many out there.

So I was wondering specifically what Director Blair said.

All of these expenses, I know we have from the money.

Where is that coming from?

Are there any grants that we're applying to?

If not, happy to -- I just wanted to know.

VICE CHAIR BARKETT: I think, yeah.

Katie, do you know about the grants right now?

Or are we just getting into those?

MS. MORALES-ROTH: And maybe we're just getting into it.

MS. MUELLER: I don't know about grants specifically.

In the past, correct me if I'm wrong, Becky, but we, just like was mentioned, we put all of our expenses together and then we were reimbursed by FEMA.

Although I understand that took a very long time to get the reimbursement.

VICE CHAIR BARKETT: Yeah, it's a long process.

MS. BARTLING: It took, yes.

We got the check from the 2003 fires about two weeks before the 2007 fires.

So, but I think importantly, the conversation is the Department of Emergency Services, OES, and putting the MOUs together as far as what they reimburse us on and that kind of thing.

FEMA no longer will reimburse us for animals.

MS. MORALES-ROTH: That's why I was asking.

And again, we don't have to get into it, but thank you.

Just look at the funding and we can look at different grants because there are some, one, the

majority are reimbursed model, but some of them are in advance because there's a lot of education on wildfires and all that.

So, we are an institution that could bring in that funding in advance and have that almost like a rainy day or probably not "day."

So, I just wanted to talk about that later.

I just wanted to bring that up.

VICE CHAIR BARKETT: Thank you.

Yeah, that's great.

CHAIR NEJABAT: All right.

Last comment.

MS. MEAD: One last comment.

At one point when we started this committee back up, and thank you again, Chair Nejabat, we also talked about a fundraising component for this committee because there are especially people in our community that are supportive of animal welfare.

And I know, Lisa, that this is an area of interest for you and I just want to be sure we don't lose that opportunity in the future.

VICE CHAIR BARKETT: No, so we have that going actually.

And one of our committee members has already

reached out to Rancho Santa Fe Foundation and the money would go direct, they already have the fund created and it would go directly in there.

So, this is what's so great about an outreach community.

They're doing it themselves.

And everybody from Rancho Santa Fe, Del Mar is designating money to go into that fund that we're going to have an MOU with this group and we can activate it, that fund.

MS. MEAD: Fantastic.

Thanks.

MS. DeBERRY: I don't have a question.

That was the question.

CHAIR NEJABAT: Okay.

Thank you to that committee again.

We'll now move on to public comments.

Seeing nobody in the room and nobody signed up online, that concludes public comment on this item.

Our last item of general business for today is item 6I, the Fair Ops Committee Report, items one through three.

We have two informational items and one action item.

You can find the report beginning on page 50 of your packet.

I'd like to pass it on to Committee Chair Mead now.

MS. MEAD: Thank you, Chair Nejabat.

We met on August 28th.

That was a busy day for us and the team on August 28th.

My co-chair, Fred Schenk, and probably I'm not going to go through everything in the report that starts on page 50 because we are going to get into much of this.

You're going to receive information from Katie shortly about the fair survey.

There was an August debrief, which I just have to say thank you to Fred for attending with all of the staff or the leadership of the fair and thanking them for their work during the fair.

This really is what kicks off a look back that helps to inform us for what changes we need to make or what great things we did and what needs to continue into the 2027 fair.

Katie's going to talk about our concessions committee, which is an advisory committee that will be taken up.

You've already heard about the grandstand talent and the RFP that was issued and a contract that thank you for approving for 2027.

Believe it or not, we should be making these contracts now for 2027.

So we really appreciate the fact that you're supportive of us getting that good, of those good acts.

So that is the committee report.

We want to talk about the fair dates where there's going to be an action, but I believe what we're going to start with before that is the recap of the committee meeting and the survey results.

Katie, if you could come up and then those things again are what's informing us for the future.

MS. MUELLER: I'm going to kind of go out of order because Jennifer's actually going to come up and present the fair survey results.

The marketing department designed the survey, sent it out, and we were able to get over 1,500 responses to the survey, which is really fantastic.

So I'll let her talk about that.

And then just real quick on the concessions advisory committee, just to let you know what's going on with that.

So we've formed a group of 18 different concessions owners of all different sizes, small to super-size.

And they've all got back to us and indicated their interest in participating.

So our first meeting is on September 30th.

And we'll be talking with them and getting their feedback on things as kind of simple as rules, proposed new rules and policies and procedures, but also then like ideas for promotions, how they've felt about promotions that we've had in the past, how we could improve things and make things better.

And our goal is to meet quarterly with them.

So we'll start off at this meeting in September, which is perfect timing because not only are we going into budget season, but we also are producing all of our handbooks and applications for 2027.

And then we'll have another meeting that will actually be in person at the WFA convention in January, a third meeting in April, and then we'll have a fair debrief meeting with them in July or August.

So that's the plan, but I'd like to bring up Jennifer Hellman to take you through the survey because this was really, really some interesting information and we hope you think so too.

MS. HELLMAN: Thanks, Katie.

This is hard, I have to read close up and then look at that far away.

These are big challenges, bear with me.

So like Katie mentioned, we had about 1600 survey respondents to the survey.

This survey, just to keep things into perspective of who the audience is, it's people who are on our e-blast list primarily.

We also do a call for participation on social media, but the great majority of people who respond are people who actually came to the fair and are subscribed to our e-blast list.

That being said, it's a little bit older skewing because we have a lot of exhibits participants on that list.

So keep that in mind as we go through the data just because it's not necessarily a scientific survey when we look at that.

So we'll start on a high note, which is this is in response to the question about overall experience here at the fair and 71% of our guests say that we have a four or a five.

So this fair experience itself is really, really

strong.

Only 8.6% rank it low.

So we look at those comments.

I will say aside from the 1600 answers, people who answered the direct questions, we ask for a lot of open-ended feedback and there are thousands of comments and we go through them all and we will make sure that you all receive a link with the full survey data analysis and all of those comments should you stay up all night and want some reading material.

So next, this question, this is another really good one.

So the question was, please rate the following parts of your fair experience.

So you'll see that when it comes to fair cleanliness, over 90% of people ranked it really high and I think that's a huge prop for aging facility to our facilities team for keeping those bathrooms clean, making sure people have a table to eat at.

They really, really do step it up.

The second highest goes to staff with 83.6 high rankings for staff and with 1200 temporary employees, that's really awesome.

So that's really great.

So now if we go to the other side, you'll see kind of the area that we need to improve is 62% of people rated shade and seating low, which was a little bit of a surprise to us because one of the things that we have done since COVID is increase the areas of shade and seating.

So we're looking at how can we better direct the guests.

It might not be that it's not there, maybe they're not finding it.

So whether it's signage or ambassadors directing people, I see you have food, there's a lot of tables over here, that kind of thing.

So we look at all those kinds of things.

So the next areas to improve would be parking and shopping.

So those are those last three areas on this slide.

So now when we look at value and you already talked about legends and the cost of goods and all those things, this is where we really see the prices at the gas pump and the grocery store having an effect on our customers.

So I highlighted where admission sits because it's the highest, 62%, over 62% think that admission's a

pretty good deal.

But then when you look at all the add-ons, most notably the food and beverage, which we see at the bottom of this chart, it brings the overall fair value down.

So that perception of a day at the fare isn't really necessarily about the admission.

It's about the food and the parking and the rides if you go on them.

All of those costs are really adding up to our guests.

So this question, the way it was stated was how would you rate the fare as a value for your dollar?

So when we see that overall fair value come down to, I mean on the right, and we see that 81% of food and beverage, only 8% actively characterize the fare as a great value.

So obviously we'd really like to see that number go up because we want everyone to come to the fare and think, wow, that was so worth it, right?

So something that we've been talking about.

So this slide combines that value perception in the previous slide with that overall experience that we saw a few slides back.

So the bars are what show the value and the line graph is what shows the overall guest experience ranking.

And I guess the important takeaway on this one is that the perceived value and overall satisfaction are very strongly connected, right?

So when someone feels like they had a great day at the fare, they feel like it's a great value.

So how do we make people really walk away at the end of the day feeling like they got their money's worth?

Any questions on that one?

Okay, so here we ask guests to select the reasons while they decided to attend the fare.

So what we learned is that guests come for a combination of kind of memories and fun, right?

So it's a combination of time spent with family and friends and tradition and all those things along with the programming, which is what we spend so much time in our meetings planning, right?

The entertainment, the food, all those things.

So both of those things are a driver.

So annual tradition is number one on here and that is not a surprise to us.

We see it every single year when we ask people why they come to the fare, which is a great story for us because they want to come back every year.

If they remember it is a great opportunity to spend time with their friends and family.

Second reason is food and drinks.

And I don't know that that's such a big surprise, right?

That's the media darling.

Everyone always wants to tell the story of Chicken Charlie's hottest and greatest thing.

Even Josh was talking about his influencer campaign and how important that was to food and beverage.

We see the same exact thing.

So really no surprise there.

The third largest is time spent with families and friends.

And then the fourth is exhibits.

So then when we took this, let's see.

MR. SCHENK: Before you go on, can we go back to that?

MS. HELLMAN: Sure.

MR. SCHENK: You may remember in our committee meeting, I made an observation.

Four out of the top five doesn't cost a person a penny.

So it's really about the experience, it's about traditions, it's about being with people and none of that costs anyone a dime.

Maybe to get in, it does.

But food and beverage is the second most but those first five are really about the experience and I think that's really meaningful.

What we're giving people is, it's something unique.

You can buy food and beverage anywhere or in a lot of places but the other things are really unique experientially to what we do here.

MS. HELLMAN: 100%.

MR. BLAIR: Can families bring picnics in?

MS. HELLMAN: Yes.

MR. BLAIR: Like ice chests?

MS. HELLMAN: You can.

MR. BLAIR: Okay, so like Petco Park you can't and the zoo you can't.

MS. HELLMAN: Right.

MR. BLAIR: I mean, that's very generous of us.

MS. HELLMAN: It's very generous of us and we'll even store it for you in guest services.

So you can bring a small cooler and we will store it for you in our guest services department.

And so if you want to bring sandwiches for the kids and then just get a treat at the end of the day and I'll split that dessert so you feel like you had that fair food experience, you can.

And so much of that fair food is very shareable and so you'll see later about the price of fair food but really getting that messaging out about those kinds of values that come with that price is super important.

MR. BLAIR: What percent of guests bring lunch?

I guess it's lunch.

MS. HELLMAN: Very small, very small.

MR. BLAIR: Would we want to play that?

MS. HELLMAN: Yeah, because they're coming for the food, to buy it, yeah.

MR. BLAIR: We don’t know who brought their own food.

It wouldn't be on there, right?

Would we want to play that up to bring your own food to sort of the value concept versus?

MS. HELLMAN: We loop it into all the ways to save, right?

MR. BLAIR: I know we don’t want to lose food and

beverage sales, right?

But it just seems like the more we want it to be a family event, then the word picnic along with that sort of feels good and it makes it much more affordable but this is coming from the finance chair.

I just laid that out there because there's two absolutely opposites here and I don't know where the net benefit is.

MS. DeBERRY: Phil, I have a piggyback on that and this is really just a question.

Is there, and I guess this is the other part of me, is there a legal liability by having someone bring their own food in?

Just a question.

You know what I'm saying?

MR. SCHENK: Only if we take on the responsibility of storing it for them and if it's not stored properly to health standards then we do.

It's an issue of malfeasance versus nonfeasance.

We don't have an obligation but if we assume that responsibility, it's nonfeasance if we say, hey, you're on your own keeping it on your person or in your car.

It's malfeasance which is a liable act under civil law for not doing it to code.

And I don't know, Phil, that we have the capacity to store upwards of 30 to 40,000 people's food choices.

So I don't know that that's the answer.

MR. BLAIR: So if it’s in your cooler, if you didn't put enough ice in there and it all melts, that's your problem, right?

But it's just --

MS. DeBERRY: No, I hear you, I'm all there with you.

I'm just also asking, is there a release if someone decides to bring it in?

MR. SCHENK: It's a legit question.

MS. DeBERRY: It really is.

And so I'm either recommending that if someone brings it in that they sign some release.

Do you -- is it just me?

MS. HELLMAN: No, it's a good question and we should look into it.

I mean, not saying no, saying yeah, let's have more.

But storage, all those kinds of things, that just brings a lot of antennas for me right now.

MR. SCHENK: We don't even know what it was like before it arrived.

MS. DeBERRY: Right, we don't, that's correct, that part.

MR. SCHENK: Well, we don't know the -- whether it was fit for human consumption before it arrived on the property.

MS. BARTLING: Well, I just want to jump in on that.

We have, as long as I've been here since 1994, we've always allowed people to bring food in.

It is very little because they're coming here for the food experience.

So I think we can certainly have some kind of liability release that we can have them sign off for guest services.

No problem.

But just as a side, and I meant to mention this when you were talking about admission, in the past, the majority of our tickets have been sold at the gate, which is full price.

We are now at the point with all of our advanced discounts, we did over 63% of our tickets were sold in advance at our discount.

Costco, Albertsons, our other locations.

So that's showing, back to that slide, about people are looking at the value and the admission price isn't,

they're not so concerned about the admission price.

So those, I think, moving forward, and I know you all have done a great job of the value message, and the food goes into it.

You can bring your own lunch, but honestly, people want to come here for the experience of fair food.

MS. DeBERRY: Unless you have five kids.

MS. BARTLING: And then you can.

MR. SCHENK: There can be some snacks that are filled in in between with some maybe healthier snacks that they may not be able to get.

MS. BARTLING: Well, and to Jen's point, bring your sandwiches, but at the end of the day, you go get whatever the treat might be.

MS. HELLMAN: Well, and the thing that we really want to promote more than bring your own food are the deals that we have, like the $15 meal deal.

So Katie spoke a little bit about the concessions committee.

When we see the hot, Fairtastic Foods go as viral as they're going online, how do we create the $15 meal deal and make that go as viral as Fairtastic Foods is going?

So working with our concessionaires to make sure

that those $15 offerings look really good and people want to come seek those out and find them and we can find social media influencers to promote that.

That's the exact kind of thing that that committee is designed to deal with.

MR. SCHENK: Especially for next year's theme, which is very rare that we have a food-centric, we did have sweets in the past, but food-centric is quite unique to our messaging and our theme, so that's going to be even more important.

MS. HELLMAN: It's a great opportunity for us to do some things, yeah.

MR. BLAIR: We have samples over there behind you.

MS. HELLMAN: And I'm sure you're really hungry right now, so feel free to get up and go get some chocolate.

MR. ARABO: One thing for the food, we definitely have, I think, a big affordability issue.

Like a big, not just perception, but there's items at the fair that's like $28 for a meal.

So I don't know if there's something internally the committee, almost like a ceiling, maybe the vendors can put less products so it's not as big, because there also is a lot of waste, but it's very expensive.

Food and beverage here is extremely expensive.

I know the items are big, but you can't buy stuff that way.

A lot of waste, but they can do them almost like quick-service restaurants have a value menu or a value item, and something we can embrace with the concessions, because the price.

MR. SCHENK: Or perhaps a kid's portion.

MR. ARABO: Or a kid's meal, because the prices for the food are more expensive than the restaurants, a lot of items, that my experience has been that.

MS. MEAD: Mark, we are going to take up the cost of food and the work in the committee as part of this presentation, but I do want to let everyone know that we are sort of looking at the entire experience of which food is one, entertainment is the other for the, and part of the reason why we're reviewing this survey for you, and with you, is that we can look at the entire gestalt of the invitation coming out, but there's some interesting facts you're going to see further on about the food, so if okay, we can continue to move forward with the presentation.

MS. HELLMAN: Yeah, and another side note in regards to food, real quick, is that you don't tip when you come

to the fair.

So there's no tipping at any of our concessions booths.

So that is something that's different, and when you go to Starbucks, and it starts 20, 25, 30% tips sometimes, you don't see that at our food concessionaires.

MR. ARABO: No, no, but tipping, you're thinking about consumers that can't afford it, but they want everyone to come to it.

MS. HELLMAN: Agree, and that's where the $15 meal bill comes in, and the kids meals, and all of those kinds of things that we're looking at with both fair ops and the concessions committee, because it's super important to get those messages out as much as we do about the Fairtastic Foods that everyone wants to Instagram.

So we learned what guests come to, and it's a mix of emotional drivers and programming drivers.

So we dug a little bit deeper to see, to cross-reference the age of the person answering and what brings them to the fair.

So what you'll see here is that, of course, these are just the programming drivers with those emotional

drivers taken out.

So food is really important to our younger audience.

More than half of guests 18 to 34 selected food as an attendance driver, in comparison to 30% of guests 55 and older.

I think it's obvious that rides fits into that category where it skews very young, and you'll see that tiny, tiny light blue line on the bottom when it comes to rides and games for those 55 and older.

And then exhibits and shopping become more important to guests as they get older.

So kind of makes sense.

But the important thing here is that when we're talking about all of our programming, to really think through the different generations of guests that are coming, and make sure that everybody has the experience that they're looking for when they get here.

So there really is that something for everyone that brings those families, grandparents coming with their kids, and then their kids' kids.

That's what we love to see.

So then we broke down the emotional drivers by age.

And annual tradition is super important to our

older guests, while friends and family is the emotional driver for our younger guests.

So what we're seeing is more of them coming with their peers rather than their generations of families.

So the general fair atmosphere is pretty equal when it comes to all age groups.

So there's that.

Okay, so this question we asked, we asked people to let us know their top three priorities for future fair investment.

So as this planning group is looking to invest in things, what do they want?

Free concerts and entertainment came in number one.

Exhibits ranked second, and followed by shopping, food, and livestock.

Now, grandstand concerts ranked above kids' activities and rides, which was a little bit interesting when you're thinking about those multiple generations of people coming.

MR. BLAIR: Of the people wanted to expand rides and games.

I mean, that's tiny.

MS. HELLMAN: Well, I keep in mind that the survey participants are a little bit older skewing.

MR. BLAIR: Right, but I mean.

MS. HELLMAN: Yeah, and same with grandstand concerts and kids' activities.

Those are things that a more limited population participates in, right?

Like if I don't have young kids, I'm not looking for those.

So grandstand concerts, we're limited in the people who we can seat in that grandstand every night.

And this is what we're investing in.

So people have, especially in the past few years where we've had an all-paid grandstand, people might not be looking for more all-paid grandstand because they're looking for free concerts and entertainment, right?

That's the number one thing that they're looking for.

So just a consideration when we're kind of evaluating what's going through these answers.

VICE CHAIR BARKETT: Yeah.

Jennifer, this holds true.

If you think about it, if you look at FIFA and everybody's a parent.

MS. HELLMAN: Yes.

VICE CHAIR BARKETT: And watching, I mean, that was

packed.

And so, you know, that was great.

And a lot of people weren't eating, from what I recall.

MS. HELLMAN: Yes.

VICE CHAIR BARKETT: They were, it was a gathering of friends, family, watching, you know, entertainment.

MS. HELLMAN: Yeah.

Basically free entertainment.

VICE CHAIR BARKETT: And that really does, I mean, it gave up, some of the people congregate.

MS. HELLMAN: Yep.

VICE CHAIR BARKETT: They might not have a big home or a place to go otherwise.

MS. HELLMAN: Yeah, you see it a lot, even at the Avenue stage.

I mean, people will plant there for hours.

You know, and that's kind of their home base while they work their way around other places.

But they have that table and they watch the free entertainment for hours.

MR. BLAIR: And it's very inexpensive entertainment, isn't it?

MS. HELLMAN: Free.

MR. BLAIR: I mean, to hire.

MS. HELLMAN: Oh, to book, yeah, the community entertainment, yeah.

MR. BLAIR: Right, I mean, versus 250,000 in the grandstand, you know, I don't know.

MS. HELLMAN: Right.

MR. BLAIR: 2,000, 3,000, what do you pay those people at the paddock?

MS. HELLMAN: Yeah, it varies.

It can vary all across, yeah.

CHAIR NEJABAT: Can we just save the rest of the comments and questions until she's done with the presentation?

I feel bad to keep interrupting you.

MS. HELLMAN: No, that's okay.

I can chat all day with you.

So this was in response to what was the best part of your Fair experience this year?

So this was an open-ended question.

And when we look at kind of how these recurring themes come up in those answers and we kind of put them into buckets, we find that 28%, about 28% of people felt that part of their best Fair, best part of the Fair this year was exhibits.

So family and tradition, so if we go back to that slide that we saw, came up in 21% of comments.

And then the best experience, food and beverage, in spite of the price, came into this, their buckets over 20%.

So people love the food.

So then we asked the flip side of this, the reverse, and we asked what one thing would most improve your Fair experience next year?

Affordability came in at 26% when we grouped these together.

So that's the largest recurring theme followed by parking and transportation.

And then those creature comforts that we saw way back in the beginning of the slide presentation, and that was the shade and the seating.

So then we looked at how long guests stay in comparison to the overall Fair experience rating.

So it's probably no surprise, oh, I'm sorry, did I skip one?

So this is the overall experience rating in comparison to the item.

So food and beverage, I think I skipped a slide, hold on.

Okay, so here we go.

The longer guests stays, the better the day feels.

So this is looking at how long guests stay, so, and then perceived value.

So the longer the guest stays, the better the perceived value.

So they feel like they came and they got a really full day.

I will say that this creates some friction for us when it comes to parking, because we want them to stay long and they want them to have a really great guest experience.

We also need to turn those parking lots because earlier we were talking about how many cars we parked, right?

So when we look at this, how do we get those guests, that 8% that didn't feel like we were a great deal, to really find those programming elements that they're looking for?

Or they might not know exist.

So they leave here feeling like they had a really full day, a really good, full experience.

So this one we asked which exhibits or display areas guests remembered visiting.

The number one exhibit this year was the theme exhibit that they recall experience.

I will tell you in past years, it's been flower and garden.

So people really remembered this year's theme exhibit and kudos to the team right across that put that on because it was really a beautifully done and engaging exhibit.

And there was just so much to participate in and look at and enjoy.

Flower and garden came in number two, which is it's always in the top.

People love to come to that flower and garden show, followed by livestock, design and wood, gems and minerals and home arts.

So then we've kind of went deeper on the theme and we asked what influence did the once upon a fair theme have on your decision to come to the fair?

So 71% of people said that it had little or no influence, but the flip side of that is 28.5% said that it did have some influence.

So while that theme isn't necessarily a primary driver, it's kind of a tipping point.

So it has the ability to bring new people who might

not come every year.

It might just be the thing that brings them on a year that they maybe were on the fence about it.

So, and this is kind of an interesting point then we looked at and I didn't make a slide for it, but out of the guests who said the theme had some or a big influence, those people actually tended to give the overall fair a higher rating.

So those people who are interested in that theme are also our kind of biggest fans.

So here's a few other things that we just thought might be of interest or a little bit surprising when we were going through the responses.

Younger adults are really highly positive about the fair.

84% of guests age 18 to 34 gave us a four or a five.

When it comes to the economy, it's not necessarily based on how much money you make.

Even the high-income households expressed concern about value.

And I just think, you know, we're getting it everywhere we go, everywhere we go.

When we go to the grocery store, it's just really

hurting.

So it's not, this isn't something that we need to look at just for lower income households.

It's really for everybody.

And then third, guests are asking for more investment in shopping, even though the satisfaction with the current shopping is relatively modest.

So, I mean, you could look at that either way, either the interest level in shopping or we wish it was better.

And we've actually made some great strides with like the San Diego marketplace and that kind of a thing.

We're expanding those shopping opportunities and it shows that that's kind of the right thing to do is to come and make sure that the shopping experience is something that people also find interesting.

So repeat visitors, rate the fair higher.

Kind of makes sense, right?

If you really like it, you want to come back.

That speaks to our season pass.

Season pass holders really love the fair and tend to be some of our best customers and our biggest ambassadors and telling their friends about the fair and bringing guests because they come more frequently.

So we really want people who already love the fair to be encouraged to return.

And now we're almost done because I'm sure you guys want to go to lunch.

So in summary, the fair experience is strong, but they're feeling the pressure in their wallets.

So just our risk is that that cumulative price creates a source of friction that they may choose between us and some other activity when we really want them to choose us every year because of that tradition component that's really strong for us.

Our other venues in town, you know, the Sea Worlds, they would love to have that tradition where people come back all the time.

So we're really lucky to have that.

And so as we looked at this, we kind of put together some priorities as we kicked off.

And again, this is from the fair debrief that we did.

And so we went into some planning for the future fair, but really, you know, how do we make the day feel worth it and focus on that total day value and not just admission alone.

We don't want to just look at admission without all

of those other things that we put so much effort into.

How do we make the day feel easier and more comfortable for our guests or get them to find the ways that we're already doing that if they can't, whether that's a directionally or through customer service initiatives, and then double down on the fair experience.

People love the free entertainment.

They love the livestock.

Those are all the things that you can't really get, you know, anywhere else.

So we don't necessarily need to compete with the other people in town.

We need to be more of what we already are at our core.

So, you know, more shade, more places to sit, easy ways to save, all those kinds of messaging that we can put into our customer service marketing efforts is where we're at.

Any questions?

MR. SCHENK I don't have a question.

First of all, thank you.

And for the entire committee and all the people that attended, you know, to participate, it's really

important.

Could you -- I didn't see any of this in our packet.

So can we add that?

MS. HELLMAN: Sure.

MR. SCHENK: So that we can, I saw Director DeBerry taking a photo and missed one of the slides that she wanted.

And that's what made me think about, it would be great for all of us to be able to digest this, you know, throughout the course of the year.

MS. HELLMAN: Yes, we'll give you not only these slides, but as well as there's an Excel spreadsheet and there's more questions that aren't even on this slide.

And they're really easy to go through.

And it just shows simple percentages and numbers, along with it has tabs at the bottom with all the different open-ended feedback were organized by questions.

So you can, you'll get that after this meeting for sure.

Anything else?

MS. MEAD: I want to thank you, Jennifer, for reviewing this with us today and presenting this.

I want to remind the board that this is step one, the fair debrief that was done with the staff, the review of the priorities.

Over the next few months, there's opportunities for us to look at each of these areas.

I want to remind you what Katie said at the beginning, this is not a scientific study.

So these are data points that are helping point us in the right direction for areas of priority and focus.

As we began rolling out plans for the fair in 2027.

So thank you all.

MS. HELLMAN: Yeah, and there's other, I mean, just a note that there's some other sources that we look at data for, for this fair that aren't this statistical survey.

So when we look at Scarborough data, that kind of thing from external partners that we can pull.

So this is one of many things that we're looking at, but these are really our best customers.

So it does mean a lot to us to read through all these people took the time and they're excited to give us their feedback and we really appreciate it.

So thank you.

MS. MORALES-ROTH: I just had a quick question,

sorry.

Thank you for this wonderful presentation.

And yes, we took screenshots.

I appreciate that because we do want to digest a little bit.

Just one question, what are we doing in regards or what are the next steps in regards to surveying those that do not participate at the fair?

Because while we understand that these are the people that we know they got our back, they want to come back and then give us feedback, but what about those that haven't been to the fair in a while, they haven't been here?

How are we capturing those voices or what, how are we?

I know it's hard, but --

MS. HELLMAN: No, we did capture some through this survey.

So there is, when you first hit the survey, it's did you come this year or not?

So we do capture a small portion of those.

The people who really want to give us the feedback are the people who come.

In past years, we've actually tried to get more of

that feedback by going out, especially through social and just asking people who don't follow the fair even on social to tell us about the fair.

We didn't, I will say from it, we invested in it and didn't learn a ton.

We find that we do learn more about that through Scarborough Research, just because the sample size is already so large.

So when we look at, and we do share that with the sponsorship team, people who come, people who are interested in the fair love to barbecue.

People, we learn a lot about our customers through those kinds of survey methods.

MS. MORALES-ROTH: Gotcha.

And I mentioned that because I know there was a lot of social media ambassadors and influencers kept seeing that.

So they could actually be the ambassadors who reach out to the community and say, hey, fill out the survey, you might get a ticket.

Or even with the nonprofit partners that we already have, they themselves, those are the communities that we want to make sure feel that this is their fairgrounds, that this is their fair.

So they can be the ambassadors too in exchange for that supporting and raising awareness about the fair now.

So I just wanted to put that in.

Yes, that those nonprofit organizations or community partners can be ambassadors themselves and they can push the survey too.

So I just wanted to share that as an idea.

Have a couple, but I know we're in a time crunch, so we'll tell you later.

MS. HELLMAN: Thank you.

CHAIR NEJABAT: Thank you, and then do we have a QR code survey at the exit, upon the exit?

We do that, right?

That's why I'm asking.

I wanted to confirm that we implemented that.

MS. HELLMAN: We do a couple things.

We have QR codes and then we also -- this year we sent a daily survey because your ticket was day specific along with your grandstand ticket.

So we did real time surveys during the fair that we sent and that helped us just operationally.

If there's something that isn't looking good on there, we can fix it before all 20 days of the fair go

by.

So those kinds of real time feedback is also very important in kind of a different way.

They're usually really short surveys that just kind of gauge how things like that are going.

MR. SCHENK: Boy, have we come a long way since when we used to tear tickets and weigh them.

MR. ARABO: Just have one comment for the committee to look at.

Shading and seeding, 37%.

One observation I had was a lot of tables were like six people or eight.

So a family of four would sit, another family wouldn't.

So maybe smaller tables could accommodate more.

And 81% of people thought food and beverage was expensive.

That's just a glaring light.

And lastly, I really encourage the committee to put the lens on fairgrounds first.

A lot of times I feel like it's more, I don't want to say vendor first, but it's really vendor driven, not fairgrounds driven.

So I just hope that mindset's adopted of

fairgrounds first.

That's it.

MS. MEAD: Thank you.

And unless there are any other comments, before we get to the agenda item on the 2027 fair dates, I do want to touch on page 51, which is follow up from the Finance Committee referral last month, which included parts of that information that you just shared with the cost of food and beverage.

And I do want you to know that we are considering that component that was referred to us as part of it.

And that being one of those being the concession advisory committee, so that those vendors can actually help us address that as opposed to us telling them what to do.

They can come to us and say, here's our recommendations as well.

CHAIR NEJABAT: Great.

All right.

MS. MEAD: Thank you.

CHAIR NEJABAT: Thank you.

We'll now move on to item 6 --.

MS. MEAD: We have one more.

We've got one more on fair dates.

CHAIR NEJABAT: Yeah, yeah, yeah.

MS. MEAD: Oh, that's here.

CHAIR NEJABAT: We just got to take public comment, which seeing nobody in the room since it's an action item and nobody online, we'll now move on to this item.

Formalities.

It's turned on.

It's turned on.

Quiet today.

We'll take it, we'll take it.

MR. BLAIR: Do you want me to make the motion right now?

Or do you want to make a report?

CHAIR NEJABAT: Please, whoever, yeah.

To begin discussion, yeah.

MR. BLAIR: No, I'm happy to make the motion that we add two days.

MS. MEAD: Second.

Second.

CHAIR NEJABAT: Okay.

We'll take discussion.

All right.

Seeing no other discussion, we can take the vote.

MS. ARNOLD: Chair Nejabat?

CHAIR NEJABAT: Aye.

MS. ARNOLD: Vice Chair Barkett?

VICE CHAIR BARKETT: Aye.

MS. ARNOLD: Director Arabo?

MR. ARABO: Aye.

MS. ARNOLD: Director Blair?

MR. BLAIR: Aye.

MS. ARNOLD: Director DeBerry?

MS. DeBERRY: Aye.

MS. ARNOLD: Director Mead?

MS. MEAD: Aye.

MS. ARNOLD: Director Miyahara?

MR. MIYAHARA: Aye.

MS. ARNOLD: Director Morales-Roth?

MS. MORALES-ROTH: Aye.

MS. ARNOLD: Director Schenk?

MR. SCHENK: Aye.

CHAIR NEJABAT: All right, the motion carries, and that concludes general business.

MS. MEAD: Can I add one other comment?

I know that earlier in the discussion, we said that we would take up the concept of timing, and I know we've added the days, but what are the times of day that they're open?

And, Katie, do you mind coming up and just addressing that?

I just didn't want the question to go unanswered.

Thank you.

MS. MUELLER: So, I mean, for messaging purposes, our hours of operation, we open at 11 a.m. every day.

Our gates close at 10 p.m., but we stay open another hour, and then the midway, if that's still operating and people are still buying tickets, we'll stay open even longer.

But we will close the gates and stop allowing ingress at 10 p.m., and the buildings close.

So we do a very slow closing, which also helps tremendously with traffic.

So people kind of linger out instead of leaving in a mad rush.

So the hours of operation would be no different for the Tuesdays so that we can manage our -- have a consistent message.

CHAIR NEJABAT: Thank you.

That concludes general business.

All right, we'll now move on to item number seven, which is matters of information and Director's requests.

At this time, any board requests for anything in

the future, future agendas?

Nope, seeing none.

You can find on page 53 the rest of the information on new committee updated list and correspondence.

With that, we'll now move on to item eight, which is closed session.

Current time is 12:51 p.m., and pursuant to the authority of government code section 11126 (a) (b) and (e), the Board of Directors will meet in closed executive session on the items described on today's agenda.

[The Board recessed to closed executive session at 12:51 p.m.]

[The Board reconvened the meeting at 2:04 p.m.]

MR. RIVERA: All right, we are live again.

CHAIR NEJABAT: All right, the time is 2:04 p.m., and we have returned from our closed executive session.

The 22nd DAA Board of Directors considered the advice of council on the items listed on the closed session portion of the agenda, and we have nothing to report out.

The board also met in closed session to evaluate the performance of the CEO consistent with the government code and also nothing to report out.

Seeing no other business before the Board of Directors today, the time is 2:04 p.m., and this meeting of the 22nd DAA Board of Directors is hereby adjourned.

Thank you.

CERTIFICATE OF TRANSCRIBER

I, Antha A. Ward, do hereby certify that the 22nd District Agricultural Association Board of Directors Meeting was transcribed from audio by me; that said digital audio recording of said proceedings are a true and accurate record to the best of my knowledge, skills, and ability; that I am neither a member for, related to, nor employed by the District in which this was taken; and, further, that I am not a relative or employee of any member or staff employed by the District hereto, nor financially or otherwise interested in the outcome of this action.

_____

Antha A. Ward

QuickCaption, Inc.

--o0o--