



NOTICE OF MEETING

22nd District Agricultural Association Board of Directors meeting
January 10, 2023, at 1:30 p.m.

Boardroom

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

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

OUR PURPOSE

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

OUR MISSION

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

22nd DAA BOARD OF DIRECTORS

G. Joyce Rowland, President
Frederick Schenk, 1st Vice President
Richard Valdez, 2nd Vice President
Lisa Barkett, Director

Kathlyn Mead, Director
Don Mosier, Director
Sam Nejabat, Director
Michael Gelfand, Director

Secretary-Manager

Carlene Moore
Chief Executive Officer

22nd DAA Counsel

Josh Caplan
Office of the California Attorney General

OUR GOALS

THE LENS

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

BUSINESS PLAN

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

MASTER PLAN

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

COMMUNITY ENGAGEMENT

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

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

Items listed on this Agenda may be considered in any order, at the discretion of the chairperson. This Agenda, and all notices required by the California Bagley-Keene Open Meeting Act, are available at www.delmarfairgrounds.com



22nd District Agricultural Association Board of Directors meeting

AGENDA

January 10, 2023, at 1:30 p.m.

1. **CALL TO ORDER** – PRESIDENT G. JOYCE ROWLAND

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

2. **ROLL CALL**

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

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

- Minutes, Regular Meeting November 17, 2022
- 2022 Contract Approval
 - Standard Agreements
None
- Review of 2022 Contracts Executed per Delegation of Authority
 - Service Agreements
(22-097 Garden Show Consulting); (22-095 Fire Alarm System Monitoring, Testing, Inspection, And Repair Services); (22-096 Fire Sprinkler Certification); (22-098 Executive Recruitment); (21-080 AM2 Financial And Operational Audit)
- Review of 2023 Contracts Executed per Delegation of Authority
 - Service Agreements
(22-019 Pest Control); (23-012 Toast of the Coast Wine Competition Director); (23-013 Toast of the Coast Software and Tech Support) ;(23-016 Creative Consulting and Design); (23-017 Fire Suppression system)
 - 2023 Judging Agreements
Distilled Judges: Tim McDonald, Mashinda Hedgmon, Traci Dutton, Michael Cervin, George Skorka, Christopher Sawyer
Toast Of The Coast Judges: Michael Franz, Tami Wong, Kevin Walsh, Breanne Cohen, Emily Bloom, Wayne Belding Judge, Jay Bileti, Rusty Folena, Jeff Slankard, Mark Newman, Lisa Redwine, Adam LaZarre

PAGES

6-8

9-10

4. **MANAGEMENT REPORT** – CEO Carlene Moore (Informational)

VERBAL

- Operational Announcements
- Construction Projects & Facilities Updates
- Industry News & Updates
 - CDFA Collaborative Exchange

5. **GENERAL BUSINESS**

A. Comprehensive Policies Development and Review (Information)	11-53
<ul style="list-style-type: none"> • Governance Policies 	
B. Consideration and vote on whether to approve the Memorandum of Understanding with Don Diego Scholarship Foundation (Action)	54-66
C. Consent to Assignment of Horsepark Operating Agreement 22-006 (Action)	67-69
D. Finance Committee Report – Richard Valdez, Chair	70-77
<ol style="list-style-type: none"> 1. 2023 Operating Budget (Action) <ul style="list-style-type: none"> ○ 2023 Midway Rates ○ 2023 and 2024 Facility and Event Rental Rates 2. 2023 Capital Expenditures Budget (Action) 	
E. Consideration and vote on 2023 Delegation of Authority (Action)	78-80
<ul style="list-style-type: none"> • Contract Authority • Check Signing Authority • Local Agency Investment Fund Authority • Credit Card Use Authority 	
F. 2023 Contract Approval (Action)	81-98
<ul style="list-style-type: none"> • <u>Standard Agreements</u> (21-081 AM1 Talent Buying Services); (22-027 AM1 Offsite Transportation/Shuttle Services); (23-018 Cloud-based Procurement Software); (23-006 Highest and Best Use Feasibility Consultant) 	
G. Sustainability Committee Report – Don Mosier, Chair (Information)	VERBAL
H. Affordable Housing Ad-Hoc Committee Report – Kathlyn Mead, Chair (Information)	VERBAL
I. Nominating Committee Report – Lisa Barkett, Chair (Action)	VERBAL
<ul style="list-style-type: none"> • Approve the slate of Officers for 2023, effective January 11, 2023 	
6. **PUBLIC COMMENT**

Public comments on agenda items will be accepted during the meeting as items are addressed. This item is for Public comment on issues **NOT** on the current Agenda. However, no debate by the Board shall be permitted on such public comments and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item. Speaker's time is limited to **two** minutes and may be modified based on the number of public speakers. No speaker may cede their time to another speaker.
7. **CLOSED EXECUTIVE SESSION (NOT OPEN TO THE PUBLIC)**

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

A. To confer with and receive advice from legal counsel regarding potential litigation involving the 22nd DAA. Based on existing facts and circumstances, there is significant exposure to litigation against the 22nd DAA.
B. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party.
C. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. Jerry Hollendorfer v. DMTC et al., Case No. 37-2019-00036284.
D. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. Talley Amusements, Inc., et al., v 22nd District Agricultural Association, et al., San Diego County Superior Court, Case No. 37-2021-00032169.
E. To confer with counsel, discuss, and consider the following pending litigation to which the 22nd DAA is a party. B&L Productions, Inc., et al., v Gavin Newsom, et al., United States District Court, Southern District of California, Case No. 3:21-cv-01718-AJB-KSC.
8. **RECONVENE TO OPEN SESSION**

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

9. **MATTERS OF INFORMATION**

99-111

- Directors Requests
- Correspondence
- 2023 Committee Appointments

10. **ADJOURNMENT**



22nd DISTRICT AGRICULTURAL ASSOCIATION
Board of Directors Meeting
Del Mar Fairgrounds
2260 Jimmy Durante Boulevard
Del Mar, CA 92014
November 17, 2022

MINUTES

The following minutes are a summary of the Board action and proceedings. For a full transcript please click on the link below or visit the delmarfairgrounds.com website.

<https://delmarfairgrounds.com/about-us/public-information/>

OFFICERS PRESENT:

Joyce Rowland, President
Richard Valdez, 2nd Vice President (via ZOOM)
Carlene Moore, Chief Executive Officer

DIRECTORS PRESENT

Lisa Barkett (via ZOOM), Michael Gelfand, Kathlyn Mead, Don Mosier, and Sam Nejabat (via ZOOM)

OFFICERS/DIRECTORS ABSENT

Frederick Schenk, 1st Vice President

OTHERS PRESENT

Josh Caplan, Deputy Attorney General (via ZOOM)
Melinda Carmichael, Chief Administrative Officer – 22nd DAA
Katie Mueller, Chief Operations Officer – 22nd DAA
Donna O'Leary, Executive Assistant - 22nd DAA

CALL TO ORDER

President Joyce Rowland called the meeting to order at 1:32 p.m. with a quorum present.

ROLL CALL

All Directors were present except for Director Frederick Schenk who had an excused absence. Director Kathlyn Mead who joined the meeting during Executive Session.

RECESS TO CLOSED EXECUTIVE SESSION

The Board recessed to Executive Session at 1:33 p.m.

RECONVENE TO OPEN SESSION

The Board reconvened to Open Session at 2:51 p.m. President Rowland reported that the Board had nothing to report.

CONSENT CALENDAR

Director Gelfand moved to approve the Consent Calendar. Director Mosier seconded the motion. President Rowland, Vice President Valdez, Directors Barkett, Gelfand, Mead, Mosier and Nejabat, were all in favor and the motion carried 7-0.

MANAGEMENT REPORT

CEO Moore reviewed the following items:

Operational Announcements

- Sportsbook Update: The District will not be moving forward with this project as Prop 26 failed.
- Del Mar National Horse Show Update: No proposals were received for the RFP for an operator. The District is now in conversation with two potential contractors to produce the show.
- The Sound Update: The official name is now "The Sound, Surfside." Ziggy Marley has been booked on February 3 and 4th. Both shows are sold out.
- Policies & Procedures Review & Development Process: Report on page 14 of the Board packet. The Board will set the higher-level framework for policies and staff will develop the procedures to implement and maintain the policies. During future Board meetings the presentation and discussion of draft policies will be discussed.

Construction Projects & Facilities Updates

- CEO Moore reported that the design progress continues for Horsepark. The new operator had a good meeting with the regional board staff. The operator anticipates having the next set of design plans for ready for review in January where it should be at 60-70 percent close to the final.

Industry News & Updates

- CDFA Collaborative Exchange: CEO Moore attended and said that CDFA is looking to put together a kind of government relations committee within the industry to address issues like new and improved ways to support sustainable venue management models. CDFA also plans to host monthly CEO meetings.
- CFA Fall Managers Conference: is a peer connection, networking and professional development conference that CEO Moore attended at the beginning of the month.

PUBLIC COMMENT ON MANAGEMENT REPORT (See page 24 of transcript)

Martha Sullivan (via ZOOM)

Carla Hayes (in-person)

Laura De Marco (in-person)

GENERAL BUSINESS

Audit & Governance Committee

Adam Odom from LSL the new audit firm for the District reviewed the 2020 Audit on pages 30-76 of the Board packet. Mr. Odom said he was pleased to announce that even with the changes in staff and management, there are no significant deficiencies or material weaknesses and that the accounting staff did a great job making sure everything was clean and properly reconciled. Vice President Valdez moved to adopt the 2020 Audit Report. Director Gelfand seconded the motion. President Rowland, Vice President Valdez, Directors Barkett, Gelfand, Mead, Mosier and Nejabat, were all in favor and the motion carried 7-0.

PUBLIC COMMENT ON AUDIT REPORT (See page 35 of transcript)

Laura De Marco (in-person)

Community & Government Relations Committee

Director Nejabat reported that the committee met on October 18, 2022. Topics of discussion were traffic monitoring for the races and other events and the new redistricting. Director Mosier announced that Deanna Spehn, Policy Director for Senator Toni Atkins, and a member of the Community & Government Relations Committee passed away recently.

PUBLIC COMMENT ON COMMUNITY & GOVERNMENT RELATIONS COMMITTEE (See page 40 of transcript)

Martha Sullivan (via ZOOM)

Finance Committee

CEO Moore reviewed the financials that are through September on pages 79-81 of the Board packet. The financial revenue streams will start to pick up mid-September when the facility rentals resume. The District will also receive another payment from DMTC in November.

Delegation of Authority

CEO Moore explained that in the Delegation of Authority is done on an annual basis and expires at the end of December. Therefore, in order to continue operations, if there is no December Board meeting, the Delegation of Authority needs to be extended and Out of State travel, for the WFA Conference in January needs to be approved this month.

PUBLIC COMMENT ON FINANCE COMMITTEE – (See page 45 of the Board transcript)

Martha Sullivan (via ZOOM) Laura De Marco (in person)

Director Barkett moved to approve the Delegation of Authority included in the Board packet on pages 82-83. Director Mosier seconded the motion. President Rowland, Vice President Valdez, Directors Barkett, Gelfand, Mead, Mosier and Nejabat, were all in favor and the motion carried 7-0.

Out of State Travel

Director Barkett moved to approve staff's request for Out of State travel listed on page 84 of the Board packet. Director Gelfand seconded the motion. President Rowland, Vice President Valdez, Directors Barkett, Gelfand, Mead, Mosier and Nejabat, were all in favor and the motion carried 7-0.

Fair Operations Committee – Frederick Schenk, Chair
Nothing to report.

PUBLIC COMMENT ON FAIR OPERATIONS COMMITTEE – (See page 48 of the Board transcript)

Martha Sullivan (via ZOOM)

Tennis Center Operations

CEO Moore reported that the District is still awaiting a response from the Department of General Services (DGS), regarding the protest against the winning bid for the Tennis Center Operations. However, if DGS denies the protest, per the CEO's Delegation of Authority, the CEO can sign the contract because it is a one year rental agreement. The agreement would then be brought to the Board at the next meeting.

PUBLIC COMMENT ON NON-AGENDA ITEMS (See page 51 of transcript)

Martha Sullivan (via ZOOM) Bonnie Croker (via ZOOM) Laura De Marco (in-person)
Heather Wilson (via ZOOM) Carla Hayes (in-person)

Before the Board recessed to Closed Executive Session, President Rowland pointed out the new Board Committees listed on page 89 of the Board packet.

RECESS TO CLOSED EXECUTIVE SESSION

The Board recessed to Executive Session at 4:07 p.m.

RECONVENE TO OPEN SESSION

The Board reconvened to Open Session at 5:20 p.m. President Rowland reported that the Board conferred with and received advice from counsel on the items listed on the closed-session portion of the agenda and had nothing to report.

MATTERS OF INFORMATION

See pages 26-41 of the Board packet.

ADJOURNMENT

There being no further business to discuss, President Rowland adjourned the meeting at 5:20 p.m.

CONTRACT APPROVAL(S)**January 2023**

In accordance with the requirements of the Department to Food & Agriculture, Fairs & Expositions Branch, and, the CEO's Delegations of Authority Staff requests approval of the agreement(s) listed below:

Standard Agreements

Agreements Exempt from Bid					
Contract #	Contractor	Purpose	Categorical Exemption/ Exception	Term	Amount
DAA-21-080-02 AM2	Lance, Soll & Lunghard LLP	Financial and Operational Audit	RFP Amendment – Exempt per DGS SCM 5.81A	11/1/21 – 6/30/25	<u>\$10,000.00 (AM2)</u> <u>Total contract value</u> <u>\$370,000.00</u>

Individual Project Agreements (IPA) with California Construction Authority (CCA)			
Contract #	Contractor	Purpose	Amount
022-22-047	California Construction Authority	Facility Condition Assessment	\$355,725.63

Solicitations Released Since Last Board Meeting

Solicitation #	Solicitation Type	Purpose	Term	Amount
23-014	Request for Proposal	Computerized Ticketing Services	2/15/23 – 2/14/25	<u>To be determined upon award</u>

Delegated Authority Contracts Up to \$50,000.0 for Review

Contract #	Contractor	Purpose	Acquisition Method	Term	Amount
22-097	Benoit Exterior Design	Garden Show Consulting	Categorical Exemption	12/15/22 – 7/5/23	\$10,000.00
22-098	CPS HR Consulting	Executive Recruitment	Categorical Exemption	12/1/22 – 3/31/23	\$25,000.00
22-096	Low Voltage Integrated Systems	Sprinkler Certification	Public Exigency	12/1/22 – 4/30/23	\$22,160.00
22-095	Low Voltage Integrated Systems	Fire Alarm Servicing	Public Exigency	5/1/22 – 4/30/23	\$33,415.00
22-019	Legion Pest Management	Pest Control	Small Business Option	1/1/23 – 12/31/23	\$12,000.00
23-012	Rich Cook	Toast of the Coast Director	Categorical Exemption	10/1/22 – 12/31/23	\$12,000.00
23-013	Enofile	TOTC Software and Tech Support	Categorical Exemption	1/1/23 – 12/31/24	\$6,000.00
23-016	Kathy Wadham	Creative Consulting and Design	Categorical Exemption	1/1/23 – 8/15/23	\$34,000.00
23-017	Low Voltage Integrated Systems	Fire suppression system	Public Exigency	1/1/23 – 4/30/23	\$3,375.00

2023 Toast of the Coast and Distilled Judges List

Judging is February 25th & 26th 2023

Event	JUDGES NAME	JUDGING AMOUNT
Distilled Judge	Tim McDonald	\$ 600.00
Distilled Judge	Mashinda Hedgmon	\$ 600.00
Distilled Judge	Traci Dutton	\$ 600.00
Distilled Judge	Michael Cervin	\$ 600.00
Distilled Judge	George Skorka	\$ 300.00
Distilled Judge	Christopher Sawyer	\$ 600.00
TOTC Judge	Michael Franz	\$ 700.00
TOTC Judge	Tami Wong	\$ 250.00
TOTC Judge	Kevin Walsh	\$ 250.00
TOTC Judge	Breanne Cohen	\$ 300.00
TOTC Judge	Emily Bloom	\$ 250.00
TOTC Judge	Wayne Belding	\$ 600.00
TOTC Judge	Jay Bileti	\$ 400.00
TOTC Judge	Rusty Folena	\$ 600.00
TOTC Judge	Jeff Slankard	\$ 250.00
TOTC Judge	Mark Newman	\$ 250.00
TOTC Judge	Lisa Redwine	\$ 250.00
TOTC Judge	Adam LaZarre	\$ 400.00
Total		\$ 7,800.00



Item 5-A, General Business – Comprehensive Policies Development & Review

Background:

As previously reported, the 22nd District Agricultural Association is embarking on a comprehensive process to review, revise, and develop policies for the organization over the course of 2023. This will be a lengthy process that will involve (1) the solicitation of input from the appropriate Board committees, and (2) the presentation and discussion of draft policies to the Board and public during regularly scheduled public meetings.

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

While the Department of Food and Agriculture (CDFA) provides policy oversight to District Agricultural Associations, including providing *recommended* rules and regulations for adoption, each District maintains the authority to adopt rules and regulations for governing its own operations and activities. Though District Agricultural Associations are exempt from the Administrative Procedures Act, other state agencies, including CDFA, are not. Were CDFA to adopt a mandatory rule or regulation that applied statewide to all District Agricultural Associations, CDFA would promulgate that rule or regulation in accordance with the Administrative Procedures Act.

Process/Approach:

Best management practices, historical policies and procedures, mandatory requirements, industry and other state agency examples, etc., will be considered along with the *recommended* orders, rules, and regulations of CDFA.

The attached draft policies are presented to the Board at this time for discussion and input at the upcoming duly noticed public meeting. Draft policies will then be routed through the appropriate Board committee(s) or delegated back to the Chief Executive Officer for further review and consideration of the input received. Following that review, draft policies will be brought back to the Board at a subsequent public meeting for final consideration and approval.

Recommendation

None at this time.

Environmental/Coastal Commission Review

None at this time.

Fiscal Impact

None at this time.

22nd District Agricultural Association

Policies

Introduction

The 22nd District Agricultural Association (“22nd DAA”) is a California state institution that is organized in accordance with the California Food and Agricultural Code (“Code”).

The 22nd DAA’s purposes under the Code are (1) to hold fairs, expositions and exhibitions in San Diego County to exhibit the industries and industrial enterprises, resources, and products of every kind or nature of the state, with a view toward improving, exploiting, encouraging, and stimulating them; and (2) to construct, maintain, and operate recreational and cultural facilities of general public interest in San Diego County. The 22nd DAA has adopted purpose and mission statements to effectuate these purposes.

Purpose

The 22nd DAA is a timeless community treasure where all can flourish, connect, and interact through year-round, exceptional experiences.

Mission

The 22nd DAA connects our community through shared interests, diverse experiences, and service to one another in an inclusive, accessible, and safe place with an emphasis on entertainment, recreation, agriculture, and education.

Vision

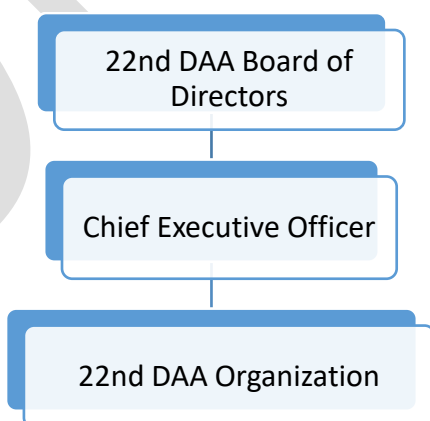
The 22nd DAA will be the community’s iconic place for social interaction and cultural expression, honoring traditions, embracing innovation, celebrating excellence, and having fun. The 22nd DAA does business under of the names of the Del Mar Fairgrounds and the San Diego County Fair. The 22nd DAA manages and operates three distinct properties in Del Mar, California consisting of the 212-acre main campus (Fairgrounds), the 48-acre recreational

campus (Surf & Turf), and the 64-acre equestrian center (Horsepark), and produces the San Diego County Fair each summer.

In accordance with Section 3965(b) of the Code, a nine-person Board of Directors (the Board) manages the affairs of the 22nd DAA and guides its strategic direction. Board Members are state officers appointed by the Governor of California. In accordance with the Code, the Board has the authority to delegate certain powers and responsibilities for managing the affairs of the 22nd DAA to the Chief Executive Officer (CEO) and other designated employees. This delegation is subject to the 22nd DAA's Bylaws and the Policies set forth in this manual.

Policies set forth the framework for how Board Members, the CEO, and other 22nd DAA employees are to carry out their individual and shared responsibilities as they work together to serve the community. These policies formalize:

- The core institutional values and ethical framework of the 22nd DAA;
- The responsibilities and authority of the Board as a body and of its members individually;
- The responsibilities and authority of the 22nd DAA's employees, including the CEO;
- The relationship between the Board, the CEO, and other employees of the 22nd DAA; and
- The general principles that guide the Board's governance practices.



22nd District Agricultural Association Policies

Policy 1.01: Policy Framework and Definitions

Date Adopted/Last Revised:

Should any provision in this policy contradict any provision of California law, California law shall control.

Purpose

In order to promote consistency and clarity of information, this Policy establishes a framework for all 22nd DAA Policies. This Policy applies to all 22nd DAA Policies, regardless of their date of adoption.

Policy

To be an official 22nd DAA policy, a policy must be approved by the Board at a duly noticed public meeting. The CEO is responsible for ensuring that policies are up to date, developing a schedule for policy review to ensure they remain current, and bringing forward any recommended changes to the Board for approval. In the event of a conflict between a Bylaw and a Policy, the Bylaw shall control. Policies are to be understood in conjunction with, and incorporate, all applicable laws, regulations, and policies. 22nd DAA Board members and employees are expected and required to know and act in accordance with all Policies.

The 22nd DAA's policies and related documents can be categorized as follows:

- **Bylaws:** The 22nd DAA's Bylaws outline the organizational framework of the 22nd DAA and set forth rules for how the 22nd DAA's Board governs the 22nd DAA. The Board is responsible for amending the Bylaws, as necessary (see Bylaws for relevant procedural details).
- **Policies:** The 22nd DAA's Policies set forth requirements that the Board has adopted regarding how the Board, the CEO, and other 22nd DAA employees carry out their

individual and shared responsibilities as they work together to serve the community. The Board is responsible for periodically evaluating and updating these policies. These policies must be adhered to by all 22nd DAA Personnel.

- **Procedures:** The Board has delegated responsibility to the CEO to establish, approve, and maintain procedures with respect to operational matters that are not addressed in Policies. At their core, all Procedures arise from the authority of the Board and therefore must align with the framework and strategies approved by the Board and be consistent with all Policies. Procedures provide step-by-step instructions for carrying out policies. The Board is responsible for establishing, approving, implementing, and maintaining any procedures for Board-related activities. The CEO is responsible for establishing, approving, and maintaining related procedure documentation for Procedures and for any management action items needed to follow or assist the Board in following Policies.

Definitions of Capitalized Terms Used in Policies

The definitions of capitalized terms used throughout the Policies are set forth below. Each individual Policy may have additional defined terms.

- **22nd DAA:** 22nd District Agricultural Association, doing business as San Diego County Fair & Event Center
- **22nd DAA Leadership Team:** all Board Members and the CEO
- **22nd DAA Personnel:** all Board Members and all employees of the 22nd DAA
- **Attorney General:** the Attorney General of the State of California, or his/her authorized designee
- **Board:** the Board of Directors of the 22nd DAA
- **Board Chair:** the Board Member elected by the Board to serve as President of the 22nd DAA and as chair of the Board (This position is sometimes referred to in California Food and Agriculture Code as “President”)
- **Board Member:** an individual appointed by the Governor of California to serve as a member of the Board
- **Board Vice Chair:** the Board Member elected by the Board to serve as vice chair of the Board; serves as the Board Chair in his/her absence
- **CDFA:** California Department of Food & Agriculture
- **CEO:** an individual appointed by and responsible to the Board to hold all of the following offices: chief executive officer, general manager, secretary, and treasurer; the

highest-ranking employee of the 22nd DAA (This position is sometimes referred to in California Food and Agriculture Code as “Fair Manager” or “Manager”)

- **Code:** California Food and Agricultural Code
- **CEO Direct Report:** any employee who reports directly to the CEO (as of the date this Introduction was adopted, the following positions reported directly to the CEO: Chief Administrative Officer, Chief Operations Officer, Chief Communications Officer, Human Resources Director, and Executive Assistant to the CEO)
- **Executives:** the CEO, Chief Administrative Officer, Chief Operations Officer, Chief Communications Officer
- **External Stakeholders:** customers, guests, neighbors, tenants, contractors, other government agencies, the public at large, and all other stakeholders of the 22nd DAA who are not 22nd DAA Personnel
- **Policy:** a course or principal of action adopted or proposed by the Board. (policy is the “Why” behind what we are doing)
- **Procedure:** an established or official way of doing something or a series of actions conducted in a certain order or manner. (procedure is the “how”, it is often viewed as operations)
- **Senior Management Team:** Department Heads and Executives
- **Supervisors:** a person who oversees employees or activities of the organization
- **Department Heads:** leaders of the 22nd DAA functional business areas

22nd District Agricultural Association Policies

Policy 2.01: Institutional Values

Date Adopted/Last Revised:

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

Purpose

The purpose of this Policy is to outline the institutional values of the 22nd DAA. These values are the ethical foundation for all activity conducted in connection with the 22nd DAA, including interactions among 22nd DAA Personnel and interactions by 22nd DAA Personnel with External Stakeholders.

Policy

It is the Policy of the 22nd DAA that all 22nd DAA Personnel know and act in accordance with the following institutional values.

Institutional Values

- **Fun!:** We believe in celebrating the ordinary and the extraordinary in unique ways.
- **A+ Quality:** We believe in creating exceptional and memorable experiences.
- **Integrity:** We believe in being responsible to our community, the environment and to one another.
- **Respect:** We believe in providing an inclusive and interactive place where all people can connect.
- **Service:** We believe in purposeful and inspiring engagement.

It is the responsibility of all 22nd DAA Personnel to apply these values in their activities for the 22nd DAA, whether in the workplace or any other setting in which they are representing the

22nd DAA. In turn, the 22nd DAA Leadership Team will strive to create an environment that supports every individual's ability to uphold and work by our shared ethical principles.

DRAFT

22nd District Agricultural Association **Policies**

Policy 2.02: Code of Ethics

Date Adopted/Last Revised:

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

Purpose

All 22nd DAA Personnel are responsible for adhering to the highest standards of ethical conduct and behavior. This Code of Ethics is designed to help 22nd DAA Personnel make ethical decisions in their work for the 22nd DAA. This Code of Ethics applies to all 22nd DAA Personnel and independent contractors contracted by the 22nd DAA.

Policy

It is the Policy of the Board that all 22nd DAA Personnel act in accordance with this Code of Ethics. While the Code of Ethics cannot address every issue, it provides basic principles to guide activities and decisions. Minimum compliance with legal requirements does not necessarily meet the standards set forth in this Code of Ethics. All 22nd DAA Personnel are encouraged to consult with their supervisor, the CEO, or the Board Chair or Board Vice Chair regarding questions about whether a particular course of conduct meets the requirements of the Code of Ethics. All 22nd DAA Personnel are required to report any suspected wrongdoing at the 22nd DAA in accordance with the reporting procedures set forth in *Policy 2.05: Reporting Wrongdoing*. Any directives or communications, whether formal or informal, that have the effect of discouraging such reporting are strictly prohibited.

1. Uphold the Law and Ethical Principles

All 22nd DAA Personnel are expected to follow the law and applicable regulations, both in letter and spirit. While ethical principles and legal requirements may overlap, in many respects they may differ. Ethical decision-making and practices should be considered along with legal

requirements and appropriately fill any gaps in legal interpretation and application. It is the policy of the Board that all 22nd DAA Personnel exhibit the highest fidelity to ethical conduct and avoid even the appearance of impropriety.

2. Professional Integrity and Responsibility

All 22nd DAA Personnel are expected to add value to the 22nd DAA, contribute to its ethical success, and accept professional responsibility for individual decisions and actions. All 22nd DAA Personnel are expected to serve as advocates for the 22nd DAA by engaging in activities that enhance its credibility and value.

General Guidelines

1. Adhere to the highest standards of ethical and professional behavior, including honesty, transparency, and fairness.
2. Take actions that are grounded in furthering the mission of the 22nd DAA.
3. Take actions that are consistent with the institutional values of the 22nd DAA (see *Policy 2.01: Institutional Values*).
4. Strive to achieve the highest levels of service for the community served by the 22nd DAA.
5. Advocate for the appropriate treatment, appreciation, and care of all 22nd DAA Personnel and External Stakeholders as valuable individuals.
6. Do not harass, mistreat, belittle, harm, or take unfair advantage of anyone.
7. Do not tolerate lying, deliberate misrepresentation, theft, fraud, unlawful discrimination, or ill use of other individuals — whether such persons be guests, peers, superiors, subordinates, contractors, Board Members, members of the public, or other stakeholders.
8. Do not misappropriate the 22nd DAA's resources or resources belonging to others which are entrusted in the care of the 22nd DAA.

3. Ethical Leadership

All 22nd DAA Personnel are expected to exhibit individual leadership as role models for exemplifying ethical conduct. All 22nd DAA Personnel should strive to earn individual respect and increase the organization's credibility with the people and community we serve.

General Guidelines

1. Act ethically in every professional interaction. Several key questions can help identify actions or situations that may be unethical:
 - a. Do my actions comply with the law and the 22nd DAA's mission, values, and policies?
 - b. Have I been asked to misrepresent information or deviate from normal procedures?
 - c. Would I feel comfortable describing my decision or action in a public meeting?
 - d. Could I cause harm to the 22nd DAA, the 22nd DAA's reputation, 22nd DAA Personnel, or External Stakeholders?
2. Question (in a professional and appropriate way) pending individual and group actions or decisions when necessary to ensure that they are ethical and are implemented in an ethical, inclusive manner.
3. Seek expert guidance if in doubt about the ethical propriety of a situation.
4. When appropriate, champion the development of others as ethical leaders in the profession and the 22nd DAA through coaching and mentoring.

4. Fairness, Diversity, and Inclusion

All 22nd DAA Personnel are ethically responsible for promoting and fostering fairness, diversity, and inclusion for all 22nd DAA Personnel and External Stakeholders. In addition, the 22nd DAA has a policy of promoting fairness, diversity, and inclusion among its Board and staff and to the community at large in order to strengthen its programmatic effectiveness.

General Guidelines

1. Respect the uniqueness and intrinsic worth of every individual.
2. Treat people with dignity, respect and compassion to foster a trusting work and service environment free of harassment, intimidation, and unlawful discrimination.
3. Advocate for and take actions to ensure the organization's work and service environment promotes diversity and inclusion.
4. Develop, administer, and advocate policies and procedures that foster fair, consistent, and equitable treatment for all.
5. When involved in the HR process, promote diversity and inclusion in employee recruitment, hiring, promotion, and retention.

5. Professional Competency

All 22nd DAA Personnel must strive to meet the highest standards of professional competency and commit to strengthen their competencies on a continuous basis.

General Guidelines

1. Ensure adequate level of personal competency to perform assigned responsibilities and duties proficiently.
2. Be honest about individual level of competency and commit to continuous learning, skills development, and application of new knowledge related to the work of the 22nd DAA.
3. Contribute to the organizational knowledge and growth of other 22nd DAA Personnel by openly sharing information and engaging in collaborative learning.

6. Conflicts of Interest

See *Policy 2.03: Conflicts of Interest*.

22nd District Agricultural Association Policies

Policy 2.03: Conflicts of Interest

Date Adopted/Last Revised:

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

Purpose

It is in the best interest of the 22nd DAA to be aware of and properly manage all real, potential, and perceived conflicts of interest. This Policy is designed to help 22nd DAA Personnel identify situations that present potential conflicts of interest and to provide guidelines for handling perceived, potential, or actual conflicts of interest in accordance with the 22nd DAA's institutional values and legal requirements.

Section 2.03.01 sets forth the reporting procedure applicable to 22nd DAA employees other than the CEO and CEO Direct Reports.

Section 2.03.02 sets forth the reporting procedure applicable to Board Members, the CEO, and CEO Direct Reports.

Note: This Policy supplements but does not replace any disclosure or recusal requirements set forth in the Conflict of Interest Code of the California Department of Food and Agriculture ("COI Code") or any other applicable state law or regulation, including but not limited to, California common law, California Government Code, section 1090, California Public Contracts Code, section 10410, and the Political Reform Act of 1974 (including any regulation promulgated by the Fair Political Practices Commission to enforce the Political Reform Act of 1974, [collectively, "California Law"]).

If any provision contained in this Policy conflicts with any provision set forth in the COI Code and/or California Law, the provision contained in the COI Code and/or California Law shall govern and control. This Policy does not replace, modify, or alter any reporting

requirements under California law, including but not limited to, the reporting of economic interests through the completion and submission of the annual Statement of Economic Interests (Form 700).

Definitions

For the purpose of this Policy, the following definitions apply:

- **Family Member:** any member of an employee's or Board Member's family (spouse, parent, sibling, child, stepchild, grandparent, grandchild, great-grandchild, in-law, or registered domestic partner)
- **Interest:** any interest, financial or otherwise, whether direct or indirect, including, but not limited to: being employed by, consulting with, holding office in (including serving on a fiduciary or advisory board of), representing, or deriving income from a Third Party
- **Third Party:** any individual or entity, whether organized for profit or not-for-profit, other than the 22nd DAA
- **Transaction:** any transaction between a Third Party and the 22nd DAA in which the Third Party would receive something of value (whether financial or not) from the 22nd DAA

Policy

All 22nd DAA Personnel are expected and required to avoid any relationship or activity that might impair, or appear to impair, their ability to ethically carry out their responsibilities, without disclosing that information and obtaining the appropriate approval in accordance with this Policy.

In general, a conflict of interest may occur if an outside Interest or activity influences, appears to influence, or has the potential to influence the ability of an individual to exercise objectivity in the performance of their duties at the 22nd DAA or to perform their duties in the best interests of the 22nd DAA. Specific examples of potential conflicts of interest include, but are not limited to, situations where an employee or Board Member:

- Participates in decision-making related to, or otherwise seeks to influence, a potential Transaction between the 22nd DAA and a Third Party in which they have an Interest or their Family Member has an Interest.
- Receives compensation, gifts, favors, entertainment, personal advancement, or other benefits of more than a nominal value (\$500 accumulated annually from the same source)

from a Third Party, which has engaged in, or seeks to engage in, a Transaction with the 22nd DAA.

- Discloses or uses confidential, privileged, special, or inside information about the 22nd DAA or its employees or Board Members for personal gain or advantage.
- Has an opportunity to influence the 22nd DAA's business, administrative, or other material decisions in a manner that leads to personal gain or advantage.
- Uses their position at the 22nd DAA to obtain employment at the 22nd DAA for their Family Members or other Third Parties in which they have an Interest.

The above list of examples is not exhaustive. All 22nd DAA Personnel are expected to exercise careful judgment in determining whether or not to disclose a potential conflict of interest in accordance with this Policy. In the case of uncertainty about whether a situation constitutes a potential conflict of interest, 22nd DAA Personnel are encouraged to err on the side of disclosure.

2.03.01: Disclosure Requirement and Approval Procedure for Employees Other Than the CEO and CEO Direct Reports

Any time an employee other than the CEO or CEO Direct Report is aware or becomes aware of facts or circumstances that could give rise to a potential conflict of interest or, in a reasonable person's judgment, could present the appearance of impropriety, such employee shall promptly report that information to their direct supervisor.

Any employee who is or becomes aware that the 22nd DAA is considering entering into a Transaction with a Third Party in which the employee (or their Family Member) has an Interest shall ensure that their direct supervisor is made aware of the potential conflict of interest *prior to* the Transaction being entered into by the 22nd DAA.

All disclosed information will be treated on a confidential basis, except to the extent necessary for the protection of the interests of the 22nd DAA or as otherwise required under California law. The CEO may issue additional procedures to address these disclosures, provided that all disclosures shall be reviewed at least "two levels up" (*i.e.*, the supervisor of an employee who discloses any perceived, actual, or potential conflict of interest will consult with their own supervisor in addressing the disclosure).

Reporting and Violations of the Policy

An employee who discovers or suspects a violation of this Policy should follow the procedures outlined in *Policy 2.05: Reporting Wrongdoing*.

Violations of this Policy will be treated as serious misconduct. The Board delegates the responsibility to establish appropriate investigation and disciplinary procedures relating to violations of this section to the CEO.

2.03.02: Disclosure Requirement and Approval Procedure for Board Members, CEO, and CEO Direct Reports

Any time the CEO, a CEO Direct Report, or a Board Member is aware or becomes aware of facts or circumstances that could give rise to a potential conflict of interest or, in a reasonable person's judgment, could present the appearance of impropriety, such individual shall promptly report that information to the Board Chair, prior to its next regularly scheduled meeting.

Any time the CEO, a CEO Direct Report, or a Board Member is aware, or becomes aware, that the 22nd DAA is considering entering into a Transaction with a Third Party in which the CEO, a CEO Direct Report, a Board Member, or one of the foregoing's Family Members may have an Interest, such individual shall disclose the existence of the potential conflict of interest and all material facts to the Board *in advance* of the Transaction being entered into by the 22nd DAA. Such report shall be made first to the Board Chair and Board Vice Chair and subsequently reviewed by the full Board in a publicly noticed meeting. The CEO shall not knowingly permit such a Transaction to proceed without first obtaining the Board's express approval following full disclosure to the Board, during a regularly scheduled meeting, of all material facts. This applies to Transactions above and below the amount of any delegation of signature authority made by the Board to the CEO.

Recusal

When the CEO, a CEO Direct Report, or a Board Member has an Interest in a proposed Transaction, that individual will provide information as requested and then will abstain from any deliberation on the merits of the proposal or the vote.

Reporting Violations of the Policy

Any individual who discovers or suspects a conflict of interest should follow the procedures outlined in *Policy 2.05: Reporting Wrongdoing*.

Documentation

The minutes of any Board meeting at which any actual, potential, or perceived conflict of interest is disclosed or discovered involving the CEO, a CEO Direct Report, or a Board Member will contain:

- The name of the person who disclosed, or otherwise was found to have, an actual, potential, or perceived conflict of interest; the nature of the interest; any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest or duality of interest in fact existed.
- The name of each person present for discussions, the vote of each Board Member relating to the Transaction, a summary of the discussion, including adopted alternatives to the proposed Transaction, and a record of any votes taken in connection with the discussion.

22nd District Agricultural Association
Policies

Policy 2.04: Discrimination and Harassment Prevention

Date Adopted/Last Revised:

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

Purpose

The purpose of this Policy is to ensure that all 22nd DAA Personnel are committed to providing a work, service and business environment that are free from unlawful harassment, discrimination, and retaliation.

This policy applies to all persons involved in 22nd DAA activities, including, but not limited to, staff; Board Members; contracted, temporary and voluntary employees; members of the public; applicants for employment; or visitors on 22nd DAA property who may come into contact with 22nd DAA employees. This policy also applies to any incidents involving inappropriate behavior made either to or by 22nd DAA guests and business partners.

Note: This Policy supplements but does not replace any discrimination and harassment prevention protections provided for California law or Federal law, including but not limited to, the California Fair Employment and Housing Act.

If any provision contained in this Policy conflicts with any provision of California law, the provision of California law shall govern and control.

Policy

The 22nd DAA is committed to a work and service environment in which all individuals are treated with respect and dignity. The 22nd DAA expressly prohibits discrimination, harassment, and bullying by or against any 22nd DAA Personnel or External Stakeholders, and will take all

reasonable steps to prevent the occurrence of discrimination, harassment, and bullying from occurring.

Executed at all levels within the organization, the 22nd DAA exercises a zero tolerance policy on discrimination, harassment, and bullying for causes including, but not limited to: age, ancestry, color, disability (mental and physical), exercising the right to family care leave, gender, gender expression, gender identity, genetic information, marital status, medical condition, military or veteran status, national origin, political affiliation, race, religion, sex (includes pregnancy, childbirth, breastfeeding, and related medical conditions), sexual orientation, citizenship status, or any other protected status in accordance with all applicable Federal, State, and local laws. The 22nd DAA, in compliance with all applicable federal, state, and local anti-discrimination and harassment laws and regulations, will enforce this policy in accordance with the following definitions and guidelines:

Discrimination

The 22nd DAA prohibits discrimination of any kind. For the purposes of this Policy, discrimination may include, but is not limited to: hostile or demeaning behavior toward people because of their protected class; allowing the protected class of an employee, applicant, or other person involved in 22nd DAA business to be a factor in hiring, promoting, compensating or other employment related decisions unless permitted by applicable law; or providing unwarranted assistance or withholding work-related assistance, cooperation, and/or information to employees, applicants, or other persons involved in 22nd DAA business because of their protected class. Such conduct may violate this policy, even if it is not unlawful.

Harassment

The 22nd DAA prohibits harassment of any kind, including sexual harassment. For purposes of this Policy, harassment is unwelcome, disrespectful, or unprofessional conduct, including conduct based on any of the protected classes. Harassment includes, but is not limited to, verbal (jokes, slurs, epithets, teasing), visual (posting of offensive graphic material, symbols, computer displays), or physical conduct in an unwanted manner. The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal harassment includes comments that are offensive or unwelcome regarding a person's national origin, race, color, religion, gender, sexual orientation, age, body, disability or appearance, including epithets, slurs, and negative stereotyping.

- Nonverbal harassment includes distribution, display, or discussion of any written or graphic material that ridicules, denigrates, insults, belittles or shows hostility, aversion or disrespect toward an individual or group because of national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital status or other protected status.
- Physical harassment includes any threatening, intimidating, violent, or hostile physical acts.

All harassing conduct is unacceptable in the workplace and in any work-related setting, such as business trips and business-related social functions, regardless of who is engaging in the conduct. Even if it is not unlawful, such conduct, even if a single incident, may violate this policy.

Sexual Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state, and local laws. For the purposes of this policy, sexual harassment is defined as harassment based on sex (including pregnancy, childbirth, breastfeeding or related medical conditions), gender, gender identity, or gender expression. Sexually harassing conduct does not need to be motivated by sexual desire.

Sexual harassment is categorized into two types:

Quid Pro Quo:

- The demand of sexual favors in exchange for a job benefit or continued employment.
- Submission to or rejection of the demand is used as the basis for an employment decision affecting the victim.
- Typically committed by a supervisor, management or someone with authority over the victim.

Hostile Work Environment:

- Conduct of a sexual nature that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile, or otherwise offensive working environment. Examples include, but are not limited to:
 - Unwelcome sexual advances, flirtation, teasing of a sexual nature.
 - Sexually aggressive or obscene letters, invitations, notes, emails, voicemails, or gifts.
 - Sex, gender, or sexual orientation-related comments, slurs, jokes, remarks, or epithets.
 - Leering, obscene or vulgar gestures, or sexual gestures.
 - Displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, posters, or other such items.

- Impeding or blocking movement, unwelcome touching or assaulting others.
- Reprisals and threats after a negative response to a sexual advance.
- Conduct or comments consistently targeted at one gender, even if the conduct is not sexual.

All sexually harassing conduct is unacceptable in the workplace and in any work-related settings, such as business trips and business-related social functions, or when interacting with External Stakeholders regardless of who is engaging in the conduct. Such conduct, even if a single incident, may violate this policy even if it is not unlawful.

Intent vs. Impact for Harassment Cases

In cases of alleged harassment, the intent of the harasser is irrelevant. It is the impact of the behavior and how it is perceived by the recipient that determines if the conduct is harassment. In addition, a witness to the conduct has the right to submit a complaint.

Retaliation

For the purpose of this Policy, retaliation is an adverse employment action against an individual for engaging in a protected activity. To prove retaliation, there must be a causal link between the adverse employment action and the protected activity.

No hardship, loss, benefit, or penalty may be imposed on a Board Member or employee in response to opposing discriminatory practices, filing a complaint, or testifying, assisting or participating in any manner in an investigation, proceeding or hearing. These prohibitions apply to all 22nd DAA Personnel, not only managers and supervisors or others against whom complaints are filed.

Lodging a bona fide complaint will in no way be used against the individual or have an adverse impact on the individual's employment status. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.

Procedures

Internal Complaint Process

The 22nd DAA's discrimination and harassment complaint process provides the employee, applicant, or other person involved in the 22nd DAA's business, the opportunity, including External Stakeholders, to raise allegations and to seek resolution of their complaint. Complaints

will be resolved at the lowest organizational level possible while assuring that the process provides for timely, thorough, and impartial review of the discrimination or harassment complaint without fear of reprisal or retaliation.

Reporting and Violations of the Policy: Employees

An employee who discovers or suspects a conflict of interest should follow the procedures outlined in Policy 2.05 (Reporting Wrongdoing).

Employee violations of this policy will be treated as serious misconduct. The Board delegates the responsibility to develop appropriate discrimination and harassment investigation and disciplinary procedures for employees to the CEO. However, these procedures must include a provision that the Board be notified promptly about any complaints against a member of the organization's Senior Management Team.

Employee:

- Tell the individual engaging in the inappropriate conduct to stop.
- Report conduct to immediate supervisor or any other supervisor if the employee's immediate supervisor is unavailable to resolve the complaint, or is the subject of the complaint.
- Report the conduct to the Human Resources Department.

Supervisors:

- Anyone in a supervisory position is considered an obligated reporter for the purpose of this Policy. Supervisors must report any and all potential violations of this policy to the Human Resources Department immediately. Failure to do so may result in disciplinary action against the Supervisor.
- Maintain confidentiality to the extent possible.

Human Resources Department:

- Determine if the complaint filed meets jurisdictional and procedural requirements and assign an investigator. The objective of the investigation is to determine if there is sufficient evidence to show a violation of the 22nd DAA Discrimination and Harassment Prevention Policy.
- If necessary, advise the CEO and the Complainant that a complaint has been received, the intent to investigate the allegations, and inform them of the policy against retaliation.
- Conduct the investigation. When the investigation is complete, the CEO, the Complainant, and the Respondent will be informed of the findings. The investigation will be conducted with discretion and the information gathered during an investigation will be kept confidential to the extent possible.

Reporting and Violations of the Policy: Board Member and CEO

Any individual who experiences a violation of this policy should follow the reporting procedures outlined in Policy 2.05 (Reporting Wrongdoing).

Violations of this policy will be treated as serious misconduct.

Nothing in this policy may prevent the complainant or the respondent from pursuing formal legal remedies or resolution through local, state, or federal agencies or the judicial system.

The following options are available to resolve a complaint:

Complaints Filed Outside of the 22nd DAA

No one is required to file a complaint with their immediate Supervisor, other Staff Supervisor or Director, or the Human Resources Department. Anyone may file a complaint with the following agencies:

Equal Employment Opportunity Office
San Diego Local Office
555 West Beech Street, Suite 504
San Diego, CA 92101
(619) 900-1616

California Department of Fair Employment and Housing
320 West 4th Street, 10th Floor
Los Angeles, CA 90013
Phone: (213) 439-6799

U.S. Equal Employment Opportunity Commission
Los Angeles District Office
Roybal Federal Building
255 East Temple St., 4th Floor
Los Angeles, CA 90012
(213) 785-3090

Liability for Unlawful Discrimination and Harassment

22nd DAA:

- Responsible for the actions of their employees and as a result can be held financially liable for the employees' acts if the supervisor or staff director knew or should have

known of the existence of discrimination or harassment and failed to take appropriate action.

Supervisors, Department Heads, and Executives:

- Because supervisors are responsible for ensuring a work environment free of discrimination, harassment and retaliation, they must take immediate action if they learn of any alleged incident of discrimination, harassment, or retaliation. Actions always include notifying the Human Resources Department immediately. Failure to act can expose the supervisors personally to financial liability for damages, as well as disciplinary action.
- Supervisors who engage in Quid Pro Quo Harassment can be subject to disciplinary action and held financially liable for their conduct.

Individual Harasser:

- An employee found guilty of unlawful discrimination or harassment may be sued separately from his/her employer and if found guilty, will be held financially liable for his/her actions. Insurance generally does not indemnify for intentional conduct, and the employer may have no legal obligation to pay the cost of defense or judgment for an employee determined to have sexually harassed another. The employee may be responsible for paying part or all monetary damages if any are awarded. Monetary damages may include substantial compensatory and punitive damages and attorney fees.

Training

All 22nd DAA employees, including newly appointed supervisors and staff directors, Board Members and the CEO are required to complete a harassment prevention training class within six months after appointment or promotion, and **every two years thereafter**. Newly hired employees shall be provided with a copy of the 22nd DAA's Discrimination and Harassment Prevention Policy as part of the hiring package.

All temporary and seasonal employees must complete a harassment prevention training class within two weeks of being hired.

All Supervisors are required to discuss and review the 22nd DAA's Discrimination and Harassment Prevention Policy with subordinate **employees annually**.

Exclusion

These Policies should not, and may not, be used as a basis for excluding or separating individuals of a particular gender, or any other protected characteristic, from participating in business or work-related social activities or discussions. In other words, no one should make the mistake of engaging in discrimination or exclusion to avoid allegations of harassment.

22nd District Agricultural Association Policies

Policy 2.05: Reporting Wrongdoing

Date Adopted/Last Revised:

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

Purpose

The 22nd DAA Code of Ethics (*Policy 2.02*) requires all 22nd DAA Personnel to meet the highest standards of ethical conduct and behavior. This Policy is designed to provide clear guidance to 22nd DAA Personnel about their responsibility to report any unethical behavior or wrongdoing related to the 22nd DAA.

Note: This Policy supplements but does not replace any whistleblower protections provided for under California law or Federal law, including but not limited to, the California Whistleblower Protection Act.

If any provision contained in this Policy conflicts with any provision of California law, the provision of California law shall govern and control.

Policy

All 22nd DAA Personnel are required to immediately file a report when they observe or otherwise become aware of any illegal and/or unethical behavior, including any violations of law, Policies, or California State rules or regulations, including with respect to fraud, waste, and abuse (collectively, “Wrongdoing”). Any use of these reporting procedures in bad faith or in a false or frivolous manner is a serious violation of the 22nd DAA’s commitment to ethical behavior.

The 22nd DAA maintains an anonymous ethics hotline (“Ethics Hotline”) for employees, Board Members, and community members to anonymously report allegations of Wrongdoing. The Ethics Hotline is administered by an independent third party and is overseen by the Board.

Retaliation and Whistleblower Protections

A whistleblower as defined by this policy is an employee of the 22nd DAA who reports an activity that the employee considers in good faith to be Wrongdoing. Whistleblower protections are provided in two important areas—confidentiality and retaliation.

Confidentiality

Consistent with California law, the 22nd DAA will make every effort to protect the reporter’s identity. Information provided in a hotline report may be the basis of an internal or external investigation by the 22nd DAA into the issue. It is possible that as a result of the information provided, a reporter’s identity may become known during the course of the investigation.

Retaliation

The 22nd DAA will not retaliate, or permit any retaliation, against a whistleblower who makes a report in good faith. This includes, but is not limited to, protection from retaliation in the form of any adverse employment action such as termination, compensation decreases, demotion, poor work assignments, threats of physical or reputational harm, bullying, harassment, interfering with job responsibilities, and/or any other form of retaliation. 22nd DAA Personnel are strictly prohibited from engaging in unlawful retaliation. Violations of this prohibition will be treated as serious misconduct. Any whistleblower who believes they are being retaliated against should immediately report that information in accordance with the reporting procedures below. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and found to have occurred.

Procedure

Reporting Procedure

22nd DAA employees may report allegations of Wrongdoing by other employees to their direct supervisor, to the CEO, to the Director of Human Resources, or to the Ethics Hotline. 22nd DAA employees may report allegations concerning potential Wrongdoing by the CEO, CEO

Direct Reports, or a Board Member to the Board Chair (or, if the allegation involves the Board Chair, to the Board Vice Chair) to the Ethics Hotline. Individuals reporting to the Ethics Hotline have the option to remain anonymous. If possible, reporters should provide evidence or documentation in their report to provide supporting information critical to a potential investigation.

Board Members should report allegations of Wrongdoing to the Board Chair (or, if the allegation involves the Board Chair, to the Board Vice Chair).

Employees or Board Members may file a complaint with the California State Auditor's Office under the California Whistleblower Protection Act. The State Auditor is authorized to accept complaints from state employees and members of the public who wish to report an improper governmental activity and protects every state employee who files a complaint from suffering any retaliation by his or her state employer for having made the complaint.

A complaint may be filed by contacting the Whistleblower Hotline at (800) 952-5665, faxed to (816) 322-2603, or sent by mail to:

Investigations
California State Auditor
P.O. Box 1019
Sacramento, CA 95812

An electronic complaint form and on-line Whistleblower Complaint Submission form are available at the State Auditor's website: <https://www.auditor.ca.gov>

Response Procedures

Responses to whistleblower reports will depend on the nature of the issue.

Allegations Against Employees Other than the CEO or a CEO Direct Report

All whistleblower reports involving allegations of Wrongdoing by employees other than the CEO or a CEO Direct Report shall be referred directly to the CEO. The CEO will perform an initial review and consult with other applicable government agencies (e.g., CalHR, CDFA, etc.), and determine appropriate follow-up actions. The CEO may consult with and delegate responsibility for follow-up action to other Executives and/or the Director of Human Resources. The CEO shall, in his/her reasonable judgment, inform the Board Chair and Board Vice Chair of

any significant allegations of Wrongdoing or of allegations that suggest a pattern of Wrongdoing or systemic issues.

Allegations Against Board Members, the CEO, or a CEO Direct Report

All whistleblower reports involving allegations of Wrongdoing by the CEO, a CEO Direct Report, or a Board Member shall be referred directly to the Board Chair and Board Vice Chair. If the allegation involves the Board Chair, the report shall be referred directly to the Board Vice Chair and the Audit & Governance Committee Chair. If the allegation involves the Board Vice Chair, the report shall be referred to the Board Chair and the Audit & Governance Committee Chair. The Board Chair and Board Vice Chair (or Audit & Governance Committee Chair, if applicable) will perform an initial review, consult with the Office of the Attorney General and/or other applicable government agencies (e.g., CDFA, CalHR, Office of the Governor), and determine appropriate follow-up actions.

22nd District Agricultural Association
Policies

Policy 3.01: Board Composition and Officers

Date Adopted/Last Revised:

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

Purpose

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

Policy

Board Composition

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

Board Officers

Annually, the Board will elect two of its members to fulfill the officer positions as outlined in Article III of the 22nd DAA Bylaws.

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

Board Chair Responsibilities

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

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

Board Vice Chair Responsibilities

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

CEO Responsibilities

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

Secretary Responsibilities

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

Treasurer Responsibilities

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

22nd District Agricultural Association **Policies**

Policy 3.02: Board Composition and Committees

Date Adopted/Last Revised:

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

Purpose

In accordance with Bylaw Article IV, Section 6, the 22nd DAA recognizes that either the Board Chair or the Board of Directors can establish committees to assist in the work of the Board. The purpose of this policy is to outline the authority of the Board Chair to establish committees.

Policy

Within this structure, Board Committees have one essential role—to strengthen and support the work of the Board as a whole.

The Board Chair may form standing committees to address long-term or continuing needs of the organization. Each standing committee will have one or two members. The Board of Directors must comply with all requirements of the Bagley-Keene Open Meeting Act in creating standing committees. A standing committee with more than two Board Members that is created by the Board must comply with the requirements of the Bagley-Keene Open Meeting Act. The Board Chair may create standing committees upon his or her discretion during a meeting of the Board of Directors properly noticed in accordance with the Bagley-Keene Open Meeting Act.

The Board Chair may also create time-limited ad hoc committees to oversee specific projects, tasks or initiatives. Each ad hoc committee may have between two and four members. Ad hoc committees with more than two members must comply with the requirements of the Bagley-Keene Opening Meeting Act. When the task of an ad hoc committee is completed or no longer relevant, the Board Chair should dissolve that committee through formal action at a properly noticed public meeting.

Procedure

Committee Member Selection

The Board Chair is responsible for selecting committee members. When selecting members, the Board Chair will consider the Board Member's knowledge and expertise, competencies and skills and personal interest in serving on the committee. In the interest of having committee members represent the community served by the committee, the Board Chair may also consider the diversity of each Board Member's personal experiences and backgrounds. Unless otherwise specified, the CEO or his/her staff designee will serve as a non-voting member of each committee.

Committee Member Resignation

Committee members may resign from their committee positions or recommend replacement at any time by giving written notice of resignation to the Board Chair. The resignation is effective when notice is received, unless the notice specifies a later effective date. The acceptance of the resignation is not necessary to make it effective.

Committee Member Removal

The Board Chair can remove and/or reassign committee members when, in the Board Chair's sole judgment, it would be in the best interest of the 22nd DAA.

22nd District Agricultural Association
Policies

Policy 3.03: Board Member Code of Conduct

Date Adopted/Last Revised:

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

Purpose

Board Members are expected to conduct themselves in a manner that cultivates a spirit of cooperative decision-making, shared goals and collective ownership of decisions of the Board of Directors. In addition to the guidelines provided in the Organizational Values, Code of Ethics, and Conflicts of Interest policies, this policy outlines a specific Code of Conduct that applies to all Board Members.

Policy

The Board commits itself and each Board Member to professional and respectful conduct, including proper use of authority and appropriate decorum when acting as Board Members. Accordingly, Board Members are expected to embrace and support the following principles:

1. **Group Responsibility:** The Board of Directors will cultivate a sense of group responsibility. The Board may use the expertise of individual Board Members to enhance the Board's understanding of issues, but will not substitute such expertise for the collective judgment of the Board.
2. **Preparation and Participation:** Board Members are accountable for discharging their duties honestly and in good faith. Board Members shall exercise the degree of care, diligence and skill that a reasonably prudent person would use in similar circumstances.
 - a. *Preparation:* Board Members will review agenda materials in advance of public Board meetings and committee meetings, and will participate productively in discussions.

- b. *Ethics Training:* All Board Members are required to participate in training regarding the Bagley-Keene Open Meeting Act, ethics, conflict of interest, public records requests and Board Policies. In addition, all Board Members must complete all trainings required by the State and California Department of Food & Agriculture in a timely manner. Training should take place as part of the initial onboarding process for new Board Members. In addition, all Board Members should review relevant material on an ongoing basis.
3. **Respect for Roles:** Board Members will not attempt to exercise individual authority over the 22nd DAA.
- a. *Interaction with CEO/Staff:* Board Members' interaction with the CEO or with staff should respect the appropriate reporting lines and recognize the lack of authority vested in individuals except when explicitly Board authorized (see Policy 5.02 CEO and Staff Accountability).
 - b. *Interaction with Public:* Board Members' interaction with public, media or other entities must recognize this limitation and Board Members should not speak for the CEO, or speak for the Board except to communicate explicitly stated Board decisions (see Policy 4.09 Community Relations and Advocacy).
 - c. *Board and CEO Relationship:* The CEO is accountable to the Board as a whole, and not to individual Board Members. Therefore, the relationship between the CEO and individual Board Members, including the Board Chair, is collegial, not hierarchical (see Policy 5.02 CEO and Staff Accountability).
 - d. *Volunteering:* As the CEO is responsible for operational activities and results, Board Members that decide to volunteer in operational capacities (those for which the Board holds the CEO accountable) are subject to the direct supervision of the CEO or responsible staff person.
 - e. *CEO/Employee Performance:* Except for participation in Board deliberation related to the employment of the CEO (including but not limited to CEO performance evaluation (see Policy 5.05 CEO Performance Evaluation)), Board members will not publicly express individual judgments of performance of employees or the CEO.
 - f. *Board Assessment:* Board Members shall annually participate in an individual and group self-assessment and evaluation of overall board performance
4. **Commitment to Board Decisions:** Board Members will support the legitimacy and authority of the final determination of the Board on any matter, irrespective of the Board Member's personal position on the issue.

5. **Event Attendance and Support:** In addition to attendance at Board meetings, Board Members are encouraged to attend the following 22nd DAA events and functions:
- a. Opening Day of the annual San Diego County Fair
 - b. Awards presentations
 - c. Other special events as determined by the Board or requested by the CEO
6. **Discipline:** The Board will enforce upon itself whatever discipline is needed and appropriate to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles and ensuring the continual development of governance capability.

22nd District Agricultural Association
Policies

Policy 3.04: Board Member Conflict Resolution

Date Adopted/Last Revised:

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

Purpose

Board Members are commonly appointed to bring diverse views on issues to the decision-making process. Constructive disagreements among Board Members are encouraged. However, in the heat of debate, disagreements sometimes degenerate into serious conflict on issues or between or among personalities. The purpose of this policy is to outline how conflict between Board Members should be resolved.

Policy

If disputes among Board Members begin to interfere with the ability of the Board to effectively carry out its business, the Board Chair is responsible for managing and resolving those conflicts. If the Board Chair is party to a conflict, the Board Vice Chair will take on this responsibility. If the Board Vice Chair is party to the conflict, a neutral Board Member will be selected to fulfill this role by the Board of Directors during a public meeting in accordance with the Bagley-Keene Open Meeting Act.

The Board Chair will review any disputes and provide an opportunity for the Board Members concerned to represent their respective positions. Every attempt should be made to resolve such matters expeditiously and fairly. Any recommendations regarding resolution of such matters shall be brought to the Board for approval, and the ruling of the Board shall be made during a public meeting and shall be deemed final. Should any Board Member refuse to abide by the ruling, the Board may table the matter pending determination of disciplinary action. Such action may include formal or informal censure by the Board Chair or the Board.

22nd District Agricultural Association **Policies**

Policy 3.05: Board Meetings and Agendas

Date Adopted/Last Revised:

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

Purpose

The purpose of this policy is to outline meeting and agenda-setting requirements, including compliance with all applicable California laws.

Policy

To support transparent communication, and in alignment with the Bagley-Keene Open Meeting Act, it is the policy of the 22nd DAA that its work will be conducted openly so that the public may remain informed and involved in the decision-making process. As such, the actions of the Board are conducted in compliance with all pertinent statutes, including – but not limited to – the Bagley-Keene Open Meeting Act.

Notices of Meetings

All meetings will be noticed in accordance with the Bagley-Keene Open Meeting Act.

Regular Meetings

In accordance with Bylaws Article II, Section 2, regular meetings of the Board of Directors will be held monthly on the second Tuesday or at the discretion of the Board Chair, for no less than eight months per year. Since the 22nd DAA hosts the annual San Diego County Fair in the month of June through the July 4th holiday weekend, there will not be a June or July Board meeting unless specifically requested and approved by the Board.

Via a resolution, the Board may select the time and place within San Diego County, California, to hold its regular meetings.

Except when the Board convenes to closed session, in accordance with the Bagley-Keene Open Meeting Act, Board meetings are open to the public. Board meetings will follow Robert's Rules of Order unless the Board Bylaws explicitly substitutes an alternative procedure. Committee meetings are not open to the public unless required by law or otherwise requested by Board committee members.

Special Meetings

"Special Meetings" of the Board of Directors may be called at any time in accordance with Government Code section 11125.4, the provision of the Bagley-Keene Open Meeting Act that governs special meetings.

Emergency Meetings

"Emergency Meetings" of the Board of Directors may be called at any time in accordance with Government Code section 11125.5, the provision of the Bagley-Keene Open Meeting Act that governs emergency meetings.

Closed Sessions

Closed sessions of the Board shall be noticed in accordance with the requirements of the Bagley-Keene Open Meeting Act.

Recessed and Adjourned Meetings

Any meeting may be recessed or adjourned until a stated later date and hour. In the absence of a quorum, a majority of the Board Members present at the meeting may adjourn any meeting.

Decision-Making Process

Decisions of the Board are made as a group at Board meetings at which a quorum of the Board (50% plus one) is present. A quorum is required for the transaction of any business of the 22nd DAA. Decisions will ideally be made through a consensus development process leading to a formal vote to record the decision. This process is intended to encourage full discussion and

development of a decision that all, or at least the largest possible majority of, board members can support, prior to a vote. Where disagreements continue to exist, dissenting members may request that their objections be recorded in the minutes. A favorable vote of a majority of the members present, regardless of abstentions, is required for approval. Board Members have the right to discuss questions before the Board and make their decisions in an uninhibited atmosphere.

Agenda

As stated in Policy 3.01 (Board Composition and Officers), the Board Chair will set the agendas for Board meetings, with input from Board Members and assistance of the CEO. The Board Chair will ensure that discussions at Board meetings are confined to those issues properly agendaized and that clearly fall within the Board's authority according to its policies. Deliberation on issues during Board meetings will be timely, fair, orderly, thorough, and efficient.

22nd District Agricultural Association
Policies

Policy 3.06: Board Member Orientation and Training

Date Adopted/Last Revised:

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

Purpose

The 22nd DAA works to actively develop and maintain a high quality, engaged, and effective Board. This policy outlines the responsibility of the Board to orient and train its members.

Policy

New Board Member Orientation

The 22nd DAA will provide a welcoming and comprehensive orientation process to encourage new Board Members to become informed and engaged. Within 30 days of appointment, each new Board Member will receive a thorough orientation to their position by the CEO and Board Chair. Orientation should include, but not be limited to:

- The history, purpose, mission, vision, and values of the 22nd DAA
- The Board Bylaws and all Policies
- An organizational chart
- An overview of funding sources
- Calendar of meetings and events
- A tour of facilities and introduction to key staff
- The requirements of the Bagley-Keene Open Meeting Act

Continuing Education

To build an informed and engaged Board of Directors, the 22nd DAA provides ongoing education, including:

- Completion of State-mandated training courses including, but not limited to:
 - Maintaining a Respectful Work Environment-EEO Compliance (within six months after appointment and every two years thereafter)
 - Protecting Privacy in State Government (annually)
 - SANS Security Awareness (annually)
 - Ethics Orientation for State Officials (every two years)
- Bagley-Keene Open Meeting Act training

Whenever possible, the Board should consider participating in the above required training as a group during a publicly noticed meeting to foster discussion.

Procedure

On an annual basis, the Board Chair, in collaboration with the CEO, will determine the continuing education schedule and opportunities for the year. As part of this process, the Board Chair, in collaboration with the CEO, will ensure that all Board Members have the opportunity to attend and complete all required trainings.

22nd District Agricultural Association Policies

Policy 3.07: Board Self-Assessment

Date Adopted/Last Revised:

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

Purpose

The purpose of this Policy is to ensure that the Board functions as effectively as possible by regularly conducting self-assessments of their own performance.

Policy

Led by the Audit & Governance Committee, the Board will conduct a formal self-assessment of its own performance on an annual basis. This assessment should take place at the same time as the CEO Performance Evaluation (see Policy 5.05). The evaluation should include an assessment of:

- The Board's progress in relation to the strategic plan.
- The Board as a whole in terms of its capacity to function effectively and collaboratively.
- The Board's strength of relationship/collaboration with the CEO and other members of the Executive Team.
- Board Members' individual understanding and support of the organization's mission, values, ethics, as well as Board-specific responsibilities.

Additionally, the process should include an opportunity for the CEO to provide direct feedback to the Board.

The Board will review the results of the self-assessment. Under the guidance of the Board Chair, the Board is responsible to take any appropriate steps suggested by the review to improve its internal operations.



Item 5-B, Memorandum of Understanding with Don Diego Scholarship Foundation

Background:

In response to the economic crisis created for many District Agricultural Associations (DAA) throughout the state in 2011, when General Fund support for the California Network of Fairgrounds was eliminated, many foundations were formed to assist individual District Agricultural Associations with ongoing operations and/or capital expenditures. Over time, as board members of the foundation and/or DAA changed, so too did the mutual understanding of the role of the foundation to the respective DAA. In recent years, the California Department of Food and Agriculture (CDFA) has recommended that each DAA have a Memorandum of Understanding in place that outlines the relationship between the nonprofit and the DAA.

Though established for a purpose other than ongoing operations and/or capital expenditures, the mutually beneficial relationship that the 22nd DAA and Don Diego Scholarship Foundation have enjoyed over the decades merits formally defining that relationship for continued success. It is a relationship that began in May 1985 when the Board of Directors of the 22nd DAA established the Don Diego Memorial Scholarship Trust Fund. In 1993, the fund proceeds were transferred to a newly created and independent 501(c)(3) corporation, The Don Diego Fund which, in 2013, changed its name to the present-day Don Diego Scholarship Foundation.

Over the decades, the Don Diego Scholarship Foundation has remained true to its mission – promoting education by providing scholarships to deserving San Diego area graduating high school seniors and graduates who are associated with activities at the Del Mar Fairgrounds, including the San Diego County Fair, and grants for agricultural education such as the Plant*Grow*Eat program of the Fair – which is complimentary to the 22nd DAA's mission – to connect our community through shared interests, diverse experiences, and service to one another in an inclusive, accessible, and safe place with an emphasis on entertainment, recreation, agriculture, and education.

Process/Approach:

Beginning in November 2021 and continuing throughout 2022, 22nd DAA staff has met with the Don Diego Scholarship Foundation Executive Director and members of their Executive Committee on the details of the attached Memorandum of Understanding framework.

Recommendation

There is no action to be taken at this time. The Foundation is currently reviewing the attached Memorandum of Understanding with plans to present it to their board for approval later this month. Following their approval, it will be brought back to the 22nd DAA Board of Directors for approval at the next subsequent meeting.

Environmental/Coastal Commission Review

None

Fiscal Impact

Financial support of agriculture and education programs of the San Diego County Fair.

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into on January 23, 2023, by and between the 22nd District Agricultural Association, a California state institution, also known as the San Diego County Fairgrounds (“District”), and the Don Diego Scholarship Foundation, a 501(c)(3) California nonprofit public benefit corporation, (“Foundation”). District and Foundation are sometimes referred to collectively in this MOU as the “Parties”.

Recitals

- A. District is a district agricultural association formed under the California Food and Agricultural Code as a state institution for the purposes of holding fairs, exhibitions, community-based programs and services, and constructing, maintaining, and operating recreational and cultural facilities of general public interest.
- B. Foundation is a California nonprofit public benefit corporation, with Articles of Incorporation filed on or around December 8, 1998 (and an amended filed on or around September 20, 2012) with the California Secretary of State and qualified as a 501(c)(3) tax exempt organization pursuant to the Internal Revenue Service and the California Franchise Tax Board. Foundation was formed for the purpose of providing scholarships to deserving San Diego area graduating high school seniors and graduates who are associated with activities at the San Diego County Fairgrounds, including the San Diego County Fair. Foundation was also formed to provide grants for agricultural education. As an independent nonprofit public benefit corporation, Foundation is not required to comply with the provisions of the California Bagley-Keene Open Meeting Act.
- C. District and Foundation are separate and distinct legal entities; each with its own tax identification number and purpose.
- D. The Parties desire to enter into this MOU to define the relationship between the Foundation and District. The Parties, while working together towards accomplishing common goals, objectives, and purposes, will be managed and operated independently of the other party.

Agreement

In consideration of the mutual promises set forth in this MOU, the Parties agree to the following:

1. **Term.** The term of this MOU shall be for a two (2) year period, commencing on January 1, 2022 (the “Initial Term”), and shall automatically be extended for an additional three (3) year term (the “Renewal Term”), unless terminated earlier by either Party in accordance with the terms of this MOU. At the end of the Renewal Term, the Parties may extend the term of this MOU by the mutual written consent of the Parties.

2. Independent Legal Entities. Each Party acknowledges and agrees that the other Party is a separate and distinct legal entity and will act accordingly in its ongoing relationship and business dealings with the other Party.

District maintains sole and exclusive control of the Fairgrounds, personal property and operation of events that occur on the Fairgrounds, including any and all District events and programs supported by the Foundation.

The Foundation maintains sole and exclusive control of the Foundation personal property and is responsible for the lawful and prudent management of all funds consistent with donor intent.

To the extent individuals that serve as members of the District's Board of Directors also serve as members of the Foundation's Board of Directors, those individuals serve in their individual capacities and not as representatives of the District.

3. Joint Obligations of the Parties. The Parties agree to the following:
 - a. To collaborate in good faith and to develop and implement a strategic plan (the "Plan") that is designed to fulfill mutually agreed-upon fundraising goals and priorities of District and the Foundation for the purpose of providing scholarships to deserving San Diego area graduating high school seniors and graduates who are associated with activities at the San Diego County Fairgrounds, including the San Diego County Fair. Further, the Parties agree to meet on an annual basis to review the Plan and make mutually agreed upon amendments to the Plan if appropriate.
 - b. To share relevant information regarding grants, advertising and donations sought, solicited, and secured by each of the Parties with the intent of working collaboratively to streamline solicitations and to ensure no duplication of fund-raising tasks or efforts.
 - c. To maintain the Legacy Brick Program at the San Diego County Fairgrounds. Foundation will cover any and all costs associated with the Legacy Brick Program, including but not limited to purchasing and inscribing the bricks (the "Legacy Bricks") and installing and maintaining the Legacy Bricks. District has the exclusive authority to relocate the Legacy Bricks depending on the District's operational needs. If District determines that it is necessary to relocate the Legacy Bricks, it will provide Foundation with 6 months' written notice and will work collaboratively with Foundation to identify a new suitable location.

4. Individual Obligations of each Party. In furtherance of Paragraph 3 of this MOU, the Parties agree as follows:

a. District's Obligations:

- i. Each year, District shall communicate District's priorities and long term plans for the marketing and development of educational programming to the Foundation.
- ii. District will have the exclusive right to secure sponsorships for its facilities and events, including but not limited to San Diego County Fair.
- iii. District grants the Foundation a limited non-exclusive revocable license to use District's name, logo(s), or other identifying marks solely for the purpose of promotion and marketing provided the promotion and/or marketing is in furtherance of Foundation's purpose and youth related education programs and exhibits of District. District maintains the sole and absolute authority to revoke this license at any time and for any reason.
- iv. District will provide Foundation with the following:
 1. Logo placement on District's Website with link to Foundation website;
 2. Foundation presence in a mutually agreed location during District's annual county fair;
 3. Use of office space for the Foundation to conduct Foundation-related business that directly benefits the District; and
 4. No more than 24 times per year, use of meeting room space as requested by Foundation for the purpose of conducting Foundation meetings (up to 22 meetings per year, up to 2 hours each meeting) and Foundation youth scholarship interviews (up to 2 full days of interviews per year), subject to meeting room availability.

b. Foundation's Obligations:

- i. Immediately upon demand by the District, Foundation shall provide District with (a) an accounting of all proceeds derived from previous fundraising activities for District that occurred before or after the execution of this MOU and that are currently in possession of

Foundation, and (b) Foundation's most recent audit report by a certified public accountant or public accountant.

- ii. District CEO or other designated member of District's management team will serve as liaison to the Foundation Board of Directors.
- iii. Foundation will pay for any and all costs incurred by District for the bus program that transports students from San Diego County Title One Elementary Schools to the fairgrounds for the Districts' Plant*Grow*Eat agriculture education program, which provides the students with an enriching day at the San Diego County Fair showcasing lovingly-grown fruit and vegetables, petting farm animals, and planting the seeds for a life-long love of agriculture and healthy nutrition.
- iv. Foundation will engage an independent accounting firm to conduct an audit of the Foundation's financial and operational records as required by California law, including but not limited to the California Non-Profit Integrity Act and/or at the discretion of Foundation's Board of Directors. Foundation will provide a copy of each audit to District.
- v. Foundation acknowledges that its function is to promote education in a fair and fiscally sound manner by providing scholarships to deserving San Diego area graduating high school seniors and graduates who are associated with activities at District's annual San Diego County Fair and to provide grants for agricultural education. Foundation will strive to create an environment conducive to maintaining and increasing levels of private support for the mission and priorities of Foundation's purpose.
- vi. If Foundation distributes gift funds to District, Foundation will disclose, if applicable, any terms, conditions, or limitations imposed by the donor or legal determination of the gift. If such terms, conditions, or limitations are acceptable and approved by District then District may, in its sole and absolute discretion, elect to accept such gift funds and agree to abide by such terms, conditions, or limitations.
- vii. Foundation shall maintain and abide by the terms of its Articles of Incorporation and current by-laws, copies of which are attached to this MOU collectively as Exhibit A. Should Foundation revise its Articles of Incorporation or its by-laws, it shall immediately provide the revised Articles of Incorporation and by-laws to District.
- viii. Foundation shall abide by the California Non-Profit Integrity Act to the extent required by law.

- ix. Foundation shall maintain a visible statement on its website that it is an established 501(c)(3) organization.
- x. Foundation shall post on its website all documents required for posting by the Internal Revenue Service, including but not limited to Form 990 (annual information return), which form is filed by tax-exempt organizations, nonexempt charitable trusts, and Section 527 political organizations.
- xi. Foundation grants to District the revocable and limited right to use Foundation's name, logo(s), or other identifying marks in the promotion of the San Diego County Fair and the objectives of the parties as described in this MOU.
- xii. Foundation shall maintain its own mailing address and website, both of which shall be separate from the mailing address and website maintained by District.
- xiii. Foundation shall maintain insurance coverage as provided in this Section 4(b)(xiii). The insurance coverage provided by Foundation under this section shall be primary and any separate coverage or protection available to District or any other additional insured shall be secondary.

Nothing in this section shall be construed as limiting in any way the extent to which Foundation may be held responsible for damages resulting from Foundation's operations, acts, omissions, and/or negligence. Insurance coverage obtained in compliance with this section shall not relieve Foundation of liability in excess of such minimum coverage, nor shall it preclude District from taking other actions available to it under contract documents or by law.

Upon request by District, Foundation shall immediately furnish a complete copy of any policy required by this section, including all endorsements, certified by the insurance company issuing the policy to be a true and correct copy of the original policy.

a) Worker's Compensation. Foundation shall secure and maintain, at its own expense, during the Initial Term and any subsequent Renewal Term, Worker's Compensation insurance as required by California law for all of Foundation's employees.

b) Automobile Insurance. Foundation shall secure and maintain at its own expense during the Initial Term and any subsequent Renewal Term Commercial Automobile Liability coverage, on a per accident basis, at least as broad as the current ISO policy form # CA 00 01 (any auto), or any successor ISO policy form, with limits of not less than \$1,000,000 combined single limit per accident for contracts involving the use of Foundation's vehicles on the premises of District.

c) Commercial General Liability Insurance. Foundation shall secure and maintain at its own expense during the Initial Term and any subsequent Renewal Term of this Agreement a minimum of one million dollars (\$1,000,000) per occurrence combined single-limit commercial general liability insurance covering Foundation, its employees, agents and subsidiaries, for claims for damages for bodily injury, property damage, personal injury, liquor liability, automobile and maintenance vehicle liability insurance.

Foundation agrees that the general liability insurance required under this Section shall be in effect at all times during the Initial Term and any and all Renewal Terms. In the event Foundation's insurance coverage under this MOU expires at any time or times prior to or during the Initial Term or any Renewal Term, Foundation agrees to provide District at least consistent with the provision of this MOU, before any expiration date, a new certificate of insurance evidencing insurance coverage as provided for in this MOU for a term not less than the remainder of the Initial Term of the then-current Renewal Term, or for a period of not less than one (1) year. New certificates of insurance and additional insured endorsements are subject to the approval of District and California Fair Services Authority, and Foundation agrees that no work or services shall be performed prior to the giving of such approval. In the event Foundation fails to keep in effect at all times insurance coverage as required under this section, District may, in addition to any other remedies it may have, terminate the MOU.

The following statement regarding additional insured must be included on all insurance certificates:

"That the State of California, the 22nd District Agricultural Association, the San Diego County Fair, the State Race Track Leasing Commission, the Del Mar Race Track Authority, the California Department of Finance, the California Department of General Services, the California Department of Food and Agriculture, the California Fair Services Authority and their respective agents, directors, officers, servants, and

employees, are made additional insured, but only insofar as the operations under this MOU are concerned.”

In addition to the foregoing, Foundation shall provide a certified copy of an additional insured endorsement to District, Forms ISO CG 2005, 2010, 2012, 2024, showing the State of California, the 22nd District Agricultural Association, and their agents, directors, officers, servants, and employees are made additional insureds on Foundation’s general liability insurance policy and automobile liability policy.

5. Annual Valuation of Foundation’s Contributions to District. During each year of the Initial Term and the Renewal Term of this MOU, District shall calculate the value of the contribution made by Foundation to District under this MOU during that year and determine whether that contribution is equal to, greater than or less than the market rate for the office and meeting room space used by the Foundation during that year.

If District, in its sole and absolute discretion, determines that the contribution made by the Foundation to District during that year is less than the market rate for the office and meeting room space used by the Foundation during that year, District shall send to the Foundation a written demand for payment equal to the difference (the “Facility Use Payment”). The Foundation shall remit to District the Facility Use Payment within fifteen (15) calendar days from the date of District’s demand.

6. Rental Agreements Between District and Foundation. District and Foundation maintain the ability to enter into rental agreements for use of District facilities, see Exhibit B – Sample Rental Agreement. Any rental agreement entered into between District and the Foundation must comply with all applicable local, state and Federal law.
7. Default. Either Party shall be in default under this MOU should it fail to perform or observe any of its obligations under this MOU, and such failure continues for a period of thirty (30) days following written notice by the non-defaulting Party specifying the default. If the default is of such nature that it cannot reasonably be remedied within the thirty (30) days, such Party will not be in default so long as it commences to remedy the default within the thirty (30) days and continues diligently until the default is corrected. In the event of an uncured default, this MOU may be terminated immediately by the non-defaulting Party by providing written notice to the defaulting Party.
8. Termination. This MOU may be terminated by either Party at any time without cause upon one hundred eighty (180) days written notice.
9. Modification/Amendments. This MOU may be renegotiated, amended, or modified at any time by mutual agreement of the Parties. No modification or amendment of this MOU will be of any force or effect unless made in writing and executed by both Parties.

10. Dissolution of the Foundation. In the event the Foundation should cease to function and terminate its operations for any reason, the Foundation shall dissolve in accordance with its Articles of Incorporation and California law, and the Foundation shall distribute any remaining assets in accordance with the Foundation's Articles of Incorporation and the California Non Profit Integrity Act or then applicable governing law.
11. Counterparts. This MOU may be executed in any number of counterparts and delivered by facsimile or other means of electronic transmission, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same MOU.
12. Applicable Law. It is specifically stipulated that this MOU will be interpreted and construed according to the laws of the State of California. Venue for any dispute arising under this MOU shall be in the Superior Court of the State of California for the County of San Diego.
13. Successors and Assigns. This MOU shall inure to the benefit of and be binding upon District and Foundation and their respective legal representatives, successors and assigns. Notwithstanding the foregoing, this MOU may not be assigned by either party without the prior written consent of the other Party.
14. Severability. If any one or more of the provisions contained in this MOU are held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not affect any other provision hereof.
15. Headings. All headings in this MOU are inserted only for convenience and ease of reference, and are not to be considered in the construction or interpretation of any provision of this MOU.
16. Notices: Any notice required or permitted to be given under this MOU shall be in writing and shall be deemed duly given (i) if delivered personally, when received; (ii) if transmitted by electronic means, upon electronic confirmation that the notice has been successfully transmitted; (iii) if sent by recognized courier service, on the business day following the date of deposit with such courier service, or (iv) if sent by registered mail, postage prepaid, return receipt requested, on the third business day following the date of deposit in the United States mail. All such notices shall be addressed to a Party at its address as set forth below, or to such other address or facsimile number as a party shall notify the other of in accordance with this MOU.
17. Representation by Legal Counsel. Each Party acknowledges that it has been represented by legal counsel in connection with this MOU.

18. Interpretation: The Parties agree that this Agreement shall be interpreted in a manner, which reflects that both parties participated equally in its drafting. Further, the provisions of this MOU shall be interpreted in a reasonable manner to effectuate the intent of the Parties.
19. Entire Agreement. This MOU constitutes the entire agreement between the Parties. No prior written or prior, contemporaneous, or subsequent oral promise or representation shall be binding.
20. Authority. Each individual executing this MOU on behalf of a party hereto, by his or her signature, represents that he or she maintains full authority on behalf of the applicable party to all covenants, duties, and obligations contained herein.

IN WITNESS WHEREOF, the Parties have executed this MOU on the date(s) shown below.

Don Diego Scholarship Foundation

22nd District Agricultural Association

By: _____

By: Carlene Moore

Title: _____

Title: CEO and General Manager

Date: _____

Date: _____

EVENT AGREEMENT

AGREEMENT #: [##]
DATE: [Date]
FAIRTIME INTERIM X

This Agreement is entered into between the **22nd District Agricultural Association**, ("Association"), and **Don Diego Scholarship Foundation**, ("Licensee").

1. Licensee desires to obtain from the Association certain rights and privileges, including the use of a portion of the Association's premises beginning on [Start Date] and ending on [End Date].
2. Association grants to the Licensee the right to use the following portion of the Association's premises, for the time period of January 1 through December 31, 2023, subject to the terms and conditions of this agreement

Function	Room	Location Rental
Administrative Offices	TBD	TBD
Foundation Meetings	TBD	TBD

- Licensee is responsible to follow all guidelines established by the California Department of Public Health <https://covid19.ca.gov/>.
 - Licensee will provide all equipment and services required to run and manage the event including janitorial, security, box office, medical, signage, production, and traffic control.
 - Licensee will be billed for any services required by Association including trash removal, directional signage, traffic control.
 - Licensee shall not authorize or allow the sale of any firearm or ammunition at any time during their rental period.
 - Licensee is aware of the noise ordinance as listed in Exhibit A. No ambient noise is permitted after 10pm.
 - Anticipated Expenses: Any anticipated or estimated expenses exceeding the Ancillary/Damage deposit will be due prior to the event.
 - [List any anticipated expenses such as equipment rental]
3. Use of Premises Licensee agrees to use the premises described in Paragraph 2 for the following purpose and for no other purpose: use of office and meeting room space for the purpose of conducting Licensee meetings and Licensee's youth scholarship interviews.
 4. Fee for Use of Premises; Security Deposit Licensee agrees to pay to Association a minimum fee for use of the Association's premises, as follows:

Location Rental: \$TBD
Surety / Ancillary / Damage Deposit: \$TBD
TOTAL: \$TBD

Deposit Type	Due Date	Amount Due
Damage Deposit	See Memorandum of Understanding	\$TBD

Under the Memorandum of Understanding between Licensee and the Association, Licensee agreed to pay all costs incurred by the Association for the annual bus program that transports students from San Diego County Title One Elementary Schools to the fairgrounds for the Districts' Plant*Grow*Eat agriculture education program (the "Annual Bus Program Cost"). During the term of this Agreement, Association will calculate the value of the Annual Bus Program Cost and determine whether the Annual Bus Program Cost is equal to, greater than or less than the sum of the 1st deposit and rental fee identified in this Agreement (collectively, the "Rental Fee"). If Association, in its sole and absolute discretion, determines that Annual Bus Program Cost is less than the Rental Fee, Association will send Licensee a written demand for payment equal to the difference (the "Facility Use Payment"). Licensee shall remit submit to Association the Facility Use Payment within fifteen (15) days from the date of the Association's demand. The payment schedule includes a Surety/Ancillary Deposit and shall be refunded thirty (30) days after Licensee has quit the premises, less any sum retained by the Association for additional expenses, including equipment use, cleanup, damage to or loss of Association property, labor, or charges incurred pursuant to Paragraph 5 of the Agreement.

5. Labor and Equipment Rental Licensee agrees to pay fees, in addition to the Location Rental required by Association for: **Labor & Equipment Rental at District Reimbursable Rates** within thirty (30) days of receipt of an invoice for such fees.
6. Damage to Association Property / Use of Equipment on Association Property. Licensee will conduct his business in a quiet and orderly manner; will deposit all rubbish, slop, garbage, tin cans, paper, etc. in receptacles provided by the Association within said rental space for such purpose and will keep the area within and surrounding said rental space free from all rubbish and debris. Licensee further agrees to pay Association any and all costs, damages, and expenses incurred by the Association for damage of any kind cause to Association property, equipment, or grounds, arising out of or in any way related to Licensee's use of the Association's premises, reasonable wear and tear excepted. Association shall have the right to audit and monitor any and all sales as well as access to the premises. Licensee also promises, represents, and warrants that each and every one of its employees, agents, servants, and/or independent contractors operating any motor vehicle, forklift, electric or motorized cart, equipment, machinery, and/or other device (referred to in this Paragraph as "Equipment") on the property ("Premises") of the Association will be fully, properly, and completely trained in the use and operation of the Equipment, and each individual operating any Equipment on the Premises will have in his or her possession all required certificates, licenses, and documents corroborating that individual's training on the Equipment. Promoter / Tenant / Lessee / Renter and the District agree that damages for any breach or violation of this Paragraph will be difficult to calculate and ascertain. In the event of any violation of this Paragraph, in addition to any other damages the Association may sustain, Promoter / Tenant / Lessee / Renter will pay to the Association the sum of \$1,000.00 for each and every employees, agents, servants, and/or independent contractors operating Equipment on the Premises in violation of this Paragraph. In addition, any violation of this Paragraph may, in the sole and exclusive discretion of the Association, constitute a non-curable breach of this Agreement, requiring immediate termination of this Agreement and a forfeit of any deposit. The damages and remedies available to the District under this Paragraph supplement, and do not supplant, any other damages and/or remedies available to the Association relating to insurance, indemnity, and/or breach of contract, including, but not limited to, Association's right to Indemnity under Paragraph 8 of this Interim Event Agreement.

7. Removal of Licensee's Property Licensee agrees to remove all of its property from the premises, including, but not limited to, boxes, crates, packing material, trash and debris at Licensee's sole expense, and to leave the premises in a condition satisfactory to the Association. All such property removal must be completed prior to the termination of Licensee's right to use of the Association's premises under Paragraph 2 of this Agreement, or as may be otherwise agreed to by Association and Licensee. If Licensee fails to timely remove its property from the premises, Licensee agrees Association may remove and store Licensee's property, at Licensee's sole risk and expense, and Licensee shall reimburse Association for all costs, including labor and storage costs, incurred by the Association under this Paragraph 7. Licensee assumes all risk of damage to, or loss of, its property remaining on Association premises after the termination of its right to use of the Association's premises.
8. Indemnity Licensee shall indemnify the Association, and save the Association harmless, of and from any and all claims, loss, cost, damage, injury and/or expense of every kind, nature and description, directly or indirectly arising from the performance of this Agreement regardless of responsibility for negligence; by reason of injury or death to person[s] or damage to property however caused or alleged to have been caused, and even though claimed to be due to the negligence, active or passive, of Association. However, in no event shall Licensee be obligated to defend or indemnify the Association with respect to the sole negligence or willful misconduct of the Association, its employees or agents (excluding the Licensee herein). Licensee shall, at Licensee's own cost and expense, defend any and all suits, actions, or other legal proceedings that maybe brought by third persons against the Association on any such claim, and shall reimburse the Association for any and all legal expenses incurred in connection with such defense, or in enforcing the indemnity granted in this paragraph.
9. Sporting Events; Release and Waiver For all sporting events, including but not limited to athletic team events, equestrian or equestrian related events, motor vehicle races, demolition derbies, stunt bike, skateboard or roller blade events, Licensee agrees to obtain from each participant a properly executed Release and Waiver of Liability Agreement (CFSA Form "Release Lib"). The Release and Waiver shall release the Association and its agents, servants, employees, directors and officers from any and all liability arising out of each individual's participation in the event sponsored by Licensee. Each such Release and Waiver shall be fully executed by each participant, and/or such participant's legal guardian, prior to participation in the event. Licensee agrees to contact California Fairs Service Authority at (916) 921-2213 for further information on the availability of CFSA Form "Release Lib".
10. Association Oversight The Association reserves the right to audit and monitor any and all sales as well as access to the premises. The Association shall also have the right of access to, and inspection of, any premises used by the Licensee under this Agreement at any time, with or without prior notice.
11. Independent Capacity Licensee agrees that it, and its agents, servants, and employees, in the performance of this Agreement, acts in an independent capacity and not as an agent, officer, servant, or employee of the Association.
12. Taxes Licensee acknowledges and understands that the terms and conditions of this Agreement may create a possessory interest subject to property taxation, and that Licensee may be subject to the payment of property taxes levied upon such interest.
13. Licensee's Property Association may require security, at Licensee's expense, which will provide for reasonable protection of the property of Licensee. However, in all circumstances, Licensee shall be solely responsible for damage to, or loss of, Licensee's property.
14. Prohibition Against Assignment Licensee agrees it may not sell, encumber, assign or transfer this Agreement, or any rights, obligations, privileges or duties contained in this Agreement, without the express written consent of the Association. The Association's consent shall be given, if at all, in its sole and exclusive discretion.
15. Integration Clause This is an integrated Agreement. The terms of this Agreement are contractual, and not merely a recital. This Agreement supersedes all prior representations and agreements, if any, between the Parties or their legal counsel regarding its subject matter.
16. Written Amendment Required This Agreement constitutes the entire understanding between the parties to this Agreement and relating to its subject matter, and may not be modified, amended or terminated except by written Agreement signed by all of the parties to this Agreement, and any required written approval of the Department of Food & Agriculture, and the Department of General Services (Government Code section 11010.5). Any name change by Licensee is subject to the provisions of this paragraph, and written legal documentation of any name change is required prior to processing of any amendment regarding any name change by Licensee.
17. Waiver The failure to the Association to insist in any one or more instances upon the observance and/or performance of any of the covenants of this Agreement, or any of the rules and regulations governing the Associations' premises (Exhibit "A"), shall not constitute a waiver of any subsequent breach of this Agreement, or any of the rules and regulations.
18. Default; Remedies In the event Licensee fails to comply in any respect with the terms of this Agreement, and the terms of all Attachments, all payments made by Licensee in accordance with Paragraph 4 above shall be deemed earned and non-refundable by Association, and Association shall have the right to occupy the space in any manner deemed in the best interests of the Association, in addition to any and all other remedies available to the Association for breach of this Agreement.
19. Approval by CDFA and CDGS This Agreement is not binding upon the Association until it has been executed by all parties, and any required approval by the California Department of Food and Agriculture, and the California Department of General Services has been obtained in writing.
20. Representations and Warranties Licensee, under penalty of perjury, makes the following representations and warranties:
- No more than one final unappealable finding of contempt of court by a Federal Court has been issued against Licensee within the two-year period immediately preceding the date of this Agreement, because of the Licensee's failure to comply with an order of a Federal Court ordering Licensee to comply with an order of the National Labor Relations Board. (California Public Contracts Code section 10296)
 - During the performance of this Agreement, the Licensee, and its subcontractors, if any, shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (including cancer), age (over 40), marital status, and/or family care leave. Licensee and its subcontractors, if any, shall insure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Licensee and its subcontractors will comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900, et seq.) and all applicable regulations contained in the California Code of Regulations.
 - All regulations of the Fair Employment and Housing Commission, implementing Government Code section 12990, subd. (a) through (f), inclusive, are incorporated in this Agreement by this reference and made a part hereof.
 - Licensee is, unless specifically exempted by law, in full compliance with Government Code section 12990, subd. (a) through (f), inclusive, and all regulations contained in the California Code of Regulations relating to section 12990, in matters relating to reporting requirements and the development, implementation and maintenance of a nondiscrimination program.
 - Licensee and its subcontractors, if any, shall give written notice of their obligations under Paragraph 20 of this Agreement to labor organizations with which they have a collective bargaining or other Agreement.
 - Licensee shall include all provisions of Paragraph 20 of this Agreement in all subcontracts, if any, pertaining to the subject matter of this Agreement.
 - Licensee acknowledges this Agreement is governed, in part, by the provisions of Public Contracts Code sections 10410, 10411 and 10420, which provide certain limitations on contracts between state agencies and current or former state employees. Licensee agrees to contact the Association for clarification on the status of any person rendering services in connection with this Agreement. Licensee agrees any violation of Public Contracts Code sections 10410, 10411 and 10420 will invalidate this Agreement. (Public Contracts Code section 10420).
 - Licensee is not (1) in violation of any order or resolution, not subject to review, issued by the State Air Resources Board or a local air pollution control district; (2) subject to any final cease and desist order not subject to further review, which has been issued under Water Code section 13301; or (3) in violation of any provisions of federal law relating to air or water pollution.

21. Controlling Law; Venue This Agreement is being made and delivered and is intended to be performed in the State of California and the execution, validity, construction, and performance of this Agreement shall be construed and enforced in accordance with the laws of California. This Agreement shall be deemed made and entered into in San Diego County, which shall be the exclusive venue for any action relating to this Agreement.
22. Timeliness; Binding Effect Time is of the essence of each and all of the provisions of this Agreement, and the provisions of this Agreement shall extend to and be binding upon and insure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto, subject to any prohibitions on assignment or transfer, contained in this Agreement.
23. Resolution of Licensee Disputes (PCC 10240.5, 10381) If, during the performance of this Agreement, a dispute arises between Licensee and Association, the Licensee shall submit a written statement regarding the dispute to Association. A decision by Association shall be made to the Licensee in writing, and shall be final and conclusive. Licensee shall continue to perform contract requirements without interruption during the dispute period.
24. Obscenities Sales or displays of drug paraphernalia, merchandise containing offensive, lewd, indecent, or obscene language or depictions of lewd or obscene. Images, or sales or displays of merchandise promoting or depicting sexual, racial, or religious harassment or discrimination is prohibited. The Association reserves the right to approve, in its sole and exclusive discretion, all merchandise, displays, materials and images at or in Licensee's location rented under this Agreement. The parties agree that if Licensee violates this Paragraph (#24) of this agreement, it will be impracticable or extremely difficult to determine the damages suffered by the Association. It is therefore agreed that in the event of such a breach by Licensee, Licensee forfeit its entire deposit in the amount of \$1,000.00 to Association. In addition, in the event of a breach of this paragraph (#24) by Licensee, the Association may, in its sole and exclusive discretion, declare Licensee in breach of this Agreement.
25. Attachments The following documents are attached to this Agreement and made a part hereof as though set forth in full:

Exhibit "A"
Exhibit "B"
Exhibit "C"

Facility Rentals Rules and Regulations (dated 12/25/21)
Insurance Statement (Form FE-13)
Exhibit C Cancellation Policy (dated 9/21/20)

This Agreement has been executed in duplicate, by and on behalf of the parties to this Agreement, on the date set forth above.

22nd District Agricultural Association
2260 Jimmy Durante Boulevard
Del Mar, CA 92014

Don Diego Scholarship Foundation
[address]
[city, state, zip]

BY _____
Carlene F. Moore

Date

BY _____
DATE

TITLE: Chief Executive Officer

PRINTED NAME: _____

Katie Mueller

**Item 5-C, CONSENT TO ASSIGNMENT OF STANDARD AGREEMENT NO. 22-006 BY
AND BETWEEN 22ND DISTRICT AGRICULTURAL ASSOCIATION
AND STRUZZIERI VENTURES, INC.**

RECITALS

1. The 22nd District Agricultural Association, a California state institution (“District”) and Struzziere Ventures, Inc., a Delaware corporation (“SVI”) entered into a written agreement (subject to certain express conditions that are required under Request for Proposals, No. 21-07) for the operation of the District’s Horsepark facility (“Agreement”) with a five-year term and five one-year options. A copy of the Agreement is attached as Exhibit “A” to this Consent to Assignment of Agreement (“Consent”) and incorporated by this reference.

2. Under the Agreement, SVI agreed to, among other things, provide the necessary capital investment in the site, including the design, implementation, and ongoing compliance management of the required storm water improvements at the District’s Del Mar Horsepark Facility (“Horsepark”) located at 14555 El Camino Real, Del Mar, California, and to improve, operate and maintain Horsepark.

3. Exhibit C, Paragraph 3, of the Agreement states:

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

4. Exhibit D, Attachment 1 (Insurance Requirements), Section II, Subsection 3, of the Agreement states:

*Contractor’s Responsibility - Nothing herein shall be construed as limiting in any way the extent to which contractor/renter may be held responsible for damages resulting from contractor/renter’s operations, acts, omissions or negligence. Insurance coverage obtained in the minimum amounts specified above shall not relieve contractor/renter of liability in excess of such minimum coverage, nor shall it preclude the fair from taking other actions available to it under contract documents or by law, including, but not limited to, actions pursuant to contractor/renter’s indemnity obligations. **The contractor/renter indemnity obligations shall survive the expiration, termination or assignment of this contract.***

While SVI’s indemnity obligations under the Agreement survive this assignment, those obligations relate only to claims that predate the effective date of the Assignment.

CONSENT

1. Pursuant to Paragraph 3 of Exhibit C of the Agreement, the District’s Board of Directors consent to SVI’s assignment of its rights and obligations under the Agreement to HITS Del Mar Leasing LLC, effective December 31, 2022 (“Effective Date”); provided, however, that this Consent is subject to and expressly conditioned upon the following:

- A. The execution by SVI and HITS Del Mar Leasing LLC of the “ASSIGNMENT AND ASSUMPTION AGREEMENT”, a copy of which is attached to this Consent as Exhibit “B” and incorporated by this reference (the “Assignment”).
- B. The District shall not be liable to pay or reimburse SVI for any performance under the Agreement or under this Consent including, but not limited to, costs or expenses incurred, or to be bound by any provision prior to the Effective Date.
- C. The written approval of the Assignment by the District, which approval may be granted or withheld by the District in its sole and absolute discretion.

2. This Consent is incorporated by reference into the Agreement and the Agreement remains in full force and effect. Except as expressly provided in this Consent, all other terms, conditions and provisions of the Agreement shall remain in full force and effect as provided in the Agreement as if fully republished in this Consent.

3. This Consent does not waive any restriction or requirement in the Agreement.

4. Subject to the terms and conditions of this Consent, HITS Del Mar Leasing LLC expressly assumes and agrees to be bound by and to perform and comply with each and every obligation of SVI under the Agreement.

5. Notwithstanding this Consent and the Assignment, SVI remains fully liable for any and all claims or causes of action, of every kind and nature whatsoever, in law and in equity, whether known or unknown, suspected or unsuspected, foreseen or unforeseen, related to the Agreement or SVI’s performance under the Agreement, that predate the effective date of the Assignment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

6. The officers of the District are authorized and directed to take such action and to execute such documents as may be deemed necessary or proper to carry out the purpose and intent of this Consent.

Dated: January __, 2023

22nd DISTRICT AGRICULTURAL ASSOCIATION

By: _____
G. Joyce Rowland
President of the Board of Directors

By: _____
Carlene Moore
Chief Executive Officer

Dated: January __, 2023

STRUZZIERI VENTURES, INC.

By: _____
Tom Struzzieri
President

Dated: January __, 2023

HITS DEL MAR LEASING, LLC

By: _____
Peter Englehart
Chief Executive Officer



Item 5-D, Finance Committee Report

Executive Summary

The attached financial reports are through November 30, 2022. The Balance Sheet is consolidated with the District, State Race Track Leasing Commission, and Race Track Authority. The Income Statement is inclusive of all District programs and operations only.

As has previously been discussed, due to the proximity of the board meeting dates to the end of the month immediately prior, there is approximately a six (6) week lag between the financial report presentation and current activity. Therefore, the Committee reviews and presents financial reports to the Board from two months prior (September financials in November, October financials in December, etc.).

2023 Operating Budget:

The Finance Committee will present the 2023 Operating Budget at the Board meeting where the Board will discuss and vote on whether or not to approve.

2023 Midway Rates:

- Ride Operator: 48% of ticket gross per ride retained by District (52% paid to Ride Operator)
- Game Operator: 30% of ticket gross per game retained by District (70% paid to Game Operator)
- Tickets: \$1.25 each

2023 and 2024 Facility and Event Rental Rates:

Rental Agreements for returning events are typically entered into for the following year immediately after the conclusion of the event in the current year. Additionally, new events are planned months in advance with many already having secured dates for the upcoming year. Facility and Event Rental rates were last increased prior to 2019 and have been maintained throughout the pandemic, despite the rise of labor, utilities, insurance, and general business costs. The event calendar is nearly full for the coming year, so any changes in rates will have minimal impact in 2023. Staff recommends a ten percent (10%) increase in Facility and Event Rental Rates across the board, including equipment, for all new event and activity inquiries in 2023 and for all events and activities in 2024.

2023 Capital Expenditures Budget:

The Finance Committee will present the 2023 Capital Expenditures Budget at the Board meeting where the Board will discuss and vote on whether or not to approve.

UNAUDITED FINANCIAL STATEMENTS

22nd DAA

Consolidated Balance Sheet (DAA, RTA, RTLC)

As of November 30, 2022

	2022	2021	2019
Assets			
Cash	\$ 31,953,401	\$ 29,257,872	\$ 10,405,683
Restricted Cash - JLA	30,099	23,264	34,224
¹ Restricted Cash - F&B Equipment Fund	208,412	191,017	253,125
² Restricted Cash - RTA	9,599,309	6,619,999	7,880,685
Restricted Cash in Trust - WQI	(1)	421,064	4,137,650
Restricted Cash in Trust - The Center	-	1,983,024	12,580,716
Total Cash and Cash Equivalents	41,791,221	38,496,240	35,292,083
Accounts Receivable	3,374,160	232,100	1,319,276
Prepaid Expenses	632,379	482,248	2,371,877
³ Deferred Outflows Pension	5,422,668	5,422,668	5,193,040
Total Current Assets	9,429,207	6,137,016	8,884,193
Land	35,011,899	35,011,899	-
Building and Improvements	189,040,757	189,021,781	-
Equipment	38,127,504	37,989,227	-
Capital Projects in Process	38,513,723	37,040,773	-
Accumulated Depreciation	(173,822,663)	(173,255,695)	-
Total Capital Assets	126,871,221	125,807,986	124,385,345
Total Assets	\$ 178,091,648	\$ 170,441,242	\$ 168,561,621
Liabilities			
Accounts Payable	6,416,062	7,139,488	1,558,587
Payroll Liabilities	501,080	178,856	-
Accrued Liabilities	1,669,762	1,905,102	5,555,898
⁴ Other Current Liabilities	602,989	696,576	-
⁵ Deferred Revenue	3,108,348	12,311,324	-
Current Long Term Debt	2,421,764	3,827,327	1,275,000
⁶ Accrued Employees Leave Liabilities	1,251,687	1,049,520	3,222,673
Long Term Debt	62,160,398	64,405,737	65,625,915
Reserve - F&B Equipment Fund	582,593	338,980	-
Reserve - JLA	20,838	20,838	-
³ Pension Liability	35,335,708	35,170,973	37,706,271
³ Deferred Inflows - Pension	1,961,567	1,961,567	1,283,146
Total Liabilities	116,032,795	129,006,287	116,227,490
Net Resources			
Contributed Capital	82,170,171	82,170,171	-
Less Contributed Capital to RTA	(37,644,384)	(37,644,384)	-
Net Resources - Unrestricted	(8,225,351)	(8,225,351)	-
Investment in Capital Assets	(3,891,786)	(3,891,786)	-
	32,408,650	32,408,650	-
Net Proceeds from Operations	29,650,203	9,026,305	52,334,131
Total Net Resources	62,058,853	41,434,954	52,334,131
Total Liabilities and Net Resources	\$ 178,091,648	\$ 170,441,242	\$ 168,561,621

¹ Per Food & Beverage Services agreement, 1.50% of all Gross Revenues for unexpected or emergency expenses, including repair and maintenance of equipment

²

Per bond Pledge Agreement, maintain Reserve account and District cash separately equal to at least Maximum Annual Debt Service

³ Information provided by CDFA/State Controllers Office; results from changes in components of net pension liability; applicable to a future reporting period

⁴

⁵ Advance payments for events/activities in the future

⁶ Advance payments for events/activities in the future

UNAUDITED FINANCIAL STATEMENTS

22nd DAA Income Statement For the Period Ending November 30, 2022

	November 2022			Year-to-Date			Full 2022
	Actual	Budget	Variance	Actual	Budget	Variance	Budget
REVENUES							
Admissions Revenue	0	0	0	11,019,356	13,428,531	(2,409,175)	13,428,531
Gates	0	0	0	11,019,356	13,428,531	(2,409,175)	13,428,531
Concessions Revenue	1,211,855	1,092,453	119,403	37,959,128	19,270,597	18,688,531	19,650,571
Food & Beverage Contract	1,192,696	1,092,453	100,243	17,067,267	15,739,087	1,328,180	16,112,521
Other Food & Beverage	0	0	0	3,751,304	0	3,751,304	0
Midway	(3,444)	0	(3,444)	16,768,387	3,481,500	13,286,887	3,481,500
Merchandise	3,131	0	3,131	69,409	50,010	19,399	56,550
Facility Rentals Revenue	58,785	61,500	(2,715)	4,980,762	2,235,646	2,745,115	2,459,146
Commercial	0	0	0	3,229,663	918,000	2,311,663	918,000
Leases Revenue	476,472	115,766	360,707	2,206,176	1,766,482	439,694	2,607,447
Program Revenues	24,696	30,500	(5,804)	5,546,674	5,277,485	269,189	5,365,985
Parking	8,726	0	8,726	4,808,854	4,195,085	613,769	4,255,085
Participation Fees	(650)	0	(650)	345,078	450,900	(105,822)	450,900
Satellite Wagering	16,620	30,500	(13,880)	392,742	631,500	(238,758)	660,000
OPERATING REVENUE TOTALS	1,771,808	1,300,218	471,590	61,712,096	41,978,742	19,733,354	43,511,681
Contributions	6,100	4,600	1,500	13,432,770	12,432,400	1,000,370	12,437,000
Government Funding	0	0	0	11,380,714	10,500,000	880,714	10,500,000
Grants	0	0	0	12,813	0	12,813	0
Sponsorships	6,100	4,600	1,500	2,033,824	1,927,400	106,424	1,932,000
Other Non-Operating Revenue	92,221	13,216	79,005	2,550,997	180,676	2,370,321	211,392
Interest Earnings	104	0	104	220,980	20,000	200,980	25,000
Reimbursed Costs	41,765	162,703	(120,938)	1,328,006	1,363,236	(35,230)	1,379,739
Prior Year Revenue	0	0	0	10,069	0	10,069	0
NON-OPERATING REVENUE TOTALS	140,086	180,519	(40,434)	17,321,841	13,976,312	3,345,529	14,028,131
			0				
TOTAL REVENUE	1,911,894	1,480,738	431,156	79,033,937	55,955,054	23,078,883	57,539,812
EXPENSES							
Payroll & Related Expense	919,071	1,273,272	(354,201)	13,904,188	15,579,746	(1,675,558)	16,848,818
Professional Development	6,147	8,200	(2,053)	137,238	117,656	19,582	121,656
Professional Services Expense	366,849	1,068,966	(702,117)	19,115,164	20,106,686	(991,522)	20,750,712
Food & Beverage Expense	0	854,021	(854,021)	13,058,186	9,944,042	3,114,145	10,334,923
Insurance Expense	83,070	61,560	21,509	1,020,517	662,461	358,055	724,022
Facility & Related Expense	126,793	197,320	(70,527)	5,768,797	4,416,154	1,352,643	4,646,974
Telephone & Internet	6,478	7,094	(616)	98,765	78,034	20,731	85,128
Utilities	89,022	162,500	(73,478)	3,328,410	2,849,104	479,306	3,046,104
Repairs & Maintenance	21,766	19,226	2,540	664,559	685,286	(20,728)	703,512
Supplies Expense	17,153	23,107	(5,954)	968,110	1,009,723	(41,613)	1,031,829
Marketing & Related Expense	1,354	2,767	(1,413)	1,220,168	1,476,568	(256,400)	1,485,605
Program Expenses	20,565	38,315	(17,750)	14,687,023	4,851,935	9,835,088	4,880,179
Prizes & Premiums	0	0	0	80,516	400,000	(319,484)	400,000
Travel & Transportation	0	16,909	(16,909)	916,795	89,092	827,703	92,986
Artists & Entertainment	0	0	0	3,383,359	4,066,500	(683,141)	4,066,500
Midway Expense	0	0	0	10,124,751	0	10,124,751	0
Other Operating Expense	232,628	263,186	(30,558)	4,397,713	6,865,091	(2,467,378)	7,140,803
Bank & Service Fees	14,669	1,320	13,349	1,646,311	1,020,363	625,948	1,026,708
Interest Expense	214,625	7,162	207,463	2,437,593	2,752,820	315,227	2,759,982
OPERATING EXPENSE TOTALS	1,767,482	2,928,493	(1,161,011)	61,081,680	54,968,364	6,113,316	57,508,942
Other Non-Operating Expense							
Prior Year Expense	0	0	0	241,995	0	241,995	0
NON-OPERATING EXPENSE TOTALS	0	0	0	241,995	0	241,995	0
TOTAL EXPENSE	1,767,482	2,928,493	(1,161,011)	61,323,675	54,968,364	6,355,311	57,508,942
NET INCOME (LOSS)	144,412	(1,447,755)	1,592,167	17,710,262	986,689	16,723,572	30,870

Food & Beverage Report Nov-22

November 2022 Food Service Revenues were \$1,192,696. Budgeted Revenues for November 2022 were

Net distribution to the District for November 2022 was (\$72,351) or -6.1%. Budgeted distribution for November 2022 was \$191,161 or 18.01%.


Year-to-date 2022 distribution to the District is \$3,919,083 or 25.12%. The budgeted distribution for YTD 2022 was \$2,349,034 or 19.89%.

Nov-22	2022 ACTUAL	%	2022 BUDGET	%	2021 ACTUAL	%	2019 ACTUAL	%
TOTAL REVENUE	1,192,696	100.00%	1,092,453	100.00%	4,464,870	100.00%	1,395,273	100.00%
TOTAL COGS	260,391	21.83%	230,773	21.12%	1,142,872	25.60%	339,249	24.31%
GROSS MARGIN	932,305	78.17%	861,680	78.88%	3,321,998	74.40%	1,056,024	75.69%
TOTAL PAYROLL	780,741	65.46%	505,757	46.30%	1,495,205	33.49%	803,784	57.61%
OPERATING EXPENSES	234,251	19.64%	136,539	12.50%	313,751	7.03%	166,256	11.92%
NET PROFIT	(82,687)	-6.93%	219,384	20.08%	1,513,042	33.89%	85,984	6.16%
CLIENT DISTRIBUTION	(72,351)	-6.07%	191,961	17.57%	1,323,912	29.65%	75,236	5.39%

YTD	2022 ACTUAL	%	2022 BUDGET	%	2021 ACTUAL	%	2019 ACTUAL	%
TOTAL REVENUE	17,067,267	100.00%	12,933,392	100.00%	13,726,460	100.00%	22,110,110	100.00%
TOTAL COGS	3,721,068	21.80%	2,590,391	20.03%	3,034,528	22.11%	4,616,624	20.88%
GROSS MARGIN	13,346,199	78.20%	10,343,001	79.97%	10,691,932	77.89%	17,493,486	79.12%
TOTAL PAYROLL	7,081,204	41.49%	5,899,779	45.62%	5,330,102	38.83%	9,325,466	42.18%
OPERATING EXPENSES	2,008,582	11.77%	1,695,779	13.11%	1,485,839	10.82%	2,454,863	11.10%
NET PROFIT	4,256,413	24.94%	2,747,443	21.24%	3,875,991	28.24%	5,713,157	25.84%
Y-T-D CLIENT DISTRIBUTION	3,724,361	21.82%	2,404,013	18.59%	3,391,492	24.71%	4,999,012	22.61%

	22nd District Agricultural Association								
			Financial Year 2023						
		TOTAL	SDCF	Rentals & Sales	Horse Racing	The Center	Resiliency Center	A+O	TOTAL
GL #	REVENUES								
330000-	Government Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
350000-	Non-government Grant	-	-	-	-	-	-	-	-
401110-	Admissions	12,337,386	12,337,386	-	-	-	-	-	12,337,386
402110-	Participation (Entry) Fees	335,000	335,000	-	-	-	-	-	335,000
403110-	Midway	18,054,362	18,054,362	-	-	-	-	-	18,054,362
405100-	Commercial Exhibit Space	3,131,700	3,131,700	-	-	-	-	-	3,131,700
410010-	SRTLCL Pledged Revenue	1,785,250	-	-	1,785,250	-	-	-	1,785,250
410100-	Concessions	4,422,070	4,422,070	-	-	-	-	-	4,422,070
411100-	Food & Beverage Contract	18,544,654	3,768,573	1,349,526	12,576,379	850,176	-	0	18,544,654
412100-	22nd DAA Sales	66,550	10,000	-	56,550	-	-	-	66,550
420100-	Facility Rental Fees	4,176,891	317,160	3,435,131	49,600	375,000	-	-	4,176,891
421050-	Lease Revenue (Cell Towers)	469,917	-	-	-	-	-	469,917	469,917
431102-	Sponsorships	2,000,000	1,944,800	-	-	-	-	55,200	2,000,000
431101-	Contra Sponsor - Trade & CIK	(500,000)	-	-	(500,000)	-	-	-	(500,000)
440210-	Wagering	419,200	-	-	419,200	-	-	-	419,200
441100-	Race Track Operator Agreement	1,225,000	-	-	1,225,000	-	-	-	1,225,000
450100-	Parking Revenue	7,417,744	4,039,207	3,048,537	-	330,000	-	-	7,417,744
460100-	Reimbursed Costs	1,567,116	-	334,100	1,187,126	-	-	45,890	1,567,116
490100-	Miscellaneous Revenue	276,608	104,070	23,020	70,090	-	-	79,428	276,608
490180-	Donations	109,000	109,000	-	-	-	-	-	109,000
490205	Junior Livestock Auction Revenue	472,500	472,500	-	-	-	-	-	472,500
491100-	Interest	270,000	-	-	-	-	-	270,000	270,000
	Total Revenues	\$ 76,580,947	\$ 49,045,827	\$ 8,190,314	\$ 16,869,195	\$ 1,555,176	\$ -	\$ 920,435	\$ 76,580,947

	EXPENSES								
510504-	Civil Service Overtime	\$ 306,150	\$ 194,600	\$ 900	\$ 600	\$ -	\$ -	\$ 110,050	\$ 306,150
510511-	Recognition & Awards	891,450	866,050	-	-	-	200	25,200	891,450
515100-	Temporary Labor Services	144,800	144,800	-	-	-	-	-	144,800
520100-	Advertising & Marketing	1,077,200	1,009,200	3,000	-	-	-	65,000	1,077,200
530100-	Midway Operations	9,897,000	9,897,000	-	-	-	-	-	9,897,000
540100-	Entertainment	4,428,050	4,428,050	-	-	-	-	-	4,428,050
545100-	Repairs & Maintenance	632,860	65,500	3,600	-	-	-	563,760	632,860
550100-	Rental of Equipment	1,632,220	1,534,660	-	50,895	-	-	46,665	1,632,220
560075-	Contingency	-	-	-	-	-	-	-	-
560100-	Insurance	942,637	80,000	7,500	-	-	-	855,137	942,637
600100-	Professional Services	10,271,556	7,175,210	101,550	209,800	266,440	-	2,518,556	10,271,556
610100-	Promotional & Public Relations	127,863	86,200	-	36,663	-	-	5,000	127,863
620100-	Supplies	1,894,235	788,375	11,050	4,000	2,500	1,500	1,086,810	1,894,235
625100-	Dues, Subscriptions, Licenses & Permits	364,868	38,088	4,250	-	-	-	322,530	364,868
640100-	Professional Development (Training)	83,475	9,250	-	-	-	-	74,225	83,475
650100-	Travel & Transportation	145,083	115,663	-	-	-	-	29,420	145,083
670100-	Utilities	3,770,000	963,000	-	768,000	-	-	2,039,000	3,770,000
690100-	Miscellaneous Expense	27,000	11,000	9,000	-	-	-	7,000	27,000
690120-	Service Fees: Bank, Credit Card	2,155,344	2,080,664	43,057	-	7,623	-	24,000	2,155,344
695100-	Food & Beverage Contract	14,313,411	2,531,383	1,941,691	9,251,058	589,279	-	(0)	14,313,411
723000-	Capital Expenditure for Equipment	-	-	-	-	-	-	-	-
850200-	Loan Interest Expense	2,757,247	-	-	1,785,250	100,000	-	871,997	2,757,247
63????-	Office Expense	116,258	3,200	-	-	-	-	113,058	116,258
	Total Specific Expenses	\$ 55,978,707	\$ 32,021,892	\$ 2,125,597	\$ 12,106,266	\$ 965,842	\$ 1,700	\$ 8,757,408	\$ 55,978,707
	Total Budget by Program/Function	\$ 20,602,240	\$ 17,023,935	\$ 6,064,716	\$ 4,762,928	\$ 589,334	\$ (1,700)	\$ (7,836,973)	\$ 20,602,240
	Payroll-Perm	\$ 7,259,487							
	Payroll-Perm Fringe	\$ 4,998,063							
	Payroll-Temp	\$ 5,317,009							
	Payroll-Temp Fringe	\$ 859,148							
	Subtotal - All Payroll and Fringe	\$ 18,433,708							
	Net Income - Total Rev - Total Specific Exp - All Pa	\$ 2,168,533							

Capital Expenditures

Name	Cost Estimate
Asphalt	\$ 1,100,000
Front Side Housing Teardown	\$ 360,928
Front Side Housing Post-removal Enhancement	\$ 350,000
Surfside Center stairwell enhancement	\$ 125,000
DMTC backstretch requests	\$ 750,000
DMTC Executive Office Building HVAC	\$ 350,000
Electric switchgear Exhibit Hall Transformer & Switchgear	\$ 360,000
Roof replacement Bing Crosby Hall	\$ 500,000
Roof replacement Surfside Center Crows Nest	\$ 100,000
Grandstand Building HVAC Computer Network Replacement & Repair 5th floor	\$ 200,000
Surfside Center offices HVAC upgrade	\$ 350,000
Replace 3 HVAC air handling units at Mission Tower	\$ 75,000
Grandstand Simplex System upgrade	\$ 380,000
Surfside-Arena fire wall	unkown
Capital Facilities Subtotal	\$ 5,000,928

Equipment

Radio Signal Booster (BDA)	\$ 40,000
Server room switch replacement	\$ 80,000
Mechanic's Service Truck for Jesus	\$ 60,000
Patrol Vehicle (Pick-up Truck)	\$ 37,000
Electronic Traffic Signs	\$ 25,000
Arena Marquee	\$ 50,000
Arena Parking Marquee	\$ 40,000
Video & tote board	\$ 95,000
Capital Equipment Subtotal	\$ 427,000

Capital Facilities & Equipment Total **\$ 5,427,928**



**ITEM 5-E, DELEGATION OF AUTHORITY
FOR CONTRACT APPROVAL, CHECK SIGNING, AND CREDIT CARD USE
22ND DISTRICT AGRICULTURAL ASSOCIATION**

Background:

In accordance with compliance regulations and requirements of the California Department of Food & Agriculture, the 22nd District Agricultural Association (DAA) Board of Directors must determine the level of contract approval and check signing authority to delegate to the Chief Executive Officer (CEO) or her/his designee(s) and authorize credit card use.

The delegation may be given based upon dollar amount and/or type of contracts. For all contracts that do not fall under the delegation of authority, individual board approval and a formal board resolution must be done prior to entering into the contract. An Agreement is a document that has a legal effect, regardless of whether it is called a contract.

Additionally, the Board of Directors should decide the number of signatures necessary for checks up to \$15,000 and require that two persons must sign checks for amounts above \$15,000.

Recommendation:

Contract Approval:

The CEO has delegated authority to execute expense agreements consistent with the 22nd DAA Contracting and Formal Protest Policies and Procedures including Interagency Agreements, Standard Agreements up to \$50,000, and Entertainment Agreements up to \$500,000, as long as these Agreements do not exceed a one-year term, without further authorization from the Board of Directors. Additionally, the CEO has delegated authority to execute revenue agreements up to \$250,000 consisting of Rental/Lease Agreements, Sponsorship Agreements, and Vendor Agreements, as long as these Agreements do not exceed a one-year term, without further authorization from the Board of Directors.

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

Individual Project Agreements (IPA) with California Construction Authority (CCA) require dual approval of the CEO and President of the Board. In the absence of the President, the Vice President can approve such an expense. Any IPA approved by the CEO and the President or Vice President shall be reported to the full Board at the next Board meeting.



Expense Authority:

The CEO is responsible for ensuring that the organization stays within its approved budget during the year; the Board of Directors is responsible for providing oversight to the CEO. Through the Contract Approval delegation, the CEO is authorized for expenses for contracts that were previously approved by the Board of Directors. The CEO has delegated authority for payroll and related expenses within the approved budget, purchases and expenses that are otherwise categorically exempt from or exceptions to competitive bidding, per Section III and IV of the 22nd DAA Contracting and Formal Protest Policies and Procedures, and up to \$100,000 for other expenses within the approved budget made through purchases or competitive bidding.

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

For expenses related to emergencies or construction change orders that exceed the delegated \$100,000 limit, approval for such expenses requires dual approval of the CEO and President of the Board. In the absence of the President, the Vice President can approve such an expense. Any expense approved by the CEO and the President or Vice President shall be reported to the full Board at the next Board meeting. Splitting expenses or orders to avoid authority limits is not acceptable.

Check Signing Authority:

The CEO has delegated authority as the first signer and the Chief Administrative Officer (CAO) shall serve as the authorized second signature on checks over \$15,000. In the absence of the CAO, the Chief Operations Officer (COO) shall serve as the authorized second signature. The signatures of those authorized shall be officially recorded on bank signature cards.

In the absence of the CEO:

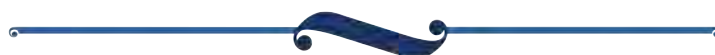
In addition, the Board authorizes the CEO to further delegate her/his signature authority authorizing individuals to conduct business on behalf of the 22nd DAA only when the CEO will be absent. The delegating officer retains responsibilities for actions taken by individuals exercising delegated authority.

Credit Card Authority:

The CEO is authorized to maintain a corporate travel credit card for the purpose of conducting business on behalf of the 22nd DAA.

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

This Delegation of Authority is issued annually and expires on December 31, 2023.



RESOLUTION NO. 2023-01

RESOLUTION OF (22nd DISTRICT AGRICULTURAL ASSOCIATION (22nd DAA))

**AUTHORIZING INVESTMENT OF MONIES IN
THE LOCAL AGENCY INVESTMENT FUND**

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the 22nd DAA Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the 22nd DAA ;

NOW THEREFORE, BE IT RESOLVED, that the 22nd DAA Board of Directors hereby authorizes the deposit and withdrawal of 22nd DAA monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following 22nd DAA officers holding the title(s) specified hereinbelow **or their successors in office** are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

22nd DAA Chief Executive Officer, Carlene F. Moore
22nd DAA Director of Finance, Michael Sadegh
22nd DAA Board President, G. Joyce Rowland
22nd DAA Board Vice President, Frederick Schenk
22nd DAA Board Vice President, Richard Valdez

Section 2. This resolution shall remain in full force and effect until rescinded by Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED AND ADOPTED, by the 22ND DAA Board of Directors of City of Del Mar, County of San Diego of State of California on 01/10/2023.

G. Joyce Rowland, 22nd DAA Board President

ATTEST:

Carlene F. Moore, Board Secretary

5-F, CONTRACT APPROVAL(S)**January 2023**

In accordance with the requirements of the Department to Food & Agriculture, Fairs & Expositions Branch, and, the CEO's Delegations of Authority Staff requests approval of the agreement(s) listed below:

Standard Agreements

Agreements Exercising Option Years					
Contract #	Contractor	Purpose	Acquisition Method	Term	Amount
DAA-21-081-40 AM1	Romeo Entertainment Group	Talent Buying Services	Request for Proposal	11/17/21 – 11/16/23	<u>\$200,000.00 (AM1)</u> <u>Total contract value</u> <u>\$375,000.00</u>
Agreements Awarded via Request for Proposals					
Contract #	Contractor	Purpose	RFP Number	Term	Amount
23-006	London Moeder Advisors	Highest and Best Use Feasibility Consultant	23-006	1/11/23 – 1/10/24	<u>\$282,000.00</u>
Agreements Awarded via Invitation from Bid					
Contract #	Contractor	Purpose	Term		Amount
N/A					
Agreements Exempt from Bid					
Contract #	Contractor	Purpose	Categorical Exemption/ Exception	Term	Amount
22-027 AM1	SD Luxury Limos	Offsite Transportation/Shuttle Services	IFB Amendment – Exempt per DGS SCM 5.81A	5/1/22 – 7/31/23	<u>\$117,476.00 (AM1)</u> <u>Total contract value</u> <u>\$1,856,542.00</u>
23-018	OpenGov	Cloud-based procurement solution	Categorical Exemption – COTS Software	1/11/23 – 1/10/28	<u>\$119,094.00</u>

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ PAGES

AGREEMENT NUMBER

DAA-21-081-40

AMENDMENT NUMBER

AM 1

Purchasing Authority Number

GL Acct: 600100-40

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

CONTRACTING AGENCY NAME

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

CONTRACTOR NAME

Romeo Entertainment Group, Inc.

2. The term of this Agreement is:

START DATE

November 17, 2021

THROUGH END DATE

November 16, 2023

3. The maximum amount of this Agreement after this Amendment is:

\$375,000.00

Three Hundred Seventy Five Thousand Dollars and Zero Cents

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The purpose of this amendment is to renew this Agreement, exercising the option year one, extending the Agreement for year two of possible five year agreement. The term end date is hereby extended from November 16, 2022 to November 16, 2023.

The Maximum amount of this Agreement is hereby increased by \$200,000.00, bringing the total to \$375,000.00

Amendment Effective Date: November 16, 2022

All other terms and conditions shall remain the same.

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

CONTRACTOR

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

Romeo Entertainment Group, Inc

CONTRACTOR BUSINESS ADDRESS

5247 N 129th Street

CITY

Omaha

STATE

NE

ZIP

68164

PRINTED NAME OF PERSON SIGNING

Robert J. Romeo

TITLE

President

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ PAGES

AGREEMENT NUMBER DAA-21-081-40	AMENDMENT NUMBER AM 1	Purchasing Authority Number GL Acct: 600100-40
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)				
CONTRACTING AGENCY ADDRESS 2260 Jimmy Durante Boulevard		CITY Del Mar	STATE CA	ZIP 92014
PRINTED NAME OF PERSON SIGNING Carlene Moore		TITLE Chief Executive Officer		
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable) FAC §4051 .a. 1		

EXHIBIT A SCOPE OF WORK

- C. This contract is non-exclusive. The 22nd DAA reserves the right, in its sole and absolute discretion, to procure talent booking and contracting services from other sources as deemed necessary, including but not limited to Hispanic programming and The Center programming.
- D. This contract is for talent booking and contracting services for the Grandstand and Paddock stages with options to provide talent booking and contracting services for other entertainment areas within the San Diego County Fair as determined by the 22nd DAA in its sole and absolute discretion.
- E. Upon contract award, Contractor shall immediately begin providing talent booking and contracting services.
- F. Contractor is expected to be on-site daily from approximately the time the performer or performer representatives and/or staff arrive through the completion of the performance.
- G. The 22nd DAA will provide a list of personnel who are authorized to request services and/or provide direction to Contractor. Contractor shall not accept instructions from or convey information to anyone not listed.
- H. Contractor personnel shall have the capacity to work efficiently and in a collaborative manner with a multi-disciplined team including 22nd DAA staff and production contractors, under the direction of the Production Director to secure, promote, and stage live acts during the San Diego County Fair.
- I. Contractor shall have excellent administrative skills and the ability to negotiate complete business deals with all points clearly defined and incorporated into the performance contracts.
- J. Contractor will work with 22nd DAA to create and route all talent contracts and guarantees for required signatures and approvals.
- K. Contractor shall have the ability to accept, work toward and meet deadlines.
- L. Contractor shall provide all support staff necessary to successfully fulfill contract responsibilities.
- M. The 22nd DAA will not be responsible for overtime charges. Contractor shall deploy sufficient labor resources to fulfill all requirements. Contractor services performed outside of "regular" business hours or on Saturdays or Sundays shall not result in additional charges of overtime to the 22nd DAA. There will be no exceptions.
- N. To avoid any conflict of interest, Proposer may not, under any circumstance, either as an individual or as a representative of a company, represent performers who might be considered for a paid booking at the San Diego County Fair. This restriction includes the individual, company, organization or business entity submitting a proposal in response to the Request for Proposal.

4. WORK TO BE PERFORMED

Contractor shall provide continuous consulting related to all aspects of the San Diego County Fair's entertainment program, coordinate with 22nd DAA management and perform the Scope of Work detailed below in relation to entertainment booking/programming which will include but not be limited to the following:

- A. Professional Entertainment Consulting and Booking:

EXHIBIT A SCOPE OF WORK

- a. Contractor shall establish, develop and maintain relationships with talent agents, artists and artists' representatives. Contractor shall stay informed of industry trends and practices.
 - b. Contractor shall negotiate, manage, and procure all professional entertainment appearing on the Grandstand and Paddock stages at the annual San Diego County Fair for the term of the agreement, excluding all Hispanic programming and The Center programming.
 - c. Contractor shall work with 22nd DAA staff each year to develop the goals and budget for the following year's San Diego County Fair entertainment program. Stage locations and programs may vary year to year.
 - d. Contractor shall serve as the 22nd DAA's primary negotiator with talent agents. Responsibilities will include, but are not limited to, the most earnest effort in securing the best deal possible for the 22nd DAA, the creation and finalization of a comprehensive set of deal points which detail the agreement between the 22nd DAA and the talent representative, and the development of performance contracts.
 - e. Contractor shall negotiate performance deals that are to the greatest possible financial and attendance benefits to the San Diego County Fair.
- B. Entertainment Budget Development and Administration:
- a. Contractor shall have experience preparing and managing a budget. Contractor shall develop a profit and loss estimate for each performance being considered.
 - b. Contractor shall guide the 22nd DAA management in preparing artist and production expense budgets for all concert stages for the annual San Diego County Fair. Contractor shall provide continuous updates and will be available to 22nd DAA management in the planning and progress of entertainment contract statuses and current entertainment industry trends.
 - c. Contractor shall advise and guide 22nd DAA Management in selecting entertainment within budget requirements.
 - d. Contractor shall recommend to Production Director venue staffing positions for each show in order to develop a labor budget based on show and venue requirements.
- C. Entertainment Programming:
- a. Contractor shall develop and utilize a strong knowledge of the San Diego County Fair demographic as it relates to entertainment programming and performance selection.
 - b. Contractor shall work closely with management to create a booking strategy that correlates to specific artists, genres and venue demographics as it relates to the entire event production by and held on the property of the San Diego County Fair.
 - c. Contractor shall provide the Production Director with research, marketing data, talent availability and recommendations and help to make programming decisions based on all available data. Final decisions to make offers will be made by the Production Director and 22nd DAA management.
 - d. Contractor shall develop performance offers based on the profit and loss estimates, performance history, and dialogue with the Production Director, 22nd DAA management and/or designees.

EXHIBIT A
SCOPE OF WORK

- e. Contractor shall create and maintain a booking calendar which details the status of all performance offers and be available to the Finance Director, Production Director, and Chief Operating Officer.
- D. Entertainment Contracts Administration:
- a. Contractor shall review and administer all professional headline entertainment contracts with artists' riders. Contractor shall make necessary amendments to contracts and riders based upon the 22nd DAA's policies, procedures and limitations.
 - b. Contractor shall create and prepare a standard addendum (pre-approved, acknowledged and accepted by major talent agencies) that will be attached to all artist contracts that identifies and addresses business and production related matters. Working with the 22nd DAA's Contracts Manager, Contractor shall return contract packages to artists' management for signature and shall monitor and track the contract process.
 - c. Contractor shall provide liaison and contract follow through with artist representatives on all aspects of contracted performances including marketing, box office, and production, prior to and on the day of the performance.
 - d. Contractor shall obtain all State of California-required, completed documents prior to scheduled performance.
- E. Marketing Support:
- a. Contractor shall provide specific event details to Production Director, Box Office Director, and Marketing Director that will enable them to build events, put them on sale, and advance performances.
 - b. Contractor shall work with the 22nd DAA's public relations staff to provide necessary contacts to obtain authorizations necessary to announce and promote the performances.
 - c. Contractor shall provide continuous resources for interaction between publicity and artist representatives.
- F. Liaise with 22nd DAA:
- a. Contractor shall be responsible for decisions and solving problems including analyzing information and evaluating results to choose the best solution and solve problems.
 - b. Contractor shall be available for regular meetings and/or conference calls to ensure integrated booking and marketing operation.
 - c. Contractor shall keep 22nd DAA management apprised of all event related matters and provide professional industry guidance to ensure efficient fulfillment of live performances.
 - d. Contractor shall work with the 22nd DAA to develop a catering plan to accommodate the needs of each show by establishing a general hospitality outline.
 - e. Contractor shall coordinate with Production Director to ensure that all production equipment needs and specifications are appropriate for each performance and venue size. Contractor shall analyze and recommend any additional sound reinforcement, backline equipment, or specific lighting requirements as agreed upon in contracts.
 - f. Contractor is aware that contracts and/or amendments are not considered fully executed until approval is obtained from the 22nd DAA's Board of Directors.

EXHIBIT A
SCOPE OF WORK

- g. 22nd DAA shall provide appropriate staffing levels at each performance location as mutually agreed upon with Contractor including, but not limited to the following: Production Director, Stage Managers, Runners, and House Staff including ushers, security, electricians, and janitorial staff.
- h. 22nd DAA shall provide one (1) onsite office space for Contractor's use during each San Diego County Fair and 2 (two) 15-passenger vans, daily hospitality supplies and a petty cash fund for miscellaneous requirements. Contractor shall provide a full accounting reconciliation report to 22nd DAA management along with all receipts and remaining funds at conclusion of each San Diego County Fair.

STANDARD AGREEMENT - AMENDMENT

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ PAGES

AGREEMENT NUMBER

22-027

AMENDMENT NUMBER

AM1

Purchasing Authority Number

GL Acct: 555-110-20

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

CONTRACTING AGENCY NAME

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

CONTRACTOR NAME

SD Luxury Limos

2. The term of this Agreement is:

START DATE

May 1, 2022

THROUGH END DATE

July 31, 2023

3. The maximum amount of this Agreement after this Amendment is:

\$1,852,717.20

One Million Eight Hundred Fifty Two Thousand Seven Hundred Seventeen Dollars and Zero Cents

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The purpose of this Amendment is to increase the funding account to cover the fuel costs for the shuttle services for the 2022 and 2023 San Diego County Fair. The total cost of fuel included in the invoice for 2022 is \$54,640.00. For 2023, fuel costs are estimated at \$59,011.20, an 8% increase from 2022. As a result the total funding amount for 2022, and 2023 should increased by \$113,651.20 to cover the cost of fuel.

The Maximum amount of the Agreement is hereby increased by \$113,651.20 , bringing the total to \$1,852,717.20.

Amendment Effective Date April 30, 2022

All other terms and conditions shall remain the same.

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

CONTRACTOR

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

SD Luxury Limos

CONTRACTOR BUSINESS ADDRESS

1136 Greenfield Drive

CITY

El Cajon

STATE

CA

ZIP

92021

PRINTED NAME OF PERSON SIGNING

Dani Rafo

TITLE

President

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STD 213A (Rev. 4/2020)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ PAGES

AGREEMENT NUMBER 22-027	AMENDMENT NUMBER AM1	Purchasing Authority Number GL Acct: 555-110-20
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STATE OF CALIFORNIA

CONTRACTING AGENCY NAME 22nd District Agricultural Association (District) / Del Mar Fairgrounds (Fairgrounds)				
CONTRACTING AGENCY ADDRESS 2260 Jimmy Durante Boulevard		CITY Del Mar	STATE CA	ZIP 92014
PRINTED NAME OF PERSON SIGNING Carlene Moore		TITLE Chief Executive Officer		
CONTRACTING AGENCY AUTHORIZED SIGNATURE		DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL		EXEMPTION (If Applicable) FAC §4051 .a. 1		

EXHIBIT A SCOPE OF WORK

A. SERVICES OVERVIEW

The Contractor shall provide shuttle services to assist patron and employee transportation to and from off-site parking locations during the annual San Diego County Fair. Annually, the Fair runs June through the July 4th holiday weekend for approximately 21 days and is typically closed on Mondays and Tuesdays; exact dates to be determined annually. In 2022, dates are June 8 through July 4th, closed on Mondays and Tuesdays, except July 4, 2022.

B. GENERAL REQUIREMENTS:

1. Contractor must be able to meet all Workers' Compensation, Commercial General Liability, and Motor Vehicle insurance requirements as outlined in Sample Standard Agreement, Exhibit D, Attachment I - Insurance Requirements. Proof of insurance and other requirements must be provided to the District within five (5) days of contract award. Failure to do so could result in termination of said contract.
2. A minimum of one (1) shuttle with the required ADA accommodations must be available at each location.
3. All shuttles must have two-way communication.
4. All shuttles are clean and maintained, meeting required safety standards, and are properly licensed and permitted.
5. Contractor shall maintain compliance with public health orders current at the time of service.
6. Contractor shall provide adequate buses on standby to avoid decreases in service due to unexpected events; including but not limited to breakdowns and inclement weather.
7. In the event of a breakdown, a supervisor will conduct or oversee the deployment of a replacement vehicle and the transfer of passengers.
8. Contractor shall allow the District exclusive branding rights for both the inside and outside of the shuttles. Contractor shall allow the District, at the District's sole expense, to place advertisements of any medium, including, but not limited to signs or vinyl vehicle wrapping on the interior or exterior of shuttles.
9. The District will provide limited onsite storage of buses to Contractor during non-operational days or hours throughout the run of the San Diego County Fair.
10. An onsite supervisor, or driver designated as such, must be present during all hours of operation to coordinate with the District's Public Safety Director and Shuttle Supervisor.
11. To keep records of all trips, including departure and arrival times and the number of passengers on each trip. Daily logs are to be provided to the District, broken down by shuttle and location, following each service day.
12. Each shuttle must display on its windshield at all times the parking lot being serviced.
13. Contractor's employees are not permitted to accept tips or display tip jars.
14. Days and hours are an estimate. The District reserves the right to change schedules at its sole discretion. The District offers no guarantee of minimum or maximum services.

C. PERSONNEL:

1. Contactor's personnel shall be adequately trained. Drivers shall be trained on routes and operation of ADA equipment specifically. In the event specific personnel are unavailable, Contractor must be able to provide replacement personnel adequately trained on routes and operation of ADA equipment.

**EXHIBIT A
SCOPE OF WORK**

2. Contractor's drivers shall be properly licensed to perform the duties in the Scope of Work and be properly trained to operate all buses.
3. Contractor shall always provide adequate personnel to operate the buses as required by the Scope of Work.
4. Contractor's personnel shall exhibit a high level of customer service with all passengers at all times. Texting by Contractor's drivers will not be permitted while performing the duties under the Scope of Work.
5. Contractor shall provide any additional certifications of its personnel at the time of the proposal including, but not limited to First Aid or CPR certifications.

D. SAN DIEGO COUNTY FAIR LOCATIONS/REQUIREMENTS:

*Off-site parking locations, number of shuttles needed, and shuttle routes are subject to change.

1. DEL MAR EQUESTRIAN CENTER (HORSE PARK) – VIA DE LA VALLE & EL CAMINO REAL
 - a. Contractor to provide transportation from the Del Mar Equestrian Center (Horsepark) located at 14550 El Camino Real in Del Mar to the San Diego County Fair. This shuttle program will operate all days of the San Diego County Fair (averaging 21 days annually). The average number of riders in 2019 was 5,500 per day.
 - b. The roundtrip mileage between the off-site shuttle lot and drop off point at the San Diego County Fair is approximately five (5) miles.
 - c. The total number of shuttles needed for this operation is estimated between three (3) and ten (10) per day, based on demand at various times of the day with peak trips between 2:00 p.m. and 11:00 p.m.
 - d. The shuttle will operate from 6:00 a.m. to 11:30 p.m. Wednesdays, Thursdays, and Sundays, and 6:00 a.m. to 12:30 a.m. Fridays and Saturdays. Operational hours may be adjusted according to need on certain days.
 - e. Shuttles to have a minimum capacity of forty (40) passengers per vehicle, based upon demand.
2. SOLANA BEACH TRAIN STATION – N CEDROS AVENUE
 - a. Contractor shall provide transportation from the Solana Beach Train Station parking lot located at 105 N Cedros Avenue in Solana Beach to the San Diego County Fair. This shuttle will operate all days of the San Diego County Fair (averaging 21 days annually). The average number of riders in 2019 was 275 per day.
 - b. The roundtrip mileage between the off-site shuttle lot and drop off point at the San Diego County Fair is approximately four (4) miles.
 - c. The total number of shuttles needed for this operation is estimated at two (2) per day, based on demand at various times of the day with peak trips between 2:00 p.m. and 11:00 p.m.
 - d. The shuttle will operate from 8:00 a.m. to 11:30 p.m. Wednesdays, Thursdays, and Sundays and 8:00 a.m. to 12:30 a.m. Fridays and Saturdays. Operational hours may be adjusted according to need on certain days.

**EXHIBIT A
SCOPE OF WORK**

- e. Shuttles to have a minimum capacity of twenty (20) passengers per vehicle, based upon demand.

3. TORREY PINES HIGH SCHOOL – DEL MAR HEIGHTS ROAD

- a. Contractor shall provide transportation from the Torrey Pines High School parking lot located at 3710 Del Mar Heights Road in Del Mar to the San Diego County Fair. This shuttle will operate all days of the San Diego County Fair (averaging 22 days annually). The average number of riders in 2019 was 2,500 per day.
- b. The roundtrip mileage between the off-site shuttle lot and drop off point at the San Diego County Fair is approximately ten (10) miles.
- c. The total number of shuttles needed for this operation is estimated to be between four (4) and fifteen (15) shuttles, based on demand at various times of the day with peak trips between 2:00 p.m. and 11:00 p.m.
- d. The shuttle will operate from 10:00 a.m. to 11:30 p.m. Wednesdays, Thursdays, and Sundays and 10:00 a.m. to 12:30 a.m. Fridays and Saturdays. Operational hours may be adjusted according to need on certain days.
- e. Shuttles to have a minimum capacity of forty (40) passengers per vehicle, based upon demand.

***OFFSITE LOCATION (TBD)**

- 1. Contractor may provide transportation to an additional offsite location as agreed to by the Contractor and the District.
- 2. The additional location will be within a 10-mile radius of the San Diego County Fair.
- 3. The total number of shuttles needed for this operation is estimated to be between three (3) and seven (7) shuttles, based on demand at various times of the day.
- 4. Shuttles to have a minimum capacity of forty (40) passengers per vehicle, based upon demand.

E. ESTIMATED NUMBER OF SERVICE HOURS NEEDED ANNUALLY:

2022

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,821
Solana Beach Train Station	20	669
Torrey Pines High School	40	3,666
Total Estimated Hours		7,156

2023

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,938
Solana Beach Train Station	20	698
Torrey Pines High School	40	3,822
Total Estimated Hours		7,458

**EXHIBIT A
SCOPE OF WORK**

Option Years:

2024

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,680
Solana Beach Train Station	20	636
Torrey Pines High School	40	3,484
Total Estimated Hours		6,800

2025

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,680
Solana Beach Train Station	20	636
Torrey Pines High School	40	3,484
Total Estimated Hours		6,800

2026

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,680
Solana Beach Train Station	20	636
Torrey Pines High School	40	3,484
Total Estimated Hours		6,800

2027

Parking Lot Location	Min Passenger Size	Estimated Service Hours
Del Mar Equestrian Center (Horsepark)	40	2,680
Solana Beach Train Station	20	636
Torrey Pines High School	40	3,484
Total Estimated Hours		6,800

Note: Estimated Number of Service Hours is approximate. Contractor will not be guaranteed any specific amount of work. Actual work to be performed will be directed by the District and will vary from year to year. If changes in operating hours and or number of days of the annual San Diego County Fair result in additional costs, the contract will be amended to reflect the actual hours serviced. Invoices must reflect actual hours serviced at the rate indicated on the Financial Proposal Bid Form.

Cumulative Total Estimated Hours (2022 – 2027)	35,014
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**EXHIBIT A
SCOPE OF WORK**

F. REPORTS AND COMMUNICATION:

1. Contractor shall maintain a Log identifying any complaints including any incidents, accidents or other occurrences which require emergency services or potential exposure to liability is suspected.
2. Contractor shall report any complaints, accidents or other occurrences to the District as soon as possible and shall notify District's Shuttle Supervisor immediately regarding any incident involving injury or need for emergency medical assistance.

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

23-006

PURCHASING AUTHORITY NUMBER (If Applicable)

N/A

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

CONTRACTING AGENCY NAME

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

CONTRACTOR NAME

London Moeder Advisors

2. The term of this Agreement is:

START DATE

January 1, 2023

THROUGH END DATE

December 31, 2023

3. The maximum amount of this Agreement is:

\$282,000.00

Two Hundred Eighty Two Thousand Dollars and Zero Cents

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

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

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>

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

CONTRACTOR

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

London Moeder Advisors

CONTRACTOR BUSINESS ADDRESS

825 10th Avenue

CITY

San Diego

STATE

CA

ZIP

92101

PRINTED NAME OF PERSON SIGNING

Gary London

TITLE

Senior Principal

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

23-006

PURCHASING AUTHORITY NUMBER (If Applicable)

N/A

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

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

CONTRACTING AGENCY ADDRESS

2260 Jimmy Durante Boulevard

CITY

Del Mar

STATE

CA

ZIP

92014

PRINTED NAME OF PERSON SIGNING

Carlene Moore

TITLE

Chief Executive Officer

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

FAC §4051 .a. 1

EXHIBIT A SCOPE OF WORK

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

B. BACKGROUND AND GOALS

The principal objectives for the highest and best use analysis study include:

- Evaluating opportunities for enhanced development of the various District properties congruent with District's mission of offering agricultural, educational, recreational and entertainment opportunities to San Diego County residents.
- Analyzing the opportunity for success of prospective land uses within the context of Purpose, Mission, Vision, Values, and Objectives of District.
 - Objectives
 - Connection
 - Environmental stewardship
 - Net revenue generation
 - The Fair – fundamentally why District exists
 - Serving as a resiliency center and resource
- Developing a pragmatic, fiscally responsible land use plan, including appropriate upgrades and improvements to existing facilities and grounds and the addition of new facilities to support current and new program opportunities.
- Presentation of options for funding improvements.
- Public and community thought leader engagement.

C. WORK TO BE PERFORMED

Contractor shall provide qualified personnel capable of providing the services described herein.

Contractor and its personnel shall have the capacity to work efficiently and in a collaborative manner with a multi-disciplined team including District Board of Directors, Executive Leadership Team, and staff.

Contractor shall maintain the appropriate level of community thought leader engagement in the feedback process, serving as a liaison for communication relative to the findings, options, recommendations, etc.

Contractor shall develop a Highest and Best Use Feasibility Model (HABU) and strategy that aligns with the Purpose, Mission, Vision, Values, and Objectives of District in support of local/regional community demographics and socioeconomics. The HABU shall include but not be limited to:

- Comprehensive market research and statistical analysis
- Market studies to define opportunities and risks for proposed types of uses
- Feasibility of highest and best use options based on return on investment
- Economic impact projections
- Necessary staffing levels for efficient and effective operations

EXHIBIT A SCOPE OF WORK

Contractor shall provide a comprehensive and thorough analysis of each HABU in terms of market and economic trends in the form of Pro Forma and Financial Forecasts that make recommendations for successful project development and expresses the return on investment.

Contractor shall assist in Implementation Planning through the development of an execution timeline, expected cash outflows, key milestones, and necessary deliverables.

Contractor shall produce a Final Report including but not limited to an executive summary, details of the outcomes of the scope of services above, pro forma, high-level cost estimate, high-level implementation schedule, and recommendations.

Contractor shall provide options for optimal facility program (high-level space planning) including high-level estimated construction and soft costs.

All work will be performed under the direction and supervision of District.

D. GENERAL PERSONNEL SERVICES AND REQUIREMENTS

Contractor and its personnel will conduct themselves in a thoroughly professional manner at all times. Contractor's personnel shall exhibit a high level of customer service at all times.

E. DISTRICT ROLES AND RESPONSIBILITIES

District will provide a list of personnel who are authorized to request services and/or provide instructions to Contractor. Contractor shall not accept instructions from or convey information to anyone not included on the personnel list provided by District.

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

22 nd District Agricultural Association	London Moeder Advisors
Name: Carlene Moore, Chief Executive Officer	Name: Gary London, Senior Principal
Address: 2260 Jimmy Durante Boulevard Del Mar, CA 92014	Address: 825 10 th Ave San Diego, CA 92101
Phone: (858) 755-1161	Phone: (619) 269-4010
e-mail: cmoore@sdfair.com	e-mail: glondon@londonmoeder.com

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

Item 9 - 2023 COMMITTEE APPOINTMENTS

Regular Meetings

AUDIT & GOVERNANCE

Every other month
Joyce Rowland, Chair
Kathlyn Mead

COMMUNITY & GOVERNMENT RELATIONS

Monthly
Don Mosier, Chair
Michael Gelfand

DMTC LIAISON

Quarterly
Richard Valdez, Chair
Lisa Barkett

FINANCE

Monthly
Michael Gelfand, Chair
Sam Nejabat

STRATEGIC PLANNING

TBD
Michael Gelfand, Chair
Joyce Rowland

FAIR OPERATIONS

January - May
Frederick Schenk, Chair
Sam Nejabat

Meet as needed

LEGAL

Richard Valdez, Chair
Frederick Schenk

PEOPLE & CULTURE

Joyce Rowland, Chair
Richard Valdez

SUSTAINABILITY

Don Mosier, Chair
Sam Nejabat

NOMINATING

Lisa Barkett, Chair
Michael Gelfand

AD-HOC COMMITTEES

AFFORDABLE HOUSING - AD HOC

Kathlyn Mead, Chair
Don Mosier

HORSEPARK - AD HOC

Michael Gelfand, Chair
Kathlyn Mead

RTA/SRTLTC (appointed by the Governor)

Richard Valdez, Chair
Kathlyn Mead & Lisa Barkett

From: [Martha Sullivan](#)
To: [G. Joyce Rowland](#)
Cc: [Donna O'Leary](#); [Coleen Cusack](#); [Ann Menasche](#); [Berry, Amanda](#)
Subject: [External]Pls Reply/San Diego County sees a record number of homeless deaths this year: 574 and counting - The San Diego Union-Tribune
Date: Tuesday, January 03, 2023 6:48:54 AM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you validate the sender and know the content is safe. Please forward this email to the helpdesk if you believe this email is suspicious.

Greetings of the New Year! Here is the San Diego Union-Tribune front page, above the fold, news story about our 6th and final Tent Vigil of 2022 to honor at least 1,425 houseless residents of San Diego County who died in 2020, 2021 and 2022 per the County Medical Examiner:
<https://www.sandiegouniontribune.com/news/homelessness/story/2022-12-21/vigil-remembers-500-homeless-deaths-in-2022>

I respectfully request an answer to my proposal last fall that the 2023 San Diego County Fair include this Art Installation/Expression of Speech, especially relevant given the 2023 Fair's theme: "Get Out There", with its logo featuring a tent.

I've had no contact from the Fair planners, whom I was informed via email a few months ago were considering my proposal. We remain available to answer any questions (cc'd are two of my co-organizers).

Ms. O'Leary, please share this with the other Board Members of the 22nd District Agricultural Association as well as Senior Staff.

Thank you for your consideration,

Martha Sullivan
San Diego Housing Emergency Alliance
858-945-6273

External message received



EDITORIALS

Opinion: If state agency pushes for makeover of Del Mar Fairgrounds, it must avoid Port's mistakes



The 64-acre Del Mar Horsepark and two other state parcels in Del Mar will be evaluated for their potential to generate additional revenue for the 22nd District Agricultural Association, officials announced this month. (U-T)

The struggles of the County Fair and the racetrack early in the pandemic led officials to hunt for new revenue. But is this what the public wants?

BY THE SAN DIEGO UNION-TRIBUNE EDITORIAL BOARD



The [editorial board](#) operates independently from the U-T newsroom but holds itself to similar ethical standards. We base our editorials and endorsements on reporting, interviews and rigorous debate, and strive for accuracy, fairness and civility in our section. Disagree? [Let us know](#).

Some 324 acres of prime state-owned land in Del Mar — the 212-acre Del Mar Fairgrounds and the 48-acre Surf & Turf Recreational Facilities site that are just west of Interstate 5 and the 64-acre Del Mar Horsepark equestrian center that is 1 mile east of the 5 — could be in for major changes.

The sites are such ideal locations for development that perhaps it was inevitable that the 22nd District Agricultural Association — which manages the properties for the state — would try to make them more of an economic engine in the aftermath of a huge [revenue plunge](#) in 2020 as the pandemic buffeted the annual San Diego County Fair and the famous racetrack. This month, the association [announced plans](#) to hire London Moeder Advisors, a real-estate consultant, to evaluate and make recommendations on the potential for building residential units, retail shops, office space and visitor accommodations on the sites.

But the association board shouldn't count on broad public buy-in. While the county fair seems likely to remain a priority, the track, tennis club, driving range, RV park and equestrian facilities on the other parcels have loyal followings, and anything that affects them is likely to spur a backlash.

Board members should learn a lesson from their counterparts at the Port of San Diego. Their plan for a massive overhaul of Downtown's Central Embarcadero waterfront, including Seaport Village, was far more appealing to powerful city interests than the public — even before the October [bombshell](#) that developers hoped for a public subsidy

of up to \$550 million for their \$3.6 billion project. Incredibly, this prospect went unmentioned for six years.

The association should spring no such surprises. And it must grasp that most San Diegans value beloved recreation options far more than the state's ability to make money off the Del Mar parcels.

EDITORIALS

LATEST

OPINION



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Del Mar Fairgrounds ready to rethink entire property. ‘Don’t worry, nothing is changing overnight’



An aerial view of a portion of the Del Mar Fairgrounds main campus, including the race track. The 22nd District Agricultural Association, which operates the fairgrounds and adjacent sites on behalf of the state, will hire a consultant to consider what's possible on the 324 acres of land that it controls. (John Gibbins/The San Diego Union-Tribune)

State institution will lean on a real estate consultant to figure out how best to use — and profit from — all 324 acres under its management.

BY JENNIFER VAN GROVE

DEC. 21, 2022 5:43 PM PT

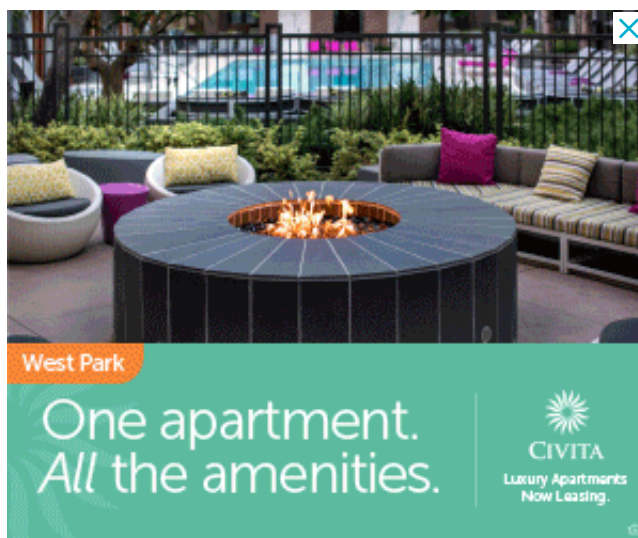
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The future of the Del Mar Fairgrounds will start to take shape in 2023 with the state agency in charge of the land that spans the main campus and beyond leaning on a real estate consultant to figure out how best to use — and profit from — all 324 acres under its management.

The 22nd District Agricultural Association, which manages the fairgrounds on behalf of the state of California, announced in a published notice last week that it plans to hire real estate consultancy London Moeder Advisors to identify the best use of its facilities. The state agency's nine-member board will consider approval of the contract, which contemplates a one-year term with two optional, one-year extensions, at its January meeting.

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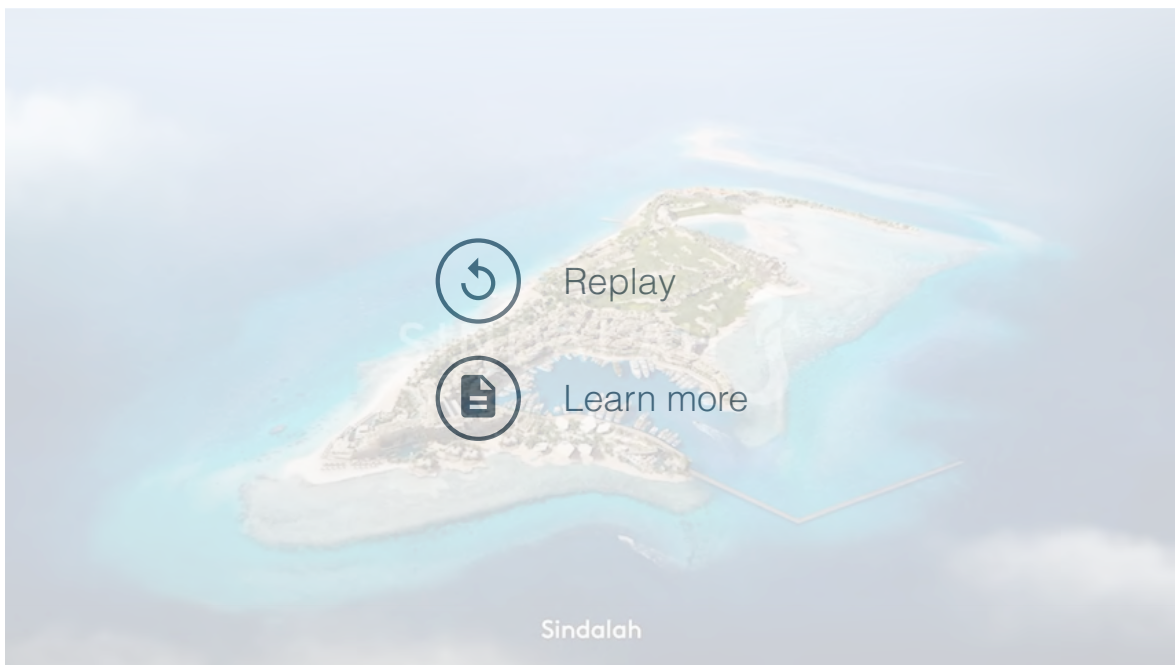
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The work is meant to inform a future master-planning effort that could take years to complete, Carlene Moore, who is CEO of the agency, told the Union-Tribune on Wednesday.

"I think this is an incredible step, for us as an organization, of looking to and planning for the future, and helping to make sure that we've created a space that is inclusive of everybody in San Diego County," Moore said. "Don't worry, nothing is changing overnight. ... This is a process. This is one step in that process. With that being said, let's all be open to the possibilities."

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The 22nd District Agricultural Association, which produces the annual San

Diego County Fair, is weighing what to do with an expansive real estate portfolio that spans three different sites, including the 212-acre main campus along Via De La Ville, at the mouth of the San Dieguito River between Interstate 5 and the Pacific Ocean. The agency also operates the 48-acre Surf & Turf recreational area opposite Jimmy Durante Boulevard, home to a tennis club, RV park and driving range, as well as a 64-acre equestrian center, known as the Del Mar Horsepark, that is two miles east of the fairgrounds.

The land, while not subject to local zoning restrictions, is complex in nature, given its proximity to water and wetland habits. The California Coastal Commission has jurisdiction over improvements.

In late 2019 and early 2020, the board started a [strategic planning initiative](#) that soon took a backseat to staying afloat during the pandemic, as restrictions crippled the self-funded organization's ability to host large, money-making events. The visioning effort was picked back up in 2021. In October, the district issued a request for proposals for a "highest and best use feasibility consultant."

London Moeder, according to its winning bid, will study the demand and financial prospects of residential units, retail shops, office space, and multiple accommodation options across the three different sites managed by the district. The firm is teamed with development consultant David Malmuth, Perkins Eastman Architects and Spurlock Landscape Architecture on the endeavor.

"We will establish conclusions and recommendations as to which land uses can succeed, at what scale, when and how to phase, and best locations throughout the 212-acre main campus Del Mar Fairgrounds, the 48-acre Surf & Turf

Recreational Facilities campus, and the 64-acre equestrian center campus Del Mar Horsepark,” firm principal and project lead Gary London wrote in the proposal. “Throughout, we will be cognizant of how to achieve these (objectives) for land use development while maintaining and, ideally, enhancing your existing service, events and land uses.”

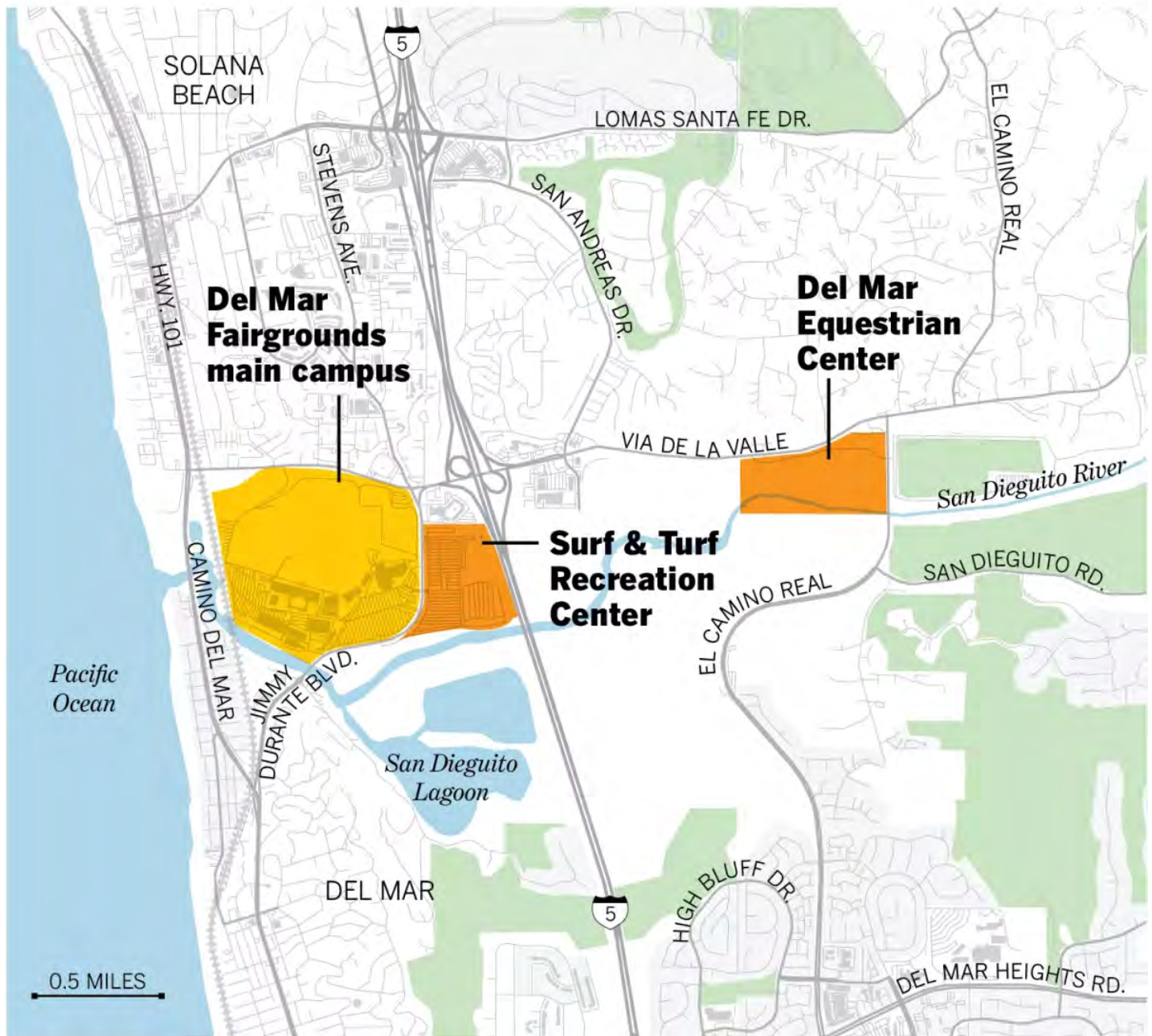
When reached for comment, London declined to discuss the fairgrounds proposal pending contract approval.

London Moeder is a frequent adviser to private developers and public agencies, and recently worked alongside the San Diego Padres and its partners to come up with a development plan for [Tailgate Park](#). The firm was also hired by the Navy and the San Diego Association of Governments in 2019 to recommend a development approach for the Navy’s NAVWAR facility in the Midway District, when the agencies were still jointly contemplating a central mobility hub.

As for the future of the fairgrounds and adjacent district properties, it’s still early days — although everything but the fair itself is potentially fair game, and even that could be moved to a new location.

What's next for the Del Mar Fairgrounds?

The 22nd District Agricultural Association, which manages the Del Mar Fairgrounds property and adjacent sites on behalf of the state, will hire a consultant to rethink what's possible on 324 acres spread across three properties.



Sources: The 22nd District Agricultural Association; OpenStreetMap

MICHELLE GUERRERO U-T

"The one requirement we have is to put on the annual fair," Moore said, adding that the district hasn't put together a list of what else might stay or go. "We're

just really open. That's why we're bringing in London Moeder ... to help do that analysis."

Horse racing, while less in fashion because of increased attention on animal welfare, is still an important part of the organization's current business model. Each year, the Del Mar Thoroughbred Club pays \$1.2 million in rent. In addition, food and beverage sales associated with horse racing net the state agency another \$3 million, Moore said. As it stands, there is no plan for horse racing to go away, she said.

If there's a certainty, it's that money-making prospects are of the utmost importance.

"Pre-pandemic, we thought of ourselves as being diversified. We have the fair. We have horse racing. We have other events and rentals where third-party promoters come in and put on activities. We also have the recreation center aspect," Moore said. "What we learned at the outset of the pandemic was we weren't as diversified as we thought we were because ... 95 percent of our revenues come from mass gatherings."

The organization's financial health, which was [on life support in 2020](#), is on the mend.

The district expects to report a loss of \$17.7 million for 2020, according to a draft audit presented to the board last month. This year it has fared better than expected, [even though 2022 fair attendance was lower](#) than in years prior to the pandemic. As of Sept. 30, the state institution has made \$18.8 million in profit,

recent records show. Still, its long-term debt and payroll obligations are substantial, totaling \$118.6 million.

On the immediate horizon, the Del Mar Fairgrounds will open its [\\$17 million concert venue](#), called The Sound, in February. The new, 1,900-capacity venue is at the northeast corner of the Del Mar Fairgrounds. It occupies what was the site of the Race Place off-track betting facility. The 22nd District Agricultural Association also expects its equestrian center, closed since January 2021 for water quality work, to reopen this summer.

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