

---

**From:** John Narigi  
**Sent:** Tuesday, August 20, 2019 11:50 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Wanted to thank you for the your time last Monday and the in depth discussion and tour of the track. I was impressed with the improvements made throughout the site and your insight regarding current issues and your future vision. To be clear I am interested in continuing our conversation.

In order to complete a proper evaluation and have an educated understanding of the current ownership and mgt structure I was hoping that I could review some documents that would be beneficial to that end. I have reviewed the web-site in detail and understand the various boards/comm of scamp, the history, county's ownership ect but that does not provide the information needed for a deep dive evaluation.

If the information being requested is confidential I would hold as such as I have not mentioned our conversation to anyone excluding a few that have approached me with interest in evaluating the options regarding management of Laguna Seca.

If possible the following would be helpful:

Copy of a complete YTD financial packet (2019) and year ending 2018.

Copy of current mgt contract which hopefully would spell out the requirements of the county regarding reporting, authority and any established benchmarks regarding performance, care of the area, customer service ect.

Any inspection of the facilities, audits of operation or financial functions.

Any long term capital improvements that may be under consideration or planned. Would be interested in any involving the various uses housed within Laguna Seca; ie racetrack, campsites ect.

Dwayne, if you find my request acceptable happy to pick-up. If for confidential reasons some or all would not be available would appreciate another in depth conversation with you.

Hope Car Week was a success, first time in 25 years I was not involved but was always my favorite week of the year.

Thank you again for the offer of tickets, but our friends were in need of a tour guide.

I will be out of the area the week of the 26<sup>th</sup> and back on the 2<sup>nd</sup>. Looking forward to continuing our conversation.

Thank you,

John V. Narigi







---

**From:** John Narigi  
**Sent:** Wednesday, August 21, 2019 3:07 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks Dewayne, company gone so now I can review materials sent.  
Appreciated,

jvn

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Tuesday, August 20, 2019 12:52 PM  
**To:** John Narigi <[REDACTED]>  
**Subject:** RE: Laguna Seca

Use Permit, so the total available event days is a combination of County Use Permit and Historical SCRAM event Days.

**From:** John Narigi  
**Sent:** Tuesday, August 20, 2019 11:50 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** John Narigi  
**Subject:** Laguna Seca

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Thank you,

John V. Narigi



---

**From:** John Narigi  
**Sent:** Wednesday, August 21, 2019 3:09 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Appreciated, looks like I rec'd all, jvn

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Tuesday, August 20, 2019 12:43 PM  
**To:** John Narigi  
**Subject:** RE: Laguna Seca

John,

I will send a series of emails so that the file size does not exceed any limits.

Dewayne

**From:** John Narigi  
**Sent:** Tuesday, August 20, 2019 11:50 AM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:** John Narigi  
**Subject:** Laguna Seca

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Thank you,

John V. Narigi



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**From:** John Narigi  
**Sent:** Wednesday, August 21, 2019 3:14 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Laguna Seca

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Sounds good, plenty to get started on, jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Wednesday, August 21, 2019 3:13 PM  
**To:** John Narigi  
**Subject:** Re: Laguna Seca

I have more to send will do so tomorrow out of office today

Sent from my iPhone

On Aug 21, 2019, at 3:06 PM, John Narigi wrote:

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Thanks Dewayne, company gone so now I can review materials sent.  
Appreciated,

jvn

---

**From:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Sent:** Tuesday, August 20, 2019 12:52 PM  
**To:** John Narigi  
**Subject:** RE: Laguna Seca

Use Permit, so the total available event days is a combination of County Use Permit and Historical SCRAMP event Days.

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**From:** John Narigi  
**Sent:** Tuesday, August 20, 2019 11:50 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** John Narigi  
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In order to complete a proper evaluation and have an educated understanding of the current ownership and mgt structure I was hoping that I could review some documents that would be beneficial to that end. I have reviewed the web-site in detail and understand the various boards/comm of scamp, the history, county's ownership ect but that does not provide the information needed for a deep dive evaluation.

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I will be out of the area the week of the 26<sup>th</sup> and back on the 2<sup>nd</sup>. Looking forward to continuing our conversation.

Thank you,

John V. Narigi

A rectangular area that has been redacted, likely containing a signature or contact information.



---

**From:** John Narigi  
**Sent:** Friday, August 23, 2019 2:09 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: LSRA financials

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks Dewayne, back in town, will get to work, jvn

-----Original Message-----

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, August 22, 2019 1:26 PM  
**To:** John Narigi  
**Subject:** FW: LSRA financials

Here are some financials to review.



---

**From:** John Narigi  
**Sent:** Thursday, September 5, 2019 3:05 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Do you have time after 1130 on Monday to meet. Have reviewed all your info and believe time for me to ask some critical questions and get clarification on expectations of the county regarding the track. I know you and others are looking for a commitment and want to make sure I am clear on all the facts.

I am free Monday 1130 on,

Thank you,

Jvn

---



---

**From:** John Narigi |  
**Sent:** Friday, September 6, 2019 6:43 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne, thanks for the reply, I have a contract job all day today. Monday can meet early am, 8 would be good. Let me know what location would be convenient for you.

Have a good week-end,

jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, September 5, 2019 4:48 PM  
**To:** John Narigi |  
**Subject:** Re: Laguna Seca

John

I have an off site meeting at that time on Monday I can meet on Friday (tomorrow) after 1pm or Monday from 8am through 10:30 I just have to leave on Monday by 10:30 any if those times work?

Sent from my iPhone

On Sep 5, 2019, at 3:05 PM, John Narigi | wrote:

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Dwayne,

Do you have time after 1130 on Monday to meet. Have reviewed all your info and believe time for me to ask some critical questions and get clarification on expectations of the county regarding the track. I know you and others are looking for a commitment and want to make sure I am clear on all the facts.

I am free Monday 1130 on,

Thank you,

Jvn

---





---

**From:** John Narigi [redacted]  
**Sent:** Friday, September 6, 2019 11:16 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

See you then, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Friday, September 6, 2019 10:38 AM  
**To:** John Narigi [redacted]  
**Subject:** Re: Laguna Seca

County admin office Salinas works for me

Sent from my iPhone

On Sep 6, 2019, at 6:42 AM, John Narigi [redacted] wrote:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne, thanks for the reply, I have a contract job all day today. Monday can meet early am, 8 would be good. Let me know what location would be convenient for you.

Have a good week-end,

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, September 5, 2019 4:48 PM  
**To:** John Narigi [redacted]  
**Subject:** Re: Laguna Seca

John

I have an off site meeting at that time on Monday I can meet on Friday (tomorrow) after 1pm or Monday from 8am through 10:30 I just have to leave on Monday by 10:30 any if those times work?

Sent from my iPhone

On Sep 5, 2019, at 3:05 PM, John Narigi [redacted] wrote:

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Dwayne,

Do you have time after 1130 on Monday to meet. Have reviewed all your info and believe time for me to ask some critical questions and get clarification on expectations

of the county regarding the track. I know you and others are looking for a commitment and want to make sure I am clear on all the facts.

I am free Monday 1130 on,

Thank you,

Jvn

A handwritten signature in black ink, appearing to be the initials 'Jvn', with a horizontal line extending to the right.



---

**From:** John Narigi  
**Sent:** Thursday, September 12, 2019 10:05 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: Current 2019 Track Rental LOG

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

These emails/information are very helpful and now I am back from Calistoga, will be getting focused on all the info. Could I get 2 tickets to this w/e races, would like to go up and watch the operation and really study the operations.

Will be in touch,

Thank you,

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Monday, September 9, 2019 9:46 AM  
**To:** John Narigi  
**Subject:** FW: Current 2019 Track Rental LOG

---

**From:** Judy Varley <[judy@laguna-seca.com](mailto:judy@laguna-seca.com)>  
**Sent:** Friday, September 6, 2019 7:16 AM  
**To:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Derr, Mike x4992 <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Ellis Summers <[SummersE@laguna-seca.com](mailto:SummersE@laguna-seca.com)>  
**Subject:** Current 2019 Track Rental LOG

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Good Friday Morning All,

I wanted to send you the most recent 2019 Track Rental Log. We are closing the 3<sup>rd</sup> Quarter just below the \$4million mark 😊

Please let me know if you have any questions.

Thank you,

Judy



---

**From:** John Narigi  
**Sent:** Friday, September 13, 2019 6:47 AM  
**To:** Woods, Dewayne x5309  
**Subject:** Re: Current 2019 Track Rental LOG

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Can do today. Where should I do so?

Sent from my iPhone.  
Jvn

On Sep 13, 2019, at 5:40 AM, Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)> wrote:

Yep do you want to pick them up today or tomorrow

Sent from my iPhone

On Sep 12, 2019, at 10:05 PM, John Narigi wrote:

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Dwayne,

These emails/information are very helpful and now I am back from Calistoga, will be getting focused on all the info. Could I get 2 tickets to this w/e races, would like to go up and watch the operation and really study the operations.

Will be in touch,

Thank you,

jvn

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**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Monday, September 9, 2019 9:46 AM  
**To:** John Narigi  
**Subject:** FW: Current 2019 Track Rental LOG

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**From:** Judy Varley <[judy@laguna-seca.com](mailto:judy@laguna-seca.com)>  
**Sent:** Friday, September 6, 2019 7:16 AM  
**To:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Derr, Mike x4992 <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Ellis

Summers <[SummersE@laguna-seca.com](mailto:SummersE@laguna-seca.com)>

**Subject:** Current 2019 Track Rental LOG

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Quarter just below the \$4million mark 😊

Please let me know if you have any questions.

Thank you,

Judy





---

**From:** John Narigi  
**Sent:** Friday, September 13, 2019 8:13 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** information

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Dewayne,

The last time we met we discussed allowing me to review other info, you showed me the a compensation schedule by name/position, could you send me a copy? Also a ytd P&L would be helpful as well. This weekend focused only on LS as I know the need to make a decision to submit a proposal or not.

Appreciate all the great info to date provided. Thank you for the rental information.

jvn



**From:** John Narigi |  
**Sent:** Saturday, September 14, 2019 6:13 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: information

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Understood, can I p/u tickets Sunday at will call? Only need 2,  
Thank you,

jvn

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Friday, September 13, 2019 9:26 AM  
**To:** John Narigi |  
**Subject:** Re: information

Ok thought I sent the employee schedule that day, on the PL give us a couple weeks staff in the middle of the events

Sent from my iPhone

On Sep 13, 2019, at 8:12 AM, John Narigi | wrote:

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jvn



---

**From:** John Narigi  
**Sent:** Wednesday, September 18, 2019 8:48 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** LS

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Thank you for the tickets last Sunday. Spent 4 hours solo walking and studying the operation. When we talk again glad to fill you in. Overall and enjoyable experience. Not a huge crowd but in my conversation with Scott Atherton he implied he was happy with the ticket sales. The improvements you made were easily noticed by myself, tremendous improvement to the ambience.

I also want to inform you that we are staying here at our current resident. The house has not sold and we have made that decision. Thus extremely interested in moving forward in an effort to secure the race track contract and working with the county. Will have additional questions and looking forward to getting the info requested earlier after the Indy race.

Rumor on the street, scamp knows they are in trouble regarding an extension and they have been voicing there opinion. I have not gotten any calls but have p/u the info in general conversations.

I would like to go out again either Saturday or Sunday for more observing and note taking, could you be so kind to secure a couple more tickets.

Will be back in town tomorrow late.

Hope having a good week,

jvn



---

**From:** John Narigi  
**Sent:** Friday, September 20, 2019 5:16 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: 2019 Track Rental Agreement LOG.xlsx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne, just saw this was out of the office. Can come up tomorrow if needed and believe coming Sunday with Phillips,,, let me know, wide open tomorrow, jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Friday, September 20, 2019 7:01 AM  
**To:** John Narigi  
**Subject:** 2019 Track Rental Agreement LOG.xlsx

John,

Not sure if I actually sent this document, it shows the value and activity of the Track rental program. Are you available to come out either today or Saturday to discuss more details, I will be at the track today after 12.

Dewayne





---

**From:** John Narigi  
**Sent:** Friday, September 20, 2019 5:54 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: 2019 Track Rental Agreement LOG.xlsx

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See you Sunday and reviewed the material, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Friday, September 20, 2019 5:46 PM  
**To:** John Narigi |  
**Subject:** Re: 2019 Track Rental Agreement LOG.xlsx

If there Sunday we can connect then

Sent from my iPhone

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wrote:

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Dewayne



---

**From:** John Narigi  
**Sent:** Friday, September 27, 2019 5:50 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: UNTITLED.pptx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thank you, jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, September 26, 2019 10:03 AM  
**To:** John Narigi  
**Subject:** UNTITLED.pptx

Info on 2018 season



---

**From:** John Narigi [redacted]  
**Sent:** Friday, September 27, 2019 5:50 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Employee Wages 2018 est v3.xlsx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thank you, jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, September 26, 2019 10:04 AM  
**To:** John Narigi [redacted]  
**Subject:** Employee Wages 2018 est v3.xlsx

Salaries



---

**From:** John Narigi  
**Sent:** Friday, September 27, 2019 5:22 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Copy of 2019 LSRA Event Use Codes and AFS Sales Summary

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks Dwaine, been working on this project,

jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Friday, September 27, 2019 8:11 AM  
**To:** John Narigi  
**Subject:** Copy of 2019 LSRA Event Use Codes and AFS Sales Summary

John,

We can go over the next time we meet.





---

**From:** John Narigi [redacted]  
**Sent:** Sunday, September 29, 2019 10:07 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: UNTITLED.pptx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne, reviewed over w/e. info here IE PP is only for the 2019 reunion. Does have 2018 numbers on attendance and spend. Any other info available is very helpful and educational,,,  
Much to read and comprehend.  
Exciting. Rec'd vm from dareas, will be calling him tomorrow,

Thank you,

jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, September 26, 2019 10:03 AM  
**To:** John Narigi [redacted]  
**Subject:** UNTITLED.pptx

Info on 2018 season

[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 1, 2019 8:30 AM  
**To:** tmcgrane@laguna-seca. com (tmcgrane@laguna-seca.com)  
**Cc:** GirardLJ@co.monterey.ca.us  
**Subject:** LSRA Proposal

Mr. McGrane,

I am confirming receipt of your submitted proposal, it is under review, we expect to communicate to all parties by the latter part of next week the status.

Thanks for your interest in management LSRA/WeatherTech Raceway on behalf of the County of Monterey.

Regards,

Dewayne Woods  
County of Monterey



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 1, 2019 8:32 AM  
**To:** Woods, Dewayne x5309  
**Cc:** Girard, Leslie J. x5365  
**Subject:** RE: LSRA Proposal

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thank you,

John Narigi

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**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Friday, November 1, 2019 8:29 AM  
**To:** John Narigi [REDACTED]  
**Cc:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Subject:** LSRA Proposal

Mr. Narigi,

I am confirming receipt of your submitted proposal, it is under review, we expect to communicate to all parties by the latter part of next week the status.

Thanks for your interest in management LSRA/WeatherTech Raceway on behalf of the County of Monterey.

Regards,

Dewayne Woods  
County of Monterey





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**From:** Woods, Dewayne x5309  
**Sent:** Wednesday, November 6, 2019 6:44 AM  
**To:** tmcgrane@laguna-seca. com (tmcgrane@laguna-seca.com); Board of Governors  
**Cc:** GirardLJ@co.monterey.ca.us  
**Subject:** Management Proposal Submittal

Mr. McGrane,

In the process of conducting due diligence on your organizations management proposal please submit electronically copies of the SCRAMP's audited financials for years 2017 & 2018. Given the need to move expeditiously on this matter please submit before the end of November 8 2019.

Thanks for your cooperation,

Dewayne Woods  
County of Monterey



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 6, 2019 9:28 AM  
**To:** Woods, Dewayne x5309  
**Subject:** Re: Submittal of Management Agreement

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Yes.

Sent from my iPhone.

Jvn

On Nov 6, 2019, at 6:48 AM, Woods, Dewayne x5309 <woods@co.monterey.ca.us> wrote:

Mr. Narigi,

I would like to confirm that your organization is newly formed and that no audited financial documentation exists to assist in our due diligence regarding your submittal.

Thank for your cooperation,

Dewayne Woods  
County of Monterey





[REDACTED]

---

**From:** John Narig [REDACTED]  
**Sent:** Friday, November 8, 2019 5:10 PM  
**To:** Woods, Dewayne x5309  
**Subject:** questions,

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Have questions but failed to remember I/we have a 5pm commitment tonight,, you will have my questions by 9am tomorrow, my apologies,

jvn



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Saturday, November 9, 2019 7:22 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi; Hansen Reed  
**Subject:** FW: Draft MC/LSRA Draft Management Agreement  
**Attachments:** MC LSRA Draft.pdf

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Attached is the redline review of the contract by my attorney Hansen Reed. Below are some of the concerns. Nothing major excluding a few regarding clarification of insurance.

Believe easier for you to review redline copy and more efficient. Available as stated Monday, 9-2, Tuesday and Wednesday until 4. to meet or discuss by phone. I do want to make sure my attorney is comfortable with the agreement prior to signature.

Please see redline copy for clarification needs or requested revisions. They are listed in the following sections:

- 1.2 petty cash.
- 1.10 uses of gross revenue verbiage, should be just revenue after definition.
- 1.14 Attendance, 12k is that per day or per event, please state.
- 1.17 as discussed CPI, 2.0% annual for wage increase, please state.
- 1.22 attendance, same question per day or per event, please state
- 1.27 Promotion days, define promotional with examples, please state.
- 1.29 Is there a definition of daily track use? That is not limited? please state.
- 1.32 Add option to renew contract as discussed.
- 1.34 Historical, now understand per call. Historical use permit per scamp contract and permit, 2991.
- 2.1 Not in procession.
- 2.2 ?
- 2.3 What does the comment mean.
- 3.1 Mgt Fee, will provide position cap exhibit. Add "provide monthly" ie payment. Please state.
- 3.2 See language add, no discussion if over/under? "except county errors" Please state.
- 4.1 "commercially reasonable efforts to manage," please state.
- 5.2 45 days change to asap, please state.
- 5.3 change from asap to within 3 business days.
- 10.1 to clarify, all LSRA revenue is deposited by ADNC to county account, county cuts check and pays. ADNC prior approves all expenses? Can this language be a bot more clear?
- 10.2 Taxes and assessments due to firms business, nothing that involves LSRA activities, ownership or revenue ect (list not inclusive) please clarify.
- 11.2 "Cannabis advertising, sponsorships or event sanctioning per approval of BOS" please state.

Per my attorney and as I read the doc, nothing clearly states that MC is indemnifying ADNC for county actions. Also nothing states that there is no liability for ADNC what so ever regarding any debt or liabilities created or assumed by past operators or volunteers business dealings or actions.

Please let me know if any questions or comments. Have 2 weddings today and heading to an 8am mtg. available all day tomorrow.

Thank you,

jvn

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 7, 2019 5:32 PM  
**To:** John Narigi [REDACTED]  
**Cc:** Jeannette Russo [REDACTED]; Clair Staples [REDACTED]  
**Subject:** Draft MC/LSRA Draft Management Agreement

John,

The question and answer sheets provided a lot of information.

I have made a few changes (difficult to do in a pdf but I tried).

Note that there is nothing in the agreement about MC indemnifying you for its actions.

Take a look and let me know if you have any questions.

I am driving to Napa tomorrow at noon, but am available via my phone if needed (I do have a 3 pm conference call while driving and will not be available).

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



**WALKER+REED**  
ATTORNEYS AT LAW P.C.

**CONFIDENTIALITY NOTICE:** This is a transmission from the Law Firm of Walker & Reed, P.C. This message and the attached documents may be confidential and may contain information that is protected by attorney-client privilege or the attorney work product privilege. If you are not the intended recipient of this message and the attached documents, you are hereby notified that any disclosure, copying, distribution or other use of this information is strictly prohibited. If you have received this message in error, please immediately contact our offices at (831) 649-1100. Thank you.

DRAFT

AGREEMENT  
for the  
OPERATION AND MANAGEMENT  
of the  
LAGUNA SECA RECREATION AREA ✓

**CONFIDENTIAL**

between  
THE COUNTY OF MONTEREY

and

XXXXXXXXXXXXXXXXXX

dated

January \_\_\_\_, 2017

**OPERATION AND MANAGEMENT AGREEMENT**

This Operation and Management Agreement (“Agreement”) dated January \_\_\_, 2019 is between the COUNTY OF MONTEREY, California (the “County”) and the XXXXXXXXXXXXXXXXXXXXXXXX, a Limited Liability Corporation (“XXXXXXX”).

**RECITALS**

WHEREAS, in 1974 the area now known as Laguna Seca Recreational Area (“LSRA”) formerly part of Fort Ord, was transferred from the United States Government to the County pursuant to a quitclaim deed, which deed has been amended twice (collectively, the “Army Deed”); and

WHEREAS, since the County’s acquisition of LSRA in 1974 the County has operated and managed the race track and associated facilities located within LSRA (currently known as WeatherTech Raceway Laguna Seca, hereinafter “Raceway”) under a series of concession agreements, and most recently under a management agreement dated January 31, 2017, and which expires on December 31, 2019; and

WHEREAS, in addition to the Raceway, LSRA includes various campgrounds and a rifle/pistol ranges operated by the County and the Peace Officers Association; and

WHEREAS, in 1983, the County Planning Commission approved Use Permit No. 2991 (“Use Permit”) governing the operation and general development of LSRA; and

WHEREAS the past concessionaire historically held contracted events in addition to the County approved event Use Permit; and

WHEREAS, XXXXXXXX is organized for the purpose of supporting activities at the Raceway and related facilities, and other activities and events at LSRA; and

I would change this. Narigi Consulting was not formed just to operate LSRA.

WHEREAS, the County and XXXXXXXX have reached mutually acceptable terms for the operation and management of LSRA: and,

WHEREAS, it is the intent of the Parties that the operation and management of LSRA shall be consistent with historical practice, and the terms of the Use Permit and Army Deed until a new master plan for LSRA is prepared and approved, and appropriate environmental review is performed;

NOW THEREFORE, the County and XXXXXXXX agree as follows:

### AGREEMENT

#### ARTICLE 1. DEFINITIONS.

The following definitions and terms shall be interpreted to have the following meaning and intent.

1.1 "Agreement" means this Management Agreement.

✓ 1.2 "Allowed Expenses" means petty expenses for services and supplies related to the appropriate Management of the Business and the Management of the Premises that are to be funded by the County and paid by the Management Firm, but does not include Management Fee Expenses, most Operational Expenses or expenses related to Capital Expenditures.

✓ 1.3 "Allowed Expenses Fund" means the account held by XXXXXXXX into which it shall deposit and hold funds provided by the County for the purpose of paying Allowed Expenses, as more fully described in Article 5.

1.4 "Army Deed" means that certain quitclaim deed from the United States Government to the County dated October 31, 1974 and recorded in Monterey County Official Records at Reel 944 Page 1077, conveying LSRA to the County, as amended on August 6, 1986 and recorded in



Monterey County Official Records at Reel 2012 Page 235, and on January 21, 2000\_by Document No. 2000082485, Monterey County Official Records.

1.5 “BOS” means the County Board of Supervisors.

1.6 “County” means the County of Monterey.

1.7 “County Representative” means the person designated by the County Administrative Officer for contract management purposes as described in Article 16.

1.8 “Effective Date” means January 1, 2020.

1.9 “GAAP” means generally accepted accounting principles as defined and promulgated by the American Institute of Certified Public Accountants.

1.10 “Gross Revenue” means all revenue generated, directly or indirectly, as result of the Management of the LSRA Premises. ~~Gross Revenue~~ includes, but is not limited to, all sales, revenue derived from the provision of services, or monetary or in-kind receipts from any and all sources of income derived in whole or in part from any business transacted in, at, or from the Management Premises, whether from customers or otherwise, both cash and on credit, and in cases of sales or charges on credit, whether or not payment is actually made.

1.11 “Immediate Repairs” means repair and maintenance items at the Management Premises that require attention for health and safety reasons.

1.12 “Improvements” means the repairs and improvements pursuant to the County Capital Improvement Plan (CIP).

1.13 “LSRA” means the Laguna Seca Recreation Area.

1.14 “Major Spectator Events” means those events limited and defined by the Use Permit and Historical use in general, described as a maximum of five (5) events of 4-day duration where attendance exceeds 12,000 persons. The general public may attend Major Spectator Events by

ticket purchase under conditions established by XXXXXXXX and approved by the County Representative.

1.15 "Management" means the operation, management and maintenance of the Management Premises for and on behalf of the County pursuant to the terms of this Agreement.

1.16 "Management Fee" means the fee payable to XXXXXXXX by the County for services described in Article 3, which is equal to the Management Fee Expenses.

1.17 "Management Fee Advance" means ~~the sum of~~ Two Hundred Seventy-Five Thousand Dollars (\$285,000) disbursed monthly through the term of the contract. — *Req within 30 days of Ground*

1.18 "Management Fee Expenses" means XXXXXXXX's annual expenses for or related to personnel, including salary and benefits, and insurance costs required for the performance of this Agreement, as more generally described in Article 3, and as limited and specifically set forth in Exhibit A.

1.19 "Management Incentive Fee" means the fee set forth in Section 3.2, below.

1.20 "Management Premises" means all areas of the LSRA, including, but not limited to, the race track, paddock, infield, and camping areas, but specifically excluding the rifle ranges and the current County Maintenance Yard and Office. A map of the Management Premises is attached hereto as Exhibit B.

1.21 "Material Default" means a material breach of any material provision of this Agreement which continues for a period of thirty (30) days after written notice thereof is received by the Party against whom the default is claimed, including but not limited to each action specifically identified herein as a Material Default and the bankruptcy or insolvency of a Party.

1.22 “Medium Events” means those events limited and defined by the Use Permit in Aggregate of the 6 days or each day? I presume each day. general, described as a maximum of six (6) medium event days of 5,000 – 11,999 persons. The general public may attend Medium Spectator Events by ticket purchase under condition established by XXXXXXXX and approved by the County Representative.

1.23 “Minor Spectator Events” mean those events limited and defined by the Historical Use in general, described as a maximum of 12 race event days with less than 4,000 per day.

1.24 “NOI” means the annual net operating income derived from or arising out of activities at the Management Premises. Specifically determined by calculating all gross revenue received (60 day modified accrual) minus all operating expenses which include Management Fees and Allowed Expenses.

1.25 “NOI Capital” means NOI that shall be expended annually on Improvements.

1.26 “Party” means the County or XXXXXXXX singularly; “Parties” means the County and XXXXXXXX jointly.

1.27 “Promotional Days” are those defined by Historical Use for use of track for promotional and promotional testing described as a maximum of 15 days annually.

1.28 “XXXXXXX” means the XXXXXXXXXXXXXXXXXXXXXXXX.

1.29 “Small Spectator Events” are those events limited and defined by the Use Permit and, in general, described as a maximum of twenty-four (24) event days of 1,000 – 4,999 persons.

Is there a de for daily trac usage that is not limited?

1.30 “CIP” means the projects included in the County Capital Improvement Program described in Article 8.

1.31 “Term” means the term of this Agreement as set forth in Section 2.4.

1.32 “Termination Date” means December 30, 2023.

Is there an option to extend? It would be great to have an option so the county does not have to go back and start this process again.

1.33 "Use Permit" means that certain permit number 2991 issued by the County Planning Commission on or about October 26, 1983, pursuant to Resolution number 83-376.

1.34 "Historical Use" means the event days allowance for historical events which have been allowed through concessionaire agreements historically. Is there a list of Historical Uses? if so can we attach to this agreement.

## ARTICLE 2. OPERATION AND MANAGEMENT AGREEMENT AND TERM.

### 2.1 Operation and Management.

The County hereby hires XXXXXXXX to operate and manage the Management Premises for and on behalf of the County pursuant to the terms of this Agreement. XXXXXXXX acknowledges that the County has delivered the Management Premises to XXXXXXXX as of the Effective Date free, clear and unencumbered by any and all tenancies and parties in possession, you are not in possession with the exception of XXXXXXXX itself and other than the rights reserved to the County as set forth herein.

### 2.2 Nature of Operation and Management Services.

This Agreement is a contract for Management services only, and is not to be considered or interpreted as a lease for any purpose. This Agreement confers only permission to occupy and use the Management Premises for Management purposes in accordance with the terms and conditions of this Agreement. The expenditure by XXXXXXXX of capital and/or labor in the course of operation and management of the Management Premises shall not confer to XXXXXXXX any interest in LSRA except as provided herein.

### 2.3 Conditions Subsequent.

The Army Deed requires the written concurrence of the Secretary of the Interior, or current authorized federal official or agency, for any concession agreement relating to or involving the Management Premises. XXXXXXXX acknowledges this is a services agreement

and not a concession agreement; however, if the County determines the Deed requires concurrence of the Secretary of the Interior the County will use commercially reasonable efforts to diligently seek such written concurrence. The County cannot guarantee such concurrence or timing in which such concurrence may be obtained. If such written concurrence is denied, this Agreement shall immediately terminate.

2.4 Term.

The Term shall be from the Effective Date through and including the Termination Date, unless earlier terminated as provided herein.

ARTICLE 3. COMPENSATION.

3.1 Management Fee.

XXXXXXX shall receive the annual Management Fee from the County for the performance of its services pursuant to this Agreement. The Management Fee shall be an amount equal to the actual annual Management Fee Expenses. Levels of Staffing including allowed positions and associated salaries shall be limited to the maximums provided for in Exhibit A. To insure adequate cash flow for XXXXXXXX to perform its obligations hereunder, County shall provide XXXXXXXX the Management Fee Advance to be paid no later than January 10, 2020, and thereafter on the last day of each month during the Term for the proceeding months expenses. At the end of each fiscal year County and XXXXXXXX shall reconcile the Management Fee Advance received by XXXXXXXX to the annual Management Fee Expenses, and County shall either deduct or add the difference thereof to the annual Management Incentive Fee or deduct from future Management Fee Advances at County discretion.

3.2 Management Incentive Fee.

XXXXXXX shall receive a Management Incentive Fee equal to twenty percent

(20%) of NOI. The Management Incentive Fee shall be paid based on the County Representative's verification and acceptance of a profit and loss statement generated from the County Financial System and provided to XXXXXXXX which provides NOI for the prior fiscal year (July-June). County shall provide XXXXXXXX the profit and loss statement no later than August 30th of each year. XXXXXXXX shall have the right to review the financial documentation utilized by the County to verify the NOI, however the information in the County Financial System shall make the determination of NOI and shall be final and conclusive, except for County errors.

### 3.3 Payment of Management Incentive Fee.

The Management Incentive Fee will be calculated and paid annually within 120 days from the agreement of both parties as to NOI after the close of each fiscal year ending June 2020 through June 2024.

## ARTICLE 4. OPERATION AND MAINTENANCE.

### 4.1 General.

XXXXXXX shall be responsible for the management, operation and maintenance of the Management Premises and its various components and facilities to standards of operation and performance at least equal to those generally applicable to major racetracks and similar facilities except as specifically set forth herein. Under the general oversight of the County Representative, XXXXXXXX shall operate, manage and maintain the Management Premises in a manner designed to maximize Revenue while complying with the terms of the Use Permit and Historical Use. XXXXXXXX shall use ~~its~~ commercially reasonable best efforts to manage, operate and maintain the Management Premises in a safe, healthy and first-class condition.

4.2 Limitations.

All operations and uses at the Management Premises during the Term must be consistent with the Use Permit and Historical Use and County Representative approvals.

4.3 Contracting.

In performing its duties and obligations hereunder, XXXXXXXX shall have the right to negotiate with third party vendors, suppliers, independent contractors, promoters and sanctioning bodies on behalf of the County; however, all contracts must be in the name of the County and reviewed and approved by the County Representative or County Board of Supervisors. No such third-party contract shall extend beyond the Term without XXXXXXXX first obtaining the prior written consent of the County Representative.

4.4 Acknowledgement of Title.

XXXXXXX hereby acknowledges the fee simple title of the County in the Management Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.

4.5 Intellectual Property.

The County shall own all intellectual property rights relating in any way to the Management Premises including, but not limited to, logos and identifying terms, and domain names for internet purposes. XXXXXXXX may propose and file for such intellectual property right protection (whether copyright or trademark) but all such applications shall be in the name of and approved by the County. XXXXXXXX shall have the right during the Term for the use of such intellectual property.

4.6 Park Capacity Limitations.

Daily attendance levels and overnight camping use at the Management Premises are subject to capacity limitations and the County shall retain the authority to impose limitations on attendance levels for public health and safety purposes.

4.7 Signage.

If XXXXXXXX desires to place new permanent signage at the Management Premises, XXXXXXXX shall obtain prior review and concurrence in writing from the County Representative. XXXXXXXX shall not construe any such review and concurrence as approval by the County or any other regulatory agency with jurisdiction over permits for such signage. All signage shall promote the business of LSRA and not promote or advertise in any way XXXXXXXX.

4.8 Directional Signage.  
may

XXXXXXX shall provide and install permanent internal directional signs at the Management Premises indicating the location of facilities, parking, and general necessary information for visitors and event spectators. Placement of permanent signage must be first reviewed and approved by the County Representative. All signage shall promote the business of LSRA and not promote or advertise in any way XXXXXXXX.

4.9 Permission to Disseminate Information.

XXXXXXX shall be permitted to submit press releases, circulate articles and periodicals promoting the Management Premises and/or release still photographs, video, motion pictures, and use the internet in an advertising media campaign. All such disseminated information shall only be for the purpose of promoting LSRA business, identify the County as the owner and operator of the Management Premises and such communication shall be approved



in advance by the County Representative. XXXXXXXX shall not use its position as management agency to self-promote or use County assets in any manner which is for promotion of XXXXXXXX.

4.10 Use of Road System.

XXXXXXX shall be responsible for coordinating and gaining approval for the use of all roads providing ingress and egress to the Management Premises, including roads maintained by Federal, State, and local agencies. The County shall use commercially reasonable efforts to assist XXXXXXXX in obtaining access to and use of roads under the County's jurisdiction and will cooperate with other agencies in obtaining such access and use for XXXXXXXX; however, the County cannot guarantee or warrant that XXXXXXXX shall have access to and use of any road or property not within the jurisdiction of the County.

4.11 Annual Operation Plan.

4.11.1. XXXXXXXX shall prepare and provide to the County an Annual Operation Plan for review and approval by February 31, 2020 for the first year of the Term and by November 1, for each subsequent year of the Term.

4.11.2. The Annual Operation Plan shall be comprehensive which includes an annual budget and be linked to the annual Improvements as and when approved by the County.

4.11.3. The Annual Operation Plan shall provide for the provision of necessary emergency services.

4.11.4. XXXXXXXX acknowledges that the County BOS may, in its sole discretion, review the Annual Operation Plan in an open public meeting. Approval of the Annual Operation Plan by the County Representative shall be in writing, subject to mutually approved program changes by the Parties throughout the year. The County Representative in consultation with

XXXXXXXX may make modifications to the operational plan and XXXXXXXX agrees to accept and implement all such County modifications.

4.11.5. If the BOS requires a presentation of the Annual Operation Plan XXXXXXXX shall present a review of the past calendar year's operations and Improvements at the same meeting. The BOS shall have the right to require XXXXXXXX to appear before it and make such other presentation relating to the Management Premises as the BOS may reasonably determine.

4.12 Master Calendar.

XXXXXXXX shall maintain a master calendar of all activities and uses of the Management Premises, including but not limited to uses of the Raceway, Raceway maintenance and repair, camp grounds, pavilion, Newman building, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term.

4.13 Advertisement of Major Spectator Events.

Prior to March 1 of each year during the Term, at County expense, XXXXXXXX shall cause an advertisement of the schedule for Major Spectator Events to be published at least twice in a local newspaper of general circulation. The advertisement shall be no smaller than "3X5" and shall be printed in no smaller than 12 point type face. XXXXXXXX shall provide the County Representative a copy of the advertisement upon publication. XXXXXXXX shall similarly publish any change in the schedule for Major Spectator Events immediately upon such rescheduling.

4.14 Schedule of Fees.

XXXXXXXX shall be responsible for developing an annual schedule of fees for the use of the Management Premises, including the Raceway, camping, entrance, pavilion, Newman

building, and any other facility or Improvement currently existing or added to the Management Premises during the Term. The Schedule of Fees should be submitted by November 1 preceding each year and is subject to review and final approval by the County Representative or Board of Supervisors.

4.15 Permanent Residence.

XXXXXXXXX acknowledges and agrees that the LSRA is not intended to be a permanent residence for any person and will not allow any person to reside permanently on the Management Premises. Any temporary residence must be approved by the County Representative and XXXXXXXX must satisfy all requirements for such temporary residences that the County, in its discretion, may require. Such temporary residences may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation. XXXXXXXX may be responsible for the payment of such tax or require the person(s) temporarily residing on the Management Premises to pay such tax, but the County shall not be liable for the payment of any such tax.

ARTICLE 5. MANAGEMENT SERVICES FUNDING.

5.1 General.

Except as specifically provided in this Agreement, XXXXXXXX shall be solely responsible for all expenses associated with the provision of Management of the Management Premises, including human resources expenses, insurances, and indemnification of County.

5.2 Allowed Expenses Fund.

County shall provide to XXXXXXXX within forty-five (45) days of the Effective Date the sum of \$150,000 which shall be deposited by XXXXXXXX in the Allowed Expenses Fund. Upon the use of funds on Allowed Expenses, XXXXXXXX shall provide the County Representative

can this be within 10 days of end of each month?  
periodically at XXXXXXXX's discretion, but no later than the end of each month a receipt(s) documenting the purpose of the expense. If the County Representative approves the expense as appropriate, the County shall pay to XXXXXXXX an amount equal to the expense, which shall be deposited in the Allowed Expenses Fund. Funds in the Allowed Expense Fund shall remain the property of the County and shall be held in trust by XXXXXXXX for the sole purpose of paying Allowed Expenses. The Allowed Expenses Fund shall be reconciled by XXXXXXXX monthly, and a copy of such reconciliation shall be provided and shall be subject to acceptance by the County representative. The County shall have the right to audit at any time, upon 24 hours' notice, the Allowed Expenses Fund, and XXXXXXXX shall immediately return to the County any funds in the Allowed Expenses Fund upon written demand by the County.

5.3 Expenses in Excess of Allowed Expenses Fund.

Should XXXXXXXX reasonably determine that a necessary Allowed Expense exceeds the funds then residing in the Allowed Expenses Fund, XXXXXXXX shall notify the County Representative and provide justification for the expense. If approved by the County Representative, the County shall provide necessary funds to XXXXXXXX to pay for the Allowed Expense. ~~Immediately upon~~ expenditure of such funds XXXXXXXX shall provide to the County Representative a receipt documenting the expense.

ARTICLE 6. IMPROVEMENT FUNDING.

6.1 The County shall provide Capital Improvement Funding as it deems necessary and appropriate to maintain the facility to properly conduct business.

6.2 The County shall allocate a portion of NOI as NOI Capital and such funding shall also be used to fund Improvements.

## ARTICLE 7. IMMEDIATE HEALTH AND SAFETY REPAIRS AND MAINTENANCE

7.1 Within eight (8) weeks after the Effective Date the Parties shall use their best efforts to agree upon any Immediate Repairs that are required to allow for business continuity.

7.2 All repairs that are considered “works of public improvement” are to be completed by the County as required by law. All general repairs not classified as “works of public improvement” shall be completed by XXXXXX only after approval of work and costs by County Representative.

7.3 Upon satisfaction that the Immediate Repair has been performed and its associated invoice is accurate, the County shall promptly pay the amount of the invoice in conformance with the Auditor – Controller’s payment policies.

## ARTICLE 8. SHORT TERM CAPITAL IMPROVEMENT PLAN

8.1 Within three (6) months after the Effective Date, XXXXXXXX shall prepare and submit to the County for its review and approval a CIP. The CIP shall be designed to address health and safety concerns, and necessary capital additions, repairs and maintenance at the Management Premises not identified as an Immediate Repair. The County reserves the right to have final determination of which CIP will be approved and the timeline for implementation of approved CIP.

8.2 All improvements required by the CIP shall be owned by the County notwithstanding XXXXXXXX’s role in the planning, development and implementation of the CIP.

8.3 All Improvements required by the CIP shall be paid for with NOI Capital or the Track Assignment as shall be determined by the County Representative; however, the use of Track Assignment and NOI Capital shall be subject to appropriation by the County BOS.

ARTICLE 9.

[Reserved]

ARTICLE 10. FINANCIAL OPERATIONS

10.1 Revenue           What are the mechanics? In Narigi account then transfered to MC?  
Are all Narigi expenses reimburseable?

XXXXXXXX shall deposit all Revenue into an account designated by the County. The County may change from time-to-time which accounts to have revenue deposited as deemed necessary by the County Representative.

10.2 Taxes, Fees and Assessments.    Are taxes a reimburseable? Not sure how this works.

XXXXXXXX shall be responsible for the payment of all taxes, fees and assessments associated with its performance under this Agreement. This Agreement may create a possessory interest, as defined in California Revenue and Taxation Code section 107, subject to taxation.

XXXXXXXX shall be responsible for the payment of such tax; and in no event shall the County be liable for the payment of, or reimbursement to XXXXXXXX for, any such tax.

10.3 Records and Reports.

XXXXXXXX shall keep or cause to be kept full, complete and proper books, records, and accounts of all Revenue and expenditures associated with its performance of this Agreement. All such records shall be kept for at least two (2) years after the expiration of the year to which the records relate. The County or the County Representatives shall have the right to examine XXXXXXXX's records at reasonable times upon at least forty-eight (48) hours' prior notice, and from time to time throughout the Term.

10.4 Financial Systems.

XXXXXXXX shall accept the County Financial System as the primary system of accounting for all transitions at LSRA. The County Financial System follows generally accepted

accounting practices, including the ability to allocate direct and indirect costs to Major, Medium, and Small Spectator Events, track rentals, and all other activities at the Management Premises to determine which make significant contributions to and which may detract from NOI. This system can individually track all major cost centers, specifically each Major Spectator Event and track rental program including any out-of-pocket costs related to sponsorships, promotion agreements or other activities. County staff will be charged with handling all financial transactions occurring within the system, XXXXXXXX shall provide all processes related to management of business except the actual payment processing. The County Financial System shall be the system of record and all reports shall be obtained from financial data directly from said system.

10.5 Issuance of Debt.

10.5.1. XXXXXXXX shall have no right to and shall not secure any debt, loan or other financing with real property, or personal property owned by the County.

10.5.2. XXXXXXXX shall not enter into any unsecured debt, beyond that of normal vendor terms as provided for in this agreement.

10.6 Property Depreciation.

XXXXXXX shall have no right to claim and shall not claim depreciation on real property, or personal property or Improvements belonging to the County, at the Management Premises without first obtaining the prior express written consent of the County; provided that XXXXXXXX shall retain all rights to depreciation deductions and tax credits arising from XXXXXXXX ownership of any personal property belonging to XXXXXXXX.

ARTICLE 11. ADVERTISING, SPONSORSHIPS AND EVENT SANCTIONING

Subject to section 4.3, above, on behalf of the County, XXXXXXXX may negotiate

advertising, sponsorship and event sanctioning agreements relating to the Management Premises as follows:

11.1 All advertising, sponsorships and event sanctioning shall be tasteful and not be a cause for embarrassment to the County.

11.2 There shall be no advertising, sponsorships or event sanctioning for tobacco, gun or ~~marijuana companies~~ or adult entertainment businesses. Cannabis advertising, sponsorships or event sanctioning shall be at the BOS's sole discretion.

11.3 Prior express, written County approval must be obtained for all sponsorships and brands to be associated with any portion of the Management Premises, or any facilities therein, including a naming rights agreement.

11.4 XXXXXXXX shall make available to the County all material advertising, sponsorship and event sanctioning agreements throughout the negotiation and upon finalization.

11.5 No advertising, sponsorship or event sanctioning agreement shall extend beyond the Term of this agreement without the express, written approval of the County.

## ARTICLE 12. COUNTY EVENTS

12.1 The County reserves the right to hold events, without charge and utilize the Management Premises in its entirety or in part. All events are property of the County or agreements with the County, XXXXXXXX only acts as an agent of the County to hold the events.

## ARTICLE 13. INSURANCE AND INDEMNIFICATION

The county is not indemnifying you at all.

13.1 XXXXXXXX shall indemnify, defend, and hold harmless the County and the United States of America their officers, agents, and employees from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in



connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with XXXXXXXX's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the LSRA, and the public performance of music, unless such claims, liabilities or losses arise out of the sole negligence or willful misconduct of the County or the United States of America.

13.2 Without limiting XXXXXXXX's duty to defend and indemnify the County and the United States of Americas as set forth above, XXXXXXXX shall provide insurance coverages for its operations at the Management Premises as set forth in Exhibit C. The County shall be named as an additional insured on all policies. I would get insurance from every user that indemnifies you and the county.

#### ARTICLE 14. AUDIT RIGHTS

14.1 The County has the right, at its sole cost and expense, to audit on an annual or ad hoc basis the operations, management and finances of the Management Premises, including finances of XXXXXXXX related to the Management of the Management Premises. XXXXXXXX acknowledges and agrees that the County's Auditor – Controller has the independent right at any time to audit County assets and operations, and any such audit will be in addition to the annual audit authorized by this section.

14.2 The County has the right to inspect and audit XXXXXXXX's finances and operations related to the performance of this Agreement as the County deems necessary upon twenty-four (24) hours' prior written notice to XXXXXXXX. Upon receipt of such notice of intent to inspect such records and facilities, XXXXXXXX will take all necessary actions to make available all records and facilities to the County Representative.

ARTICLE 15. PUBLIC ACCESS

,during business hours,

15.1 The general public shall have access at all times to the Management Premises subject to reasonable and customary use or entrance fees as approved by the County.

15.2 Neither XXXXXXXX, its members, officers, employees, donors to XXXXXXXX, or sponsors, vendors, advertisers or naming rights entities, shall have special privileges for the use of any facilities at the Management Premises unless specifically approved in writing by the County Representative.

ARTICLE 16. COUNTY OVERSIGHT AND ACCESS

16.1 The County shall designate a representative for contract management purposes and XXXXXXXX shall ensure that the designated representative has full access to and complete information regarding all XXXXXXXX contracts, sub-contracts, vendor agreements/arrangements, facility access, financial records, policy discussions, sponsorship agreements/arrangements, strategic planning, capital improvement planning and implementation, track rental rate setting, Major and Medium Spectator Event agreements, and all other LSRA operational and financial access as the County finds to be necessary to adequately manage this Agreement.

16.2 In addition to the rights reserved pursuant to Articles 12 and 14, the County and its agents shall have the right to enter the Management Premises at any time for any appropriate purpose.

16.3 The County retains the right to have offices and staff assigned permanently to the Management Premises and determine use of facilities to station those staff.

16.4 The County Representative is authorized to approve promotional packages, which may include tickets or passes to events, which may be required for XXXXXXXX to effectively

promote, market and grow business and business prospects at the Management Premises, including promotional packages to volunteers in order to encourage and promote volunteer activities for the benefit of LSRA. XXXXXXXX shall request such packages in writing which writing shall support the business purpose for such packages.

## ARTICLE 17. TERMINATION

### 17.1 Termination for Convenience.

This Agreement may be terminated by County for no reason or any reason upon one-  
180  
hundred and-twenty-(120) days written notice. I thought the county agreed to 180 days.

### 17.2 Termination for Material Default.

If a Material Default occurs, the defaulting Party shall be given thirty (30) days written notice from the non-defaulting Party to cure the default. If the Material Default is not cured within the thirty (30) day period the non-defaulting Party may terminate this Agreement upon thirty (30) days prior written notice to the defaulting Party.

### 17.3 Effect of Termination.

17.3.1. All real property and improvements shall remain owned by the County.

17.3.2. XXXXXXXX shall negotiate in good faith for County acquisition of personal property owned by XXXXXXXX and used at the Management Premises.

## ARTICLE 18. MISCELLANEOUS PROVISIONS

### 18.1 Complete Agreement.

This Agreement constitutes the full and complete agreement between the Parties regarding the subject matter hereof. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement.

### 18.2 Amendment.

This Agreement may be amended from time-to-time by mutual consent of the Parties. Such amendments may only be in the form of a writing signed by each of the Parties.

18.3 Successors and Assigns.

This Agreement, and the rights and obligations of XXXXXXXX hereunder, may be assigned or delegated by the County without the prior consent of XXXXXXXX, either express, implied, written or unwritten. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of the Army Deed, Use Permit, any contracts then in effect regarding the Management Premises, and other ordinances or resolutions of the County then in effect. XXXXXXXX shall be obligated to accept such assignment without objection or contest for a period of 90 days. Beginning no earlier than thirty (30) days following the effective date of the assignment or delegation XXXXXXXX may terminate this Agreement by providing sixty (60) days written notice to the assignee/delegatee.

18.4 Dispute Resolution.

If there are disputes and/or controversies between the Parties relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the Parties shall in good faith meet and confer within twenty-one (21) calendar days after written notice of a dispute has been sent by one Party to the other Party. If the Parties are not able to resolve the dispute through informal negotiation, the Parties agree to submit such dispute to formal mediation before resorting to litigation. If the Parties cannot agree upon the identity of a mediator within ten (10) business days after a Party requests mediation, then the Parties shall each select a mediator and those two mediators will select a third mediator to mediate the dispute. The Parties shall share equally in the cost of the mediator who ultimately mediates the dispute, but neither Party shall be entitled to collect or be reimbursed for other

related costs, including but not limited to attorneys' fees. If mediation proves unsuccessful and litigation of any dispute occurs, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and expenses in addition to any other relief to which the Party may be entitled. If a Party refuses to participate in mediation prior to commencing litigation, that Party shall be deemed to have waived its right to attorneys' fees and costs as the prevailing Party.

18.5 Execution in Parts or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Parties. Facsimile or electronic signatures shall be binding.

18.6 Party Authorization.

The governing bodies of the Parties have each authorized execution of this Agreement, as evidenced by their respective signatures below.

18.7 No Predetermination or Irrevocable Commitment of Resources.

Nothing herein shall constitute a determination by the County or XXXXXXXX that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

18.8 Notices.

Any notice pursuant to this Agreement shall be given in writing by a Party or its legal representative by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt

requested, (d) legible facsimile transmission, or (e) electronic mail or other electronic means sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance with this section, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission or electronic mail, as of the date of the facsimile or electronic transmission (or next business day if transmitted on a day other than a business day). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

**For the County:**

**County Administrative Officer**

**For ~~XXXXXXXX~~:**

**168 W. Alisal Street, 3rd Floor**

**Salinas, CA 92101**

**e-mail:**

**facsimile:**

**Copy to:**

**Copy to:**

**County Counsel**

**168 W. Alisal Street, 3rd Floor**

**Salinas, CA 92101**

**e-mail:**

**facsimile:**

18.9 Severability and Validity of Agreement.

Should any part, term or provision of this Agreement be decided by a court of law to be illegal, in excess of a Party's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Party hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

18.10 Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

18.11 Captions.

The headings and titles to the paragraphs of this Agreement are not a part of this Agreement, are for convenience of reference only, and shall have no effect upon the construction or interpretation of any part of this Agreement.

18.12 Excusable Delay.

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period of time equal to any such period of prevention, delay or stoppage.

18.13 Tense, Number, and Gender.

Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and references so require. Any pronoun herein shall be read in such gender as the context may require.

18.14

[Reserved]

18.15 Survival.

The obligations of the County and XXXXXXXX under this Agreement shall survive the expiration or other termination of the Term, to the extent applicable following such expiration or termination, and shall remain in effect until fulfilled. This covenant specifically includes, without limitation, each indemnity obligation set forth herein.

18.16 Exhibits Incorporated.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by such reference as though fully set forth herein.

18.17 Further Assurances.

Each Party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Effective Date, as may be reasonably requested by the other Party to implement more effectively the purposes, intent or subject matter of this Agreement.

18.18 No Third-Party Beneficiary.

The provisions of this Agreement are and will be for the benefit of the County and XXXXXXXX only and are not for the benefit of any third-party. Accordingly, no third-party shall have the right to enforce any provision of this Agreement.

18.19 Construction.



The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

18.20 Calculation of Time Periods.

In computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of California, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 P.M., California time, unless otherwise specified herein. As used in this Agreement, the term "business day" shall mean a calendar day that is not a Saturday, Sunday, or legal holiday under the laws of the State of California.

18.21 County's Police Power.

Nothing in this Agreement shall alter in any way the County's rights or duties as a governmental agency with jurisdiction over the Management Premises to act in the manner otherwise permitted or required under applicable laws for the health, safety and general welfare of the public.

18.22 Surrender at End of Term.

At the expiration or sooner termination of the Term, XXXXXXXX shall (a) subject to (b) hereof, remove its personal property, furniture, fixtures and equipment and shall surrender the Management Premises to the County, (b) negotiate in good faith with the County for the acquisition by the County at fair market value of all personal property assets owned by

XXXXXXXX and used exclusively in connection with XXXXXXXX's management and operation of the Management Premises, (c) at County's option, assign to County all advertising, sponsorship and event sanctioning agreements as contemplated in Section 10.5. All alterations, additions and improvements to the Management Premises including Intellectual Property and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions shall inure to the benefit of, and be owned by, the County.

18.23 Waivers.

Failure of either Party to complain of any act or omission on the part of the other Party, no matter how long the same may continue, shall not be deemed to be a waiver by said Party of any of its rights hereunder except to the extent that passage of time constitutes an express waiver under any other provision of this Agreement. No waiver by either Party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by either Party shall require the consent or approval of the other Party, the other Party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either Party may have under this Agreement or at law or in equity shall be cumulative, and shall not be deemed inconsistent with each other; no one of them, whether exercised or not, shall be deemed to be an exclusion of any other, and any or all of such rights and remedies may be exercised at the same time.

18.24 Time.

Time is of the essence of this Agreement and of each and every one of the provisions contained herein.

18.25 No Agency or Partnership.

XXXXXXXX is an independent contractor of the County. The Parties do not intend to create, and nothing in this Agreement shall be construed to create, an agency, partnership, trust or other relationship between the County and XXXXXXXX with duties or incidents different from those of parties to an arms-length contract.

18.26 Applicable Law.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

MONTEREY COUNTY

XXXXXXXXXXXXXXXXXXXXXXXXXX

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: January \_\_, 2017

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: January \_\_, 2017

Approved as to Form and Content

Charles J. McKee, County Counsel

By: \_\_\_\_\_  
Leslie J. Girard  
Chief Assistant County Counsel

**EXHIBIT A**

**SCHEDULE OF ALLOWED MANAGEMENT FEE SALARIES AND EXPENSES**

**EXHIBIT B**

**MAP OF MANAGEMENT PREMISES**

**EXHIBIT C**

**XXXXXXX REQUIRED INSURANCE COVERAGES**





**From:** John Narigi [REDACTED]  
**Date:** November 10, 2019 at 11:43:22 AM PST  
**To:** Mary Adams <adamsml@co.monterey.ca.us>  
**Subject:** Thank you

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe.]

Mary,

I want to thank you for the time given last week regarding our conversation involving my desire to be awarded the contract to operate and manage Laguna Seca Recreational Area. I appreciated your direct questions and concerns and hopefully I was able to answer to your satisfaction. I understand your concern for the volunteers but my intent is to work with the county to keep them involved and engaged with the events. The volunteers are a landmark at the track and desperately needed and wanted by me.

I am also contacting other supervisors.

Please, if you have any other questions or concerns please don't hesitate to give me a call, or send an email.

Thank you,

Jvn

John V. Narigi





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Tuesday, November 12, 2019 12:13 PM  
**To:** Woods, Dewayne x5309  
**Subject:** LS

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]


Dwayne,

Submitted my and attorney's comments on the contract Saturday am, let me know if we need to meet or have a conversation.

Available excluding 1230-2 today, tomorrow all day,

jvn





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**From:** Woods, Dewayne x5309  
**Sent:** Tuesday, November 12, 2019 2:47 PM  
**To:** Kaur, Satinder  
**Subject:** Draft Agreement  
**Attachments:** Management Agreement 2020 v5.pdf

Please provide me an exhibit for insurance, much appreciated.

D

AGREEMENT

for the

OPERATION AND MANAGEMENT

of the

LAGUNA SECA RECREATION AREA

between

THE COUNTY OF MONTEREY

and

A & D Consulting, LLC

dated

January \_\_\_\_, 2020

## **OPERATION AND MANAGEMENT AGREEMENT**

This Operation and Management Agreement (“Agreement”) dated January \_\_\_, 2020 is between the COUNTY OF MONTEREY, California (“County”), a political subdivision of the State of California, and A & D Consulting, a Limited Liability Corporation (“Contractor”) (each a “Party,” collectively, the “Parties”).

### **RECITALS**

WHEREAS, in 1974 the area now known as Laguna Seca Recreational Area (“LSRA”), formerly part of Fort Ord, was transferred from the United States Government to County pursuant to a quitclaim deed, which deed has been amended twice (collectively, the “Army Deed”); and,

WHEREAS, since County’s acquisition of LSRA in 1974, County has operated and managed the race track and associated facilities located within LSRA (currently known as WeatherTech Raceway Laguna Seca, hereinafter “Raceway”) under a series of concession agreements, and most recently under a management agreement dated January 31, 2017, and which expires on December 31, 2019; and,

WHEREAS, in addition to the Raceway, LRSA includes various campgrounds and two rifle/pistol ranges; and,

WHEREAS, in 1983, the County Planning Commission approved Use Permit No. 2991 (“Use Permit”) governing the operation and general development of LSRA; and

WHEREAS the past concessionaire historically held contracted events in addition to events permitted pursuant to the Use Permit; and,



WHEREAS, Contractor is organized for the purpose of providing facility management and consulting services, and has the necessary qualifications and background for managing LSRA for County; and,

WHEREAS, County and Contractor have reached mutually acceptable terms for the management of certain portions of LSRA; and,

WHEREAS, it is the intent of the Parties that the management of LSRA shall be consistent with historical practice, and the terms of the Use Permit and Army Deed, until a new master plan for LSRA is prepared and approved, and appropriate environmental review is performed; and,

WHEREAS, it is the further intent of the Parties that Contractor, its officer, employees and agents be considered independent contractors and not County employees, pursuant to the guidelines set forth in Assembly Bill 5 (Gonzalez, 2019); NOW THEREFORE,

County and Contractor agree as follows:

## **AGREEMENT**

### ARTICLE 1. DEFINITIONS.

1.1 “Agreement” means this Operation and Management Agreement.

1.2 “Allowed Expenses” or “Allowed Expense” means those reasonable and necessary expenses for services and supplies related to the Management of the Management Premises regularly incurred by Contractor but that are not Management Fee Expenses nor expenses related to Improvements or the CIP.

1.3 “Allowed Expenses Fund” means a segregated account held in trust by Contractor into which it shall deposit and hold funds provided by County solely for the purpose of paying Allowed Expenses, as more fully described in Article 5.

1.4 “Annual Operation Plan” means the annual plan described in Section 4.10

1.5 “Army Deed” means that certain quitclaim deed from the United States Government to County dated October 31, 1974 and recorded in Monterey County Official Records at Reel 944 Page 1077, conveying LSRA to County, as amended on August 6, 1986 and recorded in Monterey County Official Records at Reel 2012 Page 235, and on January 21, 2000 by Document No. 2000082485, Monterey County Official Records. A copy of the Army Deed is attached hereto as Exhibit D.

1.6 “BOS” means the Monterey County Board of Supervisors.

1.7 “CIP” means the projects included in the County Capital Improvement Program described in Article 8.

1.8 “Contractor” means A & D Consulting.

1.9 “County” means the County of Monterey.

1.10 “County Representative” means the person designated by the County Administrative Officer for contract management purposes as described in Article 16.

1.11 “County’s Financial System” means the system of accounting utilized by County for the purpose of documenting and tracking financial transactions.

1.12 “Effective Date” means January 1, 2020.

1.13 “Fiscal Year” means the period July 1 – June 30 of each year.

1.14 “GAAP” means generally accepted accounted principles as defined and promulgated by the American Institute of Certified Public Accountants.

1.15 “Gross Revenue” means all revenue accruing to County generated, directly or indirectly, as result of events or activities occurring, pursuant to this Agreement, on, at or in the Management Premises. Except as may be specifically agreed to in writing otherwise, Gross

Revenue includes, but is not limited to, all revenue derived from ticket, merchandise, food or beverage sales; daily track or other facility rentals; the provision of services; or monetary or in-kind receipts from any and all sources of income derived in whole or in part from any business transacted on, at, or in the Management Premises, whether from customers or otherwise, both cash and on credit, and in cases of sales or charges on credit, whether or not payment is actually made or received.

1.16 “Historical Use” or “Historical Practice” means those events that have been historically held at LSRA either by County, or its concessionaire or manager.

1.17 “Immediate Repairs” means repair and maintenance items at the Management Premises that require immediate attention for health and safety reasons.

1.18 “Improvements” or “Improvement” means the repairs and improvements pursuant to the CIP.

1.19 “LSRA” means the Laguna Seca Recreation Area.

1.20 “Major Spectator Events” means a combination of those events defined in the Use Permit as “large event days,” and those events staged as part of Historical Use, in general, consisting of a maximum of five (5) events of 4-day duration where attendance exceeds 12,000 persons per day.

1.21 “Management” or “Manage” means the operation, management and maintenance of the Management Premises for and on behalf of County pursuant to the terms of this Agreement.

1.22 “Management Fee” means the fee payable to Contractor by County annually on a Fiscal Year basis for services described in Article 3, which is equal to the Management Fee Expenses.

1.23 “Management Fee Advance” means the sum disbursed monthly through the term of the contract beginning with an amount of Two Hundred Seventy-Five Thousand Dollars (\$275,000) monthly in year 2020, Two Hundred Ninety Thousand Dollars (\$290,000) monthly in year 2021 and Three Hundred Thousand Dollars (\$300,000) monthly in year 2022 and 2023.

1.24 “Management Fee Expenses” means Contractor’s annual Fiscal Year expenses for or related to personnel, including salary and benefits, and insurance costs required for the performance of this Agreement, as more generally described in Article 3, and as limited and specifically set forth in Exhibit A.

1.25 “Management Incentive Fee” means the fee set forth in Section 3.2, below.

1.26 “Management Premises” means all areas of the LSRA, including, but not limited to, the race track, paddock, infield, and camping areas, but specifically excluding the rifle/pistol ranges and the current County Maintenance Yard. A map of the Management Premises is attached hereto as Exhibit B.

1.27 “Material Default” means a breach of any material provision of this Agreement which continues for a period of thirty (30) days after written notice thereof is received by the Party against whom the default is claimed, including but not limited to each action specifically identified herein as a Material Default and the bankruptcy or insolvency of a Party.

1.28 “Medium Spectator Events” means a combination of those events defined in the Use Permit as “medium event days,” and those events staged as part of Historical Use, in general, described as a maximum of six (6) event days where attendance is between 5,000 – 11,999 persons per day.

1.29 “Minor Spectator Events” means a combination of those events defined in the Use Permit as “small event days,” and those events staged as part of Historical Use, in general, described as a maximum of 36 race event days where attendance is less than 5,000 per day.

1.30 “NOI” means the fiscal year annual net operating income (or portion thereof) derived from or arising out of activities at the Management Premises. NOI shall be determined by calculating all Gross Revenue received on a fiscal year basis (cash basis) minus all fiscal year operational expenses including Management Fee Expenses and Allowed Expenses (or portion thereof).

1.31 “NOI Capital” means NOI that shall be expended annually on Improvements.

1.32 “Party” means County or Contractor singularly; “Parties” means County and Contractor jointly.

1.33 “Promotional Days” are those days for use of the Raceway for promotional or testing purposes as allowed by Historical Use, but not exceeding a maximum of 15 days annually.

1.34 “Raceway” means the track currently known as WeatherTech Raceway Laguna Seca.

1.35 “Term” means the term of this Agreement as set forth in Section 2.4.

1.36 “Termination Date” means December 30, 2023.

1.37 “Use Permit” means that certain permit number 2991 issued by the County Planning Commission on or about October 26, 1983, pursuant to Resolution number 83-376. A copy of the User Permit is attached hereto as Exhibit E.

## ARTICLE 2. MANAGEMENT AND TERM.

### 2.1 Management.

County hereby hires Contractor to Manage the Management Premises for and on behalf of County pursuant to the terms of this Agreement. Contractor acknowledges that County

will deliver the Management Premises to Contractor as of the Effective Date free, clear and unencumbered by any and all tenancies and parties in possession, with the exception of Contractor itself and other than the rights reserved to County as set forth herein.

2.2 Nature of Management Services.

This Agreement is a contract for Management services only and is not to be considered or interpreted as a lease or concession for any purpose. This Agreement confers only permission to occupy and use the Management Premises for Management purposes in accordance with the terms and conditions of this Agreement. The expenditure by Contractor of capital and/or labor in the course of operation and management of the Management Premises shall not confer to Contractor any interest in LSRA except as provided herein.

2.3 Conditions Subsequent.

The Army Deed requires the written concurrence of the Secretary of the Interior, or current authorized federal official or agency, for any concession agreement relating to or involving the Management Premises. Contractor acknowledges this is a services agreement and not a concession agreement; however, if County determines the Deed requires concurrence of the Secretary of the Interior County will use commercially reasonable efforts to diligently seek such written concurrence. County cannot guarantee such concurrence or timing in which such concurrence may be obtained. If such written concurrence is denied, this Agreement shall immediately terminate.

2.4 Term.

The Term shall be from the Effective Date through and including the Termination Date, unless earlier terminated as provided herein.

## ARTICLE 3. COMPENSATION.

### 3.1 Management Fee.

Contractor shall receive the annual Fiscal Year Management Fee from County for the performance of its services pursuant to this Agreement. The Management Fee shall be an amount equal to the actual Fiscal Year Management Fee Expenses. Levels of staffing by Contractor for the performance of services pursuant to this Agreement, including allowed positions and associated salaries, shall be limited to the maximums provided for in Exhibit A. To ensure adequate cash flow for Contractor to perform its obligations hereunder, County shall provide Contractor on a monthly basis the Management Fee Advance the first installment of which is to be paid no later than January 10, 2020, and thereafter on the last day of each month during the Term for the succeeding month's expenses. At the end of each Fiscal Year County and Contractor shall reconcile the total of all Management Fee Advances to the total annual Management Fee Expenses, and County shall either deduct or add the difference thereof to the annual Management Incentive Fee or deduct from future Management Fee Advances at County discretion. Failure by Contractor to pay any Management Fee owed to County at the end of a Fiscal Year as set forth herein shall be a Material Default.

### 3.2 Management Incentive Fee.

Contractor shall receive a Management Incentive Fee equal to twenty percent (20%) of NOI. The Management Incentive Fee shall be paid based on the County Representative's verification and acceptance of a profit and loss statement generated from County's Financial System and provided to Contractor which calculates NOI for the prior fiscal year. County shall provide Contractor the profit and loss statement no later than August 30th of each year. Contractor shall have the right to review the financial documentation utilized by County to

calculate the NOI, however, the calculation made by the County's Financial System, as verified and accepted by the County Representative, except for errors, shall be final and conclusive.

3.3 Payment of Management Incentive Fee.

Except as set forth herein, the Management Incentive Fee, if any, will be paid annually no later than 120 days from the end of the Fiscal Year. For Fiscal Year ending 2020, the Management Incentive Fee will be based on NOI for the period January 1, 2020, through June 30, 2020, only. For Fiscal Year ending June 30, 2024, the Management Incentive Fee will be based on NOI for the period July 1, 2023, through December 31, 2023, County shall provide the profit and loss statement to Contractor no later than January 31, 2024, and the Fee, if any, shall be paid no later than 120 days from the end of the calendar year 2023.

ARTICLE 4. MANAGEMENT.

4.1 General.

Contractor shall be responsible for the Management of the Management Premises and its various components and facilities to standards of operation and performance at least equal to those generally applicable to major racetracks and similar facilities except as specifically set forth herein. Under the general oversight of the County Representative, Contractor shall Manage the Management Premises in a manner designed to maximize Gross Revenue while complying with the terms of the Army Deed and Use Permit and being consistent with Historical Use. Contractor shall use commercially reasonable efforts to Manage the Management Premises in a safe, healthy and first-class condition. The general public shall be allowed to attend events at and utilize the Management Premises on the terms and conditions established by Contractor and approved by the County Representative.



#### 4.2 Limitations.

The Management of the Management Premises during the Term must be consistent with the Army Deed, Use Permit and Historical Use, and subject to approval by the County Representative.

#### 4.3 Contracting.

In performing its duties and obligations hereunder, Contractor shall have the right to negotiate with third party vendors, suppliers, other independent contractors, promoters and sanctioning bodies on behalf of County; however, all contracts must be in the name of County, and reviewed and approved by the County Representative or County Board of Supervisors, as may be required by the County Code. No such third-party contract shall extend beyond the Term without Contractor first obtaining the prior written consent of the County Representative. A violation of this provision shall be a Material Default.

#### 4.4 Acknowledgement of Title.

Contractor hereby acknowledges the fee simple title of County in the Management Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.

#### 4.5 Intellectual Property.

County shall own all intellectual property rights relating in any way to LSRA and specifically the Management Premises including, but not limited to, logos and identifying terms, and domain names for internet purposes. Contractor may propose and file for such intellectual property right protection (whether copyright or trademark) but all such applications shall be in the name of and approved by County. Contractor shall have the right during the Term to the use

of such intellectual property without charge provided such use is limited to the purpose of promoting events at LSRA.

4.6 Park Capacity Limitations.

Daily attendance levels and overnight camping use at the Management Premises are subject to capacity limitations and County shall retain the authority to impose limitations on attendance levels for public health and safety purposes.

4.7 Signage.

4.7.1 Directional Signage.

Contractor shall provide and install permanent internal directional signs at the Management Premises indicating the location of facilities, parking, and general necessary information for visitors and event spectators. Contractor shall confer with the County Representative regarding the need for and location of such directional signage, and placement of permanent signage must be approved by the County Representative. Contractor may place temporary signage as necessary for each event. All directional signage shall be limited to providing directions only and shall not be used to promote or advertise in any way Contractor's business.

4.7.2 Other Signage.

Contractor may solicit and recommend to County the placement of new permanent signage at the Management Premises, for example for sponsorship or advertising purposes. For all such signage, Contractor shall obtain prior review and approval in writing from the County Representative. All such signage shall be for the promotion of LSRA only and shall not promote or advertise in any way Contractor's business.

4.8 Permission to Disseminate Information.

Contractor shall be permitted to submit press releases, circulate articles and periodicals promoting the Management Premises, release still photographs, video, and motion pictures, and use the internet in an advertising media campaign. All such disseminated information shall only be for the purpose of promoting LSRA and the Management Premises, identify County as the owner and operator of the Management Premises, and such communication shall be approved in advance by the County Representative. In the performance of its obligations pursuant to this Agreement, Contractor is prohibited from using County assets or facilities in any manner that promotes itself or its business without the express written permission of County.

4.9 Road System.

Contractor shall be responsible for coordinating and gaining approval for the use of all roads providing ingress and egress to the Management Premises, including roads maintained by Federal, State, and local agencies. County shall use commercially reasonable efforts to assist Contractor in obtaining access to and use of roads not under County's jurisdiction and will cooperate with other agencies in obtaining such access and use; however, County cannot guarantee or warrant that such access shall be granted.

4.10 Annual Operation Plan.

4.10.1. Contractor shall prepare and provide to County an Annual Operation Plan for review and approval by February 31, 2020 for the first year of the Term, and by November 1 of each year for the succeeding year during the Term (for example, by November 1, 2020, for the year 2021).

4.10.2. The Annual Operation Plan shall be comprehensive and include an annual budget and be linked to Improvements described in the CIP as and when approved by County.

4.10.3. The Annual Operation Plan shall provide for the provision of necessary emergency services.

4.10.4. The County Representative shall either approve or disapprove the Annual Operation Plan in writing within thirty (30) days of its receipt. If disapproved, Contractor shall re-submit a revised Annual Operation Plan within thirty (30) days of such disapproval. If the County Representative disapproves such re-submittal, the County Representative shall determine the Annual Operation Plan, which Contractor shall implement. The County Representative in consultation with Contractor may make modifications to the Annual Operation Plan during the course of the calendar year, and Contractor agrees to accept and implement all such County modifications.

4.10.5. Contractor acknowledges that the BOS may, in its sole discretion, review the Annual Operation Plan in an open public meeting prior to the start of each calendar year. If the BOS requires such a presentation of the Annual Operation Plan, Contractor shall present a review of the past calendar year's operations at the meeting. The BOS shall have the right to require Contractor to appear before it and make such other presentations relating to the Management Premises as the BOS may reasonably require.

4.10.6. Failure to submit the Annual Operation Plan as set forth herein shall be a Material Default.

#### 4.11 Master Calendar.

Contractor shall maintain a master calendar of all activities and uses of the Management Premises, including but not limited to uses of the Raceway (including all Major, Medium, and Small Spectator Events, and daily track rentals), campgrounds, luxury suites, and

any other facility or Improvement currently existing or added to the Management Premises during the Term, and scheduled Raceway maintenance and repair.

4.12 Advertisement of Major Spectator Events.

Prior to March 1 of each year during the Term, at County expense, Contractor shall cause an advertisement of the schedule for Major Spectator Events to be published at least twice in a local newspaper of general circulation. The advertisement shall be no smaller than "3X5" and shall be printed in no smaller than 12-point type face. Contractor shall provide the County Representative a copy of the advertisement upon publication. Contractor shall similarly publish any change in the schedule for Major Spectator Events immediately upon such rescheduling.

4.13 Schedule of Fees.

Contractor shall be responsible for developing an annual schedule of fees for the use of the Management Premises, including the Raceway, campgrounds, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term. The schedule of fees shall be submitted by November 1 of each year for the succeeding calendar year and is subject to review and approval by the County Representative.

4.14 Use of Facilities by Contractor.

In order to maintain Contractor's status as an independent contractor, County may provide Contractor with temporary facilities to utilize on an as-needed basis for events at the Management Premises. Should Contractor desire more a more permanent presence at the Management Premises in order to carry out its obligations pursuant to this Agreement, County will provide such facilities; however, Contractor shall pay fair market rent for the use of such facilities, which rent shall be included in Management Fee Expenses. Such facilities may include office equipment, including computers, but Contractor shall not be provided, nor shall

use, County electronic mail addresses, or have access to County's intranet. County may provide automobiles for use by Contractor at no-cost (but subject to federal and state tax law) pursuant to a sponsorship agreement between County and an automobile manufacturer.

4.15 No Permanent Residence.

Contractor acknowledges and agrees that the LSRA is not intended to be a permanent residence for any person and will not allow any person to reside permanently on the Management Premises. Any temporary residence must be approved by the County Representative, and Contractor must satisfy all requirements for such temporary residences that County, in its discretion, may require. Such temporary residences may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation, and may be subject to federal income taxation. Contractor shall be responsible for the payment of such tax but may require the person(s) temporarily residing on the Management Premises to pay such tax; however, in no event shall County be liable for the payment of any such tax, and Contractor agrees to indemnify County if such tax is levied for such tax.

ARTICLE 5. ALLOWED EXPENSE FUNDING.

5.1 General.

Except as specifically provided in this Agreement, Contractor shall be solely responsible for all expenses associated with the Management of the Management Premises.

5.2 Allowed Expenses Fund.

County shall provide to Contractor within forty-five (45) days of the Effective Date the sum of \$150,000 which shall be deposited by Contractor in the Allowed Expenses Fund. Funds in the Allowed Expense Fund shall remain the property of County and shall be held in trust by Contractor for the sole purpose of paying Allowed Expenses. No later than the tenth

(10<sup>th</sup>) day following the end of each month, Contractor shall provide the County Representative receipt(s) documenting the purpose of Allowed Expenses during the previous month. If the County Representative approves the expense as appropriate, County shall pay to Contractor an amount equal to the expense, which shall be deposited in the Allowed Expenses Fund; if the County Representative disapproves the expense, Contractor shall be responsible for such expense out of its own funds. County shall have the right to audit at any time, upon 24 hours' notice, the Allowed Expenses Fund, and Contractor shall immediately return to County any funds in the Allowed Expenses Fund upon written demand by County. Failure to provide access to County for audit purposes shall be a Material Default.

5.3 Expenses in Excess of Allowed Expenses Fund.

Should Contractor reasonably determine that a necessary Allowed Expense exceeds the funds then residing in the Allowed Expenses Fund, Contractor shall notify the County Representative and provide justification for the expense. If approved by the County Representative, County shall provide necessary funds to pay for the Allowed Expense. Within 3 days of making the expenditure of such funds Contractor shall provide to the County Representative a receipt documenting the expense.

ARTICLE 5. IMMEDIATE REPAIRS

5.1 Within eight (8) weeks after the Effective Date the Parties shall use their best efforts to agree upon any Immediate Repairs that are required to allow for business continuity.

5.2 All repairs that are considered "works of public improvement" are to be completed by County as required by law. All general repairs not classified as "works of public improvement" shall be completed by Contractor as an Allowed Expense only after approval of work and costs by the County Representative.

5.3 Upon satisfaction that the Immediate Repair has been performed and its associated invoice is accurate, County shall pay to Contractor the amount of the Allowed Expense as described in Article 5, above.

#### ARTICLE 6. CAPITAL IMPROVEMENT PROGRAM

6.1 Within six (6) months after the Effective Date, Contractor shall prepare and submit to County for its review and approval a CIP. The CIP shall be designed to address health and safety concerns, and necessary capital additions, repairs and maintenance at the Management Premises during the Term, but not Improvements identified as an Immediate Repair. County shall have final approval authority for any Improvement described in the CIP, and the timeline for implementation of approved CIP. Failure to submit the CIP as set forth herein shall be a Material Default.

6.2 All Improvements implemented as part of the CIP shall be owned by County notwithstanding Contractor's role in the planning, development and implementation of the CIP.

6.3 All Improvements described in the CIP shall be paid for with either NOI Capital or other available funds, both as approved by the BOS.

#### ARTICLE 7. FINANCIAL OPERATIONS

##### 7.1 Revenue

Any and all Gross Revenue collected or received by Contractor shall, by the close of each day, be transmitted to the County Representative or designee. All checks shall be made out to "County of Monterey," and all credit and debit transactions shall be deposited into an account designated by County. Failure to transmit Gross Revenue as set forth herein shall be a Material Default.

##### 7.2 Taxes, Fees and Assessments.



Contractor shall be responsible for the payment of all taxes, fees and assessments associated with its performance under this Agreement. This Agreement may create a possessory interest, as defined in California Revenue and Taxation Code section 107, subject to taxation. Contractor shall be responsible for the payment of such tax; and in no event shall County be liable for the payment of, or reimbursement to Contractor for any such tax.

7.3 Records and Reports.

Contractor shall keep or cause to be kept full, complete and proper books, records, and accounts of all Gross Revenue received, and Management Fee Expenses and Allowed Expenses associated with its performance under this Agreement. All such records shall be kept for at least two (2) years after the expiration of the calendar year to which the records relate. County or the County Representatives shall have the right to examine Contractor's records at reasonable times upon at least twenty-four (24) hours' prior notice, and from time to time throughout the Term. Failure to provide such access to the County Representative shall be a Material Default.

7.4 Financial Systems.

Contractor agrees that the County's Financial System shall be the primary system of accounting for all financial transactions at the Management Premises. The County's Financial System follows GAAP, including the ability to allocate direct and indirect costs to Major, Medium, and Small Spectator Events, track rentals, and all other activities at the Management Premises. County staff shall be responsible for the functioning of the County's Financial System; however, Contractor shall provide County with such information as may be necessary to process all Management Premises financial transactions through the system. The County's

Financial System shall be the system of record and all reports shall be obtained from financial data directly from said system.

7.5 Debt.

7.5.1. Contractor shall have no right to and shall not secure any debt, loan or other financing with real or personal property owned by County. Incurrence of such debt shall be a Material Default.

7.5.2. Contractor shall not enter into unsecured debt that in any way may be ascribed to or become the debt of County. Incurrence of such debt shall be a Material Default.

7.6 Property Depreciation.

Contractor shall have no right to claim and shall not claim depreciation on real or personal property, or Improvements belonging to County at the Management Premises without first obtaining the prior express written consent of County; provided that Contractor shall retain all rights to depreciation deductions and tax credits arising from its ownership of any personal property.

ARTICLE 8. ADVERTISING, SPONSORSHIPS AND EVENT SANCTIONING

Subject to all other provision of this Agreement, on behalf of County, Contractor may negotiate advertising, sponsorship and event sanctioning agreements relating to the Management Premises as follows:

8.1 All naming rights, advertising, sponsorships and event sanctioning agreements associated with the Management Premises shall be subject to prior, express County approval, and Contractor shall confer with County regarding the negotiation of such agreements.

8.2 All naming rights, advertising, sponsorships and event sanctioning agreements shall be tasteful and not be a cause for embarrassment to County.

8.3 There shall be no advertising, sponsorships or event sanctioning for tobacco, gun related companies, or adult entertainment businesses. Cannabis advertising, sponsorships or event sanctioning shall be at the sole discretion of the BOS.

8.4 No naming rights, advertising, sponsorships and event sanctioning agreement shall extend beyond the Term without the express, written approval of County.

8.5 Entry into naming rights, advertising, sponsorships and event sanctioning agreements without County approval shall be a Material Default.

#### ARTICLE 9. COUNTY EVENTS

County reserves the right to hold events and utilize the Management Premises in its entirety or in part without charge. All such events are property of County, and Contractor shall act solely in its Management capacity regarding such events.

#### ARTICLE 10. INSURANCE AND INDEMNIFICATION

10.1 Contractor shall indemnify, defend, and hold harmless County and the United States of America, their officers, employees and agents from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the LSRA, and the public performance of music, unless such claims, liabilities or losses arise out of the sole negligence or willful misconduct of County or the United States of America.

10.2 Without limiting Contractor's duty to defend and indemnify County and the United States of Americas as set forth above, Contractor shall provide insurance coverages for its Management of the Management Premises as set forth in Exhibit C. County shall be named as an additional insured on all policies. Failure to maintain the required insurance shall be a Material Default.

#### ARTICLE 11. AUDIT RIGHTS

11.1 County has the right, at its sole cost and expense, to audit on an annual or ad hoc basis the operations, management and finances of the Management Premises, including finances of Contractor related to the Management of the Management Premises. Contractor acknowledges and agrees that County's Auditor – Controller has the independent right at any time to audit County assets and operations, and any such audit will be in addition to the annual audit authorized by this section.

11.2 County has the right to inspect and audit Contractor's finances and operations related to the performance of this Agreement as County deems necessary upon twenty-four (24) hours' prior written notice. Upon receipt of such notice of intent to inspect such records and facilities, Contractor shall take all necessary actions to make available all records and facilities to the County Representative.

11.3 Failure to provide access to County for audit or inspection purposes shall be a Material Default.

#### ARTICLE 12. PUBLIC ACCESS

12.1 The general public shall have access at all times to the Management Premises subject to reasonable and customary use or entrance fees as approved in writing by County.

12.2 Neither Contractor, its members, officers, employees, agents or donors, or sponsors, vendors, advertisers or naming rights entities, shall have special privileges for the use of any facilities at the Management Premises unless specifically approved in writing by the County Representative.

#### ARTICLE 13. COUNTY OVERSIGHT AND ACCESS

13.1 County shall designate the County Representative for contract management purposes, and Contractor shall ensure that the county Representative has full access to and complete information regarding all Contractor's activities, contracts, sub-contracts, vendor agreements/arrangements, facility access, financial records, policy discussions, sponsorship agreements/arrangements, strategic planning, capital improvement planning and implementation, track rental rate setting, Major, Medium and Small Spectator Event agreements, and all other Management Premises operational and financial aspects as County determines to be necessary to adequately oversee implementation of this Agreement. Failure to provide the County Representative with the access and information set forth herein shall be a Material Default.

13.2 Notwithstanding any other provision of this Agreement, County and its agents shall have the right to enter the Management Premises at any time for any appropriate purpose. Denial of such access shall be a Material Default.

13.3 County retains the right to have offices and staff assigned permanently to the Management Premises and determine which facilities shall be used to station those staff.

13.4 The County Representative may approve promotional packages, including tickets or passes to events, which may be necessary or appropriate for Contractor to effectively promote, market and grow business and business prospects at the Management Premises. Such promotional packages may include those to volunteers in order to encourage and promote

volunteer activities for the benefit of LSRA. Contractor shall request approval of such packages in writing to the County Representative, which writing shall support the business purpose for such packages. Granting of promotional packages without the County Representatives approval shall be a Material Default.

#### ARTICLE 14. TERMINATION

##### 14.1 Termination for Convenience.

This Agreement may be terminated by County for no reason or any reason upon one-hundred and twenty (120) days written notice.

##### 14.2 Termination for Material Default.

If a Material Default occurs, the defaulting Party shall be given thirty (30) days written notice from the non-defaulting Party to cure the default. If the Material Default is not cured within the thirty (30) day period, the non-defaulting Party may terminate this Agreement upon thirty (30) days prior written notice to the defaulting Party.

##### 14.3 Effect of Termination.

14.3.1. All real property and Improvements, and personal property not owned by Contractor, shall remain owned by County.

14.3.2. Contractor shall negotiate in good faith with County for the acquisition by County of personal property owned by Contractor and used at the Management Premises.

14.3.3. Upon termination, the Parties shall reconcile the Management Fee Expenses and Allowed Expenses, and Contractor shall be entitled to the payment of Management Fee Expenses and the Management Incentive Fee on a pro rata basis through the effective date of the termination, except in the case of a Material Default by Contractor, in which case Contractor

shall not be entitled to any Management Incentive Fee. All funds remaining in the Allowable Expenses Fund shall be paid to County.

## ARTICLE 15. MISCELLANEOUS PROVISIONS

### 15.1 Complete Agreement.

This Agreement constitutes the full and complete agreement between the Parties regarding the subject matter hereof. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement.

### 15.2 Amendment.

This Agreement may be amended from time-to-time by mutual consent of the Parties. Such amendments may only be in the form of a writing signed by each of the Parties.

### 15.3 Successors and Assigns.

This Agreement, and the rights and obligations of Contractor hereunder, may be assigned or delegated by County without the prior consent of Contractor, either express, implied, written or unwritten. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of the Army Deed, Use Permit, any contracts then in effect regarding the Management Premises, and other ordinances or resolutions of County then in effect. Contractor shall be obligated to accept such assignment without objection or contest for a period of 90 days. Beginning no earlier than thirty (30) days following the effective date of the assignment or delegation Contractor may terminate this Agreement by providing sixty (60) days written notice to the assignee/delegate.

### 15.4 Dispute Resolution.

If there are disputes and/or controversies between the Parties relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the Parties shall in good faith meet and confer within twenty-one (21) calendar days after written notice of a dispute has been sent by one Party to the other Party. If the Parties are



not able to resolve the dispute through informal negotiation, the Parties agree to submit such dispute to formal mediation before resorting to litigation. If the Parties cannot agree upon the identity of a mediator within ten (10) business days after a Party requests mediation, then the Parties shall each select a mediator and those two mediators will select a third mediator to mediate the dispute. The Parties shall share equally in the cost of the mediator who ultimately mediates the dispute, but neither Party shall be entitled to collect or be reimbursed for other related costs, including but not limited to attorneys' fees. If mediation proves unsuccessful and litigation of any dispute occurs, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and expenses in addition to any other relief to which the Party may be entitled. If a Party refuses to participate in mediation prior to commencing litigation, that Party shall be deemed to have waived its right to attorneys' fees and costs as the prevailing Party.

15.5 Execution in Parts or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Parties. Facsimile or electronic signatures shall be binding.

15.6 Party Authorization.

The governing bodies of the Parties have each authorized execution of this Agreement, as evidenced by their respective signatures below.

15.7 No Predetermination or Irrevocable Commitment of Resources.

Nothing herein shall constitute a determination by County or Contractor that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made until such time as the required compliance with all local, state, or federal laws,

including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

15.8 Notices.

Any notice pursuant to this Agreement shall be given in writing by a Party or its legal representative by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, (d) legible facsimile transmission, or (e) electronic mail or other electronic means sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance with this section, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission or electronic mail, as of the date of the facsimile or electronic transmission (or next business day if transmitted on a day other than a business day). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

To County:

County Administrative Officer  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901  
(831) 757-5792

To Contractor:

John Narigi  
28 Mesa Del Sol  
Salinas, CA. 93908  
jvnarigi@outlook.com

Copy to:

County Counsel  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901  
(831) 755-5283 (facsimile)

15.9 Severability and Validity of Agreement.

Should any part, term or provision of this Agreement be decided by a court of law to be illegal, in excess of a Party's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Party hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

15.10 Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

15.11 Captions.

The headings and titles to the paragraphs of this Agreement are not a part of this Agreement, are for convenience of reference only, and shall have no effect upon the construction or interpretation of any part of this Agreement.

15.12 Excusable Delay.

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period of time equal to any such period of prevention, delay or stoppage.

15.13 Tense, Number, and Gender.

15.14 Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and references so require. Any pronoun herein shall be read in such gender as the context may require.

15.15 Survival.

The obligations of County and Contractor under this Agreement shall survive the expiration or other termination of the Term, to the extent applicable following such expiration or termination, and shall remain in effect until fulfilled. This covenant specifically includes, without limitation, each indemnity obligation set forth herein.

15.16 Exhibits Incorporated.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by such reference as though fully set forth herein.

15.17 Further Assurances.

Each Party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Effective Date, as may be reasonably requested by the other Party to implement more effectively the purposes, intent or subject matter of this Agreement.

15.18 No Third-Party Beneficiary.

The provisions of this Agreement are and will be for the benefit of County and Contractor only and are not for the benefit of any third-party. Accordingly, no third-party shall have the right to enforce any provision of this Agreement.

15.19 Construction.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to

be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

15.20 Calculation of Time Periods.

In computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of California, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 P.M., California time, unless otherwise specified herein. As used in this Agreement, the term "business day" shall mean a calendar day that is not a Saturday, Sunday, or legal holiday under the laws of the State of California.

15.21 County's Police Power.

Nothing in this Agreement shall alter in any way County's rights or duties as a governmental agency with jurisdiction over the Management Premises to act in the manner otherwise permitted or required under applicable laws for the health, safety and general welfare of the public.

15.22 Surrender at End of Term.

At the expiration or sooner termination of the Term, Contractor shall (a) subject to (b) hereof, remove its personal property, furniture, fixtures and equipment and shall surrender the Management Premises to County, (b) negotiate in good faith with County for the acquisition by County at fair market value of all personal property assets owned by Contractor and used exclusively in connection with Contractor's Management of the Management Premises, and (c) at County's option, assign to County any contracts relating to the Management Premises that are

not in the name of County. All alterations, additions and improvements to the Management Premises including intellectual property and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions shall inure to the benefit of, and be owned by, County.

15.23 Waivers.

Failure of either Party to complain of any act or omission on the part of the other Party, no matter how long the same may continue, shall not be deemed to be a waiver by said Party of any of its rights hereunder except to the extent that passage of time constitutes an express waiver under any other provision of this Agreement. No waiver by either Party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by either Party shall require the consent or approval of the other Party, the other Party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either Party may have under this Agreement or at law or in equity shall be cumulative, and shall not be deemed inconsistent with each other; no one of them, whether exercised or not, shall be deemed to be an exclusion of any other, and any or all of such rights and remedies may be exercised at the same time.

15.24 Time.

Time is of the essence of this Agreement and of each and every one of the provisions contained herein.

15.25 No Agency or Partnership.

Contractor is an independent contractor of County. The Parties do not intend to create, and nothing in this Agreement shall be construed to create, an employment, agency, partnership, trust or other relationship between County and Contractor, its officers or employees with respect to duties or incidents different from those of parties to an arms-length contract.

15.26 Applicable Law.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

MONTEREY COUNTY

A & D CONSULTING

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: January \_\_, 2017

Date: January \_\_, 2017

Approved as to Form and Content

Leslie J. Girard, County Counsel

By: \_\_\_\_\_

Leslie J. Girard  
County Counsel

## EXHIBIT A

### SCHEDULE OF ALLOWED MANAGEMENT FEE SALARIES AND EXPENSES

Position Title	Exempt Staff	Maximum Annual Pay 2020	Maximum Annual Pay 2021	Maximum Annual Pay 2022	Maximum Annual Pay 2023
<b>Administration:</b>					
General Manager	X	\$230,000	\$236,912	\$244,005	\$251,326
Human Resources Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Administrative Assistant		\$47,382	\$48,797	\$50,274	\$51,771
Receptionist		\$27,789	\$28,621	\$29,474	\$30,358
<b>Souvenir Store:</b>					
Retail Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Retail Assistant		\$36,400	\$37,502	\$38,626	\$39,770
Retail Assistant - PT		\$14,560	\$14,997	\$15,444	\$15,912
Retail Assistant - PT		\$14,560	\$14,997	\$15,444	\$15,912
<b>Communications, Marketing &amp; Media:</b>					
Director of CM&M	X	\$111,509	\$114,858	\$118,290.00	\$121,846.00
Marketing Manager	X	\$85,010	\$87,568	\$90,189	\$92,893
Marketing/Social Media Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Business Development Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Marketing/Media Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Communications Manager	X	\$67,995	\$70,034	\$72,134	\$74,298
Marketing/Promotions Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
<b>Reunion Management:</b>					
Reunion Manager	X	\$63,000	\$64,896	\$66,830	\$68,848
Administrative Assistant - PT		\$17,000	\$17,514	\$18,044	\$18,585
<b>Ticket &amp; Camping Sales:</b>					
Ticket Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Ticket Coordinator		\$47,840	\$49,275	\$48,672	\$52,270
Ticket/Camping Asst		\$33,280	\$42,848	\$44,138	\$45,448
Ticket/Camping Asst		\$31,200	\$19,57	\$41,933	\$43,181
Ticket/Camping Asst		\$31,200	\$34,278	\$35,298	\$36,358
Ticket/Camping Asst		\$31,200	\$34,278	\$35,298	\$36,358
<b>Facilities:</b>					
Sr. Facilities Manager	X	\$87,000	\$89,606	\$92,310	\$95,077
Track Manager	X	\$57,484	\$63,440	\$67,309	\$69,326
Facilities Supervisor		\$33,280	\$42,848	\$44,138	\$45,448
Track Foreman		\$41,600	\$36,421	\$37,523	\$38,646
Track Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Track Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$41,600	\$36,421	\$37,523	\$38,646
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$41,600	\$36,421	\$37,523	\$38,646
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
<b>Track/Event Operations:</b>					
Senior VP of Operations	X	\$87,000	\$89,606	\$92,310	\$95,077
Event Operations Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Event Operations Assistant		\$37,440	\$38,563	\$39,728	\$40,914
Track Rental Coordinator		\$33,280	\$42,848	\$44,138	\$45,448
Concessions Coordinator		\$33,280	\$42,848	\$44,138	\$45,448
<b>Annual Total for Salary</b>		<b>\$1,893,889</b>	<b>\$1,942,203</b>	<b>\$2,042,261</b>	<b>\$2,105,622</b>



**EXHIBIT B**

**MAP OF MANAGEMENT PREMISES**

**EXHIBIT C**

**REQUIRED INSURANCE COVERAGES**

**EXHIBIT D**

**ARMY DEED**

**EXHIBIT E**

**USE PERMIT**



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Tuesday, November 12, 2019 3:51 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Contract for Review

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne, sent off to my attorney, I am reviewing now but need to prep for a water mtg occurring tonight at 5pm. I will get to it as it is critical.

jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Tuesday, November 12, 2019 1:27 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Contract for Review

John,

Please review this contract, it has some modifications and added exhibits, still waiting for Insurance Exhibit. Review and lets discuss.

Thanks,

Dewayne



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 10:13 AM  
**To:** Woods, Dewayne x5309  
**Subject:** sent text

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Wont make 11 am, several details for me to understand and some new items. On phone with attorney at 1030, can do 1230 on.... have kept today, Friday morning and Monday open,

jvn





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 12:02 AM  
**To:** Woods, Dewayne x5309  
**Subject:** mtg

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Secured a mtg with Hansen at 10am tomorrow, once done I will head your way, would assume it will be around 11 as scheduled, if not will call,

jvn



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Wednesday, November 13, 2019 2:52 PM  
**To:** tmcgrane@laguna-seca. com (tmcgrane@laguna-seca.com)  
**Subject:** LSRA Management Proposal

Mr. McGrane,

Please be advised the County is currently in negotiations with another proposer for management services at LSRA. If those negotiations are unsuccessfully the County may begin negotiations with another group or groups.

Thanks you for your submittal,

Dewayne Woods  
County of Monterey



**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 3:04 PM  
**To:** Woods, Dewayne x5309  
**Cc:** Hansen Reed; John Narigi  
**Subject:** RE: Salary Exhibit

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks Dwayne will review in detail and attorney is working on doc. Will forward to you tonight with any additional comments. Hopefully his revisions will be the last round. He will also have authority tomorrow to negotiate and revise language on my behalf.

Appreciate your cooperation and consideration to my concerns.

jvn

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Wednesday, November 13, 2019 2:34 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Salary Exhibit

John,

I revised the Maximum Salary amounts and bumped them up quite a bit, in reality I wouldn't believe you would fill all 40 positions, it seems way over staffed and would really impact the N.O.I., nonetheless lets leave the possibility that you would be able to hire all on this list. At the bottom you will see the total amount for salary only would be \$270,811 monthly well within the \$275,000 in 2020 that is with a 40% cost added on for benefits, et. All, I can move the 2020 up to \$280,000 for a bit of a flexibility. So I'll go \$280,000 for 2020; \$295,000 for 2021 and \$310,000 for 2022 & 2023

	Position Title	2020 Maximum Annual Salary	2021 Maximum Annual Salary	2022 Maximum Annual Salary	2023 Maximum Annual Salary
	<b>Administration:</b>				
1	General Manager	\$229,840	\$236,735	\$243,837	\$251,152
1	Human Resources Manager	\$83,200	\$85,696	\$88,267	\$90,915
1	Administrative Assistant	\$47,840	\$49,275	\$50,753	\$52,276
1	Receptionist	\$33,280	\$34,278	\$35,307	\$36,366
	<b>Souvenir Store:</b>				
1	Retail Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Retail Assistant	\$41,600	\$42,848	\$44,133	\$45,457
1	Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366

1	Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366
	<b>Communications, Marketing &amp; Media:</b>				
1	Director of CM&M	\$111,509	\$114,854	\$118,300	\$121,849
1	Marketing Manager	\$85,010	\$87,560	\$90,187	\$92,892
1	Marketing/Social Media Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Business Development Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Marketing/Media Coodinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Communications Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Marketing/Promotions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
	<b>Reunion Management:</b>				
1	Reunion Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Administrative Assistant - PT	\$41,600	\$42,848	\$44,133	\$45,457
	<b>Ticket &amp; Camping Sales:</b>				
1	Ticket Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Ticket Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
	<b>Facilities:</b>				
1	Sr. Facilities Manager	\$93,600	\$96,408	\$99,300	\$102,279
1	Track Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Facilities Supervisor	\$46,800	\$48,204	\$49,650	\$51,140
1	Track Foreman	\$38,480	\$39,634	\$40,823	\$42,048
1	Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
	<b>Track/Event Operations:</b>				
1	Senior VP of Operations	\$145,600	\$149,968	\$154,467	\$159,101
1	Event Operations Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Event Operations Assistant	\$41,600	\$42,848	\$44,133	\$45,457
1	Track Rental Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Concessions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
	<b>Annual Total for Salary</b>	<b>\$2,321,238</b>	<b>\$2,390,876</b>	<b>\$2,462,602</b>	<b>\$2,536,480</b>
40					
		\$193,436.53	\$199,239.63	\$205,216.82	\$211,373.32

		\$77,374.61	\$79,695.85	\$82,086.73	\$84,549.33
		\$270,811.15	\$278,935.48	\$287,303.55	\$295,922.65





[REDACTED]

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**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 9:37 PM  
**To:** Woods, Dewayne x5309; Hansen Reed  
**Cc:** John Narigi  
**Subject:** FW: Management Agreement Redline  
**Attachments:** Management Agreement 2020 v5 HPR Redline.docx

**Importance:** High

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Below at the start of this email train in chronological order are the sections where suggested revisions were made to the agreement by me and my attorney. They are all redlined in the contract for quick review by you and les.

I have a few additions listed below:

- Recital- 4<sup>th</sup> paragraph, LRSA S/B LSRA.
- 1.8- S/B A&D Narigi Consulting LLC
- 4.14- S/B regarding auto promotion, WeaterhTech Raceway Laguna Seca.

The above changes and Hansen's listed below should be it for suggested revisions. As discussed with both you and Hansen, he is available and able to negotiate on my behalf tomorrow if some of our revisions are not agreeable.

If I am needed please feel free to call and I will seat myself in the room so I can excuse self to get on a call if needed. Dwayne I want this item to make your agenda, so don't hesitate to call. I can send an email agreeing to the contract and do a hard sign first thing Friday morning. If another electronic way of doing let me know, I will make it work.

Regarding office space as an FYI, I had two permeant companies who had long term service agreements with the hotel, audio visual and valet parking. The contracts specified office space and the particular equipment that would be provided to contractor at no charge. Can my firm not be treated in the same way? Hansen did add language regarding the requirement for me to pay rent but would be reimbursed by the county, thought my experience at the hotel might be beneficial to the discussion.

Language also added regarding indemnifying and liability concerns I have voiced.

Exhibit A regarding compensation, revised I will answer under separate email this evening as well.

Thank you both for you assistance.

Hansen info, email above, phone, [REDACTED]  
[REDACTED]

jvn

**From:** Hansen Reed [REDACTED]  
**Sent:** Wednesday, November 13, 2019 3:38 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Management Agreement Redline  
**Importance:** High

John,

Attached is my redline. My comments are as follows: (Note: I will only comment on bigger issues.)

- 1.2 I added language for prior written approval.
- 1.11 I added language regarding a POS system that would be an Allowed Expense, if one does not exist.
- 1.16 I added language that the parties will try and put together a list of Historical Uses.
- 1.24 I believe the intent was to be health insurance, not other liability insurance.
- 2.3 I added language that you get 3 months Management Fee Advance.
- 2.4 I added language to add a 3 year option.
- 3.1 I added language that allows for increase in the pay at the approval of the County Rep. Also, I tried to clarify that you only reimburse the county if there is excess management fee advance paid (meaning the County paid you more than you paid out)
- 4.3 and other section: I tried to make sure that these are preapproved Allowed Expenses.
- 4.7.1 I limited it to as needed for signage.
- 4.10 et seq. I added language to make it more flexible. Also any expenses in the Operational Plan shall be Allowed Expenses.
- 4.14 If rent is included, then the Fee Advance needs to be increased. You cant come out of pocket for a year then get reimbursed. I added language that your use of a car is always promotion of the LSRA and the Raceway.
- 5.2 Made \$150lk payment to be on 1/3/2020. I also added language that approval and disapproval shall be reasonable and be based upon past approved expenses and practices.
- 7.1 It is impossible to get all revenue to the county that day. The next business day seems reasonable.
- 7.2 Has the Assessor ever deemed a possessory interest and charged taxes. You should not have to pay the taxes.
- 7.3 I increased to 48 hours.
- 7.4 I added language regarding a POS system.
- 9. I added language that County reimburses you for expenses.

10. MY COMMENT IS WHY WOULD YOU TAKE ON MASSIVE RISK AND AGREE TO INDEMNIFY THE COUNTY AND THE US GOVERNMENT WHEN THE COUNTY KEEPS ALL OF THE FUNDS AND ALL YOU GET IS A RELATIVELY SMALL MANAGEMENT FEE. THIS IS EFFECTIVELY LIKE REQUIRING YOU AS THE GM OF THE PLAZA HOTEL INDEMNIFYING THE ACTUAL OWNERS OF THE HOTEL. WHY WOULD ANYONE ACTUALLY DO THIS. NO ONE WOULD DO THIS. I THINK IT IS OK TO HAVE A CARVE OUT FOR GROSS NEGLIGENCE AND WILLFUL MISCONDUCT.

10.1 I made the County indemnify you except for your gross negligence and willful misconduct.

10.2 I added where you indemnify the County for your gross negligence and willful misconduct.

10.3 Cost of liability insurance should be an Allowed Expense, not a Management Fee.

10.4 I added E&O insurance and it being an Allowed Expense.

12.1 I think it is important that the language actually be as it was written. We do not want you to be deemed to have a possessory interest and subject to tax. Seems if the public has the right to access then you are better off.

14.1 I added 3 months management fee if terminated without cause. This is like a severance.

15.8 I added myself to the notice provisions.

15.12 I added language about the financial obligations continuing even if there is a delay or stoppage.

These are all of my comments and changes.

Feel free to add or subtract from this email or forward to the county directly.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805



**WALKER+REED**  
ATTORNEYS AT LAW P.C.

AGREEMENT  
for the  
OPERATION AND MANAGEMENT  
of the  
LAGUNA SECA RECREATION AREA  
between  
THE COUNTY OF MONTEREY  
and  
A & D Narigi Consulting, LLC  
dated  
January \_\_\_\_, 2020

**OPERATION AND MANAGEMENT AGREEMENT**

This Operation and Management Agreement (“Agreement”) dated January \_\_\_\_, 2020 is between the COUNTY OF MONTEREY, California (“County”), a political subdivision of the State of California, and A & D Narigi Consulting, a California ~~limited~~ Liability ~~company~~ Corporation (“Contractor”) (each a “Party,” collectively, the “Parties”).

**RECITALS**

WHEREAS, in 1974 the area now known as Laguna Seca Recreational Area (“LSRA”), formerly part of Fort Ord, was transferred from the United States Government to County

pursuant to a quitclaim deed, which deed has been amended twice (collectively, the "Army Deed"); and,

WHEREAS, since County's acquisition of LSRA in 1974, County has operated and managed the ~~race track~~racetrack and associated facilities located within LSRA (currently known as WeatherTech® Raceway Laguna Seca, hereinafter "Raceway") under a series of concession agreements, and most recently under a management agreement dated January 31, 2017, and which expires on December 31, 2019; and,

WHEREAS, in addition to the Raceway, LSRA includes various campgrounds and two rifle/pistol ranges; and,

WHEREAS, in 1983, the County Planning Commission approved Use Permit No. 2991 ("Use Permit") governing the operation and general development of LSRA; and

WHEREAS the past concessionaire historically held contracted events in addition to events permitted pursuant to the Use Permit; and,

WHEREAS, Contractor is organized for the purpose of providing facility management and consulting services, and has the necessary qualifications and background for managing LSRA for County; and,

WHEREAS, County and Contractor have reached mutually acceptable terms for the management of certain portions of LSRA; and,

WHEREAS, it is the intent of the Parties that the management of LSRA shall be consistent with historical practice, and the terms of the Use Permit and Army Deed, until a new master plan for LSRA is prepared and approved, and appropriate environmental review is performed; and,

WHEREAS, it is the further intent of the Parties that Contractor, its officer, employees and agents be considered independent contractors and not County employees, pursuant to the guidelines set forth in Assembly Bill 5 (Gonzalez, 2019);

NOW THEREFORE, County and Contractor agree as follows:

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### AGREEMENT

#### ARTICLE 1. DEFINITIONS.

1.1 "Agreement" means this Operation and Management Agreement.

1.2 "Allowed Expenses" or "Allowed Expense" means those reasonable and necessary expenses for services and supplies related to the Management of the Management Premises regularly incurred by Contractor but that are not Management Fee Expenses nor expenses related to Improvements or the CIP. Contractor may seek the County Representative's prior written approval of an expense, which approved expense shall be an Allowed Expense. If Contractor submits an expense for prior approval, the County Representative shall either approve or deny said expense, in writing, within five (5) business days; the failure to approve or deny a prior submitted expense within the five business days shall be deemed an approval.

1.3 "Allowed Expenses Fund" means a segregated account held in trust by Contractor into which it shall deposit and hold funds provided by County solely for the purpose of paying Allowed Expenses, as more fully described in Article 5.

1.4 "Annual Operation Plan" means the annual plan described in Section 4.10

1.5 "Army Deed" means that certain quitclaim deed from the United States Government to County dated October 31, 1974 and recorded in Monterey County Official Records at Reel 944 Page 1077, conveying LSRA to County, as amended on August 6, 1986 and recorded in

Monterey County Official Records at Reel 2012 Page 235, and on January 21, 2000 by Document No. 2000082485, Monterey County Official Records. A copy of the Army Deed is attached hereto as Exhibit D.

1.6 “BOS” means the Monterey County Board of Supervisors.

1.7 “CIP” means the projects included in the County Capital Improvement Program described in Article 8.

1.8 “Contractor” means A & D Consulting.

1.9 “County” means the County of Monterey.

1.10 “County Representative” means the person designated by the County Administrative Officer for contract management purposes as described in Article 16.

1.11 “County’s Financial System” means the system of accounting utilized by County for the purpose of documenting and tracking financial transactions, which shall include an integrated Point of Sale System used by Contractor. The costs of a POS system shall be an Allowed Expense.

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1.12 “Effective Date” means January 1, 2020.

1.13 “Fiscal Year” means the period July 1 – June 30 of each year.

1.14 “GAAP” means generally accepted accounted principles as defined and promulgated by the American Institute of Certified Public Accountants.

1.15 “Gross Revenue” means all revenue ~~accruing to County~~ generated, directly or indirectly, as result of events or activities occurring, pursuant to this Agreement, on, at or in the Management Premises. Except as may be specifically agreed to in writing otherwise, Gross Revenue includes, but is not limited to, all revenue derived from ticket, merchandise, food or beverage sales; daily track or other facility rentals; the provision of services; or monetary or in-



kind receipts from any and all sources of income derived in whole or in part from any business transacted on, at, or in the Management Premises, whether from customers or otherwise, both cash and on credit, and in cases of sales or charges on credit, whether or not payment is actually made or received. All Gross Revenue shall accrue to the County.

1.16 “Historical Use” or “Historical Practice” means those events that have been historically held at LSRA either by County, or its concessionaire or manager. The Parties will use reasonable efforts to prepare a list of Historical Uses and Historical Practices.

1.17 “Immediate Repairs” means repair and maintenance items at the Management Premises that require immediate attention for health and safety reasons.

1.18 “Improvements” or “Improvement” means the repairs and improvements pursuant to the CIP.

1.19 “LSRA” means the Laguna Seca Recreation Area.

1.20 “Major Spectator Events” means a combination of those events defined in the Use Permit as “large event days,” and those events staged as part of Historical Use, in general, consisting of a maximum of five (5) events of 4-day duration where attendance exceeds 12,000 persons per day.

1.21 “Management” or “Manage” means the operation, management and maintenance of the Management Premises for and on behalf of County pursuant to the terms of this Agreement.

1.22 “Management Fee” means the fee payable to Contractor by County annually on a Fiscal Year basis for services described in Article 3, which is equal to the Management Fee Expenses.

1.23 “Management Fee Advance” means the sum disbursed monthly through the term of the contract beginning with an amount of Two Hundred Seventy-Five Thousand Dollars

(\$275,000) monthly in year 2020, Two Hundred Ninety Thousand Dollars (\$290,000) monthly in year 2021 and Three Hundred Thousand Dollars (\$300,000) monthly in year 2022 and 2023.

1.24 “Management Fee Expenses” means Contractor’s annual Fiscal Year expenses for or related to personnel, including salary and benefits, and health insurance costs required for the performance of this Agreement, as more generally described in Article 3, and as limited and specifically set forth in Exhibit A.

1.25 “Management Incentive Fee” means the fee set forth in Section 3.2, below.

1.26 “Management Premises” means all areas of the LSRA, including, but not limited to, the race-track, paddock, infield, and camping areas, but specifically excluding the rifle/pistol ranges and the current County Maintenance Yard. A map of the Management Premises is attached hereto as Exhibit B.

1.27 “Material Default” means a breach of any material provision of this Agreement which continues for a period of thirty (30) days after written notice thereof is received by the Party against whom the default is claimed, including but not limited to each action specifically identified herein as a Material Default and the bankruptcy or insolvency of a Party.

1.28 “Medium Spectator Events” means a combination of those events defined in the Use Permit as “medium event days,” and those events staged as part of Historical Use, in general, described as a maximum of six (6) event days where attendance is between 5,000 – 11,999 persons per day.

1.29 “Minor Spectator Events” means a combination of those events defined in the Use Permit as “small event days,” and those events staged as part of Historical Use, in general, described as a maximum of 36 race event days where attendance is less than 5,000 per day.

1.30 “NOI” means the fiscal year annual net operating income (or portion thereof) derived from or arising out of activities at the Management Premises. NOI shall be determined

on a cash basis by calculating all Gross Revenue received on a fiscal year basis (cash basis) minus all fiscal year operational expenses including Management Fee Expenses and Allowed Expenses (or portion thereof).

1.31 "NOI Capital" means NOI that shall be expended annually on Improvements.

1.32 "Party" means County or Contractor singularly; "Parties" means County and Contractor jointly.

1.33 "Promotional Days" are those days for use of the Raceway for promotional or testing purposes as allowed by Historical Use, but not exceeding a maximum of 15 days annually.

1.34 "Raceway" means the track currently known as WeatherTech® Raceway Laguna Seca.

1.35 "Term" means the term of this Agreement as set forth in Section 2.4.

1.36 "Termination Date" means December 30, 2023, unless extended as provided for herein.

1.37 "Use Permit" means that certain permit number 2991 issued by the County Planning Commission on or about October 26, 1983, pursuant to Resolution number 83-376. A copy of the

User Permit is attached hereto as Exhibit E.

## ARTICLE 2. MANAGEMENT AND TERM.

### 2.1 Management.

County hereby hires Contractor to Manage the Management Premises for and on behalf of County pursuant to the terms of this Agreement. Contractor acknowledges that County will deliver the Management Premises to Contractor as of the Effective Date free, clear and unencumbered by any and all tenancies and parties in possession, with the exception of Contractor itself and other than the rights reserved to County as set forth herein.

### 2.2 Nature of Management Services.

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This Agreement is a contract for Management services only and is not to be considered or interpreted as a lease or concession for any purpose. This Agreement confers only permission to occupy and use the Management Premises for Management purposes in accordance with the terms and conditions of this Agreement. The expenditure by Contractor of capital and/or labor in the course of operation and management of the Management Premises shall not confer to Contractor any interest in LSRA except as provided herein.

2.3 Conditions Subsequent.

The Army Deed requires the written concurrence of the Secretary of the Interior, or current authorized federal official or agency, for any concession agreement relating to or involving the Management Premises. Contractor acknowledges this is a services agreement and not a concession agreement; however, if County determines the Deed requires concurrence of the Secretary of the Interior County will use commercially reasonable efforts to diligently seek such written concurrence. County cannot guarantee such concurrence or timing in which such concurrence may be obtained. If such written concurrence is denied, this Agreement shall immediately terminate. If the Agreement is terminated pursuant to this Section 2.3, Contractor shall continue to be paid an amount equal to the monthly Management Fee Advance for a period of three (3) months.

2.4 Term.

The Term shall be from the Effective Date through and including the Termination Date, unless earlier terminated as provided herein.

ARTICLE 3. COMPENSATION.

3.1 Management Fee.

Contractor shall receive the annual Fiscal Year Management Fee from County for the performance of its services pursuant to this Agreement. The Management Fee shall be an

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amount equal to the actual Fiscal Year Management Fee Expenses. Levels of staffing by Contractor for the performance of services pursuant to this Agreement, including allowed positions and associated salaries, shall, except as approved by the County Representative, be limited to the maximums provided for in Exhibit A. To ensure adequate cash flow for Contractor to perform its obligations hereunder, County shall provide Contractor on a monthly basis the Management Fee Advance the first installment of which is to be paid no later than January 31~~0~~, 2020, and thereafter on the last day of each month during the Term for the succeeding month's expenses. At the end of each Fiscal Year County and Contractor shall reconcile the total of all Management Fee Advances to the total annual Management Fee Expenses, and County shall either deduct or add the difference thereof to the annual Management Incentive Fee or deduct from future Management Fee Advances at County discretion. Failure by Contractor to ~~pay~~ reimburse any excess Management Fee Advance owed to County at the end of a Fiscal Year as set forth herein shall be a Material Default.

### 3.2 Management Incentive Fee.

Contractor shall receive a Management Incentive Fee equal to twenty percent (20%) of NOI, as calculated pursuant to Section 1.30. The Management Incentive Fee shall be paid based on the County Representative's verification and acceptance of a profit and loss statement generated from County's Financial System and provided to Contractor which calculates NOI for the prior fiscal year. County shall provide Contractor the profit and loss statement no later than August 30th of each year. Contractor shall have the right to review the financial documentation utilized by County to calculate the NOI, however, the calculation made by the County's Financial System, as verified and accepted by the County Representative, except for errors, shall be final and conclusive.

### 3.3 Payment of Management Incentive Fee.

Except as set forth herein, the Management Incentive Fee, if any, will be paid annually no later than 120 days from the end of the Fiscal Year. For Fiscal Year ending 2020, the Management Incentive Fee will be based on NOI for the period January 1, 2020, through June 30, 2020, only. For Fiscal Year ending June 30, 2024, the Management Incentive Fee will be based on NOI for the period July 1, 2023, through December 31, 2023, County shall provide the profit and loss statement to Contractor no later than January 31, 2024, and the Fee, if any, shall be paid no later than 120 days from the end of the calendar year 2023.

#### ARTICLE 4. MANAGEMENT.

##### 4.1 General.

Contractor shall be responsible for the Management of the Management Premises and its various components and facilities to standards of operation and performance at least equal to those generally applicable to major racetracks and similar facilities except as specifically set forth herein. Under the general oversight of the County Representative, Contractor shall Manage the Management Premises in a manner designed to maximize Gross Revenue while complying with the terms of the Army Deed and Use Permit and being consistent with Historical Use. Contractor shall use commercially reasonable efforts to Manage the Management Premises in a safe, healthy and first-class condition. The general public shall be allowed to attend events at and utilize the Management Premises on the terms and conditions established by Contractor and approved by the County Representative.

##### 4.2 Limitations.

The Management of the Management Premises during the Term must be consistent with the Army Deed, Use Permit and Historical Use, and subject to approval by the County Representative.

##### 4.3 Contracting.

In performing its duties and obligations hereunder, Contractor shall have the right to negotiate with third party vendors, suppliers, other independent contractors, promoters and sanctioning bodies on behalf of County; however, all contracts must be in the name of County, and reviewed and approved by the County Representative or County Board of Supervisors, as may be required by the County Code. Any costs of fees required to be spent No such third-party contract shall extend beyond the Term without Contractor first obtaining the prior written consent of the County Representative. A violation of this provision shall be a Material Default.

4.4 Acknowledgement of Title.

Contractor hereby acknowledges the fee simple title of County in the Management Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.

4.5 Intellectual Property.

Other than sponsor owned intellectual property, i.e. WeatherTech® as an example, County shall own all intellectual property rights relating in any way to LSRA and specifically the Management Premises including, but not limited to, logos and identifying terms, and domain names for internet purposes. Contractor may propose and file for such intellectual property right protection (whether copyright or trademark) but all such applications shall be in the name of and approved by County. All County approved intellectual property applications shall be Allowed Expenses. Contractor shall have the ~~right-limited license~~ during the Term, to the use of such intellectual property without charge provided such use is limited to the purpose of promoting events at LSRA.

4.6 Park Capacity Limitations.

Daily attendance levels and overnight camping use at the Management Premises are subject to capacity limitations and County shall retain the authority to impose limitations on attendance levels for public health and safety purposes.

4.7 Signage.

4.7.1 Directional Signage.

As needed, Contractor shall provide and install permanent internal directional signs at the Management Premises indicating the location of facilities, parking, and general necessary information for visitors and event spectators. Contractor shall confer with the County Representative regarding the need for and location of such directional signage, and placement of permanent signage must be approved by the County Representative. Contractor may place temporary signage as necessary for each event. All directional signage shall be limited to providing directions only and shall not be used to promote or advertise in any way Contractor's business. All directional signage approved by County and installed by Contractor shall be an Allowed Expense.

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4.7.2 Other Signage.

Contractor may solicit and recommend to County the placement of new permanent signage at the Management Premises, for example for sponsorship or advertising purposes. For all such signage, Contractor shall obtain prior review and approval in writing from the County Representative. All such signage shall be for the promotion of LSRA only and shall not promote or advertise in any way Contractor's business. All other signage approved by County and installed by Contractor or a sponsor shall be an Allowed Expense, unless paid for by a sponsor.

4.8 Permission to Disseminate Information.

Contractor shall be permitted to submit press releases, circulate articles and periodicals promoting the Management Premises, release still photographs, video, and motion pictures, and



use the internet in an advertising media campaign. All such disseminated information shall only be for the purpose of promoting LSRA and the Management Premises, identify County as the owner and operator of the Management Premises, and such communication shall be approved in advance by the County Representative. In the performance of its obligations pursuant to this Agreement, Contractor is prohibited from using County assets or facilities in any manner that promotes itself or its business without the express written permission of County. All dissemination of information as provided for herein shall be an Allowed Expense.

#### 4.9 Road System.

Contractor shall be responsible for coordinating and gaining approval for the use of all roads providing ingress and egress to the Management Premises, including roads maintained by Federal, State, and local agencies. County shall use commercially reasonable efforts to assist Contractor in obtaining access to and use of roads not under County's jurisdiction and will cooperate with other agencies in obtaining such access and use; however, County cannot guarantee or warrant that such access shall be granted. Cost associated with gaining approval for use of roads for ingress and egress shall be an Allowed Expense.

#### 4.10 Annual Operation Plan.

4.10.1. Contractor shall use its best efforts and work with the County Representative to prepare and provide to County an Annual Operation Plan for review and approval by February March 31, 2020, for the first year of the Term, and by November 1 of each year for the succeeding year during the Term (for example, by November 1, 2020, for the year 2021).

4.10.2. The Annual Operation Plan shall be comprehensive and include an annual budget and be linked to Improvements described in the CIP as and when approved by County.

4.10.3. The Annual Operation Plan shall provide for the provision of necessary emergency services.

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4.10.4. The County Representative shall either approve or disapprove the Annual Operation Plan in writing within thirty (30) days of its receipt. If disapproved, Contractor shall re-submit a revised Annual Operation Plan within thirty (30) days of such disapproval. If the County Representative disapproves such re-submittal, the County Representative shall determine the Annual Operation Plan, which Contractor shall implement. The County Representative in consultation with Contractor may make reasonable modifications to the Annual Operation Plan during the course of the calendar year, and Contractor agrees to accept and implement all such County modifications.

4.10.5. Contractor acknowledges that the BOS may, in its sole discretion, review the Annual Operation Plan in an open public meeting prior to the start of each calendar year. If the BOS requires such a presentation of the Annual Operation Plan, Contractor shall present a review of the past calendar year's operations at the meeting. The BOS shall have the right to require Contractor to appear before it and make such other presentations relating to the Management Premises as the BOS may reasonably require.

4.10.6. Failure to submit the Annual Operation Plan as set forth herein shall be a Material Default.

4.10.7. All expenses included in the Annual Operation Plan shall be Allowed Expenses.

#### 4.11 Master Calendar.

Contractor shall maintain a master calendar of all activities and uses of the Management Premises, including but not limited to uses of the Raceway (including all Major, Medium, and Small Spectator Events, and daily track rentals), campgrounds, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term, and scheduled Raceway maintenance and repair.

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#### 4.12 Advertisement of Major Spectator Events.

Prior to March 1 of each year during the Term, at County expense, Contractor shall cause an advertisement of the schedule for Major Spectator Events to be published at least twice in a local newspaper of general circulation. The advertisement shall be no smaller than "3X5" and shall be printed in no smaller than 12-point type face. Contractor shall provide the County Representative a copy of the advertisement upon publication. Contractor shall similarly publish any change in the schedule for Major Spectator Events immediately upon such rescheduling. All approved advertising shall be an Allowed Expense.

#### 4.13 Schedule of Fees.

Contractor shall be responsible for developing an annual schedule of fees for the use of the Management Premises, including the Raceway, campgrounds, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term. The schedule of fees shall be submitted by November 1 of each year for the succeeding calendar year and is subject to review and approval by the County Representative.

#### 4.14 Use of Facilities by Contractor.

In order to maintain Contractor's status as an independent contractor, County may provide Contractor with temporary facilities to utilize on an as-needed basis for events at the Management Premises. Should Contractor desire more a more permanent presence at the Management Premises in order to carry out its obligations pursuant to this Agreement, County will provide such facilities; however, Contractor shall pay fair market rent for the use of such facilities, which rent shall be included in Management Fee Expenses and such amount of monthly rent shall be added to the monthly Management Fee Advance. Such facilities may include office equipment, including computers, but Contractor shall not be provided, nor shall use, County electronic mail addresses, or have access to County's intranet. County may provide

automobiles for use by Contractor at no-cost (but subject to federal and state tax law) pursuant to a sponsorship agreement between County and an automobile manufacturer. Contractor's Manager's use of a sponsored vehicle shall at all times be deemed an integral part of this Agreement and promotion of the LSRA and the Raceway.

4.15 No Permanent Residence.

Contractor acknowledges and agrees that the LSRA is not intended to be a permanent residence for any person and will not allow any person to reside permanently on the Management Premises. Any temporary residence must be approved by the County Representative, and Contractor must satisfy all requirements for such temporary residences that County, in its discretion, may require. Such temporary residences may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation, and may be subject to federal income taxation. Contractor shall be responsible for the payment of such tax but may require the person(s) temporarily residing on the Management Premises to pay such tax; however, in no event shall County be liable for the payment of any such tax, and Contractor agrees to indemnify County if such tax is levied for such tax.

ARTICLE 5. ALLOWED EXPENSE FUNDING.

5.1 General.

Except as specifically provided in this Agreement, Contractor shall be solely responsible for all expenses associated with the Management of the Management Premises.

5.2 Allowed Expenses Fund.

County shall, on January 3, 2020, provide to Contractor ~~within forty five (45) days of the Effective Date~~ the sum of \$150,000 which shall be deposited by Contractor in the Allowed Expenses Fund. Funds in the Allowed Expense Fund shall remain the property of County and shall be held in trust by Contractor for the sole purpose of paying Allowed Expenses. No later

than the tenth (10<sup>th</sup>) day following the end of each month, Contractor shall provide the County Representative receipt(s) documenting the purpose of Allowed Expenses during the previous month. If the County Representative approves the expense as appropriate, County shall pay to Contractor an amount equal to the expense, which shall be deposited in the Allowed Expenses Fund; if the County Representative disapproves the expense, Contractor shall be responsible for such expense out of its own funds. Approval and disapproval of expenses by the County Representative shall be reasonable and based upon prior approved expenses and practices. County shall have the right to audit at any time, upon 24 hours' notice, the Allowed Expenses Fund, and Contractor shall immediately return to County any funds in the Allowed Expenses Fund upon written demand by County. Failure to provide access to County for audit purposes shall be a Material Default.

5.3 Expenses in Excess of Allowed Expenses Fund.

Should Contractor reasonably determine that a necessary Allowed Expense exceeds the funds then residing in the Allowed Expenses Fund, Contractor shall notify the County Representative and provide justification for the expense. If approved by the County Representative, County shall provide necessary funds to pay for the Allowed Expense. Within 3 days of making the expenditure of such funds Contractor shall provide to the County Representative a receipt documenting the expense.

ARTICLE 5. IMMEDIATE REPAIRS

5.1 Within eight (8) weeks after the Effective Date the Parties shall use their best efforts to agree upon any Immediate Repairs that are required to allow for business continuity.

5.2 All repairs that are considered "works of public improvement" are to be completed by

County as required by law. All general repairs not classified as “works of public improvement” shall be completed by Contractor as an Allowed Expense only after approval of work and costs by the County Representative.

5.3 Upon satisfaction that the Immediate Repair has been performed and its associated invoice is accurate, County shall pay to Contractor the amount of the Allowed Expense as described in Article 5, above.

#### ARTICLE 6. CAPITAL IMPROVEMENT PROGRAM

6.1 Within six (6) months after the Effective Date, Contractor shall prepare and submit to County for its review and approval a CIP. The CIP shall be designed to address health and safety concerns, and necessary capital additions, repairs and maintenance at the Management Premises during the Term, but not Improvements identified as an Immediate Repair. County shall have final approval authority for any Improvement described in the CIP, and the timeline for implementation of approved CIP. Failure to submit the CIP as set forth herein shall be a Material Default.

6.2 All Improvements implemented as part of the CIP shall be owned by County notwithstanding Contractor’s role in the planning, development and implementation of the CIP.

6.3 All Improvements described in the CIP shall be paid for with either NOI Capital or other available funds, both as approved by the BOS.

#### ARTICLE 7. FINANCIAL OPERATIONS

##### 7.1 Revenue

Any and all Gross Revenue collected or received by Contractor shall, by the close of ~~each~~ the next business day, be transmitted to the County Representative or designee. All checks shall be made out to “County of Monterey,” and all credit and debit transactions shall be deposited

into an account designated by County. Failure to transmit Gross Revenue as set forth herein shall be a Material Default.

7.2 Taxes, Fees and Assessments.

Contractor shall be responsible for the payment of all its taxes, fees and assessments associated with its performance under this Agreement. This Agreement may create a possessory interest, as defined in California Revenue and Taxation Code section 107, subject to taxation.

Contractor shall be responsible for the payment of such tax; and in no event shall County be liable for the payment of, or reimbursement to Contractor for any such tax. [Has the Assessor deemed prior manager's interest a possessory interest and subject to this tax?]

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7.3 Records and Reports.

Contractor shall keep or cause to be kept full, complete and proper books, records, and accounts of all Gross Revenue received, and Management Fee Expenses and Allowed Expenses associated with its performance under this Agreement. All such records shall be kept for at least two (2) years after the expiration of the calendar year to which the records relate. County or the County Representatives shall have the right to examine Contractor's records at reasonable times upon at least ~~twenty-four~~ forty-eight (48) hours' prior notice, and from time to time throughout the Term. Failure to provide such access to the County Representative shall be a Material Default.

7.4 Financial Systems.

Contractor agrees that the County's Financial System shall be the primary system of accounting for all financial transactions at the Management Premises. The County's Financial System follows GAAP, including the ability to allocate direct and indirect costs to Major, Medium, and Small Spectator Events, track rentals, and all other activities at the Management

Premises. County staff shall be responsible for the functioning of the County's Financial System; however, Contractor shall provide County with such information as may be necessary to process all Management Premises financial transactions through the system. The County's Financial System shall be the system of record and all reports shall be obtained from financial data directly from said system. The County's Financial System shall include an integrated point of sale system. If a point of sale system does not exist, Contractor shall purchase, with approval from the County Representative, a point of sale system, which shall be an Allowed Expense.

7.5 Debt.

7.5.1. Contractor shall have no right to and shall not secure any debt, loan or other financing with real or personal property owned by County. Incurrence of such debt shall be a Material Default.

7.5.2. Contractor shall not enter into unsecured debt that in any way may be ascribed to or become the debt of County. Incurrence of such debt shall be a Material Default.

7.6 Property Depreciation.

Contractor shall have no right to claim and shall not claim depreciation on real or personal property, or Improvements belonging to County at the Management Premises without first obtaining the prior express written consent of County; provided that Contractor shall retain all rights to depreciation deductions and tax credits arising from its ownership of any personal property.

ARTICLE 8. ADVERTISING, SPONSORSHIPS AND EVENT SANCTIONING

Subject to all other provision of this Agreement, on behalf of County, Contractor may negotiate advertising, sponsorship and event sanctioning agreements relating to the Management Premises as follows:



8.1 All naming rights, advertising, sponsorships and event sanctioning agreements associated with the Management Premises shall be subject to prior, express County approval, and Contractor shall confer with County regarding the negotiation of such agreements.

8.2 All naming rights, advertising, sponsorships and event sanctioning agreements shall be tasteful and not be a cause for embarrassment to County.

8.3 There shall be no advertising, sponsorships or event sanctioning for tobacco, gun related companies, or adult entertainment businesses. Cannabis advertising, sponsorships or event sanctioning shall be at the sole discretion of the BOS.

8.4 No naming rights, advertising, sponsorships and event sanctioning agreement shall extend beyond the Term without the express, written approval of County.

8.5 Entry into naming rights, advertising, sponsorships and event sanctioning agreements without County approval shall be a Material Default.

#### ARTICLE 9. COUNTY EVENTS

County reserves the right to hold events and utilize the Management Premises in its entirety or in part without charge. All such events are property of County, and Contractor shall act solely in its Management capacity regarding such events. County shall reimburse Contractor's costs and expenses attributable to the County's use of the Management Premises.

#### ARTICLE 10. INSURANCE AND INDEMNIFICATION

10.1 ~~Contractor~~ The County shall indemnify, defend, and hold harmless ~~County Contractor and the United States of America~~ its, their officers, employees and agents from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with the performance of this Agreement or County's

prior LSRA management and management agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the LSRA, and the public performance of music, unless such claims, liabilities or losses arise out of the sole gross negligence or willful misconduct of County Contractor or the United States of America.

10.2 Contractor shall indemnify, defend, and hold harmless County and the United States of America, their officers, employees and agents from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or arising out of or connected with Contractor's performance of this Agreement resulting from Contractor's gross negligence or willful misconduct.

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~~Without limiting Contractor's duty to defend and indemnify County and the United States of Americas as set forth above,~~ 10.3 Contractor shall provide insurance coverages for its Management of the Management Premises as set forth in Exhibit C. County shall be named as an additional insured on all policies. Failure to maintain the required insurance shall be a Material Default. The cost of the insurance premium for the policy(ies) shown on Exhibit C, shall be an Allowed Expense.

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10.4 Contractor may obtain Errors and Omissions Insurance coverage for its Manager and officers and directors, if any. The cost of such Errors and Omissions Insurance shall be an Allowed Expense.

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## ARTICLE 11. AUDIT RIGHTS

11.1 County has the right, at its sole cost and expense, to audit on an annual or ad hoc basis the operations, management and finances of the Management Premises, including finances of Contractor related to the Management of the Management Premises. Contractor acknowledges and agrees that County's Auditor – Controller has the independent right at any time to audit County assets and operations, and any such audit will be in addition to the annual audit authorized by this section.

11.2 County has the right to inspect and audit Contractor's finances and operations related to the performance of this Agreement as County deems necessary upon twenty-four (24) hours' prior written notice. Upon receipt of such notice of intent to inspect such records and facilities, Contractor shall take all necessary actions to make available all records and facilities to the County Representative.

11.3 Failure to provide access to County for audit or inspection purposes shall be a Material Default.

#### ARTICLE 12. PUBLIC ACCESS

12.1 The general public shall have access at all times to the Management Premises subject to reasonable and customary use or entrance fees as approved in writing by County.

12.2 Neither Contractor, its members, officers, employees, agents or donors, or sponsors, vendors, advertisers or naming rights entities, shall have special privileges for the use of any facilities at the Management Premises unless specifically approved in writing by the County Representative.

#### ARTICLE 13. COUNTY OVERSIGHT AND ACCESS

13.1 County shall designate the County Representative for contract management purposes, and Contractor shall ensure that the county Representative has full access to and complete information regarding all Contractor's activities, contracts, sub-contracts, vendor

agreements/arrangements, facility access, financial records, policy discussions, sponsorship agreements/arrangements, strategic planning, capital improvement planning and implementation, track rental rate setting, Major, Medium and Small Spectator Event agreements, and all other Management Premises operational and financial aspects as County determines to be necessary to adequately oversee implementation of this Agreement. Failure to provide the County Representative with the access and information set forth herein shall be a Material Default.

13.2 Notwithstanding any other provision of this Agreement, County and its agents shall have the right to enter the Management Premises at any time for any appropriate purpose. Denial of such access shall be a Material Default.

13.3 County retains the right to have offices and staff assigned permanently to the Management Premises and determine which facilities shall be used to station those staff.

13.4 The County Representative may approve promotional packages, including tickets or passes to events, which may be necessary or appropriate for Contractor to effectively promote, market and grow business and business prospects at the Management Premises. Such promotional packages may include those to volunteers in order to encourage and promote volunteer activities for the benefit of LSRA. Contractor shall request approval of such packages in writing to the County Representative, which writing shall support the business purpose for such packages. Granting of promotional packages without the County Representatives approval shall be a Material Default.

#### ARTICLE 14. TERMINATION

##### 14.1 Termination for Convenience.

This Agreement may be terminated by County for no reason or any reason upon one hundred and ~~twenty-eighty~~ (1280) days written notice. If the Agreement is terminated pursuant

to this Section 14.1. Contractor shall continue to be paid an amount equal to the monthly Management Fee Advance for a period of three (3) months.

14.2 Termination for Material Default.

If a Material Default occurs, the defaulting Party shall be given thirty (30) days written notice from the non-defaulting Party to cure the default. If the Material Default is not cured within the thirty (30) day period, the non-defaulting Party may terminate this Agreement upon thirty (30) days prior written notice to the defaulting Party.

14.3 Effect of Termination.

14.3.1. All real property and Improvements, and personal property not owned by Contractor, shall remain owned by County.

14.3.2. Contractor shall negotiate in good faith with County for the acquisition by County of personal property owned by Contractor and used at the Management Premises.

14.3.3. Upon termination, the Parties shall reconcile the Management Fee Expenses and Allowed Expenses, and Contractor shall be entitled to the payment of Management Fee Expenses and the Management Incentive Fee on a pro rata basis through the effective date of the termination, except in the case of a Material Default by Contractor, in which case Contractor shall not be entitled to any Management Incentive Fee. All funds remaining in the Allowable Expenses Fund shall be paid to County.

## ARTICLE 15. MISCELLANEOUS PROVISIONS

### 15.1 Complete Agreement.

This Agreement constitutes the full and complete agreement between the Parties regarding the subject matter hereof. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement.

### 15.2 Amendment.

This Agreement may be amended from time-to-time by mutual consent of the Parties. Such amendments may only be in the form of a writing signed by each of the Parties.

### 15.3 Successors and Assigns.

This Agreement, and the rights and obligations of Contractor hereunder, may be assigned or delegated by County without the prior consent of Contractor, either express, implied, written or unwritten. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of the Army Deed, Use Permit, any contracts then in effect regarding the Management Premises, and other ordinances or resolutions of County then in effect. Contractor shall be obligated to accept such assignment without objection or contest for a period of 90 days. Beginning no earlier than thirty (30) days following the effective date of the assignment or delegation Contractor may terminate this Agreement by providing sixty (60) days written notice to the assignee/delegate.

### 15.4 Dispute Resolution.

If there are disputes and/or controversies between the Parties relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the Parties shall in good faith meet and confer within twenty-one (21) calendar days after written notice of a dispute has been sent by one Party to the other Party. If the Parties are not able to resolve the dispute through informal negotiation, the Parties agree to submit such

dispute to formal mediation before resorting to litigation. If the Parties cannot agree upon the identity of a mediator within ten (10) business days after a Party requests mediation, then the Parties shall each select a mediator and those two mediators will select a third mediator to mediate the dispute. The Parties shall share equally in the cost of the mediator who ultimately mediates the dispute, but neither Party shall be entitled to collect or be reimbursed for other related costs, including but not limited to attorneys' fees. If mediation proves unsuccessful and litigation of any dispute occurs, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and expenses in addition to any other relief to which the Party may be entitled. If a Party refuses to participate in mediation prior to commencing litigation, that Party shall be deemed to have waived its right to attorneys' fees and costs as the prevailing Party.

15.5 Execution in Parts or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Parties. Facsimile or electronic signatures shall be binding.

15.6 Party Authorization.

The governing bodies of the Parties have each authorized execution of this Agreement, as evidenced by their respective signatures below.

15.7 No Predetermination or Irrevocable Commitment of Resources.

Nothing herein shall constitute a determination by County or Contractor that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

15.8 Notices.

Any notice pursuant to this Agreement shall be given in writing by a Party or its legal representative by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, (d) legible facsimile transmission, or (e) electronic mail or other electronic means sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance with this section, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission or electronic mail, as of the date of the facsimile or electronic transmission (or next business day if transmitted on a day other than a business day). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

To County:

County Administrative Officer  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901  
(831) 757-5792

To Contractor:

John Narigi  
28 Mesa Del Sol  
Salinas, CA. 93908  
[REDACTED]

Copy to:

County Counsel \_\_\_\_\_  
168 West Alisal Street, 3<sup>rd</sup> Floor \_\_\_\_\_  
Salinas, CA 93901 \_\_\_\_\_  
(831) 755-5283 (facsimile) \_\_\_\_\_

Copy to:

Hansen P. Reed, Esq.  
Walker & Reed, PC  
215 W. Franklin St 5FL  
Monterey, CA 93940  
[hreed@walkerandreed.com](mailto:hreed@walkerandreed.com)

15.9 Severability and Validity of Agreement.

Should any part, term or provision of this Agreement be decided by a court of law to be illegal, in excess of a Party's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or



provisions of this Agreement shall not be affected thereby and each Party hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

15.10 Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

15.11 Captions.

The headings and titles to the paragraphs of this Agreement are not a part of this Agreement, are for convenience of reference only, and shall have no effect upon the construction or interpretation of any part of this Agreement.

15.12 Excusable Delay.

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period of time equal to any such period of prevention, delay or stoppage. Notwithstanding anything in this Section 15.12 to the contrary, such period of prevention, delay or stoppage shall not affect the financial obligations of either Party including, but not limited to, payment of the Management Fee Advance and Allowed Expense(s) reimbursement.

15.13 Tense, Number, and Gender.

15.14 Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and references so require. Any pronoun herein shall be read in such gender as the context may require.

15.15 Survival.

The obligations of County and Contractor under this Agreement shall survive the expiration or other termination of the Term, to the extent applicable following such expiration or termination, and shall remain in effect until fulfilled. This covenant specifically includes, without limitation, each indemnity obligation set forth herein.

15.16 Exhibits Incorporated.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by such reference as though fully set forth herein.

15.17 Further Assurances.

Each Party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Effective Date, as may be reasonably requested by the other Party to implement more effectively the purposes, intent or subject matter of this Agreement.

15.18 No Third-Party Beneficiary.

The provisions of this Agreement are and will be for the benefit of County and Contractor only and are not for the benefit of any third-party. Accordingly, no third-party shall have the right to enforce any provision of this Agreement.

15.19 Construction.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

15.20 Calculation of Time Periods.

In computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of

the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of California, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 P.M., California time, unless otherwise specified herein. As used in this Agreement, the term "business day" shall mean a calendar day that is not a Saturday, Sunday, or legal holiday under the laws of the State of California.

15.21 County's Police Power.

Nothing in this Agreement shall alter in any way County's rights or duties as a governmental agency with jurisdiction over the Management Premises to act in the manner otherwise permitted or required under applicable laws for the health, safety and general welfare of the public.

15.22 Surrender at End of Term.

At the expiration or sooner termination of the Term, Contractor shall (a) subject to (b) hereof, remove its personal property, furniture, fixtures and equipment and shall surrender the Management Premises to County, (b) negotiate in good faith with County for the acquisition by County at fair market value of all personal property assets owned by Contractor and used exclusively in connection with Contractor's Management of the Management Premises, and (c) at County's option, assign to County any contracts relating to the Management Premises that are not in the name of County. All alterations, additions and improvements to the Management Premises including intellectual property and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions shall inure to the benefit of, and be owned by, County.

15.23 Waivers.

Failure of either Party to complain of any act or omission on the part of the other

Party, no matter how long the same may continue, shall not be deemed to be a waiver by said Party of any of its rights hereunder except to the extent that passage of time constitutes an express waiver under any other provision of this Agreement. No waiver by either Party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by either Party shall require the consent or approval of the other Party, the other Party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either Party may have under this Agreement or at law or in equity shall be cumulative, and shall not be deemed inconsistent with each other; no one of them, whether exercised or not, shall be deemed to be an exclusion of any other, and any or all of such rights and remedies may be exercised at the same time.

15.24 Time.

Time is of the essence of this Agreement and of each and every one of the provisions contained herein.

15.25 No Agency or Partnership.

Contractor is an independent contractor of County. The Parties do not intend to create, and nothing in this Agreement shall be construed to create, an employment, agency, partnership, trust or other relationship between County and Contractor, its officers or employees with respect to duties or incidents different from those of parties to an arms-length contract.

15.26 Applicable Law.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

MONTEREY COUNTY

A & D NARIGI CONSULTING, LLC

By: \_\_\_\_\_ Title: \_\_\_\_\_

Date: January \_\_, 2017

Date: January \_\_, 2017

Approved as to Form and Content

Leslie J. Girard, County Counsel

By: \_\_\_\_\_  
 Leslie J. Girard  
 County Counsel

**EXHIBIT A**

**SCHEDULE OF ALLOWED MANAGEMENT FEE SALARIES AND EXPENSES**

Position Title	Exempt Staff	Maximum Annual Pay 2020	Maximum Annual Pay 2021	Maximum Annual Pay 2022	Maximum Annual Pay 2023
<b>Administration:</b>					
General Manager	X	\$230,000	\$236,912	\$244,005	\$251,326
Human Resources Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Administrative Assistant		\$47,382	\$48,797	\$50,274	\$51,771
Receptionist		\$27,789	\$28,621	\$29,474	\$30,358
<b>Souvenir Store:</b>					
Retail Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Retail Assistant		\$36,400	\$37,502	\$38,626	\$39,770
Retail Assistant - PT		\$14,560	\$14,997	\$15,444	\$15,912
Retail Assistant - PT		\$14,560	\$14,997	\$15,444	\$15,912
<b>Communications, Marketing &amp; Media:</b>					

Director of CM&M	X	\$111,509	\$114,858	\$118,290.00	\$121,846.00
Marketing Manager	X	\$85,010	\$87,568	\$90,189	\$92,893
Marketing/Social Media Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Business Development Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Marketing/Media Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Communications Manager	X	\$67,995	\$70,034	\$72,134	\$74,298
Marketing/Promotions Coordinator		\$45,760	\$47,133	\$48,547	\$50,003
Reunion Management:					
Reunion Manager	X	\$63,000	\$64,896	\$66,830	\$68,848
Administrative Assistant - PT		\$17,000	\$17,514	\$18,044	\$18,585
Ticket & Camping Sales:					
Ticket Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Ticket Coordinator		\$47,840	\$49,275	\$48,672	\$52,270
Ticket/Camping Asst		\$33,280	\$42,848	\$44,138	\$45,448
Ticket/Camping Asst		\$31,200	\$19,57	\$41,933	\$43,181
Ticket/Camping Asst		\$31,200	\$34,278	\$35,298	\$36,358
Ticket/Camping Asst		\$31,200	\$34,278	\$35,298	\$36,358
Facilities:					
Sr. Facilities Manager	X	\$87,000	\$89,606	\$92,310	\$95,077
Track Manager	X	\$57,484	\$63,440	\$67,309	\$69,326
Facilities Supervisor		\$33,280	\$42,848	\$44,138	\$45,448
Track Foreman		\$41,600	\$36,421	\$37,523	\$38,646
Track Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Track Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$41,600	\$36,421	\$37,523	\$38,646
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$41,600	\$36,421	\$37,523	\$38,646
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912
Facilities Assistant		\$14,560	\$14,997	\$15,444	\$15,912

Track/Event Operations:					
Senior VP of Operations	X	\$67,000	\$89,606	\$92,310	\$95,077
Event Operations Manager	X	\$60,000	\$61,818	\$63,669	\$65,582
Event Operations Assistant		\$37,440	\$38,563	\$39,728	\$40,914
Track Rental Coordinator		\$33,280	\$42,848	\$44,138	\$45,448
Concessions Coordinator		\$33,280	\$42,848	\$44,138	\$45,448
<b>Annual Total for Salary</b>		<b>\$1,893,889</b>	<b>\$1,942,203</b>	<b>\$2,042,261</b>	<b>\$2,105,622</b>

**EXHIBIT B**

**MAP OF MANAGEMENT PREMISES**

**EXHIBIT C**

**REQUIRED INSURANCE COVERAGES**



**EXHIBIT D**

**ARMY DEED**

**EXHIBIT E**  
**USE PERMIT**

## Girard, Leslie J. x5365

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**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 11:11 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi; Hansen Reed  
**Subject:** RE: Salary Exhibit

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

I have reviewed and did comparison to the 4/18 schedule provided. Until I get on site and figure out who is who and what they are actually doing regarding actual job tasks, tough to compare. All scales going forward will be as you presented, by position, 4/18 is by name.

I agree with your revised number total per year, 280k, 295k, 310k. I also agree to much staff. But prefer to have some space. (if awarded the contract) until I can figure the organizational chart out and needed positions. The body count is 40, not including anyone I note in finance, you do have an HR manager, nor Steve Fields for sponsorships, although independent and finance is county those bodies are still dedicated to LSRA, thus the count is close to 45. A lot of bodies for 18-20mill in sales to date.

I reviewed payroll OH against my numbers from the plaza in the key depts that resemble those of the track, on an average 1-1 it was 39.2%, your 40% for at least 2020 is good. Not sure of all benefits offered and cost of H&W etc. nor employee contribution to the cost.

Do not be concerned, I am going after the NOI but I also want some freedom to properly determine the real operating expenses required to run LSRA EFFICIENTLY while increasing the gross revenues while improving services provided to our clients and guests.

Please add the document showing the scales as Exhibit A.

Thank you for working on this and getting an accurate doc to me.

jvn

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**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Wednesday, November 13, 2019 2:34 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Salary Exhibit

John,

I revised the Maximum Salary amounts and bumped them up quite a bit, in reality I wouldn't believe you would fill all 40 positions, it seems way over staffed and would really impact the N.O.I., nonetheless lets leave the possibility that you would be able to hire all on this list. At the bottom you will see the total amount for salary only would be \$270,811 monthly well within the \$275,000 in 2020 that is with a 40% cost added on for benefits, et. All, I can move the 2020 up to \$280,000 for a bit of a flexibility. So I'll go \$280,000 for 2020; \$295,000 for 2021 and \$310,000 for 2022 & 2023

	Position Title	2020 Maximum Annual Salary	2021 Maximum Annual Salary	2022 Maximum Annual Salary	2023 Maximum Annual Salary
	<b>Administration:</b>				
1	General Manager	\$229,840	\$236,735	\$243,837	\$251,152
1	Human Resources Manager	\$83,200	\$85,696	\$88,267	\$90,915
1	Administrative Assistant	\$47,840	\$49,275	\$50,753	\$52,276
1	Receptionist	\$33,280	\$34,278	\$35,307	\$36,366
	<b>Souvenir Store:</b>				
1	Retail Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Retail Assistant	\$41,600	\$42,848	\$44,133	\$45,457
1	Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366
1	Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366
	<b>Communications, Marketing &amp; Media:</b>				
1	Director of CM&M	\$111,509	\$114,854	\$118,300	\$121,849
1	Marketing Manager	\$85,010	\$87,560	\$90,187	\$92,892
1	Marketing/Social Media Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Business Development Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Marketing/Media Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Communications Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Marketing/Promotions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
	<b>Reunion Management:</b>				
1	Reunion Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Administrative Assistant - PT	\$41,600	\$42,848	\$44,133	\$45,457
	<b>Ticket &amp; Camping Sales:</b>				
1	Ticket Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Ticket Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
1	Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
	<b>Facilities:</b>				
1	Sr. Facilities Manager	\$93,600	\$96,408	\$99,300	\$102,279
1	Track Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Facilities Supervisor	\$46,800	\$48,204	\$49,650	\$51,140
1	Track Foreman	\$38,480	\$39,634	\$40,823	\$42,048
1	Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639

1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
1	Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
	<b>Track/Event Operations:</b>				
1	Senior VP of Operations	\$145,600	\$149,968	\$154,467	\$159,101
1	Event Operations Manager	\$71,760	\$73,913	\$76,130	\$78,414
1	Event Operations Assistant	\$41,600	\$42,848	\$44,133	\$45,457
1	Track Rental Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
1	Concessions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
	<b>Annual Total for Salary</b>	<b>\$2,321,238</b>	<b>\$2,390,876</b>	<b>\$2,462,602</b>	<b>\$2,536,480</b>
40					
		\$193,436.53	\$199,239.63	\$205,216.82	\$211,373.32
		\$77,374.61	\$79,695.85	\$82,086.73	\$84,549.33
		\$270,811.15	\$278,935.48	\$287,303.55	\$295,922.65



**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 14, 2019 8:17 AM  
**To:** Adams, Mary L.  
**Subject:** RE: LSRA Management Proposals  
**Attachments:** Comparative Analysis.docx

Supervisor,

In general during a contractor selection process the BOS is not included in due diligence on comparing the submittals from proposers, County Staff conduct this due diligence on multiple contract proposals all year long. Staff then negotiate with the preliminary selected vendor and if able to agree on contract terms and language then it is brought forward for Board consideration. When it is brought forward this is when the BOS is provided information regarding why this vendor was determined by staff to be the best choice for this particular service and the BOS makes final determination as to enter into contract or provide additional direction.

I have attached a comparative analysis which will accompany the report when the contract is brought forward for your review. To be specific of the three SCRAMP's proposal was extremely non-competitive in length, financial terms and risk assumption by the County. More closely aligned were Laguna Seca Management, LLC (Pook) and A&D Narigi Consulting, with Pook having less favorable financial terms and extremely top heavy on executive staff, which was unclear as to what that level of executive staff would cost.

It came down to the due diligence between Narigi and Pook as to whom had the best ability to maneuver in our local market to run the business and some background checks revealed that Pook although heavily involved in the MotorSports industry that engagement was not contemporary and industry feedback was not as favorable as we should require.

I am available to meet and discuss in greater detail the information gathered on background at your request.

Thanks,

Dewayne

**From:** Adams, Mary L. <AdamsML@co.monterey.ca.us>  
**Sent:** Thursday, November 14, 2019 8:02 AM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** Re: LSRA Management Proposals

Dewayne, I am going to need more information for the blow back I will receive when you make this announcement. Please tell me the process that took place that led you to making this decision. Clearly it did not include BOS input. Thank you.

Mary L. Adams,  
Fifth District Supervisor  
County of Monterey

On Nov 13, 2019, at 2:48 PM, Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)> wrote:

Dear Board,

Please be aware I will be emailing Friends, SCRAMP and Laguna Seca Management, LLC (Pook) and advising that at this point we are in negotiating with another proposer and if that negotiation is unsuccessful then the County will further consider their proposal.

Thanks,

Dewayne





[REDACTED]

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**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 14, 2019 11:33 AM  
**To:** Woods, Dewayne x5309  
**Cc:** Hansen Reed  
**Subject:** Re: Management Agreement Redline

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks Dwayne, plz discuss with Hansen any items not in agreement. .

Sent from my iPhone.  
Jvn

On Nov 14, 2019, at 11:15 AM, Woods, Dewayne x5309 <woods@co.monterey.ca.us> wrote:

All,

Les is working on edits that we are able to accept a few will need changes which Les shall provide. I am attaching the Insurance requirement exhibit for your information.

Thanks,

Dewayne

---

**From:** John Narigi [REDACTED]  
**Sent:** Wednesday, November 13, 2019 9:37 PM  
**To:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>; Hansen Reed  
[REDACTED]  
**Cc:** John Narigi [REDACTED]  
**Subject:** FW: Management Agreement Redline  
**Importance:** High

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Below at the start of this email train in chronological order are the sections where suggested revisions were made to the agreement by me and my attorney. They are all redlined in the contract for quick review by you and les.

I have a few additions listed below:

- Recital- 4<sup>th</sup> paragraph, LRSA S/B LSRA.
- 1.8- S/B A&D Narigi Consulting LLC
- 4.14- S/B regarding auto promotion, WeaterhTech Raceway Laguna Seca.

The above changes and Hansen's listed below should be it for suggested revisions. As discussed with both you and Hansen, he is available and able to negotiate on my behalf tomorrow if some of our revisions are not agreeable.

If I am needed please feel free to call and I will seat myself in the room so I can excuse self to get on a call if needed. Dwayne I want this item to make your agenda, so don't hesitate to call. I can send an email agreeing to the contract and do a hard sign first thing Friday morning. If another electronic way of doing let me know, I will make it work.

Regarding office space as an FYI, I had two permeant companies who had long term service agreements with the hotel, audio visual and valet parking. The contracts specified office space and the particular equipment that would be provided to contractor at no charge. Can my firm not be treated in the same way? Hansen did add language regarding the requirement for me to pay rent but would be reimbursed by the county, thought my experience at the hotel might be beneficial to the discussion.

Language also added regarding indemnifying and liability concerns I have voiced.

Exhibit A regarding compensation, revised I will answer under separate email this evening as well.

Thank you both for you assistance.

Hansen info, email above, phone, [REDACTED]  
Jvn cell, [REDACTED]

jvn

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**From:** Hansen Reed [REDACTED]  
**Sent:** Wednesday, November 13, 2019 3:38 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Management Agreement Redline  
**Importance:** High

John,

Attached is my redline. My comments are as follows: (Note: I will only comment on bigger issues.)

- 1.2 I added language for prior written approval.
- 1.11 I added language regarding a POS system that would be an Allowed Expense, if one does not exist.
- 1.16 I added language that the parties will try and put together a list of Historical Uses.
- 1.24 I believe the intent was to be health insurance, not other liability insurance.
- 2.3 I added language that you get 3 months Management Fee Advance.

2.4 I added language to add a 3 year option.

3.1 I added language that allows for increase in the pay at the approval of the County Rep. Also, I tried to clarify that you only reimburse the county if there is excess management fee advance paid (meaning the County paid you more than you paid out)

4.3 and other section: I tried to make sure that these are preapproved Allowed Expenses.

4.7.1 I limited it to as needed for signage.

4.10 et seq. I added language to make it more flexible. Also any expenses in the Operational Plan shall be Allowed Expenses.

4.14 If rent is included, then the Fee Advance needs to be increased. You cant come out of pocket for a year then get reimbursed. I added language that your use of a car is always promotion of the LSRA and the Raceway.

5.2 Made \$150lk payment to be on 1/3/2020. I also added language that approval and disapproval shall be reasonable and be based upon past approved expenses and practices.

7.1 It is impossible to get all revenue to the county that day. The next business day seems reasonable.

7.2 Has the Assessor ever deemed a possessory interest and charged taxes. You should not have to pay the taxes.

7.3 I increased to 48 hours.

7.4 I added language regarding a POS system.

9. I added language that County reimburses you for expenses.

10. MY COMMENT IS WHY WOULD YOU TAKE ON MASSIVE RISK AND AGREE TO INDEMNIFY THE COUNTY AND THE US GOVERNMENT WHEN THE COUNTY KEEPS ALL OF THE FUNDS AND ALL YOU GET IS A RELATIVELY SMALL MANAGEMENT FEE. THIS IS EFFECTIVELY LIKE REQUIRING YOU AS THE GM OF THE PLAZA HOTEL INDEMNIFYING THE ACTUAL OWNERS OF THE HOTEL. WHY WOULD ANYONE ACTUALLY DO THIS. NO ONE WOULD DO THIS. I THINK IT IS OK TO HAVE A CARVE OUT FOR GROSS NEGLIGENCE AND WILLFUL MISCONDUCT.

10.1 I made the County indemnify you except for your gross negligence and willful misconduct.

10.2 I added where you indemnify the County for your gross negligence and willful misconduct.

10.3 Cost of liability insurance should be an Allowed Expense, not a Management Fee.

10.4 I added E&O insurance and it being an Allowed Expense.

12.1 I think it is important that the language actually be as it was written. We do not want you to be deemed to have a possessory interest and subject to tax. Seems if the public has the right to access then you are better off.

14.1 I added 3 months management fee if terminated without cause. This is like a severance.

15.8 I added myself to the notice provisions.

15.12 I added language about the financial obligations continuing even if there is a delay or stoppage.

These are all of my comments and changes.

Feel free to add or subtract from this email or forward to the county directly.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805

<image001.jpg>

<Laguna Seca Management agreement.docx>



[REDACTED]

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**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 14, 2019 12:08 PM  
**To:** 100-District 3 (831) 385-8333; 100-District 1 (831) 647-7991; 100-District 2 (831) 755-5022; 100-District 5 (831) 647-7755; 100-District 4 (831) 883-7570; Adams, Mary L.; Phillips, John M. x5022; Alejo, Luis; Parker, Jane; 'Lopez, Christopher M. x5729'  
**Cc:** McKee, Charles J; GirardLJ@co.monterey.ca.us  
**Subject:** 11-19-19 LSRA Board Report & Management Agreement  
**Attachments:** Board Report.pdf; Attachment C - Recommended Management Agreement.pdf; Comparative Analysis.docx

Dear Board,

Please find attached a copy of the Board Report, Proposer Comparative Analysis, and Recommended Management Agreement. The Agreement is recommended to be with A&D Narigi Consulting who presented the best fiscal terms and local business experience. You are sure to get many calls/letters/inquires on this matter, this item will be timed and presented on 11/19/19 for your consideration.

I will be stressing that this is dealing with the management of the business and not the SCRAMP volunteers

The County embraces continued engagement of the volunteerism, including SCRAMP

If the County had not intervened in 2017 the events would not have taken place and all the improvements to date would not have occurred

The County seeks the best business operator which will ensure that the events continue for years to come and therefore are in need of volunteerism

I will provide more elaboration on the process and how the recommendation was developed at the meeting on 11/19/19.

If you require further information please do not hesitate to contact me.

Thanks,

Dewayne



# Monterey County

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

Legistar File Number: 19-0892

November 19, 2019

**Introduced:** 11/12/2019

**Current Status:** Scheduled AM

**Version:** 1

**Matter Type:** General Agenda Item

- a. Receive a presentation summarizing the proposals received for management of Laguna Seca Recreation Area;
- b. Approve a management agreement from January 1, 2020 through December 31, 2023 between the County of Monterey and A&D Narigi Consulting, LLC for management services at Laguna Seca Recreation Area; and
- c. Authorize the Chair of the Board to execute the Agreement.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive a presentation summarizing the proposals received for management of Laguna Seca Recreation Area;
- b. Approve a management agreement from January 1, 2020 through December 31, 2023 between the County of Monterey and A&D Narigi Consulting, LLC for management services at Laguna Seca Recreation Area; and
- c. Authorize the Chair of the Board to execute the Agreement.

### SUMMARY/DISCUSSION:

On January 31, 2017, the Board of Supervisors passed a General Agenda Item, File #17-0104, approving a three-year management agreement between the County of Monterey and Sports Car Racing Association of the Monterey Peninsula (SCRAMP), retroactive from January 1, 2017, for management services at the Laguna Seca Recreation Area (LSRA), and authorized the Chair of the Board to execute the Agreement, No. A-13425. The current agreement was required to ensure continued operations of events at LSRA and was completed to allow time to determine next steps in operating the business. The current management agreement will expire on December 31, 2019.

The County Administrative Office has been reviewing the business operations of LSRA and has received four proposals to operate the business and facility. One proposal was a resubmittal of a concessionaire proposal from 2016 and three were new submittals for a management agreement. At this time the County was not entertaining concessionaire proposals and due diligence was conducted on the three management proposals. Attachment A outlines the major terms sought by the three management proposals. The most favorable and aligned with what was sought by the County was the proposal from A&D Narigi Consulting, LLC. County staff has negotiated an agreement with A&D Narigi Consulting, LLC, as attached, for Board consideration. While all firms were considered, A&D Narigi Consulting, LLC brought a unique local business/hospitality approach to the forefront and is most closely aligned with the timeline and business model required for future success. Staff concluded



that A&D Narigi Consulting, LLC would be the best firm to move LSRA to the next phase. Staff and A&D Narigi Consulting, LLC continue to be committed to working with all volunteer groups to value and honor their continued service and spirit of volunteerism at LSRA.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has reviewed and approved the agreement.

FINANCING:

The funding for this agreement will be included in each fiscal year for the term of the agreement.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lavonne Chin, Special Events Manager, ext. 7214

Approved by: Dewayne Woods, Assistant County Administrative Officer, ext. 5309

Attachments: Attachment A - Comparative Terms in Brief; Attachment B - Proposals for Management of Laguna Seca Recreation Area; Attachment C - Recommended Management Agreement

# ATTACHMENT C

AGREEMENT  
for the  
OPERATION AND MANAGEMENT  
of the  
LAGUNA SECA RECREATION AREA  
between  
THE COUNTY OF MONTEREY  
and  
A & D Narigi Consulting, LLC  
dated  
January \_\_\_\_, 2020

**OPERATION AND MANAGEMENT AGREEMENT**

This Operation and Management Agreement (“Agreement”) dated January \_\_\_\_, 2020 is between the COUNTY OF MONTEREY, California (“County”), a political subdivision of the State of California, and A & D Narigi Consulting, a California limited liability company (“Contractor”) (each a “Party,” collectively, the “Parties”).

**RECITALS**

WHEREAS, in 1974 the area now known as Laguna Seca Recreational Area (“LSRA”), formerly part of Fort Ord, was transferred from the United States Government to County

pursuant to a quitclaim deed, which deed has been amended twice (collectively, the “Army Deed”); and,

WHEREAS, since County’s acquisition of LSRA in 1974, County has operated and managed the racetrack and associated facilities located within LSRA (currently known as WeatherTech® Raceway Laguna Seca, hereinafter “Raceway”) under a series of concession agreements, and most recently under a management agreement dated January 31, 2017, and which expires on December 31, 2019; and,

WHEREAS, in addition to the Raceway, LSRA includes various campgrounds and two rifle/pistol ranges; and,

WHEREAS, in 1983, the County Planning Commission approved Use Permit No. 2991 (“Use Permit”) governing the operation and general development of LSRA; and

WHEREAS the past concessionaire historically held contracted events in addition to events permitted pursuant to the Use Permit; and,

WHEREAS, Contractor is organized for the purpose of providing facility management and consulting services, and has the necessary qualifications and background for managing LSRA for County; and,

WHEREAS, County and Contractor have reached mutually acceptable terms for the management of certain portions of LSRA; and,

WHEREAS, it is the intent of the Parties that the management of LSRA shall be consistent with historical practice, and the terms of the Use Permit and Army Deed, until a new master plan for LSRA is prepared and approved, and appropriate environmental review is performed; and,

WHEREAS, it is the further intent of the Parties that Contractor, its officer, employees and agents be considered independent contractors and not County employees, pursuant to the guidelines set forth in Assembly Bill 5 (Gonzalez, 2019); NOW THEREFORE,

County and Contractor agree as follows:

## AGREEMENT

### ARTICLE 1. DEFINITIONS.

1.1 “Agreement” means this Operation and Management Agreement.

1.2 “Allowed Expenses” or “Allowed Expense” means those reasonable and necessary expenses for services and supplies related to the Management of the Management Premises regularly incurred by Contractor but that are not Management Fee Expenses nor expenses related to Improvements or the CIP. Contractor may seek the County Representative’s prior written approval of an expense, which approved expense shall be an Allowed Expense. If Contractor submits an expense for prior approval, the County Representative shall either approve or deny said expense, in writing, within five (5) business days; the failure to approve or deny a prior submitted expense within the five business days shall be deemed a denial.

1.3 “Allowed Expenses Fund” means a segregated account held in trust by Contractor into which it shall deposit and hold funds provided by County solely for the purpose of paying Allowed Expenses, as more fully described in Article 5.

1.4 “Annual Operation Plan” means the annual plan described in Section 4.10

1.5 “Army Deed” means that certain quitclaim deed from the United States Government to County dated October 31, 1974 and recorded in Monterey County Official Records at Reel 944 Page 1077, conveying LSRA to County, as amended on August 6, 1986 and recorded in Monterey County Official Records at Reel 2012 Page 235, and on January 21, 2000 by

Document No. 2000082485, Monterey County Official Records. A copy of the Army Deed is attached hereto as Exhibit D.

1.6 “BOS” means the Monterey County Board of Supervisors.

1.7 “CIP” means the projects included in the County Capital Improvement Program described in Article 8.

1.8 “Contractor” means A & D Consulting.

1.9 “County” means the County of Monterey.

1.10 “County Representative” means the person designated by the County Administrative Officer for contract management purposes as described in Article 16.

1.11 “County’s Financial System” means the system of accounting utilized by County for the purpose of documenting and tracking financial transactions, which shall include an integrated Point of Sale System used by Contractor. The costs of a POS system shall be an Allowed Expense.

1.12 “Effective Date” means January 1, 2020.

1.13 “Fiscal Year” means the period July 1 – June 30 of each year.

1.14 “GAAP” means generally accepted accounted principles as defined and promulgated by the American Institute of Certified Public Accountants.

1.15 “Gross Revenue” means all revenue accruing to County generated, directly or indirectly, as result of events or activities occurring, pursuant to this Agreement, on, at or in the Management Premises. Except as may be specifically agreed to in writing otherwise, Gross Revenue includes, but is not limited to, all revenue derived from ticket, merchandise, food or beverage sales; daily track or other facility rentals; the provision of services; or monetary or in-kind receipts from any and all sources of income derived in whole or in part from any business transacted on, at, or in the Management Premises, whether from customers or otherwise, both

cash and on credit, and in cases of sales or charges on credit, whether or not payment is actually made or received.

1.16 “Historical Use” or “Historical Practice” means those events that have been historically held at LSRA either by County, or its concessionaire or manager. The Parties will use reasonable efforts to prepare a list of Historical Uses and Historical Practices.

1.17 “Immediate Repairs” means repair and maintenance items at the Management Premises that require immediate attention for health and safety reasons.

1.18 “Improvements” or “Improvement” means the repairs and improvements pursuant to the CIP.

1.19 “LSRA” means the Laguna Seca Recreation Area.

1.20 “Major Spectator Events” means a combination of those events defined in the Use Permit as “large event days,” and those events staged as part of Historical Use, in general, consisting of a maximum of five (5) events of 4-day duration where attendance exceeds 12,000 persons per day.

1.21 “Management” or “Manage” means the operation, management and maintenance of the Management Premises for and on behalf of County pursuant to the terms of this Agreement.

1.22 “Management Fee” means the fee payable to Contractor by County annually on a Fiscal Year basis for services described in Article 3, which is equal to the Management Fee Expenses.

1.23 “Management Fee Advance” means the sum disbursed monthly through the term of the contract beginning with an amount of Two Hundred Seventy-Five Thousand Dollars (\$275,000) monthly in year 2020, Two Hundred Ninety Thousand Dollars (\$290,000) monthly in year 2021 and Three Hundred Thousand Dollars (\$300,000) monthly in year 2022 and 2023.

1.24 “Management Fee Expenses” means Contractor’s annual Fiscal Year expenses for or related to personnel, including, but not limited to, salary and benefits, and health and worker’s compensation insurance costs required for the performance of this Agreement, as more generally described in Article 3, and as limited and specifically set forth in Exhibit A.

1.25 “Management Incentive Fee” means the fee set forth in Section 3.2, below.

1.26 “Management Premises” means all areas of the LSRA, including, but not limited to, the racetrack, paddock, infield, and camping areas, but specifically excluding the rifle/pistol ranges and the current County Maintenance Yard. A map of the Management Premises is attached hereto as Exhibit B.

1.27 “Material Default” means a breach of any material provision of this Agreement which continues for a period of thirty (30) days after written notice thereof is received by the Party against whom the default is claimed, including but not limited to each action specifically identified herein as a Material Default and the bankruptcy or insolvency of a Party.

1.28 “Medium Spectator Events” means a combination of those events defined in the Use Permit as “medium event days,” and those events staged as part of Historical Use, in general, described as a maximum of six (6) event days where attendance is between 5,000 – 11,999 persons per day.

1.29 “Minor Spectator Events” means a combination of those events defined in the Use Permit as “small event days,” and those events staged as part of Historical Use, in general, described as a maximum of 36 race event days where attendance is less than 5,000 per day.

1.30 “NOI” means the fiscal year annual net operating income (or portion thereof) derived from or arising out of activities at the Management Premises. NOI shall be determined on a cash basis by calculating all Gross Revenue received on a fiscal year basis minus all fiscal year operational expenses including Management Fee Expenses and Allowed Expenses.



1.31 “NOI Capital” means NOI that shall be expended annually on Improvements.

1.32 “Party” means County or Contractor singularly; “Parties” means County and Contractor jointly.

1.33 “Promotional Days” are those days for use of the Raceway for promotional or testing purposes as allowed by Historical Use, but not exceeding a maximum of 15 days annually.

1.34 “Raceway” means the track currently known as WeatherTech® Raceway Laguna Seca.

1.35 “Term” means the term of this Agreement as set forth in Section 2.4.

1.36 “Termination Date” means December 30, 2023, unless extended as provided for herein.

1.37 “Use Permit” means that certain permit number 2991 issued by the County Planning Commission on or about October 26, 1983, pursuant to Resolution number 83-376. A copy of the User Permit is attached hereto as Exhibit E.

## ARTICLE 2. MANAGEMENT AND TERM.

### 2.1 Management.

County hereby hires Contractor to Manage the Management Premises for and on behalf of County pursuant to the terms of this Agreement. Contractor acknowledges that County will deliver the Management Premises to Contractor as of the Effective Date free, clear and unencumbered by any and all tenancies and parties in possession and other than the rights reserved to County as set forth herein.

### 2.2 Nature of Management Services.

This Agreement is a contract for Management services only and is not to be considered or interpreted as a lease or concession for any purpose. This Agreement confers only permission to occupy and use the Management Premises for Management purposes in accordance with the terms and conditions of this Agreement. The expenditure by Contractor of capital and/or labor in

the course of operation and management of the Management Premises shall not confer to Contractor any interest in LSRA except as provided herein.

2.3 Conditions Subsequent.

The Army Deed requires the written concurrence of the Secretary of the Interior, or current authorized federal official or agency, for any concession agreement relating to or involving the Management Premises. Contractor acknowledges this is a services agreement and not a concession agreement; however, if County determines the Deed requires concurrence of the Secretary of the Interior County will use commercially reasonable efforts to diligently seek such written concurrence. County cannot guarantee such concurrence or timing in which such concurrence may be obtained. If such written concurrence is denied, this Agreement shall immediately terminate. If the Agreement is terminated pursuant to this Section 2.3, Contractor shall continue to be paid an amount equal to the monthly Management Fee Advance for a period of three (3) months.

2.4 Term.

The Term shall be from the Effective Date through and including the Termination Date, unless earlier terminated as provided herein.

ARTICLE 3. COMPENSATION.

3.1 Management Fee.

Contractor shall receive the annual Fiscal Year Management Fee from County for the performance of its services pursuant to this Agreement. The Management Fee shall be an amount equal to the actual Fiscal Year Management Fee Expenses. Levels of staffing by Contractor for the performance of services pursuant to this Agreement, including allowed positions and associated salaries, shall, except as approved by the County Representative, be limited to the maximums provided for in Exhibit A. To ensure adequate cash flow for Contractor

to perform its obligations hereunder, County shall provide Contractor on a monthly basis the Management Fee Advance the first installment of which is to be paid no later than January 3, 2020, and thereafter on the last day of each month during the Term for the succeeding month's expenses. At the end of each Fiscal Year County and Contractor shall reconcile the total of all Management Fee Advances to the total annual Management Fee Expenses, and County shall either deduct or add the difference thereof to the annual Management Incentive Fee or deduct from future Management Fee Advances at County discretion. Failure by Contractor to reimburse any excess Management Fee Advance owed to County at the end of a Fiscal Year as set forth herein shall be a Material Default.

### 3.2 Management Incentive Fee.

Contractor shall receive a Management Incentive Fee equal to twenty percent (20%) of NOI, as calculated pursuant to Section 1.30. The Management Incentive Fee shall be paid based on the County Representative's verification and acceptance of a profit and loss statement generated from County's Financial System and provided to Contractor which calculates NOI for the prior fiscal year. County shall provide Contractor the profit and loss statement no later than August 30th of each year. Contractor shall have the right to review the financial documentation utilized by County to calculate the NOI, however, the calculation made by the County's Financial System, as verified and accepted by the County Representative, except for errors, shall be final and conclusive.

### 3.3 Payment of Management Incentive Fee.

Except as set forth herein, the Management Incentive Fee, if any, will be paid annually no later than 120 days from the end of the Fiscal Year. For Fiscal Year ending 2020, the Management Incentive Fee will be based on NOI for the period January 1, 2020, through June 30, 2020, only. For Fiscal Year ending June 30, 2024, the Management Incentive Fee will be

based on NOI for the period July 1, 2023, through December 31, 2023, County shall provide the profit and loss statement to Contractor no later than January 31, 2024, and the Fee, if any, shall be paid no later than 120 days from the end of the calendar year 2023.

#### ARTICLE 4. MANAGEMENT.

##### 4.1 General.

Contractor shall be responsible for the Management of the Management Premises and its various components and facilities to standards of operation and performance at least equal to those generally applicable to major racetracks and similar facilities except as specifically set forth herein. Under the general oversight of the County Representative, Contractor shall Manage the Management Premises in a manner designed to maximize Gross Revenue while complying with the terms of the Army Deed and Use Permit and being consistent with Historical Use. Contractor shall use commercially reasonable efforts to Manage the Management Premises in a safe, healthy and first-class condition. The general public shall be allowed to attend events at and utilize the Management Premises on the terms and conditions established by Contractor and approved by the County Representative.

##### 4.2 Limitations.

The Management of the Management Premises during the Term must be consistent with the Army Deed, Use Permit and Historical Use, and subject to approval by the County Representative.

##### 4.3 Contracting.

In performing its duties and obligations hereunder, Contractor shall have the right to negotiate with third party vendors, suppliers, other independent contractors, promoters and sanctioning bodies on behalf of County; however, all contracts must be in the name of County, and reviewed and approved by the County Representative or County Board of Supervisors, as

may be required by the County Code. No such third-party contract shall extend beyond the Term without Contractor first obtaining the prior written consent of the County Representative. A violation of this provision shall be a Material Default.

4.4 Acknowledgement of Title.

Contractor hereby acknowledges the fee simple title of County in the Management Premises and the improvements located thereon, and covenants and agrees never to assail, contest or resist said title.

4.5 Intellectual Property.

Other than sponsor owned intellectual property, i.e. WeatherTech® as an example, County shall own all intellectual property rights relating in any way to LSRA and specifically the Management Premises including, but not limited to, logos and identifying terms, and domain names for internet purposes. Contractor may propose and file for such intellectual property right protection (whether copyright or trademark) but all such applications shall be in the name of and approved by County. All County approved intellectual property applications shall be Allowed Expenses. Contractor shall have a limited license, during the Term, to the use of such intellectual property without charge provided such use is limited to the purpose of promoting events at LSRA.

4.6 Park Capacity Limitations.

Daily attendance levels and overnight camping use at the Management Premises are subject to capacity limitations and County shall retain the authority to impose limitations on attendance levels for public health and safety purposes.

4.7 Signage.

4.7.1 Directional Signage.

As needed, Contractor shall provide and install permanent internal directional signs at the Management Premises indicating the location of facilities, parking, and general necessary information for visitors and event spectators. Contractor shall confer with the County Representative regarding the need for and location of such directional signage, and placement of permanent signage must be approved by the County Representative. Contractor may place temporary signage as necessary for each event. All directional signage shall be limited to providing directions only and shall not be used to promote or advertise in any way Contractor's business. All directional signage approved by County and installed by Contractor shall be an Allowed Expense.

#### 4.7.2 Other Signage.

Contractor may solicit and recommend to County the placement of new permanent signage at the Management Premises, for example for sponsorship or advertising purposes. For all such signage, Contractor shall obtain prior review and approval in writing from the County Representative. All such signage shall be for the promotion of LSRA only and shall not promote or advertise in any way Contractor's business. All other signage approved by County and installed by Contractor or a sponsor shall be an Allowed Expense, unless paid for by a sponsor.

#### 4.8 Permission to Disseminate Information.

Contractor shall be permitted to submit press releases, circulate articles and periodicals promoting the Management Premises, release still photographs, video, and motion pictures, and use the internet in an advertising media campaign. All such disseminated information shall only be for the purpose of promoting LSRA and the Management Premises, identify County as the owner and operator of the Management Premises, and such communication shall be approved in advance by the County Representative. In the performance of its obligations pursuant to this Agreement, Contractor is prohibited from using County assets or facilities in any manner that

promotes itself or its business without the express written permission of County. All dissemination of information as provided for herein shall be an Allowed Expense.

4.9 Road System.

Contractor shall be responsible for coordinating and gaining approval for the use of all roads providing ingress and egress to the Management Premises, including roads maintained by Federal, State, and local agencies. County shall use commercially reasonable efforts to assist Contractor in obtaining access to and use of roads not under County's jurisdiction and will cooperate with other agencies in obtaining such access and use; however, County cannot guarantee or warrant that such access shall be granted. Cost associated with gaining approval for use of roads for ingress and egress shall be an Allowed Expense.

4.10 Annual Operation Plan.

4.10.1. Contractor shall use its best efforts and work with the County Representative to prepare and provide to County an Annual Operation Plan for review and approval by March 31, 2020, for the first year of the Term, and by November 1 of each year for the succeeding year during the Term (for example, by November 1, 2020, for the year 2021).

4.10.2. The Annual Operation Plan shall be comprehensive and include an annual budget and be linked to Improvements described in the CIP as and when approved by County.

4.10.3. The Annual Operation Plan shall provide for the provision of necessary emergency services.

4.10.4. The County Representative shall either approve or disapprove the Annual Operation Plan in writing within thirty (30) days of its receipt. If disapproved, Contractor shall re-submit a revised Annual Operation Plan within thirty (30) days of such disapproval. If the County Representative disapproves such re-submittal, the County Representative shall determine the Annual Operation Plan, which Contractor shall implement. The County Representative in

consultation with Contractor may make reasonable modifications to the Annual Operation Plan during the course of the calendar year, and Contractor agrees to accept and implement all such County modifications.

4.10.5. Contractor acknowledges that the BOS may, in its sole discretion, review the Annual Operation Plan in an open public meeting prior to the start of each calendar year. If the BOS requires such a presentation of the Annual Operation Plan, Contractor shall present a review of the past calendar year's operations at the meeting. The BOS shall have the right to require Contractor to appear before it and make such other presentations relating to the Management Premises as the BOS may reasonably require.

4.10.6. Failure to submit the Annual Operation Plan as set forth herein shall be a Material Default.

4.10.7. All expenses included in the Annual Operation Plan shall be Allowed Expenses.

4.11 Master Calendar.

Contractor shall maintain a master calendar of all activities and uses of the Management Premises, including but not limited to uses of the Raceway (including all Major, Medium, and Small Spectator Events, and daily track rentals), campgrounds, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term, and scheduled Raceway maintenance and repair.

4.12 Advertisement of Major Spectator Events.

Prior to March 1 of each year during the Term, at County expense, Contractor shall cause an advertisement of the schedule for Major Spectator Events to be published at least twice in a local newspaper of general circulation. The advertisement shall be no smaller than "3X5" and shall be printed in no smaller than 12-point type face. Contractor shall provide the County



Representative a copy of the advertisement upon publication. Contractor shall similarly publish any change in the schedule for Major Spectator Events immediately upon such rescheduling. All approved advertising shall be an Allowed Expense.

4.13 Schedule of Fees.

Contractor shall be responsible for developing an annual schedule of fees for the use of the Management Premises, including the Raceway, campgrounds, luxury suites, and any other facility or Improvement currently existing or added to the Management Premises during the Term. The schedule of fees shall be submitted by November 1 of each year for the succeeding calendar year and is subject to review and approval by the County Representative.

4.14 Use of Facilities by Contractor.

In order to maintain Contractor's status as an independent contractor, County may provide Contractor with temporary facilities to utilize on an as-needed basis for events at the Management Premises. Should Contractor desire more a more permanent presence at the Management Premises in order to carry out its obligations pursuant to this Agreement, County will provide such facilities; however, Contractor shall pay fair market rent for the use of such facilities, which rent shall be included in Management Fee Expenses and such amount of monthly rent shall be added to the monthly Management Fee Advance. Such facilities may include office equipment, including computers, but Contractor shall not be provided, nor shall use, County electronic mail addresses, or have access to County's intranet. County may provide automobiles for use by Contractor at no-cost (but subject to federal and state tax law) pursuant to a sponsorship agreement between County and an automobile manufacturer. Contractor may designate an officer or employee whose use of a sponsored vehicle shall at all times be deemed an integral part of this Agreement and promotion of the LSRA and the Raceway. Contractor's designee shall be responsible for payment of all taxes, if any, associated with such use.

#### 4.15 No Permanent Residence.

Contractor acknowledges and agrees that the LSRA is not intended to be a permanent residence for any person and will not allow any person to reside permanently on the Management Premises. Any temporary residence must be approved by the County Representative, and Contractor must satisfy all requirements for such temporary residences that County, in its discretion, may require. Such temporary residences may create a possessory interest as defined in California Revenue and Taxation Code section 107, and subject to taxation, and may be subject to federal income taxation. Contractor shall be responsible for the payment of such tax but may require the person(s) temporarily residing on the Management Premises to pay such tax; however, in no event shall County be liable for the payment of any such tax, and Contractor agrees to indemnify County if such tax is levied for such tax.

#### ARTICLE 5. ALLOWED EXPENSE FUNDING.

##### 5.1 General.

Except as specifically provided in this Agreement, Contractor shall be solely responsible for all expenses associated with the Management of the Management Premises.

##### 5.2 Allowed Expenses Fund.

County shall, on January 3, 2020, provide to Contractor with the sum of \$150,000 which shall be deposited by Contractor in the Allowed Expenses Fund. Funds in the Allowed Expense Fund shall remain the property of County and shall be held in trust by Contractor for the sole purpose of paying Allowed Expenses. No later than the tenth (10<sup>th</sup>) day following the end of each month, Contractor shall provide the County Representative receipt(s) documenting the purpose of Allowed Expenses during the previous month. If the County Representative approves the expense as appropriate, County shall pay to Contractor an amount equal to the expense, which shall be deposited in the Allowed Expenses Fund; if the County Representative

disapproves the expense, Contractor shall be responsible for such expense out of its own funds. County shall have the right to audit at any time, upon 24 hours' notice, the Allowed Expenses Fund, and Contractor shall immediately return to County any funds in the Allowed Expenses Fund upon written demand by County. Failure to provide access to County for audit purposes shall be a Material Default.

5.3 Expenses in Excess of Allowed Expenses Fund.

Should Contractor reasonably determine that a necessary Allowed Expense exceeds the funds then residing in the Allowed Expenses Fund, Contractor shall notify the County Representative and provide justification for the expense. If approved by the County Representative, County shall provide necessary funds to pay for the Allowed Expense. Within 3 days of making the expenditure of such funds Contractor shall provide to the County Representative a receipt documenting the expense.

ARTICLE 5. IMMEDIATE REPAIRS

5.1 Within eight (8) weeks after the Effective Date the Parties shall use their best efforts to agree upon any Immediate Repairs that are required to allow for business continuity.

5.2 All repairs that are considered "works of public improvement" are to be completed by County as required by law. All general repairs not classified as "works of public improvement" shall be completed by Contractor as an Allowed Expense only after approval of work and costs by the County Representative.

5.3 Upon satisfaction that the Immediate Repair has been performed and its associated invoice is accurate, County shall pay to Contractor the amount of the Allowed Expense as described in Article 5, above.

## ARTICLE 6. CAPITAL IMPROVEMENT PROGRAM

6.1 Within six (6) months after the Effective Date, Contractor shall prepare and submit to County for its review and approval a CIP. The CIP shall be designed to address health and safety concerns, and necessary capital additions, repairs and maintenance at the Management Premises during the Term, but not Improvements identified as an Immediate Repair. County shall have final approval authority for any Improvement described in the CIP, and the timeline for implementation of approved CIP. Failure to submit the CIP as set forth herein shall be a Material Default.

6.2 All Improvements implemented as part of the CIP shall be owned by County notwithstanding Contractor's role in the planning, development and implementation of the CIP.

6.3 All Improvements described in the CIP shall be paid for with either NOI Capital or other available funds, both as approved by the BOS.

## ARTICLE 7. FINANCIAL OPERATIONS

### 7.1 Revenue

Any and all Gross Revenue collected or received by Contractor shall, by the close of the next business day, be transmitted to the County Representative or designee. All checks shall be made out to "County of Monterey," and all credit and debit transactions shall be deposited into an account designated by County. Failure to transmit Gross Revenue as set forth herein shall be a Material Default.

### 7.2 Taxes, Fees and Assessments.

Contractor shall be responsible for the payment of all its taxes, fees and assessments associated with its performance under this Agreement. This Agreement may create a possessory interest, as defined in California Revenue and Taxation Code section 107, subject to taxation.

Contractor shall be responsible for the payment of such tax; and in no event shall County be liable for the payment of, or reimbursement to Contractor for any such tax.

7.3 Records and Reports.

Contractor shall keep or cause to be kept full, complete and proper books, records, and accounts of all Gross Revenue received, and Management Fee Expenses and Allowed Expenses associated with its performance under this Agreement. All such records shall be kept for at least two (2) years after the expiration of the calendar year to which the records relate. County or the County Representatives shall have the right to examine Contractor's records at reasonable times upon at least forty-eight (48) hours' prior notice, and from time to time throughout the Term. Failure to provide such access to the County Representative shall be a Material Default.

7.4 Financial Systems.

Contractor agrees that the County's Financial System shall be the primary system of accounting for all financial transactions at the Management Premises. The County's Financial System follows GAAP, including the ability to allocate direct and indirect costs to Major, Medium, and Small Spectator Events, track rentals, and all other activities at the Management Premises. County staff shall be responsible for the functioning of the County's Financial System; however, Contractor shall provide County with such information as may be necessary to process all Management Premises financial transactions through the system. The County's Financial System shall be the system of record and all reports shall be obtained from financial data directly from said system. The County's Financial System shall include an integrated point of sale system. If a point of sale system does not exist, Contractor shall purchase, with approval from the County Representative, a point of sale system, which shall be an Allowed Expense.

7.5 Debt.

7.5.1. Contractor shall have no right to and shall not secure any debt, loan or other

financing with real or personal property owned by County. Incurrence of such debt shall be a Material Default.

7.5.2. Contractor shall not enter into unsecured debt that in any way may be ascribed to or become the debt of County. Incurrence of such debt shall be a Material Default.

7.6 Property Depreciation.

Contractor shall have no right to claim and shall not claim depreciation on real or personal property, or Improvements belonging to County at the Management Premises without first obtaining the prior express written consent of County; provided that Contractor shall retain all rights to depreciation deductions and tax credits arising from its ownership of any personal property.

ARTICLE 8. ADVERTISING, SPONSORSHIPS AND EVENT SANCTIONING

Subject to all other provision of this Agreement, on behalf of County, Contractor may negotiate advertising, sponsorship and event sanctioning agreements relating to the Management Premises as follows:

8.1 All naming rights, advertising, sponsorships and event sanctioning agreements associated with the Management Premises shall be subject to prior, express County approval, and Contractor shall confer with County regarding the negotiation of such agreements.

8.2 All naming rights, advertising, sponsorships and event sanctioning agreements shall be tasteful and not be a cause for embarrassment to County.

8.3 There shall be no advertising, sponsorships or event sanctioning for tobacco, gun related companies, or adult entertainment businesses. Cannabis advertising, sponsorships or event sanctioning shall be at the sole discretion of the BOS.

8.4 No naming rights, advertising, sponsorships and event sanctioning agreement shall extend beyond the Term without the express, written approval of County.

8.5 Entry into naming rights, advertising, sponsorships and event sanctioning agreements without County approval shall be a Material Default.

#### ARTICLE 9. COUNTY EVENTS

County reserves the right to hold events and utilize the Management Premises in its entirety or in part without charge. All such events are property of County, and Contractor shall act solely in its Management capacity regarding such events. County shall reimburse Contractor's costs and expenses attributable to the County's use of the Management Premises.

#### ARTICLE 10. INSURANCE AND INDEMNIFICATION

10.1 Contractor shall indemnify, defend, and hold harmless County and the United States of America, their officers, employees and agents from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any participant, person, firm, or corporation for damage, injury, or death arising out of or connected with Contractor's performance of this Agreement, and or the use of the former Fort Ord road system and traffic circulation roads within the LSRA, and the public performance of music, excepting therefrom such claims, liabilities or losses arising out of the gross negligence or willful misconduct of County or the United States of America.

10.2 County shall indemnify, defend, and hold harmless Contractor and the United States of America, their officers, employees and agents from and against any and all claims, liabilities, and losses whatsoever (including, but not limited to, damages to property and injuries to or death of persons, court costs, and attorney's fees) occurring or arising out of or connected with County's performance of this Agreement excepting therefrom such claims, liabilities of

losses arising out of the gross negligence or willful misconduct of Contractor, its officers and employees.

10.3 Without limiting Contractor's duty to defend and indemnify County and the United States of Americas as set forth above, Contractor shall provide insurance coverages for its Management of the Management Premises as set forth in Exhibit C. County shall be named as an additional insured on all policies. Failure to maintain the required insurance shall be a Material Default. The cost of the insurance premium for the policy(ies) shown on Exhibit C, shall be an Allowed Expense.

10.4 Contractor may obtain Errors and Omissions Insurance coverage for its Manager and officers and directors, if any. The cost of such Errors and Omissions Insurance shall be an Allowed Expense.

#### ARTICLE 11. AUDIT RIGHTS

11.1 County has the right, at its sole cost and expense, to audit on an annual or ad hoc basis the operations, management and finances of the Management Premises, including finances of Contractor related to the Management of the Management Premises. Contractor acknowledges and agrees that County's Auditor – Controller has the independent right at any time to audit County assets and operations, and any such audit will be in addition to the annual audit authorized by this section.

11.2 County has the right to inspect and audit Contractor's finances and operations related to the performance of this Agreement as County deems necessary upon twenty-four (24) hours' prior written notice. Upon receipt of such notice of intent to inspect such records and facilities, Contractor shall take all necessary actions to make available all records and facilities to the County Representative.

11.3 Failure to provide access to County for audit or inspection purposes shall be a



Material Default.

## ARTICLE 12. PUBLIC ACCESS

12.1 The general public shall have access at all times to the Management Premises subject to reasonable and customary use or entrance fees as approved in writing by County.

12.2 Neither Contractor, its members, officers, employees, agents or donors, or sponsors, vendors, advertisers or naming rights entities, shall have special privileges for the use of any facilities at the Management Premises unless specifically approved in writing by the County Representative.

## ARTICLE 13. COUNTY OVERSIGHT AND ACCESS

13.1 County shall designate the County Representative for contract management purposes, and Contractor shall ensure that the county Representative has full access to and complete information regarding all Contractor's activities, contracts, sub-contracts, vendor agreements/arrangements, facility access, financial records, policy discussions, sponsorship agreements/arrangements, strategic planning, capital improvement planning and implementation, track rental rate setting, Major, Medium and Small Spectator Event agreements, and all other Management Premises operational and financial aspects as County determines to be necessary to adequately oversee implementation of this Agreement. Failure to provide the County Representative with the access and information set forth herein shall be a Material Default.

13.2 Notwithstanding any other provision of this Agreement, County and its agents shall have the right to enter the Management Premises at any time for any appropriate purpose. Denial of such access shall be a Material Default.

13.3 County retains the right to have offices and staff assigned permanently to the Management Premises and determine which facilities shall be used to station those staff.

13.4 The County Representative may approve promotional packages, including tickets or passes to events, which may be necessary or appropriate for Contractor to effectively promote, market and grow business and business prospects at the Management Premises. Such promotional packages may include those to volunteers in order to encourage and promote volunteer activities for the benefit of LSRA. Contractor shall request approval of such packages in writing to the County Representative, which writing shall support the business purpose for such packages. Granting of promotional packages without the County Representatives approval shall be a Material Default.

#### ARTICLE 14. TERMINATION

##### 14.1 Termination for Convenience.

This Agreement may be terminated by County for no reason or any reason upon one hundred and eighty (180) days written notice. If the Agreement is terminated pursuant to this Section 14.1, Contractor shall continue to be paid an amount equal to the monthly Management Fee Advance for a period of three (3) months.

##### 14.2 Termination for Material Default.

If a Material Default occurs, the defaulting Party shall be given thirty (30) days written notice from the non-defaulting Party to cure the default. If the Material Default is not cured within the thirty (30) day period, the non-defaulting Party may terminate this Agreement upon thirty (30) days prior written notice to the defaulting Party.

##### 14.3 Effect of Termination.

14.3.1. All real property and Improvements, and personal property not owned by Contractor, shall remain owned by County.

14.3.2. Contractor shall negotiate in good faith with County for the acquisition by County of personal property owned by Contractor and used at the Management Premises.

14.3.3. Upon termination, the Parties shall reconcile the Management Fee Expenses and Allowed Expenses, and Contractor shall be entitled to the payment of Management Fee Expenses and the Management Incentive Fee on a pro rata basis through the effective date of the termination, except in the case of a Material Default by Contractor, in which case Contractor shall not be entitled to any Management Incentive Fee. All funds remaining in the Allowable Expenses Fund shall be paid to County.

## ARTICLE 15. MISCELLANEOUS PROVISIONS

### 15.1 Complete Agreement.

This Agreement constitutes the full and complete agreement between the Parties regarding the subject matter hereof. This Agreement supersedes all prior agreements and understandings, whether in writing or oral, related to the subject matter of this Agreement.

### 15.2 Amendment.

This Agreement may be amended from time-to-time by mutual consent of the Parties. Such amendments may only be in the form of a writing signed by each of the Parties.

### 15.3 Successors and Assigns.

This Agreement, and the rights and obligations of Contractor hereunder, may be assigned or delegated by County without the prior consent of Contractor, either express, implied, written or unwritten. Any assignment or delegation permitted under the terms of this Agreement shall be consistent with the terms of the Army Deed, Use Permit, any contracts then in effect regarding the Management Premises, and other ordinances or resolutions of County then in effect. Contractor shall be obligated to accept such assignment without objection or contest for a period of 90 days. Beginning no earlier than thirty (30) days following the effective date of the assignment or delegation Contractor may terminate this Agreement by providing sixty (60) days written notice to the assignee/delegate.

#### 15.4 Dispute Resolution.

If there are disputes and/or controversies between the Parties relating to the interpretation, construction, performance, termination, breach of, or withdrawal from this Agreement, the Parties shall in good faith meet and confer within twenty-one (21) calendar days after written notice of a dispute has been sent by one Party to the other Party. If the Parties are not able to resolve the dispute through informal negotiation, the Parties agree to submit such dispute to formal mediation before resorting to litigation. If the Parties cannot agree upon the identity of a mediator within ten (10) business days after a Party requests mediation, then the Parties shall each select a mediator and those two mediators will select a third mediator to mediate the dispute. The Parties shall share equally in the cost of the mediator who ultimately mediates the dispute, but neither Party shall be entitled to collect or be reimbursed for other related costs, including but not limited to attorneys' fees. If mediation proves unsuccessful and litigation of any dispute occurs, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and expenses in addition to any other relief to which the Party may be entitled. If a Party refuses to participate in mediation prior to commencing litigation, that Party shall be deemed to have waived its right to attorneys' fees and costs as the prevailing Party.

#### 15.5 Execution in Parts or Counterparts.

This Agreement may be executed in parts or counterparts, each part or counterpart being an exact duplicate of all other parts or counterparts, and all parts or counterparts shall be considered as constituting one complete original and may be attached together when executed by the Parties. Facsimile or electronic signatures shall be binding.

#### 15.6 Party Authorization.

The governing bodies of the Parties have each authorized execution of this Agreement, as evidenced by their respective signatures below.

15.7 No Predetermination or Irrevocable Commitment of Resources.

Nothing herein shall constitute a determination by County or Contractor that any action shall be undertaken or that any unconditional or irrevocable commitment of resources shall be made until such time as the required compliance with all local, state, or federal laws, including without limitation the California Environmental Quality Act, National Environmental Policy Act, or permit requirements, as applicable, have been completed.

15.8 Notices.

Any notice pursuant to this Agreement shall be given in writing by a Party or its legal representative by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, (c) United States Mail, postage prepaid, registered or certified mail, return receipt requested, (d) legible facsimile transmission, or (e) electronic mail or other electronic means sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance with this section, and shall be deemed to have been given either at the time of personal delivery, or, in the case of expedited delivery service or mail, as of the date of first attempted delivery at the address and in the manner provided herein, or, in the case of facsimile transmission or electronic mail, as of the date of the facsimile or electronic transmission (or next business day if transmitted on a day other than a business day). Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

To County:

County Administrative Officer  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901  
(831) 757-5792

To Contractor:

John Narigi  
28 Mesa Del Sol  
Salinas, CA. 93908  
jvnarigi@outlook.com

Copy to:  
County Counsel  
168 West Alisal Street, 3<sup>rd</sup> Floor  
Salinas, CA 93901  
(831) 755-5283 (facsimile)

Copy to:  
Hansen P. Reed, Esq.  
Walker & Reed, PC  
215 W. Franklin St 5FL  
Monterey, CA 93940  
hreed@walkerandreed.com

15.9 Severability and Validity of Agreement.

Should any part, term or provision of this Agreement be decided by a court of law to be illegal, in excess of a Party's authority, in conflict with any law of the State of California, or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions of this Agreement shall not be affected thereby and each Party hereby agrees it would have entered into this Agreement upon the same remaining terms as provided herein.

15.10 Singular Includes Plural.

Whenever used in this Agreement, the singular form of any term includes the plural form and the plural form includes the singular form.

15.11 Captions.

The headings and titles to the paragraphs of this Agreement are not a part of this Agreement, are for convenience of reference only, and shall have no effect upon the construction or interpretation of any part of this Agreement.

15.12 Excusable Delay.

Any prevention, delay or stoppage due to strikes, walkouts, labor disputes, acts of God, inability to obtain labor or materials, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes beyond the reasonable control of the Party obligated to perform, shall excuse the performance by such Party for a period of time equal to any such period of prevention, delay or stoppage. Notwithstanding anything in this Section 15.12 to the contrary,

such period of prevention, delay or stoppage shall not affect the financial obligations of either Party including, but not limited to, payment of the Management Fee Advance and Allowed Expense(s) reimbursement.

15.13 Tense, Number, and Gender.

15.14 Each number, tense and gender used in this Agreement shall include any other tense, number or gender where the context and references so require. Any pronoun herein shall be read in such gender as the context may require.

15.15 Survival.

The obligations of County and Contractor under this Agreement shall survive the expiration or other termination of the Term, to the extent applicable following such expiration or termination, and shall remain in effect until fulfilled. This covenant specifically includes, without limitation, each indemnity obligation set forth herein.

15.16 Exhibits Incorporated.

All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement by such reference as though fully set forth herein.

15.17 Further Assurances.

Each Party agrees that it will without further consideration execute and deliver such other documents and take such other action, whether prior or subsequent to the Effective Date, as may be reasonably requested by the other Party to implement more effectively the purposes, intent or subject matter of this Agreement.

15.18 No Third-Party Beneficiary.

The provisions of this Agreement are and will be for the benefit of County and Contractor only and are not for the benefit of any third-party. Accordingly, no third-party shall have the right to enforce any provision of this Agreement.

#### 15.19 Construction.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

#### 15.20 Calculation of Time Periods.

In computing any period of time described in this Agreement, the day of the act or event after which the designated period of time begins to run is not to be included and the last day of the period so computed is to be included, unless such last day is a Saturday, Sunday or legal holiday under the laws of the State of California, in which event the period shall run until the end of the next day which is neither a Saturday, Sunday or legal holiday. The final day of any such period shall be deemed to end at 5 P.M., California time, unless otherwise specified herein. As used in this Agreement, the term "business day" shall mean a calendar day that is not a Saturday, Sunday, or legal holiday under the laws of the State of California.

#### 15.21 County's Police Power.

Nothing in this Agreement shall alter in any way County's rights or duties as a governmental agency with jurisdiction over the Management Premises to act in the manner otherwise permitted or required under applicable laws for the health, safety and general welfare of the public.

#### 15.22 Surrender at End of Term.

At the expiration or sooner termination of the Term, Contractor shall (a) subject to (b) hereof, remove its personal property, furniture, fixtures and equipment and shall surrender the Management Premises to County, (b) negotiate in good faith with County for the acquisition by County at fair market value of all personal property assets owned by Contractor and used



exclusively in connection with Contractor's Management of the Management Premises, and (c) at County's option, assign to County any contracts relating to the Management Premises that are not in the name of County. All alterations, additions and improvements to the Management Premises including intellectual property and all rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdictions shall inure to the benefit of, and be owned by, County.

#### 15.23 Waivers.

Failure of either Party to complain of any act or omission on the part of the other Party, no matter how long the same may continue, shall not be deemed to be a waiver by said Party of any of its rights hereunder except to the extent that passage of time constitutes an express waiver under any other provision of this Agreement. No waiver by either Party at any time, express or implied, of any breach of any provision of this Agreement shall be deemed a waiver of a breach of any other provision of this Agreement or a consent to any subsequent breach of the same or any other provision. If any action by either Party shall require the consent or approval of the other Party, the other Party's consent to or approval of such action on any one occasion shall not be deemed a consent to or approval of said action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion. Any and all rights and remedies which either Party may have under this Agreement or at law or in equity shall be cumulative, and shall not be deemed inconsistent with each other; no one of them, whether exercised or not, shall be deemed to be an exclusion of any other, and any or all of such rights and remedies may be exercised at the same time.

#### 15.24 Time.

Time is of the essence of this Agreement and of each and every one of the provisions contained herein.

15.25 No Agency or Partnership.

Contractor is an independent contractor of County. The Parties do not intend to create, and nothing in this Agreement shall be construed to create, an employment, agency, partnership, trust or other relationship between County and Contractor, its officers or employees with respect to duties or incidents different from those of parties to an arms-length contract.

15.26 Applicable Law.

The laws of the State of California shall govern the validity, performance and enforcement of this Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

MONTEREY COUNTY

A & D NARIGI CONSULTING LLC

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: November \_\_, 2019

Date: November \_\_, 2019

Approved as to Form

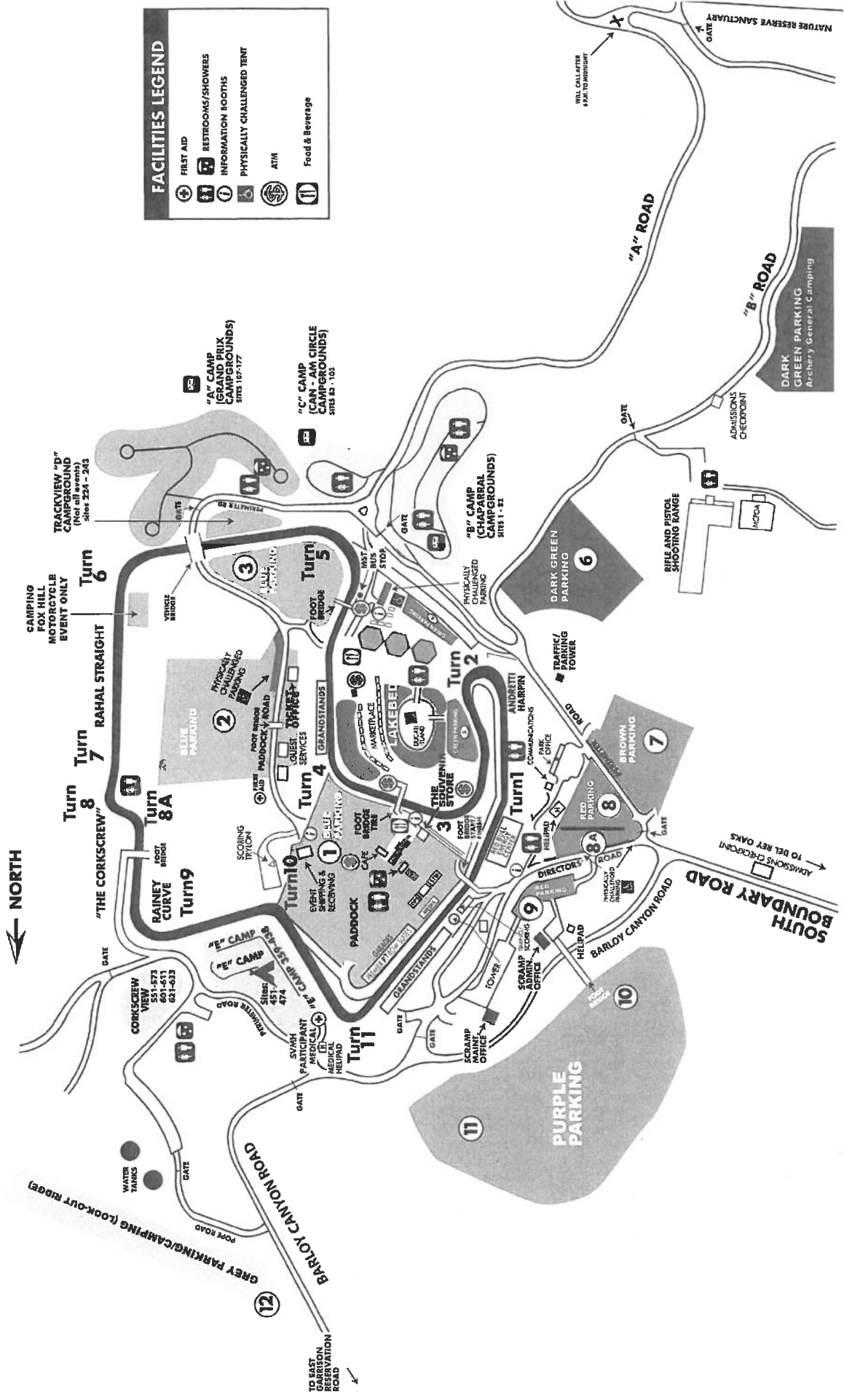
\_\_\_\_\_  
Leslie J. Girard  
County Counsel

**EXHIBIT A**  
**SCHEDULE OF ALLOWED MANAGEMENT FEE SALARIES AND EXPENSES**

Position Title Salaries Only (Excludes Benefits)	2020 Maximum Annual Salary	2021 Maximum Annual Salary	2022 Maximum Annual Salary	2023 Maximum Annual Salary
General Manager	\$229,840	\$236,735	\$243,837	\$251,152
Human Resources Manager	\$83,200	\$85,696	\$88,267	\$90,915
Administrative Assistant	\$47,840	\$49,275	\$50,753	\$52,276
Receptionist	\$33,280	\$34,278	\$35,307	\$36,366
<b>Souvenir Store:</b>				
Retail Manager	\$71,760	\$73,913	\$76,130	\$78,414
Retail Assistant	\$41,600	\$42,848	\$44,133	\$45,457
Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366
Retail Assistant - PT	\$33,280	\$34,278	\$35,307	\$36,366
<b>Communications, Marketing &amp; Media:</b>				
Director of CM&M	\$111,509	\$114,854	\$118,300	\$121,849
Marketing Manager	\$85,010	\$87,560	\$90,187	\$92,892
Marketing/Social Media Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
Business Development Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
Marketing/Media Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
Communications Manager	\$71,760	\$73,913	\$76,130	\$78,414
Marketing/Promotions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
<b>Reunion Management:</b>				
Reunion Manager	\$71,760	\$73,913	\$76,130	\$78,414
Administrative Assistant - PT	\$41,600	\$42,848	\$44,133	\$45,457
<b>Ticket &amp; Camping Sales:</b>				
Ticket Manager	\$71,760	\$73,913	\$76,130	\$78,414
Ticket Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
Ticket/Camping Asst	\$41,600	\$42,848	\$44,133	\$45,457
<b>Facilities:</b>				
Sr. Facilities Manager	\$93,600	\$96,408	\$99,300	\$102,279
Track Manager	\$71,760	\$73,913	\$76,130	\$78,414
Facilities Supervisor	\$46,800	\$48,204	\$49,650	\$51,140
Track Foreman	\$38,480	\$39,634	\$40,823	\$42,048
Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Track Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
<b>Track/Event Operations:</b>				
Senior VP of Operations	\$145,600	\$149,968	\$154,467	\$159,101
Event Operations Manager	\$71,760	\$73,913	\$76,130	\$78,414
Event Operations Assistant	\$41,600	\$42,848	\$44,133	\$45,457
Track Rental Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
Concessions Coordinator	\$47,840	\$49,275	\$50,753	\$52,276
<b>Annual Total for Salary Only (Excludes All Benefits)</b>	<b>\$2,321,238</b>	<b>\$2,390,876</b>	<b>\$2,462,602</b>	<b>\$2,536,480</b>

**EXHIBIT B**

**MAP OF MANAGEMENT PREMISES**



### FACILITIES LEGEND

- FIRST AID
- RESTROOMS/SHOWERS
- INFORMATION BOOTHS
- PHYSICALLY CHALLENGED TENT
- ATM
- Food & Beverage

**NORTH**

**"A" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 107-117

**"B" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 1-31

**"C" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 52-103

**"D" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 104-116

**"E" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 117-119

**"F" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 120-122

**"G" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 123-125

**"H" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 126-128

**"I" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 129-131

**"J" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 132-134

**"K" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 135-137

**"L" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 138-140

**"M" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 141-143

**"N" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 144-146

**"O" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 147-149

**"P" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 150-152

**"Q" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 153-155

**"R" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 156-158

**"S" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 159-161

**"T" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 162-164

**"U" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 165-167

**"V" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 168-170

**"W" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 171-173

**"X" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 174-176

**"Y" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 177-179

**"Z" CAMP**  
GRAND CIRCLE CAMPGROUNDS  
SITES 180-182

**TRACKVIEW "D"**  
CAMPING (Not all events)  
Sites 224 - 242

**CAMPING**  
FOX HILL  
MOTORCYCLE  
EVENT ONLY

**RAHAI STRAIGHT**

**TURN 6**

**TURN 7**

**TURN 8**

**TURN 8A**

**TURN 9**

**TURN 10**

**TURN 11**

**TURN 12**

**TURN 13**

**TURN 14**

**TURN 15**

**TURN 16**

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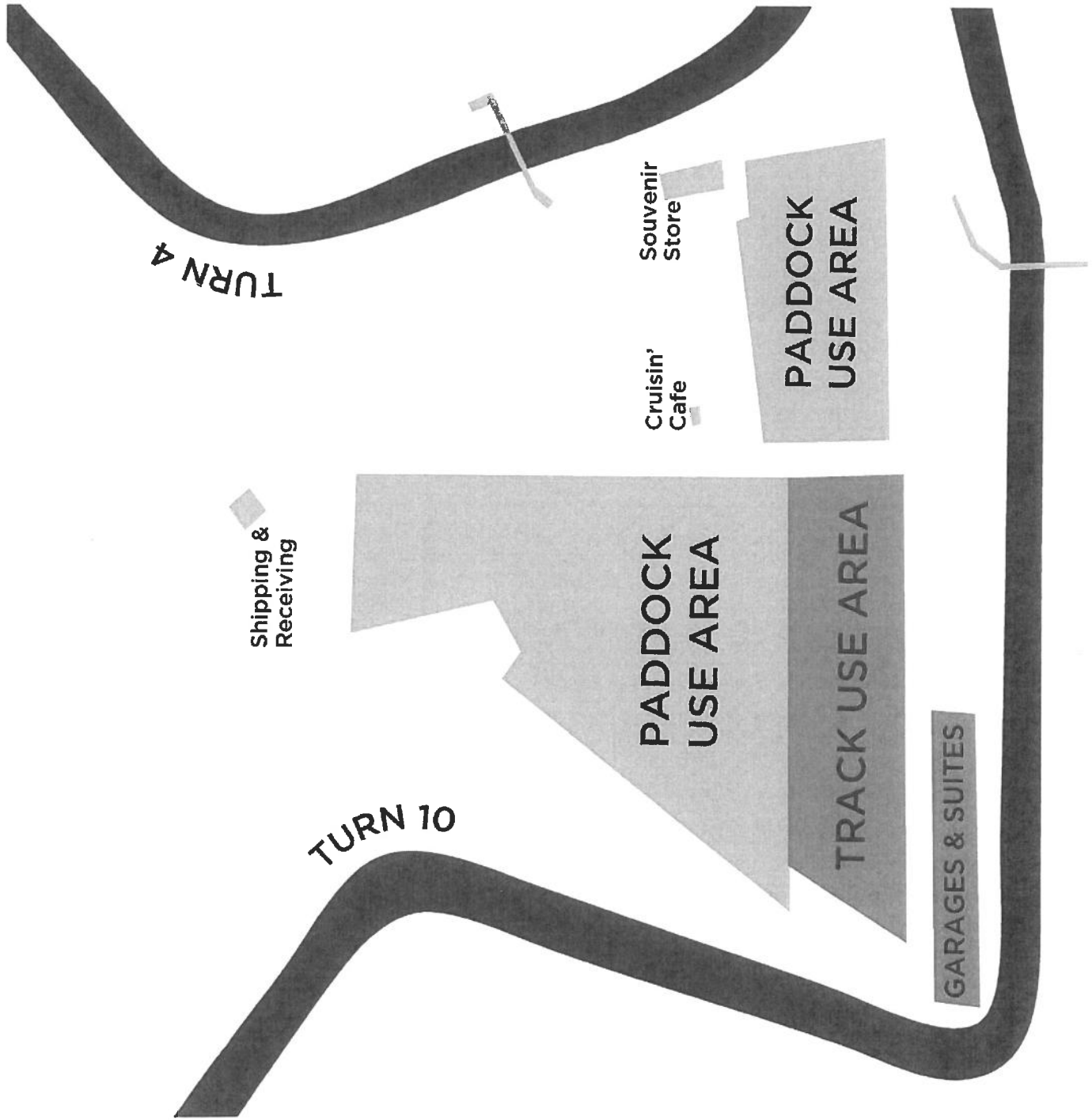
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TURN 4

Souvenir Store

Cruisin' Cafe

PADDOCK USE AREA

Shipping & Receiving

PADDOCK USE AREA

TRACK USE AREA

TURN 10

GARAGES & SUITES

## EXHIBIT C

### REQUIRED INSURANCE COVERAGES

**Required Coverage.** Without in any way limiting Contractor's liability pursuant to the "indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- a) **Commercial General Liability/Motorsport Liability** insurance should include the following minimum limits each coverage;

<b>CGL/Motorsport Liability</b>	<b>Minimum Required Limit</b>
Bodily Injury and Property Damage Liability	\$ 25,000,000
Damage to rented premise (Fire legal)	\$ 300,000
Medical Expense	\$ 5,000
General Aggregate	None
Products- Completed Operations	\$ 25,000,000
Personal Advertising Injury	\$ 25,000,000

- b) **Liquor Liability** Insurance with limits no less than **\$1,000,000** each occurrence;
- c) **Participant Legal Liability** Insurance with limits not less than **\$25,000,000** each occurrence;
- d) **Commercial Auto Liability** Insurance with limits no less than **\$25,000,000** each occurrence, "combined single limit" for Bodily Injury and Property Damage, including Owned, Non-owned, and Hired auto coverage, as applicable;
- e) **Worker's Compensation**, in Statutory amounts, with Employers' Liability Limits not less than **\$1,000,000** each accident, injury, or illness;
- f) **Crime insurance** with limits of no less than **\$1,000,000** per occurrence covering claims involving employee dishonesty, forgery or alteration, theft, disappearance and destruction, and computer fraud.

#### **Additional Insured**

Commercial General Liability or Motorsport Liability Insurance, Liquor Liability policies must be endorsed to provide:

- i. County of Monterey, its agents, officers, directors and employees as Additional Insured with respect to liability arising out of ongoing and completed operations.

- ii. Such policies will be primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Agreement, and that insurance applies separate to each insured against whom claim is made or suit is brought.
- iii. If Contractor carries or maintains an Umbrella/Excess Liability policy to provide additional coverage or if the contract requires higher limits than what the Contractor carries in the primary policies, County shall be added as additional insured on such policies.
  - i. The policy shall provide “drop-down” coverage where underlying primary insurance coverage limits are insufficient or exhausted.
- iv. Coverage must waive subrogation as respects to the additional insureds.
- v. Contractor shall provide to County a certificate of insurance evidencing the required coverages no later than thirty (30) days prior to the event. Upon County’s request, Contractor shall provide full copies of all applicable insurance policies.
- vi. The Certificate of insurance and policy should list any deductibles Contractors might be responsible to pay or reimburse.
- vii. General liability and Umbrella Policies need to be placed with at least A- rated carrier by A.M. Best.

### **Subcontractors**

If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the County of Monterey, its Officers, Agents, and Employees as additional insureds.

- i. Contractor’s and Subcontractor’s primary and umbrella/excess policies will be first policies to respond to any claim or lawsuit.
- ii. Contractor’s and Subcontractor’s primary and umbrella/excess policies shall not subrogate or seek recovery against County’s primary or excess policies.



**EXHIBIT D**

**ARMY DEED**

Portion, Fort Ord  
Military Reservation (Laguna Seca)  
D-Calif-500J (Parcel I)

944 PAGE 1077

QUITCLAIM DEED

THE UNITED STATES OF AMERICA, acting by and through the Secretary of the Interior, acting by and through the Director, Bureau of Outdoor Recreation, under and pursuant to the power and authority contained in the provisions of the Federal Property and Administrative Services Act of 1949 (63 Stat. 337), as amended, and particularly as amended by Public Law 485, 91st Congress, and regulations and orders promulgated thereunder (hereinafter designated "Grantor"), for and in consideration of the perpetual use of the hereinafter described premises as and for public park and public recreation area purposes, by the County of Monterey, California (hereinafter designated "Grantee"), does hereby release and quitclaim to Grantee, and to its successors and assigns, all Grantor's right, title and interest in and to the following described property located in Monterey County and consisting of approximately 559.016 acres:

Situate in Rancho Laguna Seca, Rancho El Chamisal and Monterey City Lands Tract No. 1, County of Monterey, State of California more particularly described as follows:

Beginning at a found concrete monument with a brass disc stamped, "Geo. C. Bestor L.S. 2369 Property Corner F.B. - U. S. A." said concrete monument having established grid coordinates of X=1,189,073.458, Y=467,100.419, of Zone 4 of the California Grid System, as said monument is shown and so designated on that certain map entitled, "Licensed Surveyors Map Showing Establishment of Certain Monuments on the Boundary of Fort Ord Military Reservation--", filed for record June 15, 1953, in Volume 5 of Surveys at Page 2, records of Monterey County, California, said monument replacing a 4" x 4" post marked "MAF-SJP" standing at the northwest corner of that certain 563.19 acre tract of land designated as "Area No. 7, Tract No. 1" in that certain Decree of Judgement No. 22049-G, United States of America vs. Hermit Panziera, et al, dated February 4, 1943 and recorded in Volume 791, Official Records, at Page 18, records of Monterey County, California; said monument also standing on the northerly boundary of Rancho Laguna Seca, from which a 6" x 14" granite monument scribed M14LS10 standing at the most northerly corner of said Rancho Laguna Seca bears N. 79° 30' 57" E., a distance of 2950.37 feet; thence from said place of beginning and leaving the northerly boundary of said Rancho Laguna Seca:

- 1) N. 14° 33' 21" E., 286.85 feet to a 1" iron pipe; thence
- 2) N. 26° 35' 26" E., 273.06 feet to a 1" iron pipe; thence
- 3) S. 61° 11' 31" E., 237.78 feet to a 1" iron pipe; thence
- 4) S. 71° 10' 40" E., 268.71 feet to a 1" iron pipe; thence
- 5) S. 85° 20' 28" E., 166.03 feet to a 1" iron pipe; thence
- 6) N. 80° 28' 07" E., 259.69 feet to a 1" iron pipe; thence
- 7) N. 80° 18' 48" E., 279.65 feet to a 1" iron pipe; thence
- 8) N. 80° 27' 22" E., 327.89 feet to a 1" iron pipe; thence
- 9) N. 44° 48' 05" E., 154.63 feet to a 1" iron pipe; thence
- 10) N. 16° 38' 58" E., 113.06 feet to a 1" iron pipe; thence
- 11) N. 6° 42' 57" E., 87.09 feet to a 1" iron pipe; thence

- 12) N. 6° 07' 49" W., 64.73 feet to a 1" iron pipe; thence  
 13) N. 19° 14' 26" E., 68.64 feet to a 1" iron pipe; thence  
 14) N. 25° 59' 57" E., 208.90 feet to a 1" iron pipe; thence  
 15) N. 31° 07' 31" E., 153.17 feet to a 1" iron pipe; thence  
 16) N. 42° 13' 20" E., 55.40 feet to a 1" iron pipe; thence  
 17) N. 53° 35' 29" E., 73.17 feet to a 1" iron pipe; thence  
 18) N. 57° 11' 36" E., 274.52 feet to a 1" iron pipe; thence  
 19) N. 75° 03' 15" E., 69.70 feet to a 1" iron pipe; thence  
 20) S. 77° 30' 44" E., 195.19 feet to a 1" iron pipe; thence  
 21) N. 60° 13' 48" E., 233.83 feet to a 1" iron pipe; thence  
 22) N. 67° 40' 19" E., 338.26 feet to a 1" iron pipe; thence  
 23) N. 72° 49' 16" E., 333.06 feet to a 1" iron pipe; thence  
 24) N. 12° 43' 36" W., 488.02 feet to a 1" iron pipe; thence  
 25) N. 28° 26' 41" E., 177.25 feet to a 1" iron pipe; thence  
 26) N. 55° 05' 49" E., 279.81 feet to a 1" iron pipe; thence  
 27) N. 2° 33' 43" E., 404.99 feet to a 1" iron pipe; thence  
 28) N. 0° 39' 28" E., 123.71 feet to a 1" iron pipe; thence  
 29) N. 70° 58' 48" E., 767.79 feet to a 1" iron pipe; said 1" iron pipe having established grid coordinates of X=1,193,459.685, Y=470,426.916, of Zone 4 of the California Grid System; thence from said pipe  
 30) S. 20° 36' 54" E., 746.20 feet to a 1" iron pipe; thence  
 31) S. 11° 32' 15" W., 1406.62 feet to a 1" iron pipe; thence  
 32) S. 31° 53' 44" W., 336.35 feet to a 1" iron pipe; thence  
 33) S. 19° 31' 29" E., 119.45 feet to a 1" iron pipe; thence  
 34) N. 52° 20' 56" E., 133.33 feet to a 1" iron pipe; thence  
 35) N. 48° 04' 03" E., 230.44 feet to a 1" iron pipe; thence  
 36) N. 78° 57' 32" E., 775.89 feet to a 1" iron pipe; thence  
 37) S. 46° 39' 13" E., 326.18 feet to a 1" iron pipe; thence  
 38) S. 64° 04' 14" W., 247.29 feet to a 1" iron pipe; thence  
 39) S. 56° 15' 40" W., 99.46 feet to a 1" iron pipe; thence  
 40) S. 30° 59' 07" W., 196.51 feet to a 1" iron pipe; thence  
 41) S. 54° 24' 54" W., 371.44 feet to a 1" iron pipe; thence  
 42) S. 75° 54' 37" W., 133.70 feet to a 1" iron pipe; thence  
 43) S. 51° 50' 19" W., 288.51 feet to a 1" iron pipe; thence  
 44) S. 15° 25' 49" W., 249.42 feet to a 1" iron pipe; thence  
 45) S. 5° 45' 37" W., 339.06 feet to a 1" iron pipe; thence  
 46) S. 2° 01' 43" E., 630.64 feet to a 1" iron pipe; thence  
 47) S. 9° 43' 07" E., 306.35 feet to a 1" iron pipe; thence  
 48) S. 41° 44' 55" W., 482.27 feet to a 1" iron pipe; thence  
 49) S. 7° 15' 58" W., 297.97 feet to a 1" iron pipe; thence  
 50) S. 12° 30' 56" E., 238.61 feet to a 1" iron pipe; thence  
 51) S. 16° 11' 57" E., 105.12 feet to a 1" iron pipe; thence  
 52) S. 86° 31' 54" W., 434.46 feet to a 1" iron pipe; thence  
 53) S. 65° 22' 33" W., 326.78 feet to a 1" iron pipe; thence  
 54) N. 80° 52' 22" W., 144.26 feet to a 1" iron pipe, from which a California Division of Highways triangulation monument stamped, "Laguna 1972" bears N. 88° 20' 03" E., 60.01 feet distant, said triangulation monument having established grid coordinates of X=1,192,396.820, Y=464,716.440, of Zone 4 of the California Grid System; thence from said 1" iron pipe  
 55) N. 76° 55' 25" W., 993.40 feet to a 1" iron pipe; thence  
 56) S. 24° 12' 56" W., 617.85 feet to a 1" iron pipe; thence  
 57) S. 32° 01' 24" W., 158.76 feet to a 1" iron pipe from which a 2" brass disc in an iron pipe stamped PM#W1 bears N. 23° 09' 31" W., 42.05 feet distant, said brass disc having established grid coordinates of X=1,191,014.93, Y=464,280.32, of Zone 4 of the California Grid System; thence from said 1" iron pipe  
 58) N. 84° 51' 43" W., 898.21 feet to a 1" iron pipe; thence  
 59) S. 45° 08' 30" W., 223.29 feet to a 1" iron pipe; thence

- 60) S. 30° 09' 49" W., 459.04 feet to a 1" iron pipe; thence  
 61) S. 18° 27' 24" W., 594.60 feet to a 1" iron pipe; thence  
 62) S. 31° 47' 21" W., 395.29 feet to a 1" iron pipe; thence  
 63) S. 28° 14' 49" W., 197.80 feet to a 1" iron pipe; thence  
 64) S. 15° 19' 47" E., 102.80 feet to a 1" iron pipe; thence  
 65) S. 39° 29' 13" E., 380.63 feet to a 1" iron pipe; thence  
 66) S. 73° 01' 35" E., 366.68 feet to a 1" iron pipe; thence  
 67) S. 81° 34' 13" E., 212.57 feet to a 1" iron pipe; thence  
 68) S. 61° 50' 07" E., 149.04 feet to a 1" iron pipe; thence  
 69) S. 35° 08' 42" E., 216.01 feet to a found 4" x 4" post standing on the northerly boundary of the right of way of the Salinas-Monterey State Highway; thence along said northerly boundary of said State Highway  
 70) Northwesterly on the arc of a curve to the left (the center of which bears S. 12° 20' 19" W., 5040.00 feet distant) through a central angle of 6° 44' 38" for an arc distance of 593.24 feet to a 1" iron pipe set in a 4" x 4" remains; thence  
 71) N. 84° 24' 19" W., 2499.18 feet to a 1" iron pipe, from which a 4" x 4" post remains standing on the southerly boundary of the Salinas-Monterey State Highway bears S. 5° 35' 41" W., 80.00 feet distant; thence  
 72) Westerly on the arc of a circular curve to the left (the center of which bears S. 5° 35' 41" W., 1540.00 feet distant) through a central angle of 13° 08' 42" for an arc distance of 353.31 feet to the westerly boundary of the aforesaid 563.19 acre tract of land; thence leaving the northerly boundary of the Salinas-Monterey State Highway and along the westerly boundary of the aforesaid 563.19 acre tract of land  
 73) N. 23° 55' 57" E., 5311.25 feet (Judgement #22049-G-N, 21° 45' 30" E., 5293.51 feet) to the point of beginning.

Containing an area of 559.016 acres.

Bearings and distances used hereinabove are based on the California Coordinate System Zone 4; Multiply Distances by 1.0000970 to obtain ground level distances.

Excepting therefrom: Barloy Canyon Road and Old South Boundary Road; and such other roads as marked in yellow on Drawing No. H-254 (Exhibit "E") attached to "Report of Excess Real Property No. SPKRE-151," dated December 20, 1972 and on file with the General Services Administration, San Francisco, California; such roads to be retained by the Department of the Army to provide access to the retained areas of the Fort Ord Military Reservation and to facilitate firefighting. These roads will be available for joint use with others subject to agreements for joint maintenance based on the extent of use by parties involved.

Subject to: A highway easement, to be granted to the State of California by the United States of America, acting by and through the Secretary of Transportation, acting by and through the Administrator, Federal Highway Administration, for the future construction and maintenance of proposed State Highway 68 (California Federal Aid Primary 36) as generally shown on that map entitled "Land Use Study -- Laguna Seca Recreation Area" prepared by the Monterey County Parks Department, June 1973; said map being an integral part of the Grantee's "Program of Utilization" submitted to the Bureau of Outdoor Recreation with Grantee's "Application for Federal Surplus Property for Public Park and

Recreation Purposes," dated July 3, 1973; said easement being more particularly described as follows:

That part of the Rancho Laguna Seca in the County of Monterey, State of California, described as follows:

Beginning on the boundary of Fort Ord Military Reservation, distant N. 23° 55' 57" E., 650.00 feet along said boundary from a 6" x 6" concrete monument with brass cap stamped "MAP-USA" at the intersection of said boundary with the northerly line of the Monterey-Salinas Highway as said monument and boundary are shown on the map filed in Volume 5 of Surveys at page 2, records of said County; thence (1), N. 72° 18' 15" E., 789.80 feet; thence (2), S. 88° 34' 07" E., 1525.20 feet; thence (3), S. 31° 47' 21" W., 205.29 feet; thence (4), S. 28° 14' 49" W., 197.00 feet; thence (5), S. 15° 19' 47" E., 102.80 feet; thence (6), S. 39° 29' 13" E., 100.00 feet; thence (7), N. 83° 18' 24" W., 1308.03 feet; thence (8), S. 74° 59' 05" W., 1108.10 feet to a point on said boundary distant northerly along said boundary 150.00 feet from said monument; thence (9), along said boundary, N. 23° 55' 57" E., 500.00 feet to the point of beginning.

Bearings and distances used herein are based on the California Coordinate System Zone 4.

Said highway easement is to be granted subject to, but not limited to, the following conditions:

1. The Monterey County Parks Department shall approve provisions for access to the Laguna Seca Recreation Area from the freeway and for adequate access under the freeway between the upper park areas and the lower pond areas near the existing highway.
2. The Monterey County Parks Department shall approve final design plans for the freeway including the application of appropriate scenic standards to insure compatibility with the park atmosphere of the Laguna Seca Recreation Area.
3. The Monterey County Parks Department shall have use of the subject highway easement for park and recreation purposes until such time as highway construction commences.
4. Any portion of the subject highway easement subsequently determined to be not needed for highway purposes shall be conveyed to the County of Monterey for park and recreation purposes subject to the terms and conditions applicable to the Laguna Seca Recreation Area.
5. If construction of said State Highway 68 within subject easement does not commence within 10 years from the date of conveyance of this highway easement, then said highway easement shall immediately terminate and be of no further force or effect.

To Have and to Hold the hereinbefore described property, subject to the reservations, exceptions, restrictions, conditions and covenants herein expressed and set forth unto the Grantee, its successors and assigns, forever.

The hereinbefore described property is granted by the Grantor to the Grantee subject to any and all outstanding easements for streets, utility systems, rights-of-way, railroads, pipelines, and/or covenants, restrictions, reservations, conditions, and agreements of record which now exist affecting the foregoing described premises.

The Grantor expressly excepts and reserves all oil, gas, and mineral rights and deposits in said land to the Grantor or to such person(s) as may be authorized by the Grantor to prospect, mine, and remove such deposits from the hereinbefore described property under applicable laws.

Pursuant to authority contained in the Federal Property and Administrative Services Act of 1949, as amended, and applicable rules, regulations and orders promulgated thereunder, the General Services Administration determined the property to be surplus to the needs of the United States of America and assigned the property to the Department of the Interior for conveyance to the Grantee.

It is Agreed and Understood by and between the Grantor and Grantee, and the Grantee by its acceptance of this deed, does acknowledge its understanding of the agreement, and does covenant and agree for itself, and its successors and assigns, forever, as follows:

1. This property shall be used and maintained for the public purposes for which it was conveyed in perpetuity as set forth in the program of utilization and plan contained in the application, submitted by the Grantee on July 3, 1973, which program and plan may be amended from time to time at the request of either the Grantor or Grantee, with the written concurrence of the other party, and such amendments will be added to and become a part of the original application.
2. The Grantee agrees to construct new boundary fencing, including appropriate gates, around subject property to the specifications and satisfaction of the Department of the Army; such boundary fencing to become the property of the Fort Ord Military Reservation, which will have responsibility for normal maintenance of said fencing.
3. The Grantee shall, within 6 months of the date of the deed of conveyance, erect and maintain a permanent sign or marker near the point of principal access to the conveyed area indicating that the property is a park or recreation area and has been acquired from the Federal Government for use by the general public.
4. The property shall not be sold, leased, assigned, or otherwise disposed of except to another eligible governmental agency that the Secretary of the Interior agrees in writing can assure the continued use and maintenance of the property for public park or public recreational purposes subject to the same terms and conditions in the original instrument of conveyance. However, nothing in this provision shall preclude the Grantee from providing related recreational facilities and services compatible with the approved application, through concession agreements entered into with third parties, provided prior concurrence to such agreements is obtained in writing from the Secretary of the Interior.
5. From the date of this conveyance, the Grantee, its successors and assigns, shall submit biennial reports to the Secretary of the Interior, setting forth the use made of the



property during the preceding two-year period, and other pertinent data establishing its continuous use for the purposes set forth above, for ten consecutive reports and as further determined by the Secretary of the Interior. Upon receipt of each biennial report the Secretary of the Interior shall review the special two-year use permit issued by the Grantee to the Sports Car Racing Association of the Monterey Peninsula, entitled "Permit for Use of Laguna Seca Raceway by the Sports Car Racing Association of the Monterey Peninsula (SCRAMP)"; and within sixty (60) days after receiving said report shall approve renewal, request modifications, or recommend non-renewal or cancellation of the use permit. Upon recommendation by the Secretary of the Interior, the Grantee shall have the right to cancel said use permit upon one year's notice to SCRAMP.

6. Any and all payments received by the Grantee from SCRAMP for use of a portion of the subject property for vehicular racing in accordance with terms of the special use permit mentioned in paragraph 5 above shall be used by the Grantee solely for recreation development and operations at the subject property (Laguna Seca Recreation Area).

7. If at any time the Grantor shall determine that the premises herein conveyed, or any part thereof, are needed for the national defense, all right, title and interest in and to said premises, or part thereof determined to be necessary to said national defense, shall revert to and become the property of the Grantor. No construction shall occur which would complicate or hinder the full utilization of this property upon reversion to the United States of America as provided in this paragraph.

8. As part of the consideration for this Deed, the Grantee covenants and agrees for itself, its successors and assigns, that: (1) the program for or in connection with which this Deed is made will be conducted in compliance with, and the Grantee, its successors and assigns, will comply with all requirements imposed by or pursuant to the regulations of the Department of the Interior as in effect on the date of this Deed (43 C.F.R. Part 17) issued under the provisions of Title VI of the Civil Rights Act of 1964; (2) this covenant shall be subject in all respects to the provisions of said regulations; (3) the Grantee, its successors and assigns, will promptly take and continue to take such action as may be necessary to effectuate this covenant; (4) the United States shall have the right to seek judicial enforcement of this covenant; (5) the Grantee, its successors and assigns, will (a) obtain from each other person (any legal entity) who, through contractual or other arrangements with the Grantee, its successors or assigns, is authorized to provide services or benefits under said program, a written agreement pursuant to which such other person shall, with respect to the services or benefits which he is authorized to provide, undertake for himself the same obligations as those imposed upon the Grantee, its successors and assigns, by this covenant, and (b) furnish a copy of such agreement to the Secretary of the Interior, or his successor; (6) this covenant shall run with the land hereby conveyed, and shall in any event, without regard to technical classification or designation, legal or otherwise, be binding to the fullest extent permitted by law and equity for the benefit of, and

in favor of the Grantor and enforceable by the Grantor against the Grantee, its successors and assigns; and (7) the Grantor expressly reserves a right of access to, and entrance upon, the above described property in order to determine compliance with the terms of this conveyance.

9. In the event that there is a breach of any of the conditions and covenants herein contained by the Grantee, its successors and assigns, whether caused by the legal or other inability of the Grantee, its successors and assigns, to perform said conditions and covenants, or otherwise, all right, title and interest in and to the said premises shall revert to and become the property of the Grantor at its option which in addition to all other remedies for such breach shall have the right of entry upon said premises, and the Grantee, its successors and assigns, shall forfeit all right, title and interest in said premises and in any and all of the tenements, hereditaments and appurtenances thereunto belonging; provided, however, that the failure of the Secretary of the Department of the Interior to require in any one or more instances complete performance of any of the conditions or covenants shall not be construed as a waiver or relinquishment of such future performance, but the obligation of the Grantee, its successors and assigns, with respect to such future performance shall continue in full force and effect;

IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the 31st day of October, 1974.

UNITED STATES OF AMERICA  
Acting by and through the  
Secretary of the Interior

By Robert C. Van Etten

Robert C. Van Etten  
Acting Regional Director  
Pacific Southwest Region  
Bureau of Outdoor Recreation



Before the Board of Supervisors in and for the  
County of Monterey, State of California

BOARD OF SUPERVISORS

ACCEPT AMENDMENT TO QUITCLAIM }  
DEED FROM UNITED STATES AND }  
AUTHORIZE BOARD CHAIRMAN TO }  
SIGN THE AMENDMENT..... }

53883

OCT 14 11 21 AM '86

OFFICE OF RECORDER  
COUNTY OF MONTEREY  
SALINAS, CALIFORNIA

Upon motion of Supervisor Del Piero, seconded by  
Supervisor Shipnuck, and carried by those members present  
the Board hereby:

**NO FEE**

1. Accepts Amendment to Quitclaim Deed for Laguna Seca Recreation Area which eliminates the two-year restriction on the term of the SCRAMP Special Use Permit; and.
2. Authorizes the Board Chairman to sign the Amendment to Quitclaim Deed; and
3. Authorizes the County Clerk to record the Deed on behalf of Monterey County with all applicable recordation fees being waived.

PASSED AND ADOPTED this 26th day of August,  
1986, by the following vote to-wit:

AYES: Supervisors Del Piero, Shipnuck, Petrovic, Karas & Strasser Kauffman.

NOES: None.

ABSENT: None.

I, ERNEST K. MORISHITA, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof at page      of Minute Book 57, on Aug. 26, 1986  
Date: Aug. 26, 1986

ERNEST K. MORISHITA, Clerk of the Board  
of Supervisors, County of Monterey,  
State of California

By *Arnie Arnie* Deputy

AUG

Portion, Ford Ord Military  
Reservation (Laguna Seca)  
D-Calif.-500J (Parcel I)

Amendment to Quitclaim Deed

WHEREAS the United States of America, acting by and through the authorized designee of the Secretary of the Interior (Grantor), conveyed to the County of Monterey, California (Grantee) certain real property located in Monterey County, California, and described in that certain Quitclaim Deed dated October 31, 1974, and recorded November 14, 1974, in Reel 944, Page 1077, Office of the Recorder, County of Monterey, Salinas, California, and,

WHEREAS said Deed contained certain covenants, conditions, and restrictions governing the use of said property, including a two-year limitation on the term of the special use permit issued by the Grantee to the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) with provisions for renewal, modification, or cancellation of said permit upon review by the Grantor at the end of each two-year period; and,

WHEREAS Grantee desires to have the two-year limitation on the term of said special use permit to SCRAMP removed from said Deed; and,

WHEREAS Grantor has determined that removal of said two-year limitation on the SCRAMP use permit will not prevent the accomplishment of the purpose for which the property was transferred;

NOW THEREFORE the United States of America, acting by and through the Director of the National Park Service, as the duly authorized designee of the Secretary of the Interior, does hereby amend Condition Number 5 on Pages 5 and 6 of said Deed of October 31, 1974, by removing all reference to the said SCRAMP use permit; specifically deleting all language in Condition 5 on page 6 of said Deed beginning with "Upon receipt of each biennial report....." through and concluding with "... upon one year's notice to SCRAMP." All other provisions of said Condition 5 to remain unchanged and in full force and effect.

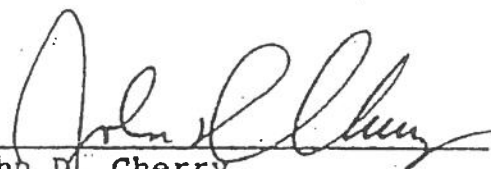
FURTHERMORE, because of its reference to Condition 5, Condition Number 6 on Page 6 of said Deed of October 31, 1974, is hereby revised to read as follows:

"Any and all payments received by the Grantee for use of all or any portion of the subject property through concession or other similar agreements with third parties shall be used by the Grantee solely for recreation development, operations and maintenance at the subject property (Laguna Seca Recreation Area).

AND FURTHERMORE, in order to avoid possible misunderstandings regarding third party agreements, Condition Number 4 on Page 5 of said Deed of October 31, 1974, is hereby amended by inserting the words "special use permits, licenses or other similar agreements" between the words "concession agreements" and "entered into" in the second sentence of said Condition 4.

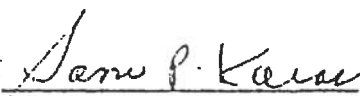
IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the 24 day of August, 1986.

UNITED STATES OF AMERICA  
Acting by and through the  
Secretary of the Interior

By   
John D. Cherry  
Associate Regional Director  
Western Region  
National Park Service

The foregoing is hereby accepted by the Grantee:

County of Monterey

By 

1  
STATE OF CALIFORNIA )  
COUNTY OF MONTEREY ) ss.

REEL 2012 PAGE 238

On this 26th day of August, 1986 before me, Ernest K. Morishita, Clerk of the Board of Supervisors, in and for said County and State, personally appeared SAM P. KARAS, known to me to be the Chairperson of said Board of Supervisors of the County of Monterey, and known to me to be the person who executed the within instrument on behalf of said political subdivision, and acknowledged to me that such County of Monterey executed the same.

ERNEST K. MORISHITA, Clerk of the  
Board of Supervisors of Monterey  
County, State of California

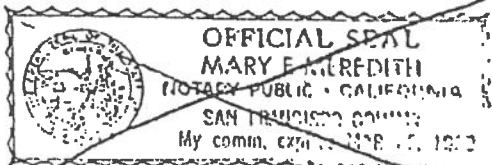
By: Adse Arri  
Deputy Clerk

COUNTY OF SAN FRANCISCO )  
STATE OF CALIFORNIA )

ss.

REEL 2012 PAGE 239

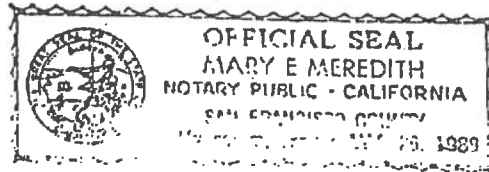
On this 6<sup>th</sup> day of August, 1986, before me, the subscriber, personally appeared John D. Cherry, to be known and personally known to me to be the Associate Regional Director, Western Region, National Park Service, of the United States of America, acting by and through the Secretary of the Interior, a governmental agency of the United States of America, and known to me to be the same person described in and who executed the foregoing instrument as such Associate Regional Director aforesaid, as the act and deed of the United States, for and on behalf of the Secretary of the Interior, and he acknowledged that he executed the foregoing instrument for and on behalf of the United States of America, for the purposes and uses therein described.



*Mary E. Meredith*  
NOTARY PUBLIC

My Commission expires:

March 26, 1989



END OF DOCUMENT

BEFORE THE BOARD OF SUPERVISORS IN AND FOR THE  
COUNTY OF MONTEREY, STATE OF CALIFORNIA

0601.850

Accept an Amendment of Use Restrictions to )  
the Laguna Seca Quitclaim Deed from the )  
Department of the Interior, Authorize the Board )  
Chair to Sign the Amendment and Authorize the )  
Board Clerk to Record the Amendment and )  
Waive any Applicable Fees . . . . . )

Upon motion of Supervisor Potter, seconded by Supervisor  
Johnsen, and carried by those members present, the Board hereby

1. Accepts an Amendment of Use Restrictions to the Laguna Seca Quitclaim Deed from the U.S. Department of the Interior to a) modify Condition 6 regarding the use of revenues derived from the use of the property and 2) eliminate Condition 7 regarding the reverter clause in the event the property is needed for national defense.
2. Authorizes the Board Chair to sign the Amendment of Use Restrictions.
3. Authorizes the Board Clerk to record the amendment and waive the applicable fees

PASSED AND ADOPTED on this 12th day of December, 2000 by the following vote, to-wit:

AYES: Supervisors Calcagno, Johnsen, Potter  
NOES: None  
ABSENT: Pennycook

I, SALLY R. REED, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof at Page -- of Minute Book 70, on 12/12/00

Dated: December 12, 2000

cc: Rosie- Parks

SALLY R. REED, Clerk of the Board of Supervisors,  
County of Monterey, State of California

By Carrie Wilkinson  
Carrie Wilkinson, Deputy

WHEN RECORDED MAIL TO:

COUNTY OF MONTEREY - PARKS

ATTN: RICH BRANDAU

Joseph F. Pitta  
Monterey County Recorder  
Recorded at the request of  
**County of Monterey**

RAUBREY  
12/15/2000  
9:23:50

DOCUMENT: **2000082485**

Titles: 1 / Pages: 5



\*2000082485\*

Fees....  
Taxes...  
Other...  
AMT PAID

THIS SPACE FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT

## AMENDMENT OF USE RESTRICTIONS

WHEREAS, on October 31, 1974 a representative of the Secretary of Interior, acting on behalf of the United States of America granted the County of Monterey, California a quitclaim deed to 559.016 acre parcel located within the Rancho Laguna Seca, Rancho El Chamisal, and Monterey City Lands Tract No. 1, County of Monterey, State of California and recorded within the official records of the County of Monterey at Reel 944, Pages 1076-1084; and

WHEREAS, on August 6, 1986 a representative of the Secretary of Interior, acting on behalf of the United States of America amended the terms and conditions related to use permits and revenues from use permits and other agreement contained within the aforementioned deed in a document recorded within the official deed records of County of Monterey at Reel 2012, Pages 235-239.

WHEREAS, the County of Monterey has requested an amendment of terms and conditions contained within the deed and amendment relating to the reversion of said property for national defense purposes (deed condition 7) and the use of revenues generated by operations on the described property (amended deed condition 6); and

WHEREAS, the National Park Service, on behalf of the Secretary of the Interior and pursuant to the Federal Properties and Administrative Services Act [40 U.S.C. 484 (k)(4)] determines following consultation with the Department of Army and the General Services Administration that the release of deed condition 7, and the following modification of deed condition 6 will not will not prevent the accomplishment of the purpose for which the property was transferred and protects the interest of the United States.

NOW THEREFORE, in accordance with Federal Property and Administrative Services Act [40 U.S.C. 484 (k)(4)] the Secretary of the Interior, acting by and through the Director of the National Park Service, does hereby amend and remove use restriction relating to the right of reversion for national defense purposes identified as item 7 on page 6 of a quit claim deed from the United States of America to the County of Monterey to a 559.016 acre parcel located within the Rancho Laguna Seca, Rancho El Chamisal, and Monterey City Lands Tract No. 1, County of Monterey, State of California and recorded within the official records of the County of Monterey at Reel 944, Pages 1076-1084, and further amends item 6 on page 6 of said quit claim deed, as amended by a document recorded within the official deed records of the County of Monterey at Reel 2012, Page 235-239 as follows;

Any and all payments received by the Grantee for use or all or portions of the subject property through concession or other similar agreements with third parties shall be used by the Grantee solely for the recreation development, operations, or maintenance at the subject property (Laguna Seca Recreation Area) to achieve the program of utilization, and if met, then other properties used for park and recreation purposes.



IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf on this the 21 day of January, 2000.

UNITED STATES OF AMERICA  
Acting by and through the Secretary of the Interior

By Ray Murray  
Ray Murray  
Planning and Partnership Team Leader  
Pacific Great Basin Support Office  
National Park Service

(COUNTY OF SAN FRANCISCO)  
) SS.  
(STATE OF CALIFORNIA )

On this 21 day of January, 2000, before me, the subscriber, personally appeared Ray Murray, to be known and personally known to me to be the Planning and Partnership Team Leader, Pacific Great Basin Support Office, National Park Service, of the United States of America, acting by and through the Secretary of the Interior, a governmental agency of the United States of America, and known to me to be the same person described in and who executed the foregoing instrument as such the Planning and Partnership Team Leader, Pacific Great Basin Support Office aforesaid, as the act and deed of the United States, for and on behalf of the Secretary of the Interior, and he acknowledged that he executed the foregoing instrument for and on behalf of the United States of America, for the purposes and uses therein described.

Witness my hand and official seal.



M. Dolores Gullory  
NOTARY PUBLIC

**CERTIFICATE OF ACCEPTANCE**

**This is to certify that the Amendment of Use Restrictions conveyed by the National Park Service in consultation with the Secretary of the Interior, acting on behalf of the United States of America is hereby accepted by order of the Monterey County Board of Supervisors on December 12, 2000. Such action is pursuant to authority conferred by Resolution of the Monterey County Board of Supervisors, adopted on December 12, 2000. The Grantee hereby consents to the recordation of the Amendment of Use Restrictions by the County Recorder.**

**County of Monterey  
Grantee**

**Dated:** 12/12/00

**By:** Louis R. Calcagno  
**Louis R. Calcagno, Chair  
Monterey County Board of Supervisors**

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

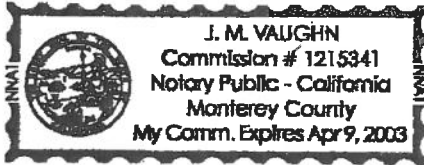
County of Monterey } ss.

On 12-12-2000, before me, J M Vaughn, Notary Public  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Louis R. Calcagno  
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

J M Vaughn  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Amendment of Use Restrictions

Document Date: 12-12-2000 Number of Pages: 3

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: Chair, Monterey County Board of Supervisors



Signer Is Representing: Monterey County

**END OF DOCUMENT**

**EXHIBIT E**

**USE PERMIT**

PLANNING COMMISSION  
COUNTY OF MONTEREY, STATE OF CALIFORNIA

RESOLUTION NO. 83-376

USE PERMIT NO. 2991

A.P. # 173-011-23 and 25

FINDINGS AND DECISION

In the matter of the application of

MONTEREY COUNTY PARKS (PC-4929)

for a Use Permit in accordance with Title 20 (Zoning) Chapter 20.96 (Use Permits) of the Monterey County Code, to allow additions to existing park facilities and a regional park general development plan, located on portion of Laguna Seca Rancho, Monterey City Lands Tract, and El Chamisal Rancho, fronting on and northerly of State Highway 68, and came on regularly for hearing before the Planning Commission on October 26, 1983.

Said Planning Commission, having considered the application and the evidence presented relating thereto,

FINDINGS OF FACT

1. That the establishment, maintenance, or operation of the use or building applied for will not under the circumstances of the particular case, be detrimental to health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.
2. That the use permit and general development plan are consistent with the Monterey County Parks Department Five Year Capital Program as approved by the Board of Supervisors.
3. That the use permit and general development plan is consistent with the Monterey County General Plan, particularly Objective 51.3 and Policy 51.3.1 regarding economic self sufficiency.
4. That the use permit and general development plan are consistent with the Monterey County Parks Department Economic Plan approved by the Board of Supervisors September 15, 1981.
5. That the use permit and general development plan are consistent with the Monterey County General Parks Policy Statement as approved in principle by the Board of Supervisors February 3, 1981.
6. That an environmental impact report for the Laguna Seca Recreation Area was prepared and subsequently certified by the Planning Commission on March 30, 1983.
7. That the conditions attached hereto address and apply those environmental impact report concerns and mitigations pertinent to this application.

DECISION

THEREFORE, it is the decision of said Planning Commission that said application for a Use Permit be granted as shown on the attached sketch, subject to the following conditions:

1. A soils report shall be submitted for each proposed use concurrent with any required building or grading permit. Each report shall be approved by the Director of Building Inspection and Director of Planning as to content, including limitations and recommendations for foundations, grading, paving and drainage.
2. An erosion control plan be prepared for each proposed use prior to obtaining a grading or building permit, subject to the approval of the Director of Building Inspection.
3. That all cut and fill slopes on site be 3:1 (horizontal to vertical) or flatter and shall be revegetated prior to winter rains, subject to the approval of the Director of Building Inspection.
4. That parking lot development be designed in a manner to maximize preservation of existing chaparral by using chaparral to landscape the parking lot, locating parking areas where the least significant vegetation occurs, and locating the parking areas to reduce the need for grading. The location and layout of parking areas be approved by the Director of Planning.
5. That a program to eradicate annual thistles in the campground areas be established

6. That building siting and construction be in such a manner as to minimize removal or alteration of oak trees, subject to the approval of the Director of Planning.
7. That any activities planned for location under oak trees be designed and located to minimize soil compaction and root disturbance.
8. No additional irrigation shall be allowed within the drip lines of oak trees to prevent fungal infection.
9. Except for the removal of thistles in campground areas, under story vegetation in the oak woodland areas shall be left intact wherever possible.
10. Outside of the developed recreation and race oriented facilities in the park, the existing character of the landscape shall be maintained by protection, preservation and enhancement of existing natural areas.
11. That the location, type, and design of fences and guardrails visible from Highway 68 be approved by the Director of Planning. Such approval shall consider the proposed structures impact or compatibility with the landscape and other natural features.
12. That the employee housing units not be located within the Highway 68 Official Plan Line.
13. That the employee housing units site be landscaped, including landscaping where appropriate, with particular regard to visual screening from Highway 68, (either existing or future alignments), and other areas of the park, subject to the approval of the Director of Planning.
14. That a detailed acoustical analysis be performed by a qualified consultant concurrent with the first major special event, such as an outdoor concert. The analysis, including recommended abatement measures, shall be submitted to the Director of Environmental Health. The findings of the report shall be submitted to the Board of Supervisors for consideration prior to the next major special event.
15. That alternate access through Fort Ord be provided in conjunction with any large special event.
16. That the operation of heavy construction equipment be limited to daylight hours.
17. That the Parks Department provide, or cause to be provided for use at major events, relocatable directional signs to aid motorists in determining exit direction (Salinas to Monterey) onto Highway 68.
18. That no other events be scheduled concurrent with large special events.
19. That special events scheduled in the park on the same day be scheduled to stagger start and finish times.
20. That location of specific unpaved overflow parking areas be designated.
21. That the Parks Department consider shuttle service within the park area for large special events.
22. That all septic disposal facilities be approved by the Monterey County Director of Environmental Health and that permits for such facilities be obtained prior to installation.
23. That any landscaping required as part of any project authorized by this permit that will be visible from Highway 68 be subject to the approval of the Director of Planning.
24. That large grass areas be mowed to reduce fire fuel buildup, subject to a maintenance schedule to be approved by the Salinas Rural Fire District. A copy of such schedule shall be provided to the Director of Planning.
25. Firebreaks shall be established around campground areas, subject to the approval of the Salinas Rural Fire District.
26. That a fire protection plan for large special events including but not limited to plans for fire lanes, access, on-site apparatus, and water supply shall be approved by the Salinas Rural Fire District.
27. Portable fire extinguishers shall be provided in such locations that may be required by the Salinas Rural Fire District including the camp store, food service buildings, auto garages, and concession booths, subject to the approval of the Salinas Rural Fire District.
28. That 11 firehydrants be installed consistent with Figure 2.8 in the certified EIR. A schedule for installation shall be established and approved by the Salinas Rural Fire District and included in the Parks Department 5 Year Improvement Plan.
29. That passive solar heating techniques be considered in all structures.
30. That an energy conservation plan be developed to reduce or minimize night lighting and un-needed building heating.
31. That site grading or clearing prior to construction be minimized if possible.
32. That proposed structures comply with Title 24, Energy Conservation Standards for Non-Residential Development, subject to the approval of the Director of Building Inspection.

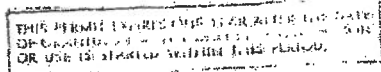
33. That parks historian conduct on-site research to determine whether the remains of the residence/farm complex should remain untouched and protected, be reconstructed, or be razed. The historian's recommendation shall be submitted to the Historical Commission for recommendation to the Board of Supervisors for final Board action.
34. If buried cultural resources are uncovered during project construction (unusual concentrations of bones, rocks, shell, fire-darkened soil, flints, etc.), all work should be halted within 20 meters of the find and the Monterey County Planning Department and the Regional Office of the California Archaeological Site Survey should be notified so that suitable mitigation measures can be formulated and implemented.
35. That a maximum of 24 small event days (1,000 - 5,000 persons) be allowed per calendar year.
36. That a maximum of 6 medium event days (5,000 - 12,000 persons) be allowed per calendar year.
37. That a maximum of 5 large event days (12,000 - 20,000 persons) be allowed per calendar year.
38. That those projects listed in the general development plan submitted with this application are hereby approved.
39. That the design of all structures be approved by the Parks Commission at public hearing.
40. That all exterior lighting visible off-site shall be unobtrusive, harmonious with the local area, and constructed or located so that only the intended area is illuminated and off-site glare is fully controlled. The location, type, and wattage of such lighting must be approved by the Director of Planning.
41. That projects visible from Highway 68 be landscaped, including landsculpturing and fencing where appropriate, and that a plan for such improvements be approved by the Director of Planning.
42. That all required landscaped areas and/or fences shall be continuously maintained by the applicant and all plant material shall be continuously maintained in a litter-free, weed-free, healthy, growing condition.
43. That the Planning Director is authorized to review and approve the relocation of previously approved facilities within the park.

PASSED AND ADOPTED this 26th day of October, 1983 by the following vote:

Ayes: Hendrick, Jimenez, Mill, Riddle, Varga

Noes: None

Absent: Callotto, Calcagno, Glau, Reaves

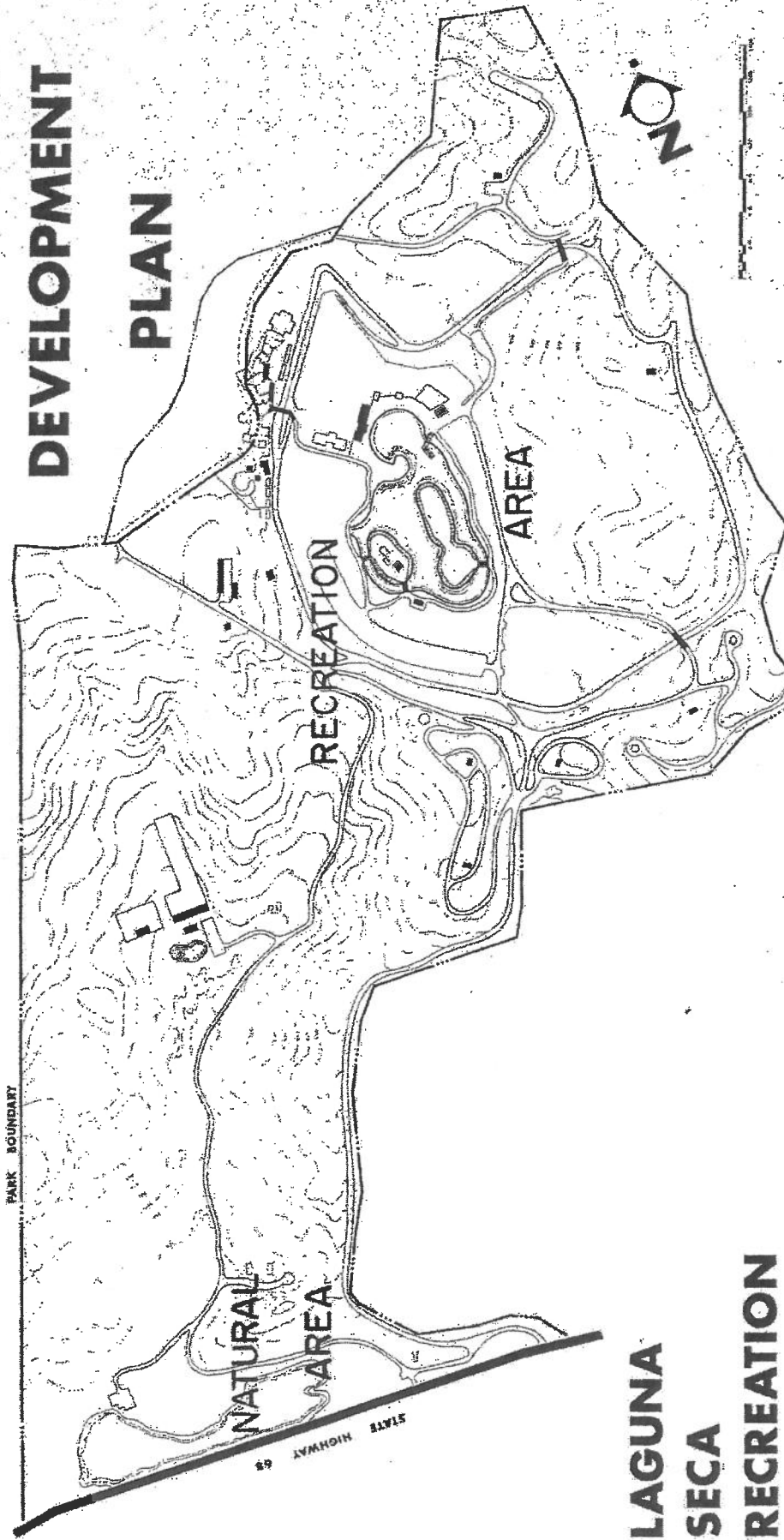


*Robert S. Slidmon, Jr.*  
 \_\_\_\_\_  
 ROBERT SLIDMON, JR.  
 Secretary of the Planning Commission

Copy of this decision was mailed to the applicant on November 4, 1983.

IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE CLERK OF THE BOARD OF SUPERVISORS ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE NOVEMBER 14, 1983.

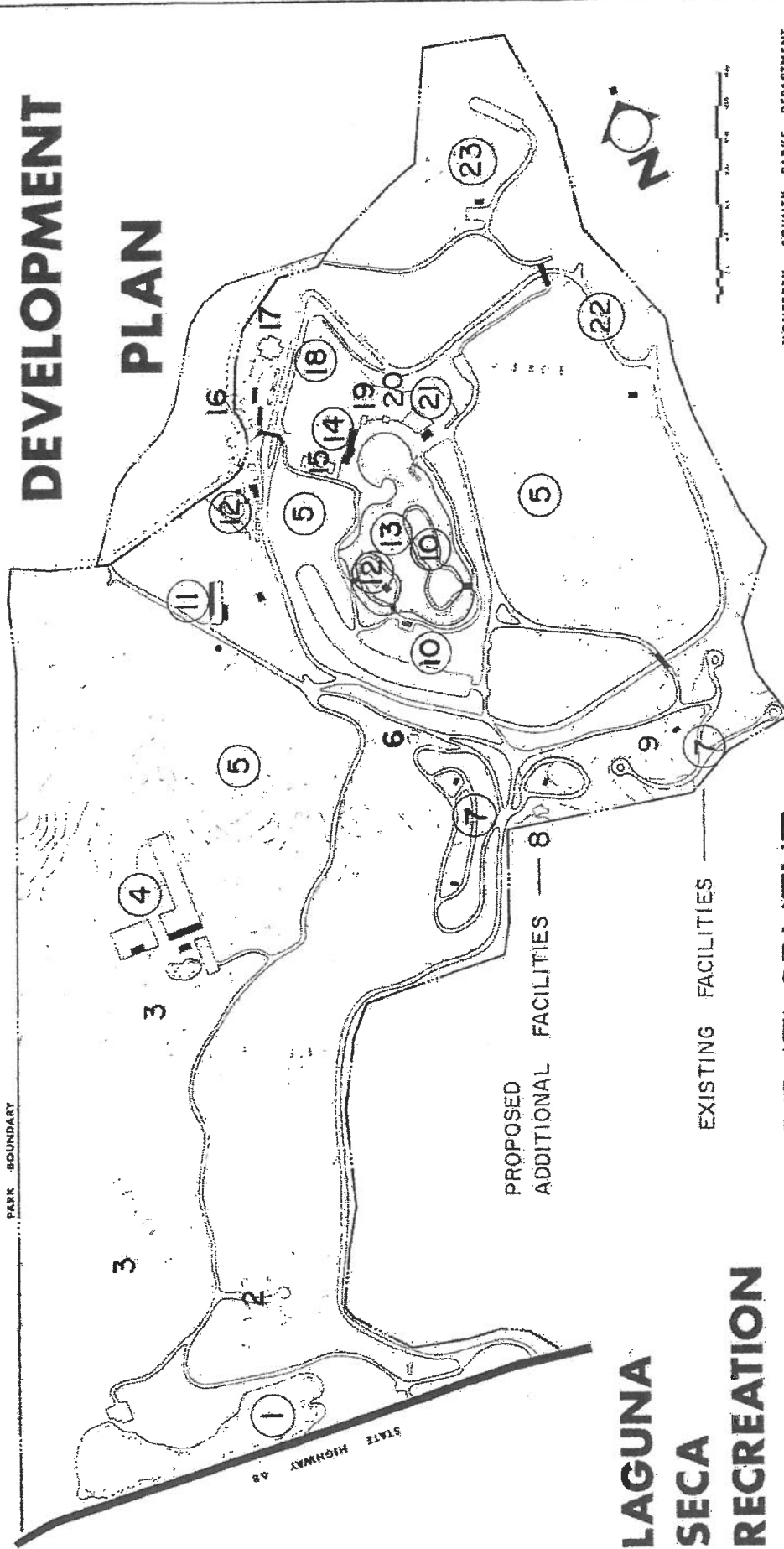
# DEVELOPMENT PLAN



**LAGUNA  
SECA  
RECREATION  
AREA** ——— PLANNING CLASSIFICATIONS



# DEVELOPMENT PLAN



**LAGUNA  
SECA  
RECREATION  
AREA: GENERAL DEVELOPMENT**

LAGUNA SECA RECREATION AREA  
GENERAL DEVELOPMENT PLAN

Key to General Development Plan

Existing Facilities (prior use permit approved or approved non-conforming use permitted)

- 1 Nature sanctuary
- 4 Pistol & Rifle Range
- 5 Special event areas
- 7 Campgrounds
- 10 Family day use picnic areas
- 11 Ranger residence and maintenance facility
- 12 Group day use picnic areas
- 13 Lake day use
- 14 Racing team garage
- 18 Paddock area
  - go carts
  - exhibit areas
  - automobile related events
- 21 Wet & Wild recreation area
- 22 Laguna Seca racetrack
- 23 Off-Road Vehicle area

Proposed Facilities (proposed additional facilities for inclusion in the Laguna Seca General Development Plan)

- 2 Employee housing
- 3 Sports and Range facilities (additional development)
- 6 Campground multi-purpose building
- 8 Campground store
- 9 Youth Hostel facility
- 15 Auto restoration garage
- 16 Plaza complex
  - exhibit areas
  - food booths (permanent)
  - amphitheatre
  - restaurant
- 17 Auto museum

- 19 Paddock restroom
- 20 Paddock food service facility

Support facilities for both existing and proposed park and recreation activities

NOTE: The following items are not shown individually on the General Development Plan. This list includes, but is not limited to, park and recreation support elements considered essential to the existing and proposed projects identified on the General Development Plan

Water -- Domestic, Non-domestic, Fire protection  
Electrical System

Telephone

Waste Disposal -- as allowed by local and state  
Health requirements

Road system

Parking Area -- paved, non-paved

Restrooms -- permanent, portable, chemical

Water storage systems

Fencing

Signs -- directional, informational, advertising

Night Lighting -- security, special event related

Bridges & Walkways -- pedestrian, vehicular

Spectator Seating -- permanent, portable

Trails -- fire, pedestrian, motorcycle, bicycle

Childs play equipment

Active sports area -- horseshoes, volleyball, base-  
ball, soccer, etc.

Landscape & erosion control

Minor grading activities

Recreation program and event requirements

Stages

Tent Shelters, Canopys

Sound Systems

Lighting Systems

Etc.

LAGUNA SECA RECREATION AREA  
GENERAL DEVELOPMENT PLAN  
PROGRAM NARRATIVE

The original Laguna Seca Environmental Impact Report was certified by the Board of Supervisors on January 7, 1975. For three years progress was made to fulfill the approved development plan. However, in July of 1978 the Board of Supervisors accepted a recommendation by the Parks Commission to make the Parks Department become self-supporting and determined that the original EIR adequately addressed selected additional development at Laguna Seca. At the same time, the Board also accepted four basic strategies for achieving this goal. They are as follows:

1. Providing activities and programs supported by fees
2. Encouraging community involvement in volunteerism
3. Constructing revenue generating facilities
4. Involving private enterprise, where compatible, in providing necessary and related services

Significant progress has been made in all these areas and the Parks Department will continue to adhere to these objectives in the future. It is the Department's major objective to provide the people of Monterey County a variety of aesthetic, natural and scenic qualities and at the same time regulate such activities so that major consideration is given to preventing environmental damage. Laguna Seca is designed to accommodate recreational activities that cannot effectively be planned for at other existing County facilities.

In our efforts to strive toward the goal of complete self-support, the Parks Department caused a second environmental impact report to be prepared which would address several additional development projects that were not covered under the previous EIR or shown on the general development plan. On March 30, 1983, the Planning Commission certified the second EIR as adequate in identifying potential environmental impacts that might be caused by these additional facilities.

Major projects now under consideration that have been addressed in the most recent EIR include the following:

1. Sports and Range facility improvements
2. Campground multi-purpose building
3. Campground store
4. Youth Hostel building

5. Auto restoration garage
6. Plaza complex
7. Permanent concession operated booths
8. Paddock food service building
9. Auto museum
10. Paddock restroom
11. Employee housing area

It is clear that each of these projects satisfies one or more of the four basic strategies mentioned above.

Laguna Seca is unique in the Monterey County Parks System in that the recreation area had an established spectator oriented activity long before it became a regional park. Up to the point of its acquisition, Monterey County developed and operated most of the day use parks with little or no active recreational programs available to the park patrons. This was the philosophy prior to 1978 and served the County well until the passage of Proposition 13. Fortunately, Monterey County Parks had an edge against Proposition 13 in that the mechanics for park user fees were already well established for various park related services.

Now that the current fiscal situation is upon us, it is even more important that specifically designated active recreation areas, such as Laguna Seca, San Lorenzo and Lake San Antonio, be developed into high use recreation areas in an effort to fulfill the goal of self-support and thereby eliminate the dependancy upon County General Fund monies to operate the park system.

#### I. PLANNING CLASSIFICATIONS

In accordance with the approved County Park Policy Statement, the staff of the Monterey County Parks Department has utilized a classification system at Laguna Seca and has identified two major planning classifications.

- A. Natural Areas - Natural areas are areas of outstanding natural significance where the major values are visual, ecological, and zoological. The purpose of a natural area is primarily the preservation of its outstanding natural features. Development should be for the purpose of making the areas available for public enjoyment in a manner consistent with the preservation of the natural values. Uses for which developments may be made are passive recreational activities such as

camping, picnicking, sightseeing, nature study, hiking, and riding. Such development shall involve no major modifications of the land, forests, or waters; introduction of artificial features that are primarily of urban character shall not be allowed. In planning for developments and uses which are compatible, the intensity of the use, as compared to the ability of the natural area to accommodate people without impairing its quality, shall be carefully studied to avoid over-use.

- B. Recreation Areas - A recreation area should be comparatively large and may contain features from some of all the other park unit classifications. These may include special recreation facilities such as overnight camping, range facilities, auto, bicycle and motorcycle racetracks, concerts, festivals, and water-oriented uses. These facilities cater to special recreation interest groups on a regular basis. Recreation areas tend to be high visitation, multiple use areas.

## II. PLANNING AREAS

Within the two major planning classifications, the Parks staff has identified nine major planning areas. These areas are:

- a. Nature Preserve area
- b. Sports and Range facilities
- c. Campgrounds
- d. Day use areas
- e. Multi-use lake area
- f. Raceway and paddock area
- g. Off-road vehicle area
- h. Plaza area
- i. Special event areas

### A. Nature Preserve Area

1. Brief statement of purpose: This area is being maintained as a unique environmental habitat co-existing with a highly intensive recreation area. This area could be preserved and interpreted through displays, photographic vista points and self-guided nature walks.
2. Existing Development:
  - a. Water oriented nature area.

- b. Vegetative and wildlife habitat
  - c. Nature trails
  - d. Parking areas
  - e. Water well and pumping station location
3. Proposed Development:
- a. Develop photographic viewpoints
  - b. Additional self-guided nature trails
  - c. Develop minor interpretive program and displays
- B. Sports and Range Facilities:
1. Brief statement of purpose: This facility provides a controlled area for the individual and/or competitive shooting segment of the general public. Additionally, the facility provides programs on firearm safety as well as classes on instruction and use of firearms. These facilities can also be reserved for specific shooting events.
2. Existing Development:
- a. Public Pistol and Rifle Range
  - b. Law enforcement range (non-public)
  - c. Multi-purpose building
  - d. Small water pond
  - e. Parking facilities
3. Proposed Development:
- a. Potential concession operation
  - b. Expanded shooting program
  - c. Additional sports activities in vicinity of range
- C. Campgrounds:
1. Brief statement of purpose: Approximately 100 sites available for camping use plus overflow areas designated on demand. Provides a needed recreational outlet for local and non-resident campers.
2. Existing Development:
- a. 87 camping sites with electrical hookups
  - b. 105 general camping sites
  - c. Pre-designated overflow camping areas
  - d. Restrooms with showers
3. Proposed Development:
- a. Group multi-purpose building

- b. Campground store
- c. Youth Hostel building

D. Day Use Areas

1. Brief statement of purpose: Development of two large day use barbeque facilities accommodating up to 1,000 persons each on a reservation basis. Also provides for family day use picnic areas.
2. Existing Development:
  - a. Two large BBQ shelters
  - b. Parking areas
  - c. Active turfed play areas
  - d. Restrooms
3. Proposed Development:
  - a. Expanded active play areas

E. Multi-Use Lake Area

1. Brief statement of purpose: The lake provides a potential for a variety of recreational uses associated with general day use recreation as well as adding an aesthetic value to the park.
2. Existing Development:
  - a. Paddle Boats
3. Proposed Development:
  - a. Fishing program
  - b. Model boating
  - c. Expanded boating program

F. Raceway and Paddock Area

1. Brief statement of purpose: The raceway and paddock area serves as the nucleus during the major racing activities and provides for on-going race related activities during non-racing times. It further serves as a parking area for special events and a temporary track area for several go-cart and auto-cross events held during the year.
2. Existing Development:
  - a. Race team garage facilities
  - b. Racing school
  - c. Mini Can-Am racing cars
  - d. Multi-purpose building for Wet & Wild racing activities
  - e. Display areas



3. Proposed Development:

- a. Second auto restoration garage facility
- b. Concession food service building
- c. Restroom
- d. Paddock area improvements

G. Off-Road Vehicle Area

1. Brief statement of purpose: This area provides for BMX and off-road motorcycle racing programs. It will also be opened to the general public during specific times.

2. Existing Development:

- a. Restroom
- b. BMX track for competitive racing programs
- c. Motorcycle track for competitive racing programs
- d. Public day use BMX and motocross tracks
- e. Parking facilities
- f. Major race parking area

3. Proposed Development:

- a. Small racing paddock
- b. Multi-purpose building
- c. Water storage tank.

H. Plaza Area

1. Brief statement of purpose: The plaza complex will create a festive atmosphere by using major landscaping and architectural materials as well as allowance for specialty concession booths, spectator seating and rehabilitation of existing structures.

2. Existing Development:

- a. Timing and scoring building
- b. SCRAM maintenance building
- c. Spectator seating
- d. Pedestrian bridge

3. Proposed Development:

- a. Plaza complex
- b. Expanded spectator seating areas
- c. Rehabilitation of existing structures
- d. Concession booths and display areas
- e. Auto museum

I. Special Event Areas

1. Brief statement of purpose: Basically, special event areas are set aside to accommodate future activities of a special event nature. The site will be returned to its most natural state after completion of event.
2. Existing Development:
  - a. None, presently used as an overflow park area for activities utilizing existing developed park facilities
3. Proposed Development:
  - a. As required to provide for special event needs such as outdoor concerts and festivals

## Exhibit A – Comparative Terms in Brief

* Terms listed are generalizations and represent best known intentions of proposers as stated.	A & D Consulting, LLC	Laguna Seca Management, LLC	Sports Car Racing Association of Monterey Peninsula
Length	3 years w/3-year option	3 years w/3-year option	20 years w/5-year assessments
Monthly Management Advances	\$286,000 w/ 2% CPI Monthly	\$270,000 w/MC CPI Monthly	N/A
Annual Management Fee	\$0	\$0	\$5,700,000 \$475,000 monthly
Allowed Expense Deposit	\$150,000 Direct County	\$150,000 County Reimbursed	\$1,500,000 monthly (average)
Financial Systems	Monterey County	Management Owned	Management Owned
Financial Controls	Shared	Management	Management Exclusive
Incentive Fee	20%	20%	20% (N.O.I. calculation excludes all County costs, vehicles, ITD, etc.)
Sponsorship Sales	Shared	Shared	Management Exclusive
Ticket Surcharge	N/A	N/A	5%
Trademarks	N/A	N/A	Management Exclusive
Capital Investment	County	County	County Paid with Management Approval
Outside Agencies	Shared	Shared	County Responsible
Additional Fees	\$0	\$108,000 Exec Oversight	\$0
Additional Events	Review & Present	Review & Present	Management Directed
Firm Use of Facility	LSRA Business Only	LSRA Business Only	Management Directed

In general A & D Consulting, LLC (A&D) and Laguna Seca Management, LLC (LSM) are similar in fiscal provisions and length of term. Major differences exist in LSM submittal to have a piggyback contract for Executive Oversight & Forward Planning at a cost of \$108,000 annually for term of contract totaling \$324,000, and LSM appears to be heavy on executive level support. Sports Car Racing Association of the Monterey Peninsula (SCRAMP) differs most from other proposers in overall costs to County and requirement for exclusive rights and autonomy which suggest more of a concessionaire type agreement with County holding all financial risk and investment responsibility without commensurate guarantee of return. SCRAMP additionally requires exclusion of substantial County costs from Net Operating Income related to items such as fleet maintenance, information technology services, safety services (i.e. sheriff staffing), and any agreements SCRAMP determines incur a negative financial position.



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 14, 2019 2:33 PM  
**To:** Hansen Reed  
**Cc:** John Narigi  
**Subject:** Re: Management Agreement Redline

Hansen call me on my cell if need to discuss

[REDACTED]

Thanks

Dewayne

Sent from my iPhone

On Nov 14, 2019, at 1:28 PM, Hansen Reed [REDACTED] wrote:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne,

Thanks. I am reviewing now and will get back to you shortly.

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805

[REDACTED]

<image001.jpg>

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---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 14, 2019 11:45 AM  
**To:** John Narigi [REDACTED]  
**Cc:** Hansen Reed [REDACTED]  
**Subject:** RE: Management Agreement Redline

Attached for your review a markup version, the major change is in indemnification language, where our Risk Manager is adamant the reciprocal language we now include is as far as the County can recommend, be advised it differs from the language you your markup.

**From:** John Narigi <[REDACTED]>  
**Sent:** Thursday, November 14, 2019 11:33 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Cc:** Hansen Reed <[REDACTED]>  
**Subject:** Re: Management Agreement Redline

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Thanks Dwayne, plz discuss with Hansen any items not in agreement. .

Sent from my iPhone.  
Jvn

On Nov 14, 2019, at 11:15 AM, Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)> wrote:

All,

Les is working on edits that we are able to accept a few will need changes which Les shall provide. I am attaching the Insurance requirement exhibit for your information.

Thanks,

Dewayne

**From:** John Narigi <[REDACTED]>  
**Sent:** Wednesday, November 13, 2019 9:37 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Hansen Reed <[REDACTED]>  
**Cc:** John Narigi <[REDACTED]>  
**Subject:** FW: Management Agreement Redline  
**Importance:** High

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Dwayne,

Below at the start of this email train in chronological order are the sections where suggested revisions were made to the agreement by me and my attorney. They are all redlined in the contract for quick review by you and les. I have a few additions listed below:

- Recital- 4<sup>th</sup> paragraph, LRSA S/B LSRA.
- 1.8- S/B A&D Narigi Consulting LLC
- 4.14- S/B regarding auto promotion, WeaterhTech Raceway Laguna Seca.

The above changes and Hansen's listed below should be it for suggested revisions. As discussed with both you and Hansen, he is available and able to negotiate on my behalf tomorrow if some of our revisions are not agreeable. If I am needed please feel free to call and I will seat myself in the room so I can excuse self to get on a call if needed. Dwayne I want this item to make your agenda, so don't hesitate to call. I can send an email agreeing to the contract and do a hard sign first thing Friday morning. If another electronic way of doing let me know, I will make it work.

Regarding office space as an FYI, I had two permeant companies who had long term service agreements with the hotel, audio visual and valet parking. The contracts specified office space and the particular equipment that would be provided to contractor at no charge. Can my firm not be treated in the same way? Hansen did add language regarding the requirement for me to pay rent but would be reimbursed by the county, thought my experience at the hotel might be beneficial to the discussion.

Language also added regarding indemnifying and liability concerns I have voiced.

Exhibit A regarding compensation, revised I will answer under separate email this evening as well.

Thank you both for you assistance.

Hansen info, email above, phone, [REDACTED]  
Jvn cell, [REDACTED]

jvn

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Wednesday, November 13, 2019 3:38 PM  
**To:** John Narigi <[REDACTED]>  
**Subject:** Management Agreement Redline  
**Importance:** High

John,

Attached is my redline. My comments are as follows: (Note: I will only comment on bigger issues.)

1.2 I added language for prior written approval.

1.11 I added language regarding a POS system that would be an Allowed Expense, if one does not exist.

- 1.16 I added language that the parties will try and put together a list of Historical Uses.
- 1.24 I believe the intent was to be health insurance, not other liability insurance.
- 2.3 I added language that you get 3 months Management Fee Advance.
- 2.4 I added language to add a 3 year option.
- 3.1 I added language that allows for increase in the pay at the approval of the County Rep. Also, I tried to clarify that you only reimburse the county if there is excess management fee advance paid (meaning the County paid you more than you paid out)
- 4.3 and other section: I tried to make sure that these are preapproved Allowed Expenses.
- 4.7.1 I limited it to as needed for signage.
- 4.10 et seq. I added language to make it more flexible. Also any expenses in the Operational Plan shall be Allowed Expenses.
- 4.14 If rent is included, then the Fee Advance needs to be increased. You cant come out of pocket for a year then get reimbursed. I added language that your use of a car is always promotion of the LSRA and the Raceway.
- 5.2 Made \$150k payment to be on 1/3/2020. I also added language that approval and disapproval shall be reasonable and be based upon past approved expenses and practices.
- 7.1 It is impossible to get all revenue to the county that day. The next business day seems reasonable.
- 7.2 Has the Assessor ever deemed a possessory interest and charged taxes. You should not have to pay the taxes.
- 7.3 I increased to 48 hours.
- 7.4 I added language regarding a POS system.
9. I added language that County reimburses you for expenses.
10. MY COMMENT IS WHY WOULD YOU TAKE ON MASSIVE RISK AND AGREE TO INDEMNIFY THE COUNTY AND THE US GOVERNMENT WHEN THE COUNTY KEEPS ALL OF THE FUNDS AND ALL YOU GET IS A RELATIVELY SMALL MANAGEMENT FEE. THIS IS EFFECTIVELY LIKE REQUIRING YOU AS THE GM OF THE PLAZA HOTEL INDEMNIFYING THE ACTUAL OWNERS OF THE HOTEL. WHY WOULD ANYONE ACTUALLY DO THIS. NO ONE WOULD DO THIS. I THINK IT IS OK TO HAVE A CARVE OUT FOR GROSS NEGLIGENCE AND WILLFUL MISCONDUCT.
- 10.1 I made the County indemnify you except for your gross negligence and willful misconduct.



10.2 I added where you indemnify the County for your gross negligence and willful misconduct.

10.3 Cost of liability insurance should be an Allowed Expense, not a Management Fee.

10.4 I added E&O insurance and it being an Allowed Expense.

12.1 I think it is important that the language actually be as it was written. We do not want you to be deemed to have a possessory interest and subject to tax. Seems if the public has the right to access then you are better off.

14.1 I added 3 months management fee if terminated without cause. This is like a severance.

15.8 I added myself to the notice provisions.

15.12 I added language about the financial obligations continuing even if there is a delay or stoppage.

These are all of my comments and changes.

Feel free to add or subtract from this email or forward to the county directly.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805

  
<image001.jpg>

<Laguna Seca Management agreement.docx>



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 15, 2019 8:32 AM  
**To:** Hansen Reed; Girard, Leslie J. x5365  
**Cc:** Woods, Dewayne x5309  
**Subject:** RE: LSRA Management Agreement

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All looks good, mtg with Dwayne at 11 to I believe sign. Will wait for final version to print,

jvn

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 8:23 AM  
**To:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Cc:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

Les,

Attached is an updated redline.

I have included language regarding a 3 year option. I also added language to a few other paragraphs the needed to be updated if the option was to be exercised.

The option language is if the Agreement has not been terminated and Contractor is not in default, then it can be exercised. I put a date that the option needs to be exercised by of 9/1/2023.

I should be in my office all day today if my redline needs to be discussed.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



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**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Sent:** Thursday, November 14, 2019 8:27 PM  
**To:** Hansen Reed [REDACTED]  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** Re: LSRA Management Agreement

Thank you Hansen. I believe your edits will be acceptable, but will confer with Dewayne in the morning. Did you see the track changes version which had some comments? For example, there was no option included in Article 2, which I think you intended to include.

Here is the track changes version.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal St.  
Salinas, CA 93901  
(831) 755-5365

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 14, 2019 3:17 PM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** LSRA Management Agreement

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Les,

Thanks for the redline and acceptance of most of my changes.

I have reviewed and accepted almost all of the County's changes.

I would, however, like the indemnification language to be identical if we are having identical indemnifications. I have added that language.

Please let me know if this is acceptable. I understand that the version that was sent to John and I was the version submitted as part of the meeting packet.

Thanks

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100



# WALKER+REED

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[REDACTED]

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 10:36 AM  
**To:** Girard, Leslie J. x5365  
**Cc:** Woods, Dewayne x5309; John Narigi  
**Subject:** RE: LSRA Management Agreement

**Importance:** High

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Les,

Thanks for the catch on the Indemnification language.

The option language you added is fine from a legal perspective. The County Representative approving the option is a business term that I recommend John agree to, which I am sure he will.

I did not review the numbers in Exhibit A, and presume they are the numbers that Dewayne and John agreed to.

As far as I am concerned this version is ready to be executed.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



**WALKER+REED**  
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---

**From:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Sent:** Friday, November 15, 2019 9:29 AM  
**To:** Hansen Reed [REDACTED]  
**Cc:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

Thanks Hansen. I have accepted your edits with the exception of the option language. We suggest that the County Representative needs to approve the extension. I have enclosed suggested language in this version. I have also made two minor edits to the indemnification language, which you will see in this version.

I will be out of the office most of the rest of the day, perhaps John can discuss any last minute issues directly with Dewayne.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
[girardlj@co.monterey.ca.us](mailto:girardlj@co.monterey.ca.us)

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 8:23 AM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

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Les,

Attached is an updated redline.

I have included language regarding a 3 year option. I also added language to a few other paragraphs the needed to be updated if the option was to be exercised.

The option language is if the Agreement has not been terminated and Contractor is not in default, then it can be exercised. I put a date that the option needs to be exercised by of 9/1/2023.

I should be in my office all day today if my redline needs to be discussed.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



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**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>

**Sent:** Thursday, November 14, 2019 8:27 PM

**To:** Hansen Reed [REDACTED]

**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]

**Subject:** Re: LSRA Management Agreement

Thank you Hansen. I believe your edits will be acceptable, but will confer with Dewayne in the morning. Did you see the track changes version which had some comments? For example, there was no option included in Article 2, which I think you intended to include.

Here is the track changes version.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal St.  
Salinas, CA 93901  
(831) 755-5365

---

**From:** Hansen Reed [REDACTED]

**Sent:** Thursday, November 14, 2019 3:17 PM

**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>

**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]

**Subject:** LSRA Management Agreement

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Les,

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Please let me know if this is acceptable. I understand that the version that was sent to John and I was the version submitted as part of the meeting packet.

Thanks

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor

Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805



**WALKER+REED**  
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[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 10:55 AM  
**To:** Hansen Reed; GirardLJ@co.monterey.ca.us; John Narigi  
**Subject:** Insurance Exhibit  
**Attachments:** 105-AlisalCpr2\_20191115\_115510.pdf

Please see the attached a few changes to insurance language, please advise if ok.

-----Original Message-----

**From:** donotreply@co-monterey-ca-us.mail.protection.outlook.com <donotreply@co-monterey-ca-us.mail.protection.outlook.com>  
**Sent:** Friday, November 15, 2019 11:55 AM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** Scanned image from 105-AlisalCpr2

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**Reply to:** 105-AlisalCpr2 <donotreply@co-monterey-ca-us.mail.protection.outlook.com>  
**Device Name:** 105-AlisalCpr2  
**Device Model:** MX-M6570  
**Location:** Not Set

**File Format:** PDF (Medium)  
**Resolution:** 200dpi x 200dpi

Attached file is scanned image in PDF format.  
Use Acrobat(R)Reader(R) or Adobe(R)Reader(R) of Adobe Systems Incorporated to view the document.  
Adobe(R)Reader(R) can be downloaded from the following URL:  
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<http://www.adobe.com/>

### Exhibit C – Insurance

**Required Coverage.** Without in any way limiting Contractor’s liability pursuant to the “indemnification” section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance which follows their designated operations in the following amounts and coverages:

- a) **Commercial General Liability/Motorsport Liability** insurance which should include the following minimum limits each coverage;

<b>CGL/Motorsport Liability</b>	<b>Minimum Required Limit</b>
Bodily Injury and Property Damage Liability	\$ 25,000,000
Damage to rented premise (Fire legal)	\$ 300,000
Medical Expense	\$ 5,000
General Aggregate	None
Products- Completed Operations	\$ 25,000,000
Personal Advertising Injury	\$ 25,000,000

- b) **Liquor Liability** Insurance with limits no less than **\$1,000,000** each occurrence;
- c) **Participant Legal Liability** Insurance with limits not less than **\$25,000,000** each occurrence;
- d) **Commercial Auto Liability** Insurance with limits no less than **\$25,000,000** each occurrence, “combined single limit” for Bodily Injury and Property Damage, including Owned, Non-owned, and Hired auto coverage, as applicable;
- e) **Worker’s Compensation**, in Statutory amounts, with Employers’ Liability Limits not less than **\$1,000,000** each accident, injury, or illness;
- f) **Crime insurance** with limits of no less than **\$1,000,000** per occurrence covering claims involving employee dishonesty, forgery or alteration, theft, disappearance and destruction, and computer fraud.

#### **Additional Insured**

Commercial General Liability or Motorsport Liability Insurance, Liquor Liability policies must be endorsed to provide:

- i. County of Monterey, its agents, officers, directors and employees as Additional Insureds with respect to liability arising out of ongoing and completed operations.

- ii. Such policies will be first dollar and primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Agreement, and that insurance applies separate to each insured against whom claim is made or suit is brought.
- iii. If Contractor carries or maintains an Umbrella/Excess Liability policy to provide additional coverage or if the contract requires higher limits than what the Contractor carries in the primary policies, County shall be added as additional insured<sup>s</sup> on such policies.
  - i. The policy shall provide “drop-down” blanket coverage where underlying primary insurance coverage limits are insufficient or exhausted.
- iv. Coverage must waive subrogation as respects to the additional insureds.
- v. Contractor shall provide to County a certificate of insurance evidencing the required coverages no later than thirty (30) days prior to the event. Upon County’s request, Contractor shall provide full copies of all applicable insurance policies.
- vi. The Certificate of insurance and policy should list any deductibles or self insured retentions Contractors might be responsible to pay or reimburse.
- vii. General liability and Umbrella Policies need to be placed with at least an A- rated carrier by A.M. Best.

### **Subcontractors**

If Contractor will use any subcontractor(s) to provide Services, Contractor shall require and be responsible for the subcontractor(s) to provide all necessary insurance and to name the County of Monterey, its Officers, Agents, and Employees as additional insureds.

- i. Contractor’s and Subcontractor’s primary and umbrella/excess policies will be first dollar policies to respond to any claim or lawsuit.
- ii. Contractor’s and Subcontractor’s primary and umbrella/excess policies shall not subrogate or seek recovery against County’s primary or excess policies.



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 12:30 PM  
**To:** Hansen Reed  
**Cc:** Girard, Leslie J. x5365; John Narigi  
**Subject:** Re: Insurance Exhibit

Depends on the nature of their business

Sent from my iPhone

> On Nov 15, 2019, at 11:35 AM, Hansen Reed <hreed@walkerandreed.com> wrote:

>

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>

> Dewayne,

>

> It looks fine to me. Are subcontractors required to provide the same insurance as the Contractor (i.e. \$25million)? This seems excessive.

>

> Hansen

>

> Hansen P. Reed, Esq.

> Walker & Reed, P.C.

> 215 W. Franklin Street, 5th Floor

> Monterey, CA 93940

> Phone: (831) 649-1100

> Fax: (831) 649-6805

> [REDACTED]

>

>

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>

> -----Original Message-----

> From: Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>

> Sent: Friday, November 15, 2019 10:55 AM

> To: Hansen Reed [REDACTED]; Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>; John Narigi

[REDACTED]

> Subject: Insurance Exhibit

>

> Please see the attached a few changes to insurance language, please advise if ok.

>

> -----Original Message-----



> From: donotreply@co-monterey-ca-us.mail.protection.outlook.com <donotreply@co-monterey-ca-us.mail.protection.outlook.com>  
> Sent: Friday, November 15, 2019 11:55 AM  
> To: Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
> Subject: Scanned image from 105-AlisalCpr2  
>  
> [CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]  
>  
> Reply to: 105-AlisalCpr2 <donotreply@co-monterey-ca-us.mail.protection.outlook.com>  
> Device Name: 105-AlisalCpr2  
> Device Model: MX-M6570  
> Location: Not Set  
>  
> File Format: PDF (Medium)  
> Resolution: 200dpi x 200dpi  
>  
> Attached file is scanned image in PDF format.  
> Use Acrobat(R)Reader(R) or Adobe(R)Reader(R) of Adobe Systems Incorporated to view the document.  
> Adobe(R)Reader(R) can be downloaded from the following URL:  
> Adobe, the Adobe logo, Acrobat, the Adobe PDF logo, and Reader are registered trademarks or trademarks of Adobe Systems Incorporated in the United States and other countries.  
>  
> <http://www.adobe.com/>

**From:** "Woods, Dewayne x5309" <[woodsdl@co.monterey.ca.us](mailto:woodsdl@co.monterey.ca.us)>

**Date:** November 15, 2019 at 1:55:57 PM PST

**To:** "McKee, Charles J" <[McKeeCJ@co.monterey.ca.us](mailto:McKeeCJ@co.monterey.ca.us)>, "Hardgrave, Sarah x787" <[HardgraveS@co.monterey.ca.us](mailto:HardgraveS@co.monterey.ca.us)>

**Cc:** "Adams, Mary L." <[AdamsML@co.monterey.ca.us](mailto:AdamsML@co.monterey.ca.us)>, "Moore, Susan x7664" <[MooreS@co.monterey.ca.us](mailto:MooreS@co.monterey.ca.us)>, "Johnson, Ebby x5113" <[johnsone@co.monterey.ca.us](mailto:johnsone@co.monterey.ca.us)>

**Subject:** RE: Additional info request re: Laguna Seca

## Background

In February 2017 an temporary agreement was executed between SCRAMP and County of Monterey for management services of Laguna Seca. This agreement was entered as

a gap agreement at the time while the County continued negotiations with Friends for a concessionaire agreement. This agreement had a 60 no cause clause in the event a concessionaire agreement was reached, however the term without cancelation was for three years. Since a concessionaire agreement did not occur the County chose to run the contract through its term, and clearly had advised SCRAMP Leadership this was an evaluation period. SCRAMP Leadership has been well aware of the contract end date of December 31, 2019 and has been provided multiple communications on areas of concern and required areas for business improvements. SCRAMP Leadership has been advising the County for over a year that it intended to submit a proposal for a new contract and County at each and every point has asked when one would be forthcoming. Given the contract was less than three months from termination and SCRAMP Leadership had not presented a proposal the County issued a Press Release on October 15, 2019 advising all interested parties, including the current manager, to submit a proposal by October 31, 2019. Since the current manager had not provided any assurances of any specific timeline a proposal would be provided the County had to act quickly to insure that the business would have management in place after December 31, 2019.

The County received three proposals for management agreements, one resubmittal for a concession agreement (from 2016) and one email. The Concession and email submittals were not responsive. The three submittals for management agreements were reviewed and due diligence completed. A&D Narigi Consulting, LLC was determined to be the best and most closely aligned with the County vision and terms required. Negotiations ensued which resulted in an agreement for the BOS consideration on 11/19/19 in open session.

Hope this helps,

Dewayne

---

**From:** McKee, Charles J <[McKeeCJ@co.monterey.ca.us](mailto:McKeeCJ@co.monterey.ca.us)>  
**Sent:** Friday, November 15, 2019 11:26 AM  
**To:** Hardgrave, Sarah x7876 <[HardgraveS@co.monterey.ca.us](mailto:HardgraveS@co.monterey.ca.us)>  
**Cc:** Adams, Mary L. <[AdamsML@co.monterey.ca.us](mailto:AdamsML@co.monterey.ca.us)>; Moore, Susan x7664 <[MooreS@co.monterey.ca.us](mailto:MooreS@co.monterey.ca.us)>; Johnson, Ebby x5113 <[johnsone@co.monterey.ca.us](mailto:johnsone@co.monterey.ca.us)>;

Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>

**Subject:** Re: Additional info request re: Laguna Seca

Hi Sarah,

We did not issue a formal RFP, because one was not required, RFPs are more restricted and RFPs take substantial time. For your other questions, I will ask Dewayne to respond.

Charles J. McKee

County Administrative Officer

MONTEREY COUNTY

(831) 755-5115

sent via iphone

On Nov 15, 2019, at 9:36 AM, Hardgrave, Sarah x7876  
<[HardgraveS@co.monterey.ca.us](mailto:HardgraveS@co.monterey.ca.us)> wrote:

Hi Charles,

Supervisor Adams is receiving extensive correspondence about the Laguna Seca item and we are trying to gain a better understanding of the process. Can you send us the RFP for the Laguna Seca Management contract, information about how it was advertised and/or how proposals were solicited, as well as the criteria used for the selection? That information is not clear in the Board agenda materials.

Thanks,

Sarah Hardgrave

Policy Analyst

Office of Supervisor Mary L. Adams

County of Monterey, District 5

Phone: 831-647-7755

***Connect with Mary***

- on [Facebook](#)
- via [E-Newsletter](#)

<image001.png>

Please consider the environment before printing this e-mail.



**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 1:56 PM  
**To:** McKee, Charles J; Hardgrave, Sarah x7876  
**Cc:** Adams, Mary L.; Moore, Susan x7664; Johnson, Ebby x5113  
**Subject:** RE: Additional info request re: Laguna Seca

## Background

In February 2017 an temporary agreement was executed between SCRAMP and County of Monterey for management services of Laguna Seca. This agreement was entered as a gap agreement at the time while the County continued negotiations with Friends for a concessionaire agreement. This agreement had a 60 no cause clause in the event a concessionaire agreement was reached, however the term without cancelation was for three years. Since a concessionaire agreement did not occur the County chose to run the contract through its term, and clearly had advised SCRAMP Leadership this was an evaluation period. SCRAMP Leadership has been well aware of the contract end date of December 31, 2019 and has been provided multiple communications on areas of concern and required areas for business improvements. SCRAMP Leadership has been advising the County for over a year that it intended to submit a proposal for a new contract and County at each and every point has asked when one would be forthcoming. Given the contract was less than three months from termination and SCRAMP Leadership had not presented a proposal the County issued a Press Release on October 15, 2019 advising all interested parties, including the current manager, to submit a proposal by October 31, 2019. Since the current manager had not provided any assurances of any specific timeline a proposal would be provided the County had to act quickly to insure that the business would have management in place after December 31, 2019.

The County received three proposals for management agreements, one resubmittal for a concession agreement (from 2016) and one email. The Concession and email submittals were not responsive. The three submittals for management agreements were reviewed and due diligence completed. A&D Narigi Consulting, LLC was determined to be the best and most closely aligned with the County vision and terms required. Negotiations ensued which resulted in an agreement for the BOS consideration on 11/19/19 in open session.

Hope this helps,

Dewayne

**From:** McKee, Charles J <McKeeCJ@co.monterey.ca.us>  
**Sent:** Friday, November 15, 2019 11:26 AM  
**To:** Hardgrave, Sarah x7876 <HardgraveS@co.monterey.ca.us>  
**Cc:** Adams, Mary L. <AdamsML@co.monterey.ca.us>; Moore, Susan x7664 <MooreS@co.monterey.ca.us>; Johnson, Ebby x5113 <johnsone@co.monterey.ca.us>; Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** Re: Additional info request re: Laguna Seca

Hi Sarah,

We did not issue a formal RFP, because one was not required, RFPs are more restricted and RFPs take substantial time. For your other questions, I will ask Dewayne to respond.

Charles J. McKee  
County Administrative Officer  
MONTEREY COUNTY  
(831) 755-5115  
sent via iphone

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Hi Charles,

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Thanks,

Sarah Hardgrave  
Policy Analyst  
Office of Supervisor Mary L. Adams  
County of Monterey, District 5  
Phone: 831-647-7755

**Connect with Mary**

- on [Facebook](#)
- via [E-Newsletter](#)

<image001.png>

Please consider the environment before printing this e-mail.





[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 2:00 PM  
**To:** Adams, Mary L.; Phillips, John M. x5022; Alejo, Luis; Parker, Jane; 'Lopez, Christopher M. x5729'  
**Subject:** Background on history and process for your information: SCRAMP

Dear Board,

#### Background

In February 2017 an temporary agreement was executed between SCRAMP and County of Monterey for management services of Laguna Seca. This agreement was entered as a gap agreement at the time while the County continued negotiations with Friends for a concessionaire agreement. This agreement had a 60 no cause clause in the event a concessionaire agreement was reached, however the term without cancelation was for three years. Since a concessionaire agreement did not occur the County chose to run the contract through its term, and clearly had advised SCRAMP Leadership this was an evaluation period. SCRAMP Leadership has been well aware of the contract end date of December 31, 2019 and has been provided multiple communications on areas of concern and required areas for business improvements. SCRAMP Leadership has been advising the County for over a year that it intended to submit a proposal for a new contract and County at each and every point has asked when one would be forthcoming. Given the contract was less than three months from termination and SCRAMP Leadership had not presented a proposal the County issued a Press Release on October 15, 2019 advising all interested parties, including the current manager, to submit a proposal by October 31, 2019. Since the current manager had not provided any assurances of any specific timeline a proposal would be provided the County had to act quickly to insure that the business would have management in place after December 31, 2019.

The County received three proposals for management agreements, one resubmittal for a concession agreement (from 2016) and one email. The Concession and email submittals were not responsive. The three submittals for management agreements were reviewed and due diligence completed. A&D Narigi Consulting, LLC was determined to be the best and most closely aligned with the County vision and terms required. Negotiations ensued which resulted in an agreement for the BOS consideration on 11/19/19 in open session.

Hope this helps,

Dewayne



**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 5:04 PM  
**To:** tmcgrane@laguna-seca.com  
**Subject:** LSRA Presentation

Mr. McGrane,

The County has scheduled for Board consideration a recommendation on future management, we would like to offer your firm an allocation of 5 minutes to present.

Please advise if you are interested in presenting.

Thanks

Dewayne Woods

Sent from my iPhone



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 15, 2019 5:06 PM  
**To:** McKee, Charles J  
**Subject:** Fwd: LSRA Presentation

Sent from my iPhone

Begin forwarded message:

**From:** [woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)  
**Date:** November 15, 2019 at 5:04:53 PM PST  
**To:** [REDACTED]  
**Subject:** LSRA Presentation

Mr. Narigi,

The County has scheduled for Board consideration a recommendation on future management, we would like to offer your firm an allocation of 5 minutes to present.

Please advise if you are interested in presenting.

Thanks

Dewayne Woods

Sent from my iPhone

Sent from my iPhone



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 15, 2019 6:12 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: LSRA Presentation

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Yes I will say a few words, do you believe a power point would be beneficial? Would think for that much time verbal would be the nest way to go?  
Comments please,

jvn

-----Original Message-----

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Friday, November 15, 2019 5:05 PM  
**To:** [REDACTED]  
**Subject:** LSRA Presentation

Mr. Narigi,

The County has scheduled for Board consideration a recommendation on future management, we would like to offer your firm an allocation of 5 minutes to present.

Please advise if you are interested in presenting.

Thanks

Dewayne Woods

Sent from my iPhone

Sent from my iPhone





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Saturday, November 16, 2019 6:58 AM  
**To:** Girard, Leslie J. x5365; Hansen Reed  
**Cc:** Woods, Dewayne x5309  
**Subject:** RE: LSRA Management Agreement

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thank you all for your time and effort to wrap this agreement up, much appreciated.

jvn

---

**From:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Sent:** Friday, November 15, 2019 4:11 PM  
**To:** Hansen Reed [REDACTED]  
**Cc:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

You too.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
[girardlj@co.monterey.ca.us](mailto:girardlj@co.monterey.ca.us)

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 4:05 PM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

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Les,

Happy to help to get this over the line.

Have a great weekend.

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940

Phone: (831) 649-1100  
Fax: (831) 649-6805



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ATTORNEYS AT LAW P.C.

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**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Sent:** Friday, November 15, 2019 3:59 PM  
**To:** Hansen Reed [REDACTED]  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

Thanks Hansen, I have been out of the office but see that John has executed the agreement.

Thanks again for your help and edits.

Les

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
[girardlj@co.monterey.ca.us](mailto:girardlj@co.monterey.ca.us)

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 10:36 AM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement  
**Importance:** High

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Les,

Thanks for the catch on the Indemnification language.

The option language you added is fine from a legal perspective. The County Representative approving the option is a business term that I recommend John agree to, which I am sure he will.

I did not review the numbers in Exhibit A, and presume they are the numbers that Dewayne and John agreed to.

As far as I am concerned this version is ready to be executed.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805



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**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Sent:** Friday, November 15, 2019 9:29 AM  
**To:** Hansen Reed [REDACTED]  
**Cc:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

Thanks Hansen. I have accepted your edits with the exception of the option language. We suggest that the County Representative needs to approve the extension. I have enclosed suggested language in this version. I have also made two minor edits to the indemnification language, which you will see in this version.

I will be out of the office most of the rest of the day, perhaps John can discuss any last minute issues directly with Dewayne.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
[girardlj@co.monterey.ca.us](mailto:girardlj@co.monterey.ca.us)

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 15, 2019 8:23 AM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Management Agreement

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Les,

Attached is an updated redline.

I have included language regarding a 3 year option. I also added language to a few other paragraphs the needed to be updated if the option was to be exercised.

The option language is if the Agreement has not been terminated and Contractor is not in default, then it can be exercised. I put a date that the option needs to be exercised by of 9/1/2023.

I should be in my office all day today if my redline needs to be discussed.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805



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**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>

**Sent:** Thursday, November 14, 2019 8:27 PM

**To:** Hansen Reed [REDACTED]

**Cc:** Woods, Dewayne x5309 <[woods@d@co.monterey.ca.us](mailto:woods@d@co.monterey.ca.us)>; John Narigi [REDACTED]

**Subject:** Re: LSRA Management Agreement

Thank you Hansen. I believe your edits will be acceptable, but will confer with Dewayne in the morning. Did you see the track changes version which had some comments? For example, there was no option included in Article 2, which I think you intended to include.

Here is the track changes version.

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal St.  
Salinas, CA 93901

(831) 755-5365

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 14, 2019 3:17 PM  
**To:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Cc:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** LSRA Management Agreement

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Les,

Thanks for the redline and acceptance of most of my changes.

I have reviewed and accepted almost all of the County's changes.

I would, however, like the indemnification language to be identical if we are having identical indemnifications. I have added that language.

Please let me know if this is acceptable. I understand that the version that was sent to John and I was the version submitted as part of the meeting packet.

Thanks

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



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**From:** Woods, Dewayne x5309  
**Sent:** Sunday, November 17, 2019 6:39 PM  
**To:** Adams, Mary L.  
**Subject:** Re: LSRA Management Proposals

The check on Narigi was generally positive regarding business skills, nothing appeared as problematic as the others, can further elaborate in person. Of course most industry folks always prefer someone on the inside of the industry it's a general sentiment, what is funny is they now seem to except me in the industry so not impossible to enter the understanding world

Dewayne

Sent from my iPhone

On Nov 17, 2019, at 11:07 AM, Adams, Mary L. <[AdamsML@co.monterey.ca.us](mailto:AdamsML@co.monterey.ca.us)> wrote:

Thank you for the Information. We have Pook, but what did the background check on Narigi disclose?

Mary L. Adams,  
Fifth District Supervisor  
County of Monterey

On Nov 14, 2019, at 8:16 AM, Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)> wrote:

Supervisor,

In general during a contractor selection process the BOS is not included in due diligence on comparing the submittals from proposers, County Staff conduct this due diligence on multiple contract proposals all year long. Staff then negotiate with the preliminary selected vendor and if able to agree on contract terms and language then it is brought forward for Board consideration. When it is brought forward this is when the BOS is provided information regarding why this vendor was determined by staff to be the best choice for this particular service and the BOS makes final determination as to enter into contract or provide additional direction.

I have attached a comparative analysis which will accompany the report when the contract is brought forward for your review. To be specific of the three SCRAMP's proposal was extremely non-competitive in length, financial terms and risk assumption by the County. More closely aligned were Laguna Seca Management, LLC (Pook) and A&D Narigi Consulting, with Pook having less favorable financial terms and extremely top heavy on executive staff, which was unclear as to what that level of executive staff would cost.

It came down to the due diligence between Narigi and Pook as to whom had the best ability to maneuver in our local market to run the business and some background checks revealed that Pook although heavily involved in the MotorSports industry that engagement was not contemporary and industry feedback was not as favorable as we should require.



I am available to meet and discuss in greater detail the information gathered on background at your request.

Thanks,

Dewayne

---

**From:** Adams, Mary L. <[AdamsML@co.monterey.ca.us](mailto:AdamsML@co.monterey.ca.us)>  
**Sent:** Thursday, November 14, 2019 8:02 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** Re: LSRA Management Proposals

Dewayne, I am going to need more information for the blow back I will receive when you make this announcement. Please tell me the process that took place that led you to making this decision. Clearly it did not include BOS input. Thank you.

Mary L. Adams,  
Fifth District Supervisor  
County of Monterey

On Nov 13, 2019, at 2:48 PM, Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)> wrote:

Dear Board,

Please be aware I will be emailing Friends, SCRAMP and Laguna Seca Management, LLC (Pook) and advising that at this point we are in negotiating with another proposer and if that negotiation is unsuccessful then the County will further consider their proposal.

Thanks,

Dewayne

<Comparative Analysis.docx>

**From:** Carroll, Maia  
**Sent:** Monday, November 18, 2019 4:38 PM  
**To:** Woods, Dewayne x5309; McKee, Charles J; Girard, Leslie J. x5365  
**Subject:** The Herald - LSRA article  
**Attachments:** County board to consider pact with new Laguna Seca manager – Monterey Herald.pdf

FYI

NEWS > LOCAL NEWS

## County board to consider pact with new Laguna Seca manager

Board to consider pact with new manager



Chaz Davies (7) leads a group of riders into turn-3 at the MOTUL FIM Superbike World Championship at WeatherTech Raceway Laguna Seca in Monterey on Sunday, July 14, 2019. (Vern Fisher – Monterey Herald)

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By **JIM JOHNSON** | [jjohnson@montereyherald.com](mailto:jjohnson@montereyherald.com) | Monterey Herald  
PUBLISHED: November 18, 2019 at 3:06 pm | UPDATED: November 18, 2019 at 3:13 pm

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The proposed deal recommended by county staff would run from Jan. 1 to Dec. 31, 2023, with an option for a three-year extension through the end of 2026. It would pay the new management firm, led by former local hotelier John Narigi and incorporated last month, a monthly advance of \$286,000 with an annual 2 percent cost of living increase, and a 20-percent incentive fee based on the county-owned facility's annual net operating income.

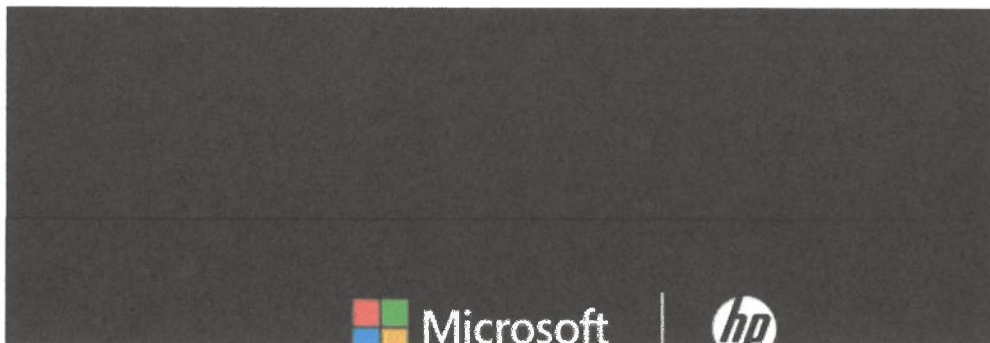
According to a staff report, Narigi's firm emerged from a review of three management proposals, including one submitted by longtime raceway operator the Sports Car Racing Association of the Monterey Peninsula and another submitted by a firm dubbed Laguna Seca Management and led by Southern California auto racing veteran Chris Pook.



John Narigi, left, is heading up A&D Narigi Consulting to take over management of the Laguna Seca Recreation Area, including the iconic Weathertech Raceway Laguna Seca. The proposal, which has the county staff's recommendation, is set to be considered by the Monterey County Board of Supervisors on Tuesday. (Monterey Herald archives)

A fourth proposal from the Friends of Laguna Seca group was considered non-responsive because it envisioned a concessionaire agreement.

ADVERTISING



All three management proposals are slated to be presented to the county board on Tuesday ahead of its consideration of the staff-recommended Narigi management deal. The board is also set to consider a report on county “achievements” at Laguna Seca, including spending \$5.5 million on capital improvements and \$1.3 million on new equipment while generating about \$12 million in sponsorship, vendor and hospitality revenue, as well as leading the way on the return of both the Indy Car and Porsche Rennsport events.

Last month, the county issued an open call for Laguna Seca management proposals, avoiding the formal request for proposals process. It was pointed out that the current three-year management contract with SCRAMP was due to expire at the end of the year and the organization had not yet submitted its proposal. The county set an Oct. 31 deadline for all proposals, and received the four responses.

A “due diligence” evaluation of the proposals was conducted by the County Administrative Office, according to a staff report. Assistant County Administrative Officer Dewayne Woods, who leads the county’s oversight of Laguna Seca, said he and staff conducted the review and made the recommendation.

Narigi’s firm stood out, according to the staff report, because it “brought a unique local business/hospitality approach to the forefront and is most closely aligned with the timeline and business model required for future success.”

Narigi retired in May as Monterey Plaza Hotel and Spa vice president and general manager after more than 25 years there, and was reportedly planning to move to Washington. He is a founder and past chair of the Coalition of Peninsula Businesses and past chair of the Monterey County Hospitality Association.

In a prepared statement, Narigi said he was “honored” that his firm is being

"I look forward to the opportunity to work with the Monterey County team, the owners of the property who have been outstanding to work with during the proposal process," he said. "My years of management experience in the hospitality industry have prepared me to institute sound business practices that will ensure the financial health of this valuable asset."

Narigi added that if his firm wins the contract his focus will be to "maximize use of the raceway and recreational assets in partnership with the county and community organizations."

The report also compared the terms of the three management proposals. It argued that the SCRAMP proposal would result in higher overall costs to the county and that it sought "exclusive rights and autonomy which suggest more of a concessionaire-type agreement with the county holding all financial risk and investment risk without commensurate guarantee of return," while excluding all county costs from the facility's net operating income. And it pointed out that the Laguna Seca Management/Pook proposal called for an additional \$108,000 annual executive oversight fee.

In its proposal, SCRAMP sought a 20-year management deal with five-year reviews and a \$475,000 monthly management fee, as well as a 20-percent management incentive fee. Ironically, SCRAMP's proposal also included a clause calling for the county not to solicit management proposals from other parties for 60 days after submission of the proposed term sheet and to inform SCRAMP in writing if it was approached with any such proposal.

SCRAMP representatives led by Chief Executive Officer Tim McGrane have expressed surprise at the sudden notice that a proposed agreement had been struck with another management firm. They promised to continue making their case to remain at Laguna Seca, noting the organization has been involved with its operation since it was built in 1957.

Laguna Seca Management proposed a three-year management deal with an option for a three-year extension, and a \$270,000 monthly management advance with annual cost of living increases.

Supervisor Luis Alejo said he believed the county had "provided a fair opportunity" for anyone to submit management proposals. But Alejo also acknowledged "ongoing serious concerns" about SCRAMP's performance including management, expenditures, debt, loss of staff and its "poor relationship with the County of Monterey in recent years." He noted the

“Let’s be clear, many of the good changes at Laguna Seca in the last two to three years have occurred because of the county’s direction, insistence and oversight, not because of SCRAMP’s current leadership,” he said. “I look forward to reviewing the (staff recommended) proposal and continuing to have a strong organization of our dedicated volunteers. Some serious changes need to be made at this time but we are deeply committed to seeing Laguna Seca raceway continue as a world-renowned race track and destination.”

Supervisor Mary Adams, whose district includes Laguna Seca, said whether or not she agrees with the outcome of Tuesday’s board vote she is concerned about the way the county handled communication with SCRAMP and the volunteers. She said both have a “revered position” in the community and should have been given more consideration.

Narigi’s proposal promised to re-hire with existing benefits all current management and associates at the facility, though Woods said there would simply be a “re-hiring process.” There is some question whether McGrane would be re-hired, at least as CEO, because Narigi plans to serve as general manager.

The proposal also indicated the firm intends to “work closely with the numerous proud volunteers and service organizations” associated with Laguna Seca, “continuing their highly regarded reputation of providing services for races and other events.”

“Most of all,” Narigi said in a statement, “I look forward to the opportunity to meet and work with the volunteers, who for the last 62 years have been the heart and soul of the race track and its operations. I will personally work to rebuild relations and strengthen the bond between my firm and every volunteer.”

The county issued a notice last week praising SCRAMP directors and assistant directors and other volunteers for their dedication to Laguna Seca for more than 60 years while noting that they are “welcome and encouraged to continue their historical roles and enjoy the racing action as they have for so many years” even if a management change occurs.

Narigi’s proposal includes no information on any auto racing, executive or management experts, other than himself, that might be part of his firm and the Laguna Seca management team. He did promise to appoint an advisory board



Woods said the county is simply looking for a different approach to management of the Laguna Seca facility.

The proposal promises an extensive review of the Laguna Seca operation, as well as business and operations plans for the facility. It sets a goal of increasing revenue to about \$20 million per year with a net operating margin of at least 7-10 percent through maximization of track rentals, expanding auto research and testing use including the electric vehicle industry, and adding events including those outside racing, among other initiatives.

The Narigi name has been associated with the track in the past. Most notably, Narigi's late son Anthony was killed at age 21 on July 22, 2007 when his younger brother Dominick lost control and rolled his SUV on South Boundary Road as they were leaving the Red Bull U.S. Grand Prix motorcycle races at Laguna Seca. Dominick Narigi pleaded no contest to vehicular manslaughter in the death of his brother.

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Tags: [Newsletter](#)



### Jim Johnson

Jim Johnson covers Monterey County government and water issues for the Monterey Herald.

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## for Healthcare Organizations

By Coverys

**COVERYS** 

Today's healthcare environment requires a data-driven approach to improve processes

and outcomes.



**From:** Chiulos, Nick x5145  
**Sent:** Monday, November 18, 2019 6:00 PM  
**To:** Carroll, Maia; McKee, Charles J; Woods, Dewayne x5309; Girard, Leslie J. x5365  
**Subject:** RE: more media before tomorrow's LSRA item

Maia...thanks, Nick


**From:** Carroll, Maia <carrollm@co.monterey.ca.us>  
**Sent:** Monday, November 18, 2019 5:45 PM  
**To:** McKee, Charles J <McKeeCJ@co.monterey.ca.us>; Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>; Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Cc:** Chiulos, Nick x5145 <chiulosn@co.monterey.ca.us>  
**Subject:** more media before tomorrow's LSRA item

This is out from Voices of the Monterey Bay online magazine and our old friend Royal Caulkins. Article suggests supervisors are compromised to vote for the LSRA contract due to other issues.

<https://voicesofmontereybay.org/2019/11/18/fast-moves-on-the-raceway/>

Maia





---

**From:** Pablo, Joel x5841  
**Sent:** Tuesday, November 19, 2019 8:10 AM  
**To:** 100-BoS Everyone; Girard, Leslie J. x5365; McKee, Charles J  
**Cc:** Woods, Dewayne x5309; Quezada, Rocio x6769  
**Subject:** Correspondence: Letter from Concerned Citizens, re: Laguna Seca  
**Attachments:** Laguna Seca Raceway; SCRAMP; Approve contract with A&D Narigi Consulting LLP; Squid tunes into the curious race to control the Laguna Seca racetrack. | News | montereycountyweekly.com; Fast moves on the raceway – Voices of Monterey Bay; Fwd: County and Narigi article

Good Morning, All-

Please see above-attached correspondence from Concerned Citizens, re Laguna Seca.

[Joel G. Pablo](#)  
Board of Supervisors Clerk, *Deputy*  
Clerk of the Board  
County of Monterey  
168 W. Alisal St., 1<sup>st</sup> Floor  
Salinas, CA 93901

Phone: (831) 755-5066  
Fax: (831) 755-5888

[REDACTED]

---

**From:** Dean Fewtrell <DeanFewtrell@scramp.org>  
**Sent:** Tuesday, November 19, 2019 7:48 AM  
**To:** ClerkoftheBoard  
**Subject:** Fwd: County and Narigi article

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

“Although SCRAMP doesn’t question the integrity of Supervisors Phillips and Lopez, in light of the current investigation into Mr. Narigi by the Fair Political Practices Commission involving funds received by Supervisors Phillips and Lopez, I suggest they recuse themselves from this vote to avoid any appearance of impropriety. Further, it was well known that Mr. Narigi announced his intentions to move to Washington upon his retirement from the hotel. Wouldn’t it be ironic if Mr. Narigi received a contract to manage a facility he sued at great expense to this County?”

<https://voicesofmontereybay.org/2019/11/18/fast-moves-on-the-raceway/>

--  
Dean Fewtrell  
Chair, SCRAMP Board of Governors  
831-320-3816

This communication is protected Attorney Client Privilege and/or Work Product and is Confidential.

[REDACTED]

---

**From:** Dean Fewtrell <DeanFewtrell@scramp.org>  
**Sent:** Tuesday, November 19, 2019 7:40 AM  
**To:** ClerkoftheBoard  
**Subject:** Fast moves on the raceway – Voices of Monterey Bay

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Please provide for today's BOS meeting

Fast moves on the raceway – Voices of Monterey Bay

<https://voicesofmontereybay.org/2019/11/18/fast-moves-on-the-raceway/>

[REDACTED]

---

**From:** Dean Fewtrell <DeanFewtrell@scramp.org>  
**Sent:** Tuesday, November 19, 2019 7:37 AM  
**To:** ClerkoftheBoard  
**Subject:** Squid tunes into the curious race to control the Laguna Seca racetrack. | News | montereycountyweekly.com

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Squid tunes into the curious race to control the Laguna Seca racetrack. | News | [montereycountyweekly.com](http://montereycountyweekly.com)

[https://www.montereycountyweekly.com/blogs/news\\_blog/squid-tunes-into-the-curious-race-to-control-the-laguna/article\\_81c283d6-0a39-11ea-a1db-03dff344fde6.html](https://www.montereycountyweekly.com/blogs/news_blog/squid-tunes-into-the-curious-race-to-control-the-laguna/article_81c283d6-0a39-11ea-a1db-03dff344fde6.html)




**From:** Gray Law Personal <ggray@ggraylaw.com>  
**Sent:** Tuesday, November 19, 2019 7:18 AM  
**To:** ClerkoftheBoard  
**Subject:** Approve contract with A&D Narigi Consulting LLP

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

As a former member of the Board of Education in Carmel, I know how vitally important it is for board members to rely upon the expertise of staff in deciding complex, and often contentious, issues. Here, your professional staff has carefully considered the competing proposals for the LSRA management contract, and has wholeheartedly recommended selection of A&D Narigi Consulting LLP as the very best group to move this treasured asset into its next phase. I urge the Board of Supervisors to follow that strong recommendation. Please note, the Narigi contract envisions a continuing marriage with the generous, tireless volunteer groups that have contributed in the past. John's documented track record of local business and hospitality experience and expertise aligns with the Board's own timeline and business model. Under his leadership, the LSRA can finally attain its full potential. I speak of John's dynamic leadership from a personal perspective as well, having served as counsel for the hotel for which he acted as general manager, and which he personally developed into a world class gem. Such success in the hospitality industry in Monterey County must be taken into account. Thank you for your consideration.

Respectfully submitted,  
Gary E. Gray  
Citizen of Fifth District



---

**From:** LARRY DOTSON <mald4@comcast.net>  
**Sent:** Monday, November 18, 2019 5:00 PM  
**To:** ClerkoftheBoard; Monica Nathan  
**Subject:** SCRAMP

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dear Supervisor Adams, I am a physician volunteer for SCRAMP and have traveled for each event from my home in Lafayette. I do this to work in the medical stations at the track and have for the past 5 years. Despite the expense and time, I have enjoyed working with the other members of all the departments of SCRAMP and am impressed with the work ethics and the family feeling of the group. Please consider re-instituting the contract for this great organization. A new group will not have the commitment to continuing the international reputation enjoyed in the world of racing. The SCRAMP volunteers will not support or work for an outside group. I will not longer volunteer at that point. Please do not discard this treasured history. Dr. Larry Dotson

[REDACTED]

---

**From:** Michelle Welty <michelle.weltypicotti@gmail.com>  
**Sent:** Monday, November 18, 2019 10:52 PM  
**To:** ClerkoftheBoard  
**Subject:** Laguna Seca Raceway

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Hello.

I am very disturbed by the upcoming vote for a change in management of Laguna Seca Raceway.

My father brought me to the Historics in the 1970's. My first husband brought me to camp at the track for races in the early 1980's and in the early 2000's, I took my second husband to the track because a co-worker suggested that I use my talent to volunteer at the track. This turned into a 15 year commitment from me to provide spectator first aid.

I love being at the track. My children grew up at the track. My daughter earned the privilege to volunteer this past year.

We feel a sense of peace, and "aaahhhh" when we come on to the grounds. This place is "home".

This feeling comes from the family we have worked with for the past 15 years. I have sacrificed hours of time away from my children, money to pay for gas and hotels, to be at the track during my commutes from Siskiyou County (6+ hours away) and Fresno County (3 hours away). I would do anything for, and love dearly, my "family" in medical Spectator First Aid. I love to help our guests with a bandaid, a pain reliever, or an assessment for heart attack or appendicitis.

I truly believe that you will be doing a massive disservice to the guests of Laguna Seca and to the volunteers that make up the heart of Laguna Seca, if you choose to eliminate SCRAMP from the management of this asset.

You will fail miserably. I stand in solidarity with my fellow volunteers that I WILL NOT support any other organization in the management of Laguna Seca, other than SCRAMP. I will tip my hat to the end of an era and volunteer in my own damn county, despite the fact that Fresno County has no world class, world renowned motorspeedway, or that the Monterey peninsula will always, and forever, be in my, and my family's hearts.

I feel that Monterey County is making a huge mistake attempting to vote SCRAMP out of the management contract for Laguna Seca.

Please consider the future and vote in favor of continued management by SCRAMP and less for the bureaucratic BS and input.

Thank you.

Michelle Welty- Picotti  
RN Assistant Director,  
Medical, Spectator First Aid



**From:** Woods, Dewayne x5309  
**Sent:** Tuesday, November 19, 2019 8:36 AM  
**To:** 112-Clerk of the Board Everyone  
**Subject:** LSRA Management presentation 11-19-19.pptx  
**Attachments:** LSRA Management presentation 11-19-19.pptx

COB,

Presentation for Item 17 can you place on computer.

Thanks,

Dewayne

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# LSRA MANAGEMENT

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# LAGUNA SECA RACEWAY - VOLUNTEERISM

- Laguna Seca Raceway was built in 1957 by a group of volunteers to promote racing on the Monterey Peninsula known as the Sports Car Racing Association of the Monterey Peninsula - SCRAMP
- Building of the raceway was necessitated by the need for change as racing in Pebble Beach presented dangerous conditions which threatened continuation of local races
- As that raceway became world famous and business grew SCRAMP Volunteers found the need to create a Business Division to handle the complexities of a multi-million dollar business, while the volunteers remained as volunteers passionate about their mission to promote racing on the Monterey Peninsula
- In the last decade the motorsport business has changed creating major fiscal challenges for the SCRAMP Business Division, while the volunteers have remained passionate about their mission
- Now that raceway from 1957 is in a position where change is necessitated once again, that change is driven by the motorsport industry and requires that the raceway be managed by a group expressly focused solely on the business, this change does not interfere with the SCRAMP Volunteers true original mission, if done properly it will only enhance that mission from 1957 to promote racing on the Monterey Peninsula

## LSRA PAST

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- Historically the County owned the Track Rental Business and various County sponsored and negotiated events, Music Festivals, Hot Air Balloons and Sea Otter
- Historically SCRAMP Business Division promoted and owned certain race events, Monterey Reunion, MotoGP, World Superbike
- In 2017 SCRAMP was unable financially to continue promoting race events which would have brought an immediate halt to all auto and motorcycle events at the facility
- Facing this reality the County of Monterey stepped up and brought forward the financial and business resources to ensure the continuance of race events at LSRA



# LSRA PRESENT

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- Since assuming full ownership the County has invested more than \$5.5 million in infrastructure improvements and over \$1.3 million in equipment purchases
- The County Administrative Office has fully engaged the services of the Resource Management Agency, Public Work, Architectural Services, Information Technology Department, County Fleet Division and County Contracts and Purchasing to bring major improvement to both the physical facility and business operations
- The County Administrative Office has successfully negotiated and captured the return of major events such as Rennsport and IndyCar.
- This return to vibrancy has been achieved due to the engagement of the County and the work of the volunteers at each and every event.

# LSRA FUTURE

---

- The event business and especially the motorsport event business is an extremely challenging business and requires the highest level of business and operational acumen to achieve stability and sustainability
- Moving forward the County needs to have a management structure that understands how to grow revenue while adhere to strict cost controls as margins are difficult to achieve
- Core to future success is focus on the business of event management and lifestyle experiences which are a tourist related operation as much as a race.
- Key attributes will be the ability to leverage local assets as well as build national relationships across all lifestyle spectrums based on solid business principles
- With this understanding the County sought proposals for management of LSRA

# LSRA PROPOSERS

## PROCESS:

- Driven by the timeline and no proposals submitted by current manager County released a call for management proposals for all interested parties on October 15, 2019 due by October 31, 2019
- County received three responsive submittals by October 31, 2019
- County Staff began negotiations with the proposer determined most aligned with current needs
- Board of Supervisors to consider future management of LSRA November 19, 2019

• The County sought proposals for a Management Agreement and received the following Responses:

- Friends of Laguna Seca, resubmitted a 2016 concessionaire proposal
- Sports Car Racing Association of the Monterey Peninsula submitted a management proposal
- Laguna Seca Management, LLC submitted a management proposal
- A & D Narigi Consulting submitted a management proposal
- County received one email of interest, however it was not qualified as a proposal

## LSRA: CONCESSION vs. MANAGEMENT AGREEMENT

- A **concession** or **concession agreement** is a grant of rights, land or property by a government, local authority, corporation, individual or other legal entity. The *concessionaire* — typically pays either a fixed sum or a percentage of revenue to the owner of the entity from which it operates.<sup>1</sup>
- A **management contract** is an arrangement under which operational control of an enterprise is vested by contract in a separate enterprise that performs the necessary managerial functions in return for a fee.
- In 2016 Friend of Laguna Seca submitted a concession agreement proposal and has now resubmitted it in 2019, although the County sought submittals of management agreements
  - In 2017 the negotiations between Friends of Laguna Seca and the County ended when the Friends were unable to secure capital prior to the award of a 25 year contract.

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## LSRA: WHAT TO CONSIDER

- Proposers
  - Background
  - Financial stability
  - Historical performance
  - Business Acumen/Leadership
  - Terms proposed

# LSRA: SCRAMP BUSINESS DIVISION

- Background
  - A 62 year old 501c4 organization with created for the purpose of volunteering to promote auto racing on the Monterey Peninsula.
  - There are two sides to SCRAMP the Business Division and the Volunteers.
  - This agreement discussion deals only with the Business Division.
- Financial Stability
  - 2018 Financial filings show
    - Assets of \$346,273
    - Liabilities of \$2,567,060
    - Net Negative Position of -\$2,220,787
- Historical Performance
  - In 2017 due to financial inability to continue holding events, all tangible and intangible assets were purchased by the County
  - Over the last decade SCRAMP has experienced extreme financial stress which has negatively impacted relationships in the industry and with vendors.

# LSRA: SCRAMP BUSINESS DIVISION

- Business Acumen/Leadership
- Currently hired as management firm for LSRA business
- Current performance
  - Multiple contractual/operations issues have been exposed here is a sample of experiences;
    - 2017 the County discovered that track rental safety workers were not under contract and cash transactions were taking place between renters and individuals. County immediately halted this practice.
    - April/May 2019- Critical contract with safety workers for California 8 Hour race was not completed, this required intervention by County to secure signed agreement hours prior to race start
    - April/May 2019 – County discovered food vendors on site without agreed and executed contract, this required intervention by County to secure signed agreement
    - July 2019 – Critical Contract with Safety workers for World Superbike was not completed, this required intervention by County, ultimate agreement was poorly constructed and insufficiently protective or specific
    - August 2019 – County discovered that SCRAMP Leadership had not pursued sponsorships for video production of the Rolex Reunion, this resulted in the County having to incur costs for this service which had previously been provided by media agreements without charge
    - October – County discovered that bill backs and invoicing from as far back as April 2019 have stalled in operations office, impacting ability to produce event and overall profit and loss statements to-date

# LSRA: SCRAMP BUSINESS DIVISION

Contract Term	<ul style="list-style-type: none"> <li>20 years w/5-year assessments</li> </ul>	<ul style="list-style-type: none"> <li>Given current experience with manager it would not be recommended to enter such a long term commitment</li> </ul>
Monthly Operating Fee	<ul style="list-style-type: none"> <li>\$475,00/month</li> </ul>	<ul style="list-style-type: none"> <li>76% increase over current advance amount</li> <li>This is fix fee, no reconciliation regardless of financial performance</li> <li>Current staffing reconciliation shows costs under \$3 million this proposal increased actual costs to \$5.7 million.</li> </ul>
Operations Expense Fund	<ul style="list-style-type: none"> <li>\$1.5 million average monthly operating expense payments to pay all event operating, track rental, camping, facility operations and daily maintenance, repairs and refurbishment expenses.</li> <li>County pay for all annual operating expenses and routine maintenance and repair expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Current procedure is to reimburse authorized actual expenses invoiced and documented.</li> <li>Unclear as to actual expected expenditures \$1.5 million X 12 months = \$18 million.</li> <li>Combined with staffing/volunteer fixed costs \$5.7 million + \$18 million = \$23.7 million, loss is projected, current gross revenue under \$20 million annually.</li> </ul>
Financial Controls	<ul style="list-style-type: none"> <li>Coordination with County on development of policies and procedures.</li> <li>Coordination with County on acceptable and robust financial management software system.</li> <li>SCRAMP full control of system including revenue receipt.</li> </ul>	<ul style="list-style-type: none"> <li>County staff has requested draft policies and offered assistance in developing, to-date non provided.</li> <li>RFP for a venue management system to fully integrate all activities including finance, underway would require halt of such initiatives.</li> </ul>



# LSRA: SCRAMP BUSINESS DIVISION

Net Operating Income Definition	<ul style="list-style-type: none"> <li>County department expenses not allocated to NOI include, which include but not limited to, fleet operations, public works operations, ITC operations, purchasing operations, RMA Permitting – of building, health, and fire department, and services provided by County Sheriff.</li> </ul>	<ul style="list-style-type: none"> <li>Allocated expenses are legitimate costs required to do business affecting the NOI;</li> <li>"RMA Permitting – of building, health, and fire department, and services provided by County Sheriff" are legitimate costs for producing race events affecting the NOI.</li> <li>Would produce an artificial N.O.I. excluding costs required for proper operations.</li> </ul>
Management Incentive Fee	<ul style="list-style-type: none"> <li>20% of Annual Net Operating Income</li> <li>Annual NOI based upon track and facility operating expenses only (excluding County allocated expenses)</li> </ul>	<ul style="list-style-type: none"> <li>Allocated expenses are legitimate costs required to do business affecting the NOI</li> </ul>
Sponsorship	<ul style="list-style-type: none"> <li>Exclusive rights to sell signage, sponsorship and naming rights.</li> <li>Coordinate contact for sponsor relations.</li> <li>Provide assessment of existing sponsorship and marketing agreements. Negotiate sponsorship agreements, new renewals.</li> </ul>	<ul style="list-style-type: none"> <li>County has an agreement with All Fields Sports for corporate sponsorship development and procurement; through December 2021.</li> <li>Separate County from industry relationships impacting County ability to leverage scope and size on agreements.</li> </ul>
Track Rental	<ul style="list-style-type: none"> <li>Exclusive management rights over track rentals.</li> </ul>	<ul style="list-style-type: none"> <li>The track rental program and track rental coordinator position are currently County operated, eliminate staff.</li> </ul>
Vendors	<ul style="list-style-type: none"> <li>Identify and enter into third-party vendor contracts; determine cost structure for NOI allocation; loss(es) shall not be attributed to NOI.</li> </ul>	<ul style="list-style-type: none"> <li>All agreements are between County and vendor.</li> <li>County would have no authority to negotiate however still hold all financial and liability risk.</li> </ul>

# LSRA: LAGUNA SECA MANAGEMENT, LLC

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- Background - A newly formed Limited Liability Corporation
- Financial Stability – Newly Formed no prior year financial data available
- Historical Performance – Newly formed no prior performance data available
- Business Acumen/Leadership
  - Christopher Pook well know as bringing F1 to North America in 1973
  - Michael Nely suggested as new COO, background in advertising and public relations, currently in motion picture industry promoting documentary productions
  - Proposal indicates an additional proposal for Executive Oversight & Planning with additional costs
  - While Mr. Pook has years of experience his engagement appears as strategic visioning and oversight from his base in Long Beach with trips as necessary

# LSRA: LAGUNA SECA MANAGEMENT, LLC

<p>General Terms</p>	<ul style="list-style-type: none"> <li>• Acceptance to most current terms with some clarifications and slight modifications.</li> </ul>	<ul style="list-style-type: none"> <li>• Aligned with County</li> <li>• While proposal accepts most terms language negotiations would be required. And request County assistance in transition planning.</li> </ul>
<p>Executive Oversight &amp; Forward Planning</p>	<ul style="list-style-type: none"> <li>• \$9,000/month (\$108,000 annually X 3 years)</li> <li>• Additional costs including travel for consulting services of 4 named individuals (amount unknown.)</li> </ul>	<ul style="list-style-type: none"> <li>• Additional requirement to the current financial arrangement.</li> </ul>
<p>Financial Operations</p>	<ul style="list-style-type: none"> <li>• Accepted Financial Operations as outlined in current management agreement.</li> <li>• "...LSM LLC, might have to invest in further software and additional support staff for which LSM LLC will seek reimbursement..."</li> </ul>	<p>Would require negotiations as County learned experiences should be implemented.</p>
<p>Option to renew</p>	<ul style="list-style-type: none"> <li>• 3 Year option to renew</li> </ul>	<ul style="list-style-type: none"> <li>• Language indicates this would be a requirement or the County would pay a severance fee of 30% of the last two years Audited Profits.</li> </ul>

# LSRA: A & D NARIGI CONSULTING, LLC

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- Background
  - A newly formed Limited Liability Corporation
  - Financial Stability – Newly Formed no prior year financial data available
  - Historical Performance – Newly formed no prior performance data available
  - Business Acumen/Leadership
    - John Narigi , Vice President and General Manager of Monterey Plaza for 22 years
    - Oversaw hospitality revenue of \$46 million annually including in-house event hosting and catering offerings
    - Local engaged well respected hospitality professional
    - Proposal includes development of an Annual Business Plan
    - Commitment from principle to be actively engaged in day-to-day operations
    - Local connections may provide additional opportunity for greater alignment with local tourism

# LSRA: A & D NARIGI CONSULTING, LLC

Length	<ul style="list-style-type: none"><li>• 3 years, with 3 year option</li></ul>	<ul style="list-style-type: none"><li>• Aligned with County</li></ul>
Monthly Management Advances	<ul style="list-style-type: none"><li>• \$286,000 w/2% annual adjustment</li></ul>	<ul style="list-style-type: none"><li>• County pay actual costs</li></ul>
Financial Systems and Controls	<ul style="list-style-type: none"><li>• Agrees to County systems with shared controls</li></ul>	<ul style="list-style-type: none"><li>• Aligned with County</li></ul>
Incentive Fee	<ul style="list-style-type: none"><li>• Agrees to 20%</li></ul>	<ul style="list-style-type: none"><li>• Aligned with previous contract</li></ul>
Business Review & Audit	<ul style="list-style-type: none"><li>• Completed within 60 days</li><li>• Develop a mission statement and core values,</li><li>• Involve staff in process.</li><li>• Look for improvements to revenue, operational margins and NOI.</li><li>• Find creative solutions to elevating the guest experience.</li><li>• Search for additional business opportunities.</li></ul>	<ul style="list-style-type: none"><li>• Aligned with County</li></ul>
Relationships	<ul style="list-style-type: none"><li>• Recognizes volunteers are critical to the operation.</li><li>• Solidify relationships and roles between A&amp;D Narigi Consulting, Staff, SCRAMP volunteers and County.</li></ul>	<ul style="list-style-type: none"><li>• Aligned with County</li></ul>
Advisory Board	<ul style="list-style-type: none"><li>• Create an Advisory Board of individuals with expertise in specific disciplines.</li></ul>	<ul style="list-style-type: none"><li>• Would need to have County engagement on this Advisory Board</li></ul>

# SUMMARY

In general A & D Narigi Consulting, LLC (A&D) and Laguna Seca Management, LLC (LSM) are similar in fiscal provisions and length of term. Major differences exist in LSM submittal to have a piggyback contract for Executive Oversight & Forward Planning at a cost of \$108,000 annually for term of contract totaling \$324,000, and LSM appears to be heavy on executive level support.

Sports Car Racing Association of the Monterey Peninsula (SCRAMP) differs most from other proposers in length of term and overall costs to County as well as requirement for exclusive rights and autonomy. This suggests more of a concessionaire type agreement with County holding all financial risk and investment responsibility without commensurate guarantee of return. SCRAMP additionally requires exclusion of substantial County costs from Net Operating Income related to items such as fleet maintenance, information technology services, safety services (i.e. sheriff staffing), and any agreements SCRAMP determines incur a negative financial position.

A&D Narigi Consulting, LLC is recommended for contract award due to local knowledge of hospitality and tourist market, plan of goal setting for margins, plan of focus on guest experience, business line revenue/expense approach, and experience in turn around of struggling businesses.

# LSRA: A & D NARIGI CONSULTING, LLC, RECOMMENDED TERMS

Length	<ul style="list-style-type: none"> <li>• 4 years (Jan 1, 2020 through Dec 31, 2023)</li> <li>• 3 year option to renew (both parties have to agree)</li> </ul>	<ul style="list-style-type: none"> <li>• Provides a long enough contract period for event planning and management evaluation.</li> <li>• Option to renew must be accepted by County.</li> </ul>
Staffing	<ul style="list-style-type: none"> <li>• Management firm agrees to a rehire process to evaluate staff, roles and responsibilities</li> <li>• County only pays actual staffing costs</li> </ul>	<ul style="list-style-type: none"> <li>• Provides stability to current paid staff who are currently providing valuable services to the business</li> <li>• Staffing costs reconciled each year.</li> </ul>
Volunteers	<ul style="list-style-type: none"> <li>• Management firm understands the value of volunteerism and agrees to assist.</li> </ul>	<ul style="list-style-type: none"> <li>• SCRAMP volunteers will still have a home as well as the multiple other volunteer groups engaged at LSRA</li> </ul>
General Maintenance Capital Improvements	<ul style="list-style-type: none"> <li>• Management Firm accepts general maintenance as part of N.O.I., Capital Improvements excluded</li> </ul>	<ul style="list-style-type: none"> <li>• Adequately reflects cost of operations</li> </ul>
Financial System	<ul style="list-style-type: none"> <li>• Management Firm agrees to use of County system</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce redundant processing, increasing time to payment</li> <li>• No additional County cost of acquisition of software</li> <li>• Annual audits as part of overall County audit process</li> </ul>
Operational Expenses Revenue	<ul style="list-style-type: none"> <li>• Management Firm agrees County has direct pay to most vendors and use of operational account for areas not conducive to direct pay</li> <li>• Direct deposit of revenue to County account</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces time to payment</li> <li>• Insures immediate capture of costs/revenue for P&amp;L development</li> <li>• Insures Revenue is captured immediately by County for P&amp;L</li> </ul>
Collaborate and Cooperate in all Contracts	<ul style="list-style-type: none"> <li>• Management Firm and County agree to collaborate and cooperate on all contractual business matters</li> </ul>	<ul style="list-style-type: none"> <li>• Fosters a streamlined process by which Management Firm and County can capture new business without delay</li> </ul>

# LSRA: THE FUTURE

- LSRA is a multi-million complex low margin business
- For LSRA to be sustained it must develop a strict adherence to best practices in operating a business
- SCRAMP Volunteers are well aligned to help promote the sustainability of LSRA through their volunteerism in collaboration with a Management Firm
- SCRAMP Business Division has struggled and been unable to implement solid business practices and has a negative net position of \$2.2 million
- LSRA requires a solid business manager who can bring best practices to the business side of the house
- The County values and honors the history of this storied facility, and strives to build a sustainable business for the future




# QUESTIONS AND DIRECTION

Exhibit A – Comparative Terms in Brief

# COMPARATIVE ANALYSIS

* Terms listed are generalizations and represent best known intentions of proposers as stated.	A & D Consulting, LLC	Laguna Seca Management, LLC	Sports Car Racing Association of Monterey Peninsula
Length	3 years w/3-year option	3 years w/3-year option	20 years w/5-year assessments
Monthly Management Advances	\$286,000 w/ 2% CPI Monthly	\$270,000 w/MC CPI Monthly	N/A
Annual Management Fee	\$0	\$0	\$5,700,000 \$475,000 monthly
Allowed Expense Deposit	\$150,000	\$150,000	\$1,500,000 monthly (average)
Financial Systems	Direct County	County Reimbursed	Management Owned
Financial Controls	Monterey County	Management Owned	Management Exclusive
Incentive Fee	Shared 20%	20%	20% (N.O.I. calculation excludes all County costs, vehicles, ITD, etc.)
Sponsorship Sales	Shared	Shared	Management Exclusive
Ticket Surcharge	N/A	N/A	5%
Trademarks	N/A	N/A	Management Exclusive
Capital Investment	County	County	County Paid with Management Approval
Outside Agencies	Shared	Shared	County Responsible
Additional Fees	\$0	\$108,000 Exec Oversight Review & Present	\$0
Additional Events	Review & Present	LSRA Business Only	Management Directed
Firm Use of Facility	LSRA Business Only	LSRA Business Only	Management Directed





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**From:** Woods, Dewayne x5309  
**Sent:** Wednesday, November 20, 2019 6:28 PM  
**To:** Carroll, Maia  
**Subject:** Re: narigi contract

Contract is final and executed

Sent from my iPhone

On Nov 20, 2019, at 5:49 PM, Carroll, Maia <[carrollm@co.monterey.ca.us](mailto:carrollm@co.monterey.ca.us)> wrote:

Hi Dewayne,  
I had a question about the agreement with Narigi, specifically about sponsorships.  
Will you be negotiating a final contract with Mr. Narigi, so more details would be forthcoming?

Maia



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 6:49 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** FW: SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Assume you saw.

Have a mtg with steve f, Friday at 830.

Will be talking to gill today briefly.

Received email from scramp attorney Andy Schwartz who I know well, on a pending legal matter I will forward . Asking to meet with myself, my attorney and Tim regarding transition. Have offered availability.

Let me know if above sounds positive?

Will be in touch today.

jvn

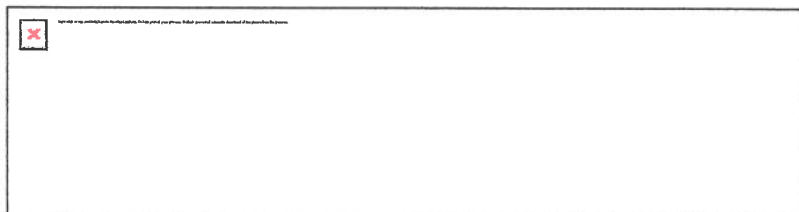
---

**From:** Paul [REDACTED]  
**Sent:** Wednesday, November 20, 2019 6:38 PM  
**To:** [REDACTED]  
**Subject:** Fwd: SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca

Sent from my iPhone

Begin forwarded message:

**From:** WeatherTech Raceway Laguna Seca <[media@laguna-seca.com](mailto:media@laguna-seca.com)>  
**Date:** November 20, 2019 at 4:44:26 PM PST  
**To:** Bruno, Paul [REDACTED]  
**Subject:** SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca  
**Reply-To:** WeatherTech Raceway Laguna Seca <[media@laguna-seca.com](mailto:media@laguna-seca.com)>



## ***SCRAMP Announcement***

This is a bittersweet time for the SCRAMP organization, which has been manager and operator of Laguna Seca Raceway since its construction in 1957. Our decades of stewardship of the legendary track come to an end on December 31 of this year.

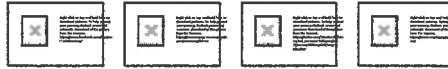
The new Monterey County agreement to manage the raceway with A & D Narigi Consulting, LLC effective January 1, 2020, will ensure the continuation of motorsports at the facility on into the future.

SCRAMP is a dedicated volunteer organization with decades of passion for motorsports and for the track itself, along with a 60+ year history of committed and enthusiastic volunteerism. "We look forward to the opportunity to meet with the new management company to discuss how SCRAMP volunteers can continue an association with Laguna Seca," said Dennis Farber, Chairman, SCRAMP Race and Events Committee.

Upcoming meetings of the SCRAMP Board of Governors and the Race and Events Committee, to be held over the coming weeks, will determine the form that SCRAMP will take in the future.

"Over the past 18 months it has been my privilege to be CEO of WeatherTech Raceway Laguna Seca and the SCRAMP organization. I'm proud to have led this exceptional team as we've worked to turn around the raceway operations of Laguna Seca. We will work to ensure a seamless transition to the new management company so as to continue the legacy of Laguna Seca for all race participants and fans," said WeatherTech Raceway Laguna Seca CEO Timothy McGrane.

The County of Monterey Administrative Office will be coordinating the transition of the management agreements for WeatherTech Raceway Laguna Seca.



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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 6:58 AM  
**To:** Woods, Dewayne x5309  
**Cc:** Girard, Leslie J. x5365  
**Subject:** RE: SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Got it,,,,

So I guess I should get a mtg set up with all?

jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 6:57 AM  
**To:** John Narigi [REDACTED]  
**Cc:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>  
**Subject:** Re: SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca

John

Any meeting with SCRAMP on legal matters must include County specifically Les Girard and myself. Transition planning may also necessitate the inclusion of various County staff depending on the topic.

Sent from my iPhone

On Nov 21, 2019, at 6:49 AM, John Narigi [REDACTED] wrote:

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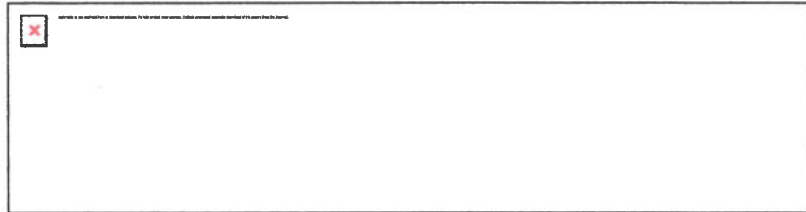
jvn

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**Sent:** Wednesday, November 20, 2019 6:38 PM  
**To:** [REDACTED]  
**Subject:** Fwd: SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca

Sent from my iPhone

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**Date:** November 20, 2019 at 4:44:26 PM PST  
**To:** Bruno, Paul [REDACTED]  
**Subject:** SCRAMP Announcement, the future of WeatherTech Raceway Laguna Seca  
**Reply-To:** WeatherTech Raceway Laguna Seca <[media@laguna-seca.com](mailto:media@laguna-seca.com)>



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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 7:24 AM  
**To:** Woods, Dewayne x5309; Girard, Leslie J. x5365  
**Cc:** John Narigi  
**Subject:** FW:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Gentlemen,

Below is the correspondence of this am regarding the legal matter mentioned by Andy Schwartz and request to discuss transition plan.

Will wait to confirm any such mtg until you direct.

See beginning of train regarding request.

jvn

---

**From:** John Narigi  
**Sent:** Thursday, November 21, 2019 6:41 AM  
**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE:

Gentlemen,

Thanks Andy, yes been swamped and just getting to emails this am. Would like to meet but schedule is difficult. Much on the books for LSRA.

Availability:

Today- 2pm on.

Friday 10-noon, 3-5.

Monday- no availability

Tuesday- am-1130.

Heading north 2pm that day for TG vacation. Back in town Monday, 11/30/19.

Let me know what can work,

John V Narigi  
President  
A&D Narigi Consulting LLC.  
[REDACTED]

**From:** Hansen Reed [REDACTED]  
**Sent:** Wednesday, November 20, 2019 10:05 PM  
**To:** Andy Swartz [REDACTED]  
**Cc:** John Narigi [REDACTED]  
**Subject:** Re: [REDACTED]

Andy,

I have not spoken with John today, but if needed I am available to meet.

In the new contract MC is to indemnify John's company for successor liability (worded differently in the contract, but effectively the same).

I am happy to meet and discuss transition as needed.

Hansen

**CONFIDENTIALITY NOTICE:** This is a transmission from the Law Firm of Walker & Reed, LLP. This message and the attached documents may be confidential and may contain information that is protected by attorney-client privilege or the attorney work product privilege. If you have received this message in error, please immediately contact our offices at [831 649-1100](tel:8316491100). Thank you.

On Nov 20, 2019, at 8:48 AM, Andy Swartz [REDACTED] wrote:

John

Congratulations ...I think it would be useful for you to meet with Tim McGrane over lunch ( I will attend if you so desire ) to understand some of the many issues facing SCRAMP One big issue is something called the Kim case which we won in Superior Court and which was appealed to the 6<sup>th</sup> District and the decision is due any day Knowing our liberal courts it could reverse and order a full blown trial which would require many of the old time SCRAMP employees to testify.....County could be included in this very ugly injury case...Additionally be aware of the legal doctrine called "successor entity liability" I suspect there are numerous creditors(including Dorna) who will not get paid in the end who may try touse this doctrine to hit the successor entity or the county.....Let me know if you want to meet with Tim I cleared with Tim that he would be willing to meet with you and help in the transition I am copying Hansen.

Andy





[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 7:50 AM  
**To:** John Narigi; Hansen Reed; Andy Swartz  
**Cc:** GirardLJ@co.monterey.ca.us  
**Subject:** Exclusion of County in LSRA Matters

SCRAMP and SCRAMP representatives,

Please be advised that the County should be involved in any and all communications/contact or meetings regarding any legal matters, Mr. Les Girard County Counsel for the County should be considered lead for the County. Any and all transition planning will necessitate the inclusion of the County and SCRAMP under current contract to act on behalf of the County should remain constructively engaged with County on all matters of transition and ongoing operations.

Sincerely,

Dewayne Woods  
County of Monterey

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 7:21 AM  
**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]  
**Cc:** John Narigi [REDACTED]; Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** RE:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Andy, Hansen,

Need to hold on my earlier email. Had a quick call with Dwayne Woods and as the county is the property owner they want to be involved with any discussion regarding legal matters and transition. I am a bit new at this so my apologies. I have forwarded your email Andy with my response and Hansen to Les and Dwayne. Will be back in touch with a response hopefully today,

Thank you both,

John V Narigi  
President  
A&D Consulting LLC  
[REDACTED]

---

**From:** John Narigi  
**Sent:** Thursday, November 21, 2019 6:41 AM  
**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]

Cc: [REDACTED]

Subject: RE:

Gentlemen,

Thanks Andy, yes been swamped and just getting to emails this am. Would like to meet but schedule is difficult. Much on the books for LSRA.

Availability:

Today- 2pm on.

Friday 10-noon, 3-5.

Monday- no availability

Tuesday- am-1130.

Heading north 2pm that day for TG vacation. Back in town Monday, 11/30/19.

Let me know what can work,

John V Narigi

President

A&D Narigi Consulting LLC.

---

From: Hansen Reed [REDACTED]

Sent: Wednesday, November 20, 2019 10:05 PM

To: Andy Swartz [REDACTED]

Cc: John Narigi [REDACTED]

Subject: Re:

Andy,

I have not spoken with John today, but if needed I am available to meet.

In the new contract MC is to indemnify John's company for successor liability (worded differently in the contract, but effectively the same).

I am happy to meet and discuss transition as needed.

Hansen

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If you have received this message in error, please immediately contact our offices at [\(831\) 649-1100](tel:8316491100). Thank you.

On Nov 20, 2019, at 8:48 AM, Andy Swartz [REDACTED] wrote:

John

Congratulations ...I think it would be useful for you to meet with Tim McGrane over lunch ( I will attend if you so desire ) to understand some of the many issues facing SCRAMP One big issue is something called the Kim case which we won in Superior Court and which was appealed to the 6<sup>th</sup> District and the decision is due any day Knowing our liberal courts it could reverse and order a full blown trial which would require many of the old time SCRAMP employees to testify.....County could be included in this very ugly injury case...Additionally be aware of the legal doctrine called "successor entity liability" I suspect there are numerous creditors(including Dorna) who will not get paid in the end who may try touse this doctrine to hit the successor entity or the county.....Let me know if you want to meet with Tim I cleared with Tim that he would be willing to meet with you and help in the transition I am copying Hansen.

Andy



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 7:21 AM  
**To:** Hansen Reed; Andy Swartz  
**Cc:** John Narigi; Woods, Dewayne x5309  
**Subject:** RE:

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Andy, Hansen,

Need to hold on my earlier email. Had a quick call with Dwayne Woods and as the county is the property owner they want to be involved with any discussion regarding legal matters and transition.

I am a bit new at this so my apologies.

I have forwarded your email Andy with my response and Hansen to Les and Dwayne. Will be back in touch with a response hopefully today,

Thank you both,

John V Narigi  
President  
A&D Consulting LLC  
[REDACTED]

---

**From:** John Narigi  
**Sent:** Thursday, November 21, 2019 6:41 AM  
**To:** Hansen Reed [REDACTED] Andy Swartz [REDACTED]  
**Cc:** [REDACTED]  
**Subject:** RE:

Gentlemen,

Thanks Andy, yes been swamped and just getting to emails this am. Would like to meet but schedule is difficult. Much on the books for LSRA.

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President

A&D Narigi Consulting LLC.  
[REDACTED]

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**Sent:** Wednesday, November 20, 2019 10:05 PM  
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**Cc:** John Narigi [REDACTED]  
**Subject:** Re:

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Andy





---

  
**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 9:43 AM  
**To:** John Narigi; Kaur, Satinder  
**Cc:** chinl@co.monterey.ca.us; Derr, Mike x4992  
**Subject:** Insurance Coverage

John,

Included in this email is Satinder Kaur, she is the go to person at the County to coordinate all things Risk/Insurance. I think you will find that she is an awesome professional to work with, if you could connect her to your broker she can help coordinate all of our insurance coverages.

Thanks,

Dewayne





[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 9:50 AM  
**To:** Jerry Coté  
**Cc:** Perez, Mike A x6908; Jeremy Yamaguchi; John Narigi; Derr, Mike x4992  
**Subject:** RE: Congratulations...

Thanks Jerry.

By cc I've included John Narigi and Mike Derr (County), as they will lead further negotiated agreements, the people who actual get things done.

Thanks,

Dewayne

**From:** Jerry Coté [REDACTED]  
**Sent:** Wednesday, November 20, 2019 3:35 PM  
**To:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Cc:** Perez, Mike A x6908 <PerezM4@co.monterey.ca.us>; Jeremy Yamaguchi [REDACTED]  
**Subject:** Congratulations...

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dear Mr. Woods,

We have been following the proposed changes to leadership at Laguna Seca Raceway closely and want to share our excitement at the shift in executive management that was approved by your Board of Supervisors. We, and many others who have had a long working relationship with the previous executive management look forward to the new energy that will surely add a breath of fresh air into the racing operations and management. From our perspective, Mr. Narigi is an established leader in the Monterey area and an experienced executive with a proven track record of success.

I believe our hopes and goals for Laguna Seca are similar to yours; moving towards a more efficient track operation, garnering new visitors to the Monterey economic impact region and fostering a positive customer experience while supporting the fiscal sustainability of the raceway.

Congratulations on your historic vote and we hope to be a part of the bright new future at WeatherTech Raceway at Laguna Seca.

Best Regards,

Jerry Côté

President/CEO

Pacific Satellite Inc.



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 11:55 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Exclusion of County in LSRA Matters

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Understood, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 7:50 AM  
**To:** John Narigi [REDACTED]; Hansen Reed [REDACTED]; Andy Swartz [REDACTED]  
**Cc:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Subject:** Exclusion of County in LSRA Matters

SCRAMP and SCRAMP representatives,

Please be advised that the County should be involved in any and all communications/contact or meetings regarding any legal matters, Mr. Les Girard County Counsel for the County should be considered lead for the County. Any and all transition planning will necessitate the inclusion of the County and SCRAMP under current contract to act on behalf of the County should remain constructively engaged with County on all matters of transition and ongoing operations.

Sincerely,

Dewayne Woods  
County of Monterey

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 7:21 AM  
**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]  
**Cc:** John Narigi [REDACTED]; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE:

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Thank you both,

John V Narigi  
President  
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Andy





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 12:02 PM  
**To:** Woods, Dewayne x5309  
**Cc:** Quezada, Rocio x6769  
**Subject:** contract

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I assume John Phillips signed the agreement, can I p/u a copy tomorrow am, I need for my insurance broker,

Would be by shortly after 10. Please confirm.

Thanks, jvn



**From:** [John Narigi](#)  
**To:** [Woods, Dewayne x5309](#); [Kaur, Satinder](#)  
**Cc:** [Chin, Lavonne x7214](#); [Derr, Mike x4992](#)  
**Subject:** RE: Insurance Coverage  
**Date:** Thursday, November 21, 2019 12:14:39 PM

---

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Dewayne, thank you,

Satinder, will get you his info,,,,will be in touch,

jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 9:43 AM  
**To:** John Narigi [REDACTED]; Kaur, Satinder <KaurS@co.monterey.ca.us>  
**Cc:** Chin, Lavonne x7214 <chinl@co.monterey.ca.us>; Derr, Mike x4992 <derrm@co.monterey.ca.us>  
**Subject:** Insurance Coverage

John,

Included in this email is Satinder Kaur, she is the go to person at the County to coordinate all things Risk/Insurance. I think you will find that she is an awesome professional to work with, if you could connect her to your broker she can help coordinate all of our insurance coverages.

Thanks,

Dewayne



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 12:15 PM  
**To:** Woods, Dewayne x5309; Kaur, Satinder  
**Cc:** Chin, Lavonne x7214; Derr, Mike x4992  
**Subject:** RE: Insurance Coverage

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**Cc:** Chin, Lavonne x7214 <chinl@co.monterey.ca.us>; Derr, Mike x4992 <derm@co.monterey.ca.us>  
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Thanks,

Dewayne



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 1:58 PM  
**To:** Lisa Saclayan  
**Cc:** John Narigi  
**Subject:** RE: 2020 Pricing/Hard Cost index

Lisa,

Please add John (cc'd above) on all information going forward.

Thanks

Dewayne

---

**From:** Lisa Saclayan <lisa@laguna-seca.com>  
**Sent:** Friday, November 8, 2019 12:35 PM  
**To:** Steve Fields <Steve@laguna-seca.com>; Chin, Lavonne x7214 <chinl@co.monterey.ca.us>; Derr, Mike x4992 <derrm@co.monterey.ca.us>; tmcgrane@laguna-seca.com; Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:** Kimberly Marlar <kmarlar@laguna-seca.com>; Mark Mathe <mark@laguna-seca.com>; ann@laguna-seca.com; Connor Barr <connor@laguna-seca.com>; Aaron Tharpe <aaron@laguna-seca.com>; Art Michalik <MichalikA@laguna-seca.com>; Cindy McGrane <McGraneC@laguna-seca.com>  
**Subject:** RE: 2020 Pricing/Hard Cost index

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I didn't touch the hard costs on the ticketing portion; it was already filled. I only inputted or updated the prices to GA tickets, parking, camping. I was leaving it until we have the group meeting to know what is included and not included with the hard costs. I have the breakout on a spreadsheet, which I have not distributed out yet until this group meeting happens.

Thank you,

Lisa Saclayan

---

**From:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>  
**Sent:** Friday, November 8, 2019 12:03 PM  
**To:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>; Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>; Dewayne Woods <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>; Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>; Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>; Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>; Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>; Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Subject:** Re: 2020 Pricing/Hard Cost index

Thanks Lisa –

Why such a significant increase in HC across the board? Did your vendor raise prices that much? How do you go from \$.04/ea. to \$.24/ea. in one year?

I would like to see the breakout of the \$.24/ea. for tickets.

**Steve Fields**

**SVP, Sales**

831.277.5798 | Mobile

**WeatherTechRaceway.com**

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--

---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>

**Date:** Friday, November 8, 2019 at 11:45 AM

**To:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>, Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>, Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>, Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>, Dewayne Woods <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>

**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>, Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>, Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>, Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>, Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>, Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>, Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>

**Subject:** RE: 2020 Pricing/Hard Cost index

Attached is the updated Ticketing portion, however the hospitality tickets, are not confirmed yet.

Thank you,

Lisa Saclayan

---

**From:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>

**Sent:** Friday, November 8, 2019 8:55 AM

**To:** Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>; Dewayne Woods <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>

**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>; Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>; Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>; Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>; Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>; Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>; Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>; Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>

**Subject:** 2020 Pricing/Hard Cost index

Laguna Team,

Please find attached the updated 2020 Pricing and Hard Cost valuation sheet. I have combined the three major events into one page for ease of comparison.

There are still a number of items in **RED** that need input from Ticketing and Operations for updates.

@Mark can you please work with Connor on spec'ing out the HC for Food vendors for us. Need to know costs for permits, ABC Licenses, etc. that go to the food vendors.

@Lisa can you please confirm all 2020 ticket pricing we have listed. Per our discussion we are holding on '19 HC for tickets until further group discussion.



@Mark please review the IndyCar HC deck I shared to confirm I have included everything. A few of the hospitalities need to be updated as I mistakenly included "Structure" + "Canopy"... not either/or.

I know there was a limited group discussion regarding hard cost allocations a few weeks ago and I'm happy to bring a larger team together to discuss, but for now, we are using '18/'19 data on a few areas just to get things moving. Happy to meet and discuss.

Please provide any and all feedback, comments, opinions by end of next week. Thank you.

**Steve Fields**

**SVP, Sales**

831.277.5798; | Mobile

**WeatherTechRaceway.com**

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--



**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 2:04 PM  
**To:** chinl@co.monterey.ca.us  
**Cc:** Zeeb, Mary Ext.5474; John Narigi  
**Subject:** RE: Starting Questions for Laguna Seca

Lavonne,

Can you spearhead this project, the Treasurer-Tax Collector has offered to assist us in developing policies and this firm/individual is a great way to begin. I have also cc'd John as he will be charged on our behalf to implement whatever policy/procedures are deemed appropriate.

Thanks,

Dewayne

**From:** Zeeb, Mary Ext.5474 <zeebm@co.monterey.ca.us>  
**Sent:** Tuesday, November 12, 2019 4:45 PM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** FW: Starting Questions for Laguna Seca

As discussed here is the 1<sup>st</sup> round of questions. Can you please forward to whomever is best suited to provide the answers?

Thanks,

**Mary A. Zeeb**

Treasurer-Tax Collector - County of Monterey  
168 West Alisal St, First Floor  
Salinas, CA 93901



**From:** [kurrasch@globalpayments.com](mailto:kurrasch@globalpayments.com) <[kurrasch@globalpayments.com](mailto:kurrasch@globalpayments.com)>  
**Sent:** Friday, November 08, 2019 11:32 AM  
**To:** Zeeb, Mary Ext.5474 <[zeebm@co.monterey.ca.us](mailto:zeebm@co.monterey.ca.us)>; King, Susanne <[KingS1@co.monterey.ca.us](mailto:KingS1@co.monterey.ca.us)>  
**Subject:** Starting Questions for Laguna Seca

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Hi Mary and Susanne:

As agreed during our phone call this past Wednesday, I'm attaching a first round of questions for Laguna Seca financial management to determine what processes are currently in place and give us some context for the development of Policies.

Thanks,

Dave



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 2:09 PM  
**To:** Hansen Reed; Girard, Leslie J. x5365; John Narigi  
**Subject:** RE: LSRA Meeting 11/22/2019

Confirmed.

Dewayne

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 21, 2019 2:08 PM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>; Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** LSRA Meeting 11/22/2019

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Dewayne, Les and John,

I am just sending this email out to confirm the meeting is at the County offices on West Alisal, Salinas, at 3:30 pm.

I am free all day and can rearrange my day if the meeting needs to be earlier.

Regards,

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 12:10 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: Congratulations...

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Thanks, adding to my list. Rocio sent me the email items to complete, will get to today later,

jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 9:50 AM  
**To:** [REDACTED]  
**Cc:** Perez, Mike A x6908 <PerezM4@co.monterey.ca.us>; Jeremy Yamaguchi [REDACTED]; John Narigi [REDACTED]; Derr, Mike x4992 <derrm@co.monterey.ca.us>  
**Subject:** RE: Congratulations...

Thanks Jerry.

By cc I've included John Narigi and Mike Derr (County), as they will lead further negotiated agreements, the people who actual get things done.

Thanks,

Dewayne

---

**From:** Jerry Coté [REDACTED]  
**Sent:** Wednesday, November 20, 2019 3:35 PM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** Perez, Mike A x6908 <[PerezM4@co.monterey.ca.us](mailto:PerezM4@co.monterey.ca.us)>; Jeremy Yamaguchi [REDACTED]  
**Subject:** Congratulations...

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dear Mr. Woods,

We have been following the proposed changes to leadership at Laguna Seca Raceway closely and want to share our excitement at the shift in executive management that was approved by your Board of Supervisors. We, and many others who have had a long working relationship with the previous executive management look forward to the new energy that will surely add a breath of fresh air into the racing operations and management. From our perspective, Mr. Narigi is an established leader in the Monterey area and an experienced executive with a proven track record of success.



I believe our hopes and goals for Laguna Seca are similar to yours; moving towards a more efficient track operation, garnering new visitors to the Monterey economic impact region and fostering a positive customer experience while supporting the fiscal sustainability of the raceway.

Congratulations on your historic vote and we hope to be a part of the bright new future at WeatherTech Raceway at Laguna Seca.

Best Regards,

Jerry Côté

President/CEO

Pacific Satellite Inc.



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 12:13 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: 2020 IMSA Annual Credential Process

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

I agree, jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 9:46 AM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: 2020 IMSA Annual Credential Process

Credential for IMSA

I'd suggest the following

John Narigi  
Dewayne Woods  
Steve Fields (AFS)  
Marketing Manager (A&D)  
Operations Manager (A&D)

Your thoughts?

---

**From:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Sent:** Friday, November 15, 2019 6:12 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Subject:** RE: 2020 IMSA Annual Credential Process

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Good morning,

Next week is fine.

Saw the latest news yesterday – best of luck in the coming weeks.  
We're here to support and looking forward to the future.

Thanks,  
Emily



**Emily Nash | Senior Manager, Track Marketing and Promotions | IMSA**  
Office: +1 386.310.6598 | Mobile: + 1 386.453.3660 | [www.imsa.com](http://www.imsa.com)  
[enash@imsa.com](mailto:enash@imsa.com)



**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 14, 2019 6:25 PM  
**To:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Subject:** RE: 2020 IMSA Annual Credential Process

Emily,

Thanks, and I will get this info to you next week if that is ok.

Dewayne

**From:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Sent:** Wednesday, November 13, 2019 7:51 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** 2020 IMSA Annual Credential Process

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Good morning Dewayne,

Please find below the link for the 2020 Corporate Member **Annual Credential Roster** for you to submit names and email addresses for each individual who will need a 2020 IMSA Annual Credential. Note that we have gone entirely paperless for 2020 and all waivers can now be signed online except for minors ages 16-18 years old.

- Five (5) IMSA Annual Credentials permitted per Track Promoter
- Only one (1) Corporate Representative should submit the Roster
- YOU need to include yourself on the Roster if you would like an Annual Credential
- The five (5) Names / E-mails on the Roster will receive an e-mail communication that begins each individual's credential process

In 2019, IMSA Annual Credentials were issued to:  
Steve Fields  
Ann Bixler  
Gill Campbell  
Tim McGrane

### **[2020 Corporate Member Annual Credential Roster](#)**

For questions regarding the online portal process please email: [Registration@IMSA.com](mailto:Registration@IMSA.com) Or, give me a call!

Thanks,  
Emily



**Emily Nash | Senior Manager, Track Marketing and Promotions | IMSA**

One Daytona Boulevard | Daytona Beach, FL 32114

Office: +1 386.310.6598 | Mobile: +1 386.453.3660 | [www.imsa.com](http://www.imsa.com)

[enash@imsa.com](mailto:enash@imsa.com)



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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 12:22 PM  
**To:** Matt Little Sr.; Kaur, Satinder  
**Cc:** John Narigi; Woods, Dewayne x5309  
**Subject:** A&D Narigi Consulting LLC

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Matt,

Let me introduce you to Satinder, of the county of Monterey. She is able to assist us in any insurance questions or needs we may have per Dewayne Woods, please feel free to reach out as needed.

Satinder, Matt is owner of Carmel insurance, he is my broker. He currently has the info required per the contact and will be handling H&B, workers comp ect. Believe what we need now is an census on the employees and their current coverage. Per my proposal, I will honor what their current benefits are. Obviously will review all bids.

I appreciate your help. I will also look forward to meeting you in person after the 1<sup>st</sup>.

Matt, please keep me in the loop, see you Friday am,

John V Narigi  
President  
A&D Narigi Consulting LLC  
[REDACTED]





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 1:09 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: 2020 IMSA Annual Credential Process

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Yes, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:07 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Re: 2020 IMSA Annual Credential Process

Don't know whom will be your marketing manager or operations manager want to place Jeanne for now as marketing now and operations? You can lean on Mike Deer for a short period he loves that stuff but let me know I'll forward the name upon your direction

Sent from my iPhone

On Nov 21, 2019, at 12:12 PM, John Narigi [REDACTED] wrote:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

I agree, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 9:46 AM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: 2020 IMSA Annual Credential Process

Credential for IMSA

I'd suggest the following

John Narigi  
Dewayne Woods  
Steve Fields (AFS)  
Marketing Manager (A&D)  
Operations Manager (A&D)

Your thoughts?

---

**From:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Sent:** Friday, November 15, 2019 6:12 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE: 2020 IMSA Annual Credential Process

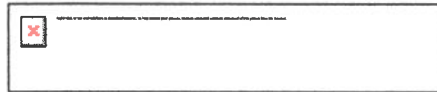
[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Good morning,

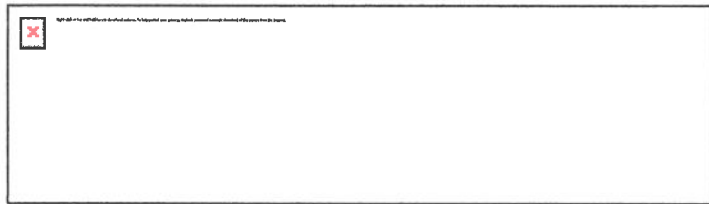
Next week is fine.

Saw the latest news yesterday – best of luck in the coming weeks.  
We're here to support and looking forward to the future.

Thanks,  
Emily



**Emily Nash | Senior Manager, Track Marketing and Promotions | IMSA**  
Office: +1 386.310.6598 | Mobile: + 1 386.453.3660 | [www.imsa.com](http://www.imsa.com)  
[enash@imsa.com](mailto:enash@imsa.com)



**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 14, 2019 6:25 PM  
**To:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Subject:** RE: 2020 IMSA Annual Credential Process

Emily,

Thanks, and I will get this info to you next week if that is ok.

Dewayne

**From:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Sent:** Wednesday, November 13, 2019 7:51 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** 2020 IMSA Annual Credential Process

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Good morning Dewayne,

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Note that we have gone entirely paperless for 2020 and all waivers can now be signed online except for minors ages 16-18 years old.

- Five (5) IMSA Annual Credentials permitted per Track Promoter
- Only one (1) Corporate Representative should submit the Roster

- YOU need to include yourself on the Roster if you would like an Annual Credential
- The five (5) Names / E-mails on the Roster will receive an e-mail communication that begins each individual's credential process

In 2019, IMSA Annual Credentials were issued to:  
Steve Fields  
Ann Bixler  
Gill Campbell  
Tim McGrane

### 2020 Corporate Member Annual Credential Roster

For questions regarding the online portal process please email: [Registration@IMSA.com](mailto:Registration@IMSA.com) Or, give me a call!

Thanks,  
Emily

<image001.jpg>

**Emily Nash | Senior Manager, Track Marketing and Promotions | IMSA**  
One Daytona Boulevard | Daytona Beach, FL 32114  
Office: +1 386.310.6598 | Mobile: +1 386.453.3660 | [www.imsa.com](http://www.imsa.com)  
[enash@imsa.com](mailto:enash@imsa.com)

<image002.jpg>

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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 5:48 PM  
**To:** steve@lagunaseca.com  
**Cc:** John Narigi; Woods, Dewayne x5309  
**Subject:** meeting 11/22/19 830am.

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Steve,

Looking forward to a productive discussion tomorrow. Please come prepared with the following info:

- Sponsorships secure for 2020 year. Please have by each, name, value, contract length. Want to see from most valuable to least.
- Pending sponsorships working with contract in progress.
- Your target list, meaning what other companies or other businesses you are working on to secure.
- All other vendors currently secured.
- Copy of your contract with county.
- Brief history on yourself and co.
- Misc. thoughts/ideas on future.

I have a 10am with the county which originally was not scheduled, if you can make it by 8am, let me know as I can easily make it earlier.

Have not had time to pick a car, will have tomorrow am for you,

Thank you,

jvn  
John V Narigi  
President  
A&D Narigi Consulting LLC  
[REDACTED]



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:04 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: meeting 11/22/19 830am.

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Yes, we are on at 330 with les and Hansen. Good talk with Dennis tonight will fill you in at mtg. Have a mtg with mike and Lavorn tomorrow at 10,

, jvn

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 5:55 PM  
**To:** John Narigi [REDACTED]  
**Subject:** Re: meeting 11/22/19 830am.

John

Ours is 3:30 with Les are you referring to a meeting with another County person just don't want to have wrong time on my calendar

Sent from my iPhone

On Nov 21, 2019, at 5:48 PM, John Narigi [REDACTED] wrote:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Steve,

Looking forward to a productive discussion tomorrow. Please come prepared with the following info:

- Sponsorships secure for 2020 year. Please have by each, name, value, contract length. Want to see from most valuable to least.
- Pending sponsorships working with contract in progress.
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Have not had time to pick a car, will have tomorrow am for you,

Thank you,

jvn

John V Narigi

President

A&D Narigi Consulting LLC







[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:12 PM  
**To:** Lisa Saclayan; Woods, Dewayne x5309  
**Cc:** steve@lagunaseca.com  
**Subject:** RE: 2020 Pricing/Hard Cost index

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Steve, please provide me with your initial attachment. Also keep me posted on "group" meeting will want to be involved,

Thank you,

jvn

**From:** Lisa Saclayan <lisa@laguna-seca.com>  
**Sent:** Thursday, November 21, 2019 3:03 PM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:** John Narigi [REDACTED]  
**Subject:** RE: 2020 Pricing/Hard Cost index

Will do.

Thanks, Dewayne!

Lisa Saclayan

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:58 PM  
**To:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Cc:** John Narigi [REDACTED]  
**Subject:** RE: 2020 Pricing/Hard Cost index

[CAUTION: This email originated from outside of Laguna Seca! Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Lisa,

Please add John (cc'd above) on all information going forward.

Thanks

Dewayne

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Friday, November 8, 2019 12:35 PM  
**To:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>; Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Derr, Mike x4992 <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>

**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>; [ann@laguna-seca.com](mailto:ann@laguna-seca.com);  
Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>; Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>; Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>;  
Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Subject:** RE: 2020 Pricing/Hard Cost index

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I didn't touch the hard costs on the ticketing portion; it was already filled. I only inputted or updated the prices to GA tickets, parking, camping. I was leaving it until we have the group meeting to know what is included and not included with the hard costs. I have the breakout on a spreadsheet, which I have not distributed out yet until this group meeting happens.

Thank you,

Lisa Saclayan

---

**From:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>  
**Sent:** Friday, November 8, 2019 12:03 PM  
**To:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>; Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>; Dewayne Woods <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>; Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>; Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>; Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>; Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>; Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Subject:** Re: 2020 Pricing/Hard Cost index

Thanks Lisa –

Why such a significant increase in HC across the board? Did your vendor raise prices that much? How do you go from \$.04/ea. to \$.24/ea. in one year?  
I would like to see the breakout of the \$.24/ea. for tickets.

**Steve Fields**  
**SVP, Sales**  
831.277.5798 | Mobile  
**[WeatherTechRaceway.com](http://WeatherTechRaceway.com)**

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---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Date:** Friday, November 8, 2019 at 11:45 AM  
**To:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>, Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>, Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>, Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>, Dewayne Woods <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>, Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>, Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>, Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>, Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>,

Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>, Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Subject:** RE: 2020 Pricing/Hard Cost index

Attached is the updated Ticketing portion, however the hospitality tickets, are not confirmed yet.

Thank you,

Lisa Saclayan

---

**From:** Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>  
**Sent:** Friday, November 8, 2019 8:55 AM  
**To:** Lavonne Chin <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Mike Derr <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>; Timothy McGrane <[tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)>; Dewayne Woods <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>  
**Cc:** Kimberly Marlar <[kmarlar@laguna-seca.com](mailto:kmarlar@laguna-seca.com)>; Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>; Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>; Mark Mathe <[mark@laguna-seca.com](mailto:mark@laguna-seca.com)>; Ann Bixler <[ann@laguna-seca.com](mailto:ann@laguna-seca.com)>; Connor Barr <[connor@laguna-seca.com](mailto:connor@laguna-seca.com)>; Aaron Tharpe <[aaron@laguna-seca.com](mailto:aaron@laguna-seca.com)>; Art Michalik <[MichalikA@laguna-seca.com](mailto:MichalikA@laguna-seca.com)>; Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Subject:** 2020 Pricing/Hard Cost index

Laguna Team,

Please find attached the updated 2020 Pricing and Hard Cost valuation sheet. I have combined the three major events into one page for ease of comparison.

There are still a number of items in **RED** that need input from Ticketing and Operations for updates.

@Mark can you please work with Connor on spec'ing out the HC for Food vendors for us. Need to know costs for permits, ABC Licenses, etc. that go to the food vendors.

@Lisa can you please confirm all 2020 ticket pricing we have listed. Per our discussion we are holding on '19 HC for tickets until further group discussion.

@Mark please review the IndyCar HC deck I shared to confirm I have included everything. A few of the hospialities need to be updated as I mistakenly included "Structure" + "Canopy" ... not either/or.

I know there was a limited group discussion regarding hard cost allocations a few weeks ago and I'm happy to bring a larger team together to discuss, but for now, we are using '18/'19 data on a few areas just to get things moving. Happy to meet and discuss.

Please provide any and all feedback, comments, opinions by end of next week. Thank you.

**Steve Fields**  
**SVP, Sales**  
831.277.5798 | Mobile  
**WeatherTechRaceway.com**

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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:14 PM  
**To:** Chin, Lavonne x7214; Woods, Dewayne x5309  
**Cc:** Zeeb, Mary Ext.5474  
**Subject:** RE: Starting Questions for Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Lavonne, fill me in tomorrow am,

jvn

---

**From:** Chin, Lavonne x7214 <chinl@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 2:23 PM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:** Zeeb, Mary Ext.5474 <zeebm@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** Re: Starting Questions for Laguna Seca

Yes, of course.

Get [Outlook for iOS](#)

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 2:04:16 PM  
**To:** Chin, Lavonne x7214 <chinl@co.monterey.ca.us>  
**Cc:** Zeeb, Mary Ext.5474 <zeebm@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** RE: Starting Questions for Laguna Seca

Lavonne,

Can you spearhead this project, the Treasurer-Tax Collector has offered to assist us in developing policies and this firm/individual is a great way to begin. I have also cc'd John as he will be charged on our behalf to implement whatever policy/procedures are deemed appropriate.

Thanks,

Dewayne

---

**From:** Zeeb, Mary Ext.5474 <zeebm@co.monterey.ca.us>  
**Sent:** Tuesday, November 12, 2019 4:45 PM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Subject:** FW: Starting Questions for Laguna Seca

As discussed here is the 1<sup>st</sup> round of questions. Can you please forward to whomever is best suited to provide the answers?

Thanks,

**Mary A. Zeeb**

Treasurer-Tax Collector - County of Monterey  
168 West Alisal St, First Floor  
Salinas, CA 93901



---

**From:** [kurrasch@globalpayments.com](mailto:kurrasch@globalpayments.com) <[kurrasch@globalpayments.com](mailto:kurrasch@globalpayments.com)>  
**Sent:** Friday, November 08, 2019 11:32 AM  
**To:** Zeeb, Mary Ext.5474 <[zeebm@co.monterey.ca.us](mailto:zeebm@co.monterey.ca.us)>; King, Susanne <[KingS1@co.monterey.ca.us](mailto:KingS1@co.monterey.ca.us)>  
**Subject:** Starting Questions for Laguna Seca

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Hi Mary and Susanne:

As agreed during our phone call this past Wednesday, I'm attaching a first round of questions for Laguna Seca financial management to determine what processes are currently in place and give us some context for the development of Policies.

Thanks,

Dave





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:17 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Thanks, do we have the expense side? Weren't sanctioning fees steep?

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:59 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: IndyCar Sales as of September 21, 2019

FYI I know you love data

---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Saturday, September 21, 2019 5:06 PM  
**To:** [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** IndyCar Sales as of September 21, 2019

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Please see attached.

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Have a great evening!

**Lisa Saclayan**  
Ticket Coordinator  
831-242-8200 | [lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)  
[www.weathertraceway.com](http://www.weathertraceway.com)



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:21 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: October 28, 2019 Non-Premier Camping Revenue Report

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Will review doc,, will have questions, want to determine ADR per site and occ for year,

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:58 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: October 28, 2019 Non-Premier Camping Revenue Report

FYI Information overload

---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Monday, October 28, 2019 9:32 AM  
**To:** X-Staff <[X-staff-scramp@laguna-seca.com](mailto:X-staff-scramp@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>; Derr, Mike x4992 <[derrm@co.monterey.ca.us](mailto:derrm@co.monterey.ca.us)>  
**Subject:** October 28, 2019 Non-Premier Camping Revenue Report

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Please see attached.

Thank you,

**Lisa Saclayan**  
Ticket Coordinator  
831-242-8200 | [lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)  
[www.weathertechraceway.com](http://www.weathertechraceway.com)



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:26 PM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: 2019 IMSA WRLS Debrief Notes

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Thanks, jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 1:55 PM  
**To:** John Narigi [REDACTED]  
**Cc:** Derr, Mike x4992 <derrm@co.monterey.ca.us>; Chin, Lavonne x7214 <chinl@co.monterey.ca.us>  
**Subject:** FW: 2019 IMSA WRLS Debrief Notes

---

**From:** Nash, Emily <[enash@imsa.com](mailto:enash@imsa.com)>  
**Sent:** Wednesday, November 6, 2019 11:30 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); [jeanie@laguna-seca.com](mailto:jeanie@laguna-seca.com); [ann@laguna-seca.com](mailto:ann@laguna-seca.com); Steve Fields <[Steve@laguna-seca.com](mailto:Steve@laguna-seca.com)>  
**Subject:** 2019 IMSA WRLS Debrief Notes

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Good afternoon WRLS,

It was great to see some of you this week for the 2019 Promoter Partner meeting! I hope this note finds you well and your travels home from Vegas were uneventful.

I'm sharing the 2019 IMSA debrief notes from our event weekend. We will use these notes as a tool for next year, to recollect and improve – always making adjustments but also emphasizing what is already done really well.

Please share with your team as necessary and feel free to send me notes back with your comments and questions.

Thanks very much,  
Emily



**Emily Nash | Senior Manager, Track Marketing and Promotions | IMSA**  
One Daytona Boulevard | Daytona Beach, FL 32114  
Office: +1 386.310.6598 | Mobile: +1 386.453.3660 | [www.imsa.com](http://www.imsa.com)  
[enash@imsa.com](mailto:enash@imsa.com)



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[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 22, 2019 6:55 AM  
**To:** tmcgrane@laguna-seca.com (tmcgrane@laguna-seca.com)  
**Cc:** 'Kimberly Marlar'; chinl@co.monterey.ca.us; John Narigi  
**Subject:** 2019 Event P&L

**Importance:** High

Mr. McGrane,

Please provide all on this email the Profit & Loss statements for the following 2019 events;

Ferrari Challenge  
SVRA/Trans AM  
World SuperBike  
Pre Reunion  
Reunion  
IMA  
IndyCar

Sincerely,

Dewayne Woods





[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 6:46 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Big nuts,,, sponsorship and other revenue from rec area in 2020 and 2021 is critical, do we have results for 2019 yet???

scrap is to busy spreading smack about me/pacs and contributions,,,Kion on a roll last night and this am, all BS.

jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Friday, November 22, 2019 6:22 AM  
**To:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

Indy Sanctioning Fees  
2019 \$1.2 m  
2020 \$1.5 m  
2021 \$1.5 m

Yes, we see these a steep, strategy to get race was fee agreement, after this term need to consider tough negotiations on costs, I have other thoughts also to minimize financial risk

IMSA

2020 \$495 K last year needs renegotiation

Reunion Owned

All others pay us

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:17 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
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Thanks, do we have the expense side? Weren't sanctioning fees steep?

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:59 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: IndyCar Sales as of September 21, 2019

FYI I know you love data

---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Saturday, September 21, 2019 5:06 PM  
**To:** [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** IndyCar Sales as of September 21, 2019

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Have a great evening!

Lisa Saclayan  
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831-242-8200 | [lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)  
[www.weathertechraceway.com](http://www.weathertechraceway.com)



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 6:48 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Maybe we need the "all others" fees increased, sponsorship on indy is key, jvn

---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Friday, November 22, 2019 6:22 AM  
**To:** John Narigi [REDACTED]  
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**Sent:** Thursday, November 21, 2019 9:17 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Thanks, do we have the expense side? Weren't sanctioning fees steep?

jvn

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**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:59 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: IndyCar Sales as of September 21, 2019

FYI I know you love data

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Saturday, September 21, 2019 5:06 PM  
**To:** [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Subject:** IndyCar Sales as of September 21, 2019

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**Lisa Saclayan**  
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[www.weathertechraceway.com](http://www.weathertechraceway.com)



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 6:49 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Lest get me 2019 indy soon, jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Friday, November 22, 2019 6:48 AM  
**To:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

Preliminary info, yes

It's an absolute shame that they are so unprofessional and slanderous

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 6:46 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Cc:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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Big nuts,,, sponsorship and other revenue from rec area in 2020 and 2021 is critical, do we have results for 2019 yet???

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**Sent:** Friday, November 22, 2019 6:22 AM  
**To:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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All others pay us

---

**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:17 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:59 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: IndyCar Sales as of September 21, 2019

FYI I know you love data

---

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Saturday, September 21, 2019 5:06 PM  
**To:** [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
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[www.weathertraceway.com](http://www.weathertraceway.com)



[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 7:10 AM  
**To:** Woods, Dewayne x5309  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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It will run properly with 2 main goals, great service to guest and clients equals good profit,

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Friday, November 22, 2019 6:50 AM  
**To:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

Firestone is through term of Indy contract that's a real win, many other opportunities, this is a business that ran properly will really shine

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 6:48 AM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Friday, November 22, 2019 6:22 AM  
**To:** John Narigi [REDACTED]  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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**From:** John Narigi [REDACTED]  
**Sent:** Thursday, November 21, 2019 9:17 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** RE: IndyCar Sales as of September 21, 2019

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jvn

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 1:59 PM  
**To:** John Narigi [REDACTED]  
**Subject:** FW: IndyCar Sales as of September 21, 2019

FYI I know you love data

**From:** Lisa Saclayan <[lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)>  
**Sent:** Saturday, September 21, 2019 5:06 PM  
**To:** [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com); Cindy McGrane <[McGraneC@laguna-seca.com](mailto:McGraneC@laguna-seca.com)>  
**Cc:** Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)>; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Subject:** IndyCar Sales as of September 21, 2019

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Have a great evening!

**Lisa Saclayan**  
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831-242-8200 | [lisa@laguna-seca.com](mailto:lisa@laguna-seca.com)  
[www.weathertechraceway.com](http://www.weathertechraceway.com)



[REDACTED]

---

**From:** Woods, Dewayne x5309  
**Sent:** Friday, November 22, 2019 12:42 PM  
**To:** Quezada, Rocio x6769  
**Cc:** Hansen Reed; John Narigi; Girard, Leslie J. x5365  
**Subject:** RE: LSRA Meeting 11/22/2019

Rocio,

Can you scan agreement and send an electronic copy to those on this email.

Thanks,

Dewayne

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Friday, November 22, 2019 9:49 AM  
**To:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>; Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Meeting 11/22/2019

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Dewayne,

Thanks,

Can I get a copy of the final signed Agreement with all attachments for my records?

Thanks

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]



**WALKER+REED**  
ATTORNEYS AT LAW P.C.

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**From:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 2:09 PM  
**To:** Hansen Reed [REDACTED]; Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** RE: LSRA Meeting 11/22/2019

Confirmed.

Dewayne

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 21, 2019 2:08 PM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** LSRA Meeting 11/22/2019

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Dewayne, Les and John,

I am just sending this email out to confirm the meeting is at the County offices on West Alisal, Salinas, at 3:30 pm.

I am free all day and can rearrange my day if the meeting needs to be earlier.

Regards,

Hansen

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[REDACTED]

---

**From:** John Narigi [REDACTED]  
**Sent:** Friday, November 22, 2019 1:21 PM  
**To:** Hansen Reed  
**Cc:** Woods, Dewayne x5309; Girard, Leslie J. x5365  
**Subject:** Re: LSRA Meeting 11/22/2019

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I have a copy for you Hansen.

Sent from my iPhone.  
Jvn

On Nov 22, 2019, at 9:48 AM, Hansen Reed <hreed@walkerandreed.com> wrote:

Dewayne,

Thanks,

Can I get a copy of the final signed Agreement with all attachments for my records?

Thanks

Hansen

Hansen P. Reed, Esq.  
Walker & Reed, P.C.  
215 W. Franklin Street, 5th Floor  
Monterey, CA 93940  
Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]

<image002.jpg>

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---

**From:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Sent:** Thursday, November 21, 2019 2:09 PM  
**To:** Hansen Reed [REDACTED]; Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>;

John Narigi [REDACTED]  
**Subject:** RE: LSRA Meeting 11/22/2019

Confirmed.

Dewayne

---

**From:** Hansen Reed [REDACTED]  
**Sent:** Thursday, November 21, 2019 2:08 PM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>; John Narigi [REDACTED]  
**Subject:** LSRA Meeting 11/22/2019

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I am free all day and can rearrange my day if the meeting needs to be earlier.

Regards,

Hansen

Hansen P. Reed, Esq.  
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Phone: (831) 649-1100  
Fax: (831) 649-6805  
[REDACTED]

<image003.jpg>

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[REDACTED]

---

**From:** Girard, Leslie J. x5365  
**Sent:** Friday, November 22, 2019 2:51 PM  
**To:** Andy Swartz; Woods, Dewayne x5309; John Narigi; Hansen Reed  
**Cc:** Whilden, Michael x5364; tmcgrane@laguna-seca.com  
**Subject:** RE: Exclusion of County in LSRA Matters

Hi Andy, I apologize for the tardy reply on this. We think a letter is fine but there needs to be clarity about accounts and contracts. All contracts should have been in the name of the County, and those accounts or contracts should not be closed unless the County concurs. For any contracts that were not put in the County's name but should have been, we need to review them to determine if they should be assigned to us.

Perhaps just indicate that SCRAMP and the County will be reviewing the status of contracts and accounts, and the vendors will be informed about that in the near future.

Les

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
girardlj@co.monterey.ca.us

**From:** Andy Swartz [REDACTED]  
**Sent:** Thursday, November 21, 2019 1:39 PM  
**To:** Girard, Leslie J. x5365 <GirardLJ@co.monterey.ca.us>; Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>; John Narigi [REDACTED]; Hansen Reed [REDACTED]  
**Cc:** Whilden, Michael x5364 <WhildenM@co.monterey.ca.us>; tmcgrane@laguna-seca.com  
**Subject:** RE: Exclusion of County in LSRA Matters

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Les

SCRAMP would like to send a letter to all the suppliers and vendors that have serviced SCRAMP over the years (some of whom have in recent times had direct contracts with the County) The purpose is three fold

1. To advise them that SCRAMP's agreement has come to and as of dec 31 and to thank them for their years of support
2. To advise that the County of Monterey or your designee as owners of the property will be handling all future new accounts for services, suppliers etc
3. Most importantly that SCRAMP's financial obligation to the track ends as of Dec 31 and that any and all accounts in the name of SCRAMP must be closed by that date.....

Let me know of any issue ....Mr McGrane and I want to follow all protocols going forward during the brief remaining time

Andy

**From:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>  
**Sent:** Thursday, November 21, 2019 8:53 AM  
**To:** Andy Swartz [REDACTED]; Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]  
Hansen Reed [REDACTED]  
**Cc:** Whilden, Michael x5364 <[WhildenM@co.monterey.ca.us](mailto:WhildenM@co.monterey.ca.us)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)  
**Subject:** RE: Exclusion of County in LSRA Matters

Hi Andy, I look forward to working with everyone on a smooth transition. Just a reminder that section 10.3 of the agreement requires SCRAM to maintain financial records for two years following the year to which the records relate. County will of course want custody of those records.

Les

Leslie J. Girard  
County Counsel  
County of Monterey  
168 W. Alisal Street, 3rd Floor  
Salinas, CA 93901  
(831) 755-5365  
(831) 755-5283 (fax)  
[girardlj@co.monterey.ca.us](mailto:girardlj@co.monterey.ca.us)

**From:** Andy Swartz [REDACTED]  
**Sent:** Thursday, November 21, 2019 8:51 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>; John Narigi [REDACTED]; Hansen Reed [REDACTED]  
**Cc:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>; Whilden, Michael x5364 <[WhildenM@co.monterey.ca.us](mailto:WhildenM@co.monterey.ca.us)>; [tmcgrane@laguna-seca.com](mailto:tmcgrane@laguna-seca.com)  
**Subject:** RE: Exclusion of County in LSRA Matters

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Dear Mr Woods Thank you for your email and will of course comply There are several litigation matters pending ....The Kim case in which the court of appeal may issue a ruling shortly Michael Whildon of County Counsel has been involved in that one from its inception We have insurance counsel (Jan Chilton one of the top appellate lawyers in the state handling the appeal-retained by the carrier) as lead and I am co counsel (paid by SCRAM )

Otherwise some potential contractual issues including one with Gill Campbell Severance Agreement and one involving PUKKA software I am sure there are some unpaid vendors and an issue with DORNA in which I have not been involved (Gill and Tim are aware of that issue No litigation over those matters I am sure County folks are aware of those matters as well... Some potential matters involve wrongful death of Richard Rein that occurred on 10/14/18(I am unaware of any lawsuit) and a claim which never materialized by two

Photographers named Don Bloom and Jenna Meyer (no action filed of which I am aware and we have not heard from them for months

Andy

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>

**Sent:** Thursday, November 21, 2019 7:50 AM

**To:** John Narigi [REDACTED]; Hansen Reed [REDACTED]; Andy Swartz

**Cc:** Girard, Leslie J. x5365 <[GirardLJ@co.monterey.ca.us](mailto:GirardLJ@co.monterey.ca.us)>

**Subject:** Exclusion of County in LSRA Matters

SCRAMP and SCRAMP representatives,

Please be advised that the County should be involved in any and all communications/contact or meetings regarding any legal matters, Mr. Les Girard County Counsel for the County should be considered lead for the County. Any and all transition planning will necessitate the inclusion of the County and SCRAMP under current contract to act on behalf of the County should remain constructively engaged with County on all matters of transition and ongoing operations.

Sincerely,

Dewayne Woods  
County of Monterey

---

**From:** John Narigi [REDACTED]

**Sent:** Thursday, November 21, 2019 7:21 AM

**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]

**Cc:** John Narigi [REDACTED]; Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>

**Subject:** RE:

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Andy, Hansen,

Need to hold on my earlier email. Had a quick call with Dwayne Woods and as the county is the property owner they want to be involved with any discussion regarding legal matters and transition.

I am a bit new at this so my apologies.

I have forwarded your email Andy with my response and Hansen to Les and Dwayne. Will be back in touch with a response hopefully today,

Thank you both,

John V Narigi  
President  
A&D Consulting LLC  
[REDACTED]

**From:** John Narigi

**Sent:** Thursday, November 21, 2019 6:41 AM

**To:** Hansen Reed [REDACTED]; Andy Swartz [REDACTED]

**Cc:** [REDACTED]

**Subject:** RE:

Gentlemen,

Thanks Andy, yes been swamped and just getting to emails this am. Would like to meet but schedule is difficult. Much on the books for LSRA.

Availability:

Today- 2pm on.

Friday 10-noon, 3-5.

Monday- no availability

Tuesday- am-1130.

Heading north 2pm that day for TG vacation. Back in town Monday, 11/30/19.

Let me know what can work,

John V Narigi

President

A&D Narigi Consulting LLC.

---

**From:** Hansen Reed [REDACTED]

**Sent:** Wednesday, November 20, 2019 10:05 PM

**To:** Andy Swartz [REDACTED]

**Cc:** John Narigi [REDACTED]

**Subject:** Re:

Andy,

I have not spoken with John today, but if needed I am available to meet.

In the new contract MC is to indemnify John's company for successor liability (worded differently in the contract, but effectively the same).

I am happy to meet and discuss transition as needed.

Hansen

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If you have received this message in error, please immediately contact our offices at [\(831\) 649-1100](tel:8316491100). Thank you.

On Nov 20, 2019, at 8:48 AM, Andy Swartz [REDACTED] wrote:

John

Congratulations ...I think it would be useful for you to meet with Tim McGrane over lunch ( I will attend if you so desire ) to understand some of the many issues facing SCRAMP One big issue is something called the Kim case which we won in Superior Court and which was appealed to the 6<sup>th</sup> District and the decision is due any day Knowing our liberal courts it could reverse and order a full blown trial which would require many of the old time SCRAMP employees to testify.....County could be included in this very ugly injury case...Additionally be aware of the legal doctrine called "successor entity liability" I suspect there are numerous creditors(including Dorna) who will not get paid in the end who may try touse this doctrine to hit the successor entity or the county.....Let me know if you want to meet with Tim I cleared with Tim that he would be willing to meet with you and help in the transition I am copying Hansen.

Andy







November 22, 2019

Dear Valued Vendor,

Following a decision by the Monterey County Board of Supervisors on Tuesday, November 19, the agreement for the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) to manage WeatherTech Raceway Laguna Seca will end on December 31, 2019.

For 62 years, the SCRAMP organization has operated this famed Raceway facility, and we would like to thank all the companies that have supported us throughout this time. During good times, and also some challenging ones, we have valued the relationships and friendships that have been created, and we'd like to express our sincere THANK YOU for your support over the years.

Laguna Seca Raceway isn't going anywhere, just SCRAMP will no longer be involved as the management organization, effective January 1, 2020.

The Laguna Seca Raceway is owned by Monterey County, and will be operated by a new management company. For vendors and suppliers of goods and services not already a registered Monterey County supplier, you will need to get officially registered with Monterey County. Go to the County's online Vendor Self Service (VSS) to register:

<https://vendor-center.co.monterey.ca.us/webapp/VSSPROD01/AltSelfService>

- **Please consider this formal notification that any account under the SCRAMP or the Sports Car Racing Association of the Monterey Peninsula name should be closed by December 31, 2019.**
- **Please do NOT transfer any SCRAMP accounts unless an official signed SCRAMP assignment and assumption letter, with County Purchasing Officer reassignment details, is received in advance.**
- **After December 31, 2019, SCRAMP has no financial obligations associated with the Laguna Seca Raceway or any of its event or activities.**

Should you have any current pending invoices for approved goods or services previously provided to the Raceway through SCRAMP, please have them submitted to; [AP@Laguna-Seca.com](mailto:AP@Laguna-Seca.com) no later than November 30, 2019. Please include purchase order number and any supporting order or delivery paperwork. If you have any questions, please call the Finance Dept at 831.242.8243

The entire SCRAMP organization would like to thank you for your valued support over the years and we wish you every success in your future business endeavors.

Kind regards

*T.P. McGrane*

Timothy P. McGrane

CEO, SCRAMP

SCRAMP, Post Office Box 2078, Monterey, CA 93942

---

**From:** John Narigi |  
**Sent:** Sunday, October 6, 2019 12:09 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** narigi LS proposal

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Dewayne,

I have been working on a draft proposal for your review. Not certain how much info you desire I am attempting to hit on key points at this time. My thought, once you review we can discuss and define what additional information would be required and then I would formalize.

My goal is to send it to you tomorrow, Monday by the end of the day.

Please let me know if this is acceptable.

jvn



---

**From:** John Narigi |  
**Sent:** Monday, October 7, 2019 9:22 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** DRAFT proposal for Laguna Seca Race Area and Weathertech Raceway Laguna Seca.  
**Attachments:** LS propasal .docx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Attached is my Draft proposal for your review and comments. I will provide a final once we discuss and I am clear with all components required. Have left out some simple particulars regarding myself and the consulting businesses. Should I be working off an RFP outline?

I will be heading north tonight for two days of contract work then back in town. Do you want to meet early Thursday or Friday am? Also always available by phone based on a scheduled time.

Really excited about this opportunity and I know I will make a difference.

FYI Tim is out on the street hitting up all businesses organization for support, distributing a 3 page document. When do you think I can hit the road?

Had a great meeting with Darius, believe he was going to give you a call.

Looking forward to your honest feedback and any additional points you want covered. Concerns regarding the existing contract noted along with questions.

Thank you and appreciate your support.

jvn

Draft Proposal to secure the "Management Contract for Weather Tech Raceway Laguna Seca".

Submitted by A&D Narigi Consulting, LLC.

Date: October 5<sup>th</sup>, 2019.

#### Executive Summary:

The contract for Laguna Seca Raceway Area and Weather Tech Raceway Laguna Seca would be between the county of Monterey and A&D Narigi Consulting LLC. John V. Narigi being the principle and solely responsible for daily oversight and management of the real estate and all operations. Responsibilities as outlined in the agreement will be properly executed while working closely with the county board of supervisors and county representative.

John has over 40 years' experience in the hospitality industry covering all disciplines of the profession. Most recently he was the Vice President and General Manager of the Monterey Plaza Hotel & Spa for the past twenty-five years. Directing major renovations, operational and brand refreshes, while annually exceeding industry benchmarks relating to financial performance. Throughout his career he has been successful in directing two hotels which earned the Forbes 4-star standard of excellence accreditation. He is known and respected for his entrepreneurial management style with a foundation based on years of experience in the hospitality industry and a sound business sense. His ability to attract and retain team members with expertise in the needed disciplines required for leadership positions is also highly regarded. John's tenure during his professional career has taken him to Portland, Ore., Oakland Ca., Kirkland, Wa., and the Monterey Peninsula.

John has served since arriving on the peninsula on numerous boards throughout the county supporting hospitality and charitable organizations. Volunteers and those who continually serve these organizations within our county John truly respects and appreciates. Individual's passion as it relates to community interests or non-profit organizations is critical and needed in our county. Several of the organizations in which he served selected him for a leadership role.

John is passionate about racing and what Laguna Seca Raceway Area and Weather Tech Raceway could become. Given his successful career in assuming struggling hotel operations that required implementation of sound business practices and standards along with his involvement in the local community, A&D Narigi Consulting is well equipped to be considered for the management contract for Laguna Seca Raceway Area. A successful LSRA that maximizes its real estate is a critical partner in the overall success of Monterey County. TOT and sales tax revenue generated from the events is substantial not to mention the positive public relations messaging generated worldwide from key events.

#### Operational Plan:

Based on limited knowledge and local conversations within the community it appears WTRLS continues to suffer as it relates to a sound business operation. Given the beautiful real estate and world renown racing venue I believe A&D Narigi Consulting has the expertise to manage WTRLS at the expectations required by the board of supervisors and in accordance with the contract.

If awarded all current management and associates would be re-hired, with existing benefits under A&D Narigi Consulting. The firm would be responsible for personnel administration relating to; hiring, training, benefits, compensation and insurance pertaining to personnel and employees' activities. The fee structure per the agreement will be addressed under "fee".

Within the first 60 days a complete business audit will be completed to include; financial review, systems, accounting practices, standard operating procedures and personnel policies. Historical financial information as it relates to revenue producing activities, event data and supporting reports. Any independent studies, audits or research completed in 2018-2019 will also be reviewed. Recap with findings will be documented. Corrective action to be taken will be noted in the 2020-2021 business plan that will be created.

Will develop a mission statement, core values and goals for 2020 based on findings determined in the business audit with the team to promote a sense of pride and ownership focused on improving the business culture and overall performance.

Review of organizational structure and all leadership positions relating to established job descriptions will be implemented. Develop a clear understanding through discussion with all current personnel regarding their key tasks and responsibilities. Structured weekly communications meetings with follow-up will be implemented.

Evaluate 2019 business from all revenue producing sectors within the scope of the contract. Complete a deep dive into revenues and expenses to evaluate potential areas for improvement relating to incremental revenue, key events, races, rv park and expense controls with the goal of improving operational margins and NOI results.

Meet immediately with all critical directors to review upcoming events and current businesses/races on the books for 2020. Review status of major and minor sponsorship activity and determine path needed. Educate self on the upcoming business working closely with the team to determine within 30 days what needs to occur to ensure a successful 2020 race and business season.

Meet with Scramp volunteer directors and event comm. Solidify the relationship with clear discussion regarding the roles of each organization, (Scramp, A&D Narigi Consulting, County) promoting the need to work together as a team in an effort to provide outstanding service to our guests and clients with a proper return to our owners. The intent is to retain the services of Scramp volunteers, with potential standards developed as it relates to guest services and current tasks performed while developing efficient operational systems that will directly impact the volunteers in a positive manner.

Determine the path needed to resolve the need for an integrated accounting/software system for all operations associated with Laguna Seca Raceway Area. To include county input and support.

Effectively work closely with the county in developing a 3-5-year capital improvement plan including bid pricing on approved projects for financial planning purposes.

Financial:

Goal is to increase gross revenues to 18.5-20.0 annually given the current business model at LSRA. The yearly race schedule and numbers regarding key events would have a direct impact on the financial results. With financial controls and integrated software, NOI should improve to margins of min, 5-10%

based on the current business model. The above is not a guarantee but an objective that will be a priority of the team if selected. Increasing revenues over time will be a priority including improving the NOI margin. Annual business plan and budget will be developed.

Review all service contracts from a financial aspect by evaluating the service currently contracted relating to the expense and/or generated revenue. Research other independent firms to provide additional services relating to event management, personnel responsibilities, etc.. that would benefit the operation in relationship to efficiencies, guest/client services while reducing overhead expenses or generating additional incremental revenue.

A quarterly report will be provided to the county representative for review based on specific topics of interest. Outline of report will be developed in cooperation with the county representative prior to finalizing contract.

Insurance, Compensation, Liability, Area:

Currently understand the responsibility of insurance coverage that A&D Narigi Consulting is required to carry as stated in the agreement, per Exhibit C. Other liability/insurance sections relating to the firm vs the counties responsibilities are confusing. Will be requesting a clean contract that within one section spells out clearly. Would suggest a basic management contract that would easily define the roles and liabilities of the county and A&D Narigi Consulting.

Monthly compensation; (SEVERAL QUESTIONS FOR DISCUSSION) requesting 286k, (2.0% increase per year based on the 270k as of 1/1/2017) for labor and personnel benefits expense. Given the position vacancies and the elimination of a key position in 2019 difficult to verify if the 270k per month is an accurate figure or not for annual planning. Also, until a personnel audit is complete, difficult to determine what positions are needed and at what price. Allowed expense fund of 150k per month I assume that is acceptable based on the needs of the operation. Understand the controls and what is allowed as an expense per the contract. Incentive fee of 20% at the end of each year based on NOI. Agreed, still need clarification on the note "Scrap balance due for unallowable expenses" on the 12/31/18 P&L and on the event P&Ls, "general/non-event allocation" Dwayne I know we discussed both but want to be clear in my understanding of.

Liability; remains a concern with the Dorna liability on the Scramp books, north of 2m. Given the volunteer organization will remain under the name Scramp and associated with my firm in a working relationship as the operator, in my estimation that is too close for comfort. Would expect to be indemnified by the county and Scramp of the Dorna liability. As we both know, anyone can get sued.

Area; responsible to manage the LSRA excluding the maintenance yard and rifle range per the contract.

Advisory Board:

Individuals selected by A&D Narigi Consulting with expertise in specific areas. Purpose to advise and assist the operator on critical tasks such as, long term planning, financial oversight etc.. Expertise in the following fields required, strategic planning, finance, budget, hospitality, Contract oversight, legal, construction and racetrack operations. (1) representative off Scramp's volunteer board, (1) elected official from the county and (1) elected from the peninsula. Total board advisory, 9 to 11 members.

Future Thoughts:



Expand track rentals to achieve a 65-70% occ level on usage.

Maintain the number of race events at the same caliber of 2019. Look for filler businesses that is profitable with limited expense.

Research expanding the go-kart component at the track to interest the young kids/adults in the racing experience. Potential classes, school/recreational teams to compete.

Utilize the venue during races and promote family activities outside of racing that would interest the females and children. Need to present a venue that is family fun with select activities.

Research various technological applications available that allow racing to be viewed in real time and the user is allowed the ability to interact with the driver and activity of actual racing.

Once stabilized, begin planning strategically an effort to attract the EV-car industry to LSRA ie. select car manufactures and Silicon Valley businesses currently developing the EV-racing car. LSRA is the perfect location to develop a long-term relationship that would allow for research and testing on site. The current world renown brand of WRLS would allow for capital investments by interested parties while supporting a new revenue stream for LSRA.

Prior to expanding business opportunities at LSRA, a proper businesses pro-forma and analysis will be completed for review. Any new endeavors will also be reviewed as it relates to the current county permit.



---

**From:** John Narigi |  
**Sent:** Monday, October 7, 2019 9:32 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: DRAFT proposal for Laguna Seca Race Area and Weathertech Raceway Laguna Seca.

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne, one thought for clarification as it relates to the proposal. It is structured how I have and currently do in going into troubled operations. Confirm the issues, develop a plan to implement corrective measure and establish benchmarks to measure success.

Not a lot of fluff or PR talk. Hope you appreciate this strategy. The rest can be added in the final doc.

jvn

**From:** John Narigi  
**Sent:** Monday, October 7, 2019 9:22 AM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:**  
**Subject:** DRAFT proposal for Laguna Seca Race Area and Weathertech Raceway Laguna Seca.

Dwayne,

Attached is my Draft proposal for your review and comments. I will provide a final once we discuss and I am clear with all components required. Have left out some simple particulars regarding myself and the consulting businesses. Should I be working off an RFP outline?

I will be heading north tonight for two days of contract work then back in town. Do you want to meet early Thursday or Friday am? Also always available by phone based on a scheduled time.

Really excited about this opportunity and I know I will make a difference.

FYI Tim is out on the street hitting up all businesses organization for support, distributing a 3 page document. When do you think I can hit the road?

Had a great meeting with Darius, believe he was going to give you a call.

Looking forward to your honest feedback and any additional points you want covered. Concerns regarding the existing contract noted along with questions.

Thank you and appreciate your support.

jvn



---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, October 17, 2019 4:15 PM  
**To:** Chin, Lavonne x7214  
**Subject:** Re: 2 things

Thanks, this is obviously not correct as I have and don not express personal personal opinions

Thanks

Dewayne

Sent from my iPhone

On Oct 17, 2019, at 3:14 PM, Chin, Lavonne x7214 <[chinl@co.monterey.ca.us](mailto:chinl@co.monterey.ca.us)> wrote:

Dewayne,

Jeanie said that Steve is working on his presentation for SEMA. If he hasn't already shared with you, is that something you wish to see in advance?

Second, John Narigi allegedly told Jeanie that Ann will not be included in his proposal because you don't like Ann (Jeanie repeated this to Kim.) I'm sure you never said anything like that as you have told me what you said. My concern is if it is actually being translated that way and that he would even say such a thing. Just wanted to share.

Lavonne



---

**From:** John Narigi  
**Sent:** Sunday, October 20, 2019 11:14 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** LS list of questions for contract and role clarification  
**Attachments:** LS list of questions.docx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Attached is the list of questions as f/u to our meeting last Monday. Believe self-explanatory and hopefully info can be provided. Had a good and productive meeting with Gill on Saturday, conversation was regarding her firm and what they can offer. Interesting and learned a great deal regarding what they can provide. Yes Gill had to give her opinion on the current issues at the track. I was overly cautious on what I said and stayed away from personnel, Gill however had a lot to say. Was clear that you and her have a good and respected relationship. I look forward to securing the management contract for LSRA.

Jvn

Dwayne,

Following is my list of questions and comments in hopes of gaining clarification. My attorney Hansen Reed of Monterey also reviewed the existing scamp contract and his comments are included. If you would redline and return that would be helpful.

1. Would assume that the term concession agreement would be removed from the new document. My understanding is that this will be an agreement between Monterey County, (MC) and A&D Narigi consulting, (firm) for management services.
2. My understanding is that the LCRA is under the county parks dept yet the contract is clearly written as the oversite body being the county representative and board. What role does the county parks division play and if any can you please be specific with their role/responsibilities as it relates to the firm.
3. The Historical practices is mentioned within the agreement. Please explain what that means and any specifics if not defined in a general explanation.
4. Mention is made of a "new master plan" is there a sperate document that explains intent and any projects planned. We have talked about the new bridge but that is all I remember.
5. Can I get a copy of the army deeds? My attorney would like to review. I will also provide him a copy of the use permit.
6. Contract speaks to following GAAP accounting practices, per our conversations my understanding is that the county will be handling all such documents which would require GAAP practices to be followed. All procedures required for purposes of processing would be the responsibility of the firm. Believe it would be helpful to meet soon with the CFO or person employed by the county to have a conversation on this topic. What will be required of the firm per this topic?
7. Monthly management fee would be the reimbursement of all items as listed in exhibit A of the current agreement based on new estimates that will be provided by my firm soon.
8. Exhibit C, insurance requirements, is this charged against the gross revenues of the track and thus paid by the revenues? Paid through the county or reimbursed to firm.
9. Term that will be requested is a 3-year initial term with 3-year option. Termination clause now states 60 days, would expect a 6-month termination clause.
10. Incentive fee expected would be the 20% on the NOI prior to capital, health and safety, short-term maintenance or capital improvements. Believe that is the current intent of the agreement?
11. Formal term sheet will be provided soon.
12. Regarding presentations to the board, depending on topic for discussion that a closed session could be requested by firm if material to be discussed was deemed confidential by the firm vs public meeting.
13. Can I receive the list of 2019 scheduled fees?
14. Excluding payroll and overhead as specified in Exhibit A all other expenses are paid out of gross revenue per an approved annual budget by MC representative. Payroll and its overhead is paid by the firm and reimbursed by the monthly management fee, correct?
15. Improvement funding, it states that MC will supply funds over and above the NOI for capital improvements, in our conversations I did not detect that intent. Please verify what the plan will be.



16. Are there any immediate health and safety requirements or short-term improvements? Both have a time limit on completing.
17. Taxes, fees, assessments, all paid from gross revenue. Are any a liability and responsibility of the firm? If so, please explain.
18. Property depreciation, as the county owns the land and believe it was stated owns all personal and real property, any depreciation would not be the concern of the firm. Correct?
19. I note the exclusion of certain sponsorships and advertisements, one I would question would be the Cannabis industry given the current position of the county. I would also see great potential for newfound revenue if this were to be allowed. Tastefully done it could become a new revenue stream through sponsorships and advertising.
20. For purposes of contract what is the correct title of the area? LSRA?
21. Could I receive a copy of the most updated 2019 YTD P&L?
22. Could I receive a copy of the INDY event P&L?
23. Could I receive a copy of the agency currently handling the employee benefits and the payroll processing firm?
24. When do you see us meeting with a 1-2 key directors for the scamp volunteers, how do you want to handle?
25. Can you provide a list by position of who is employed by the county and will continue to be but dedicated strictly for LSRA work with the new contract? Current compensation loaded would be helpful for financial and payroll planning, all position please include. I understand it is charged to LSRA P&L. Does the expense fall under direct expenses or payroll and overhead?
26. Are there any current key individuals working for the county for LSRA that I could begin to meet with?

Dwayne, believe that is my list. If you prefer a meeting to review by line item happy to do so. I am hoping as I stated in our meeting that the contract can be much cleaner and structured as a management agreement.

This upcoming week I can be available on Thursday up to 330 and potentially Wednesday afternoon, please let me know. I hope my request are acceptable, want to make sure I know all the facts. Looking forward to an enjoyable, productive and profitable working relationship for the county and my firm. As stated, a draft term sheet will be to you by Tuesday. Please let me know if you have any questions on the above.



---

**From:** John Narigi  
**Sent:** Monday, October 21, 2019 8:32 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: LS list of questions

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

Thank you, appreciate the quick turn on the questions and clear answers, majority I am now clear, balance we can talk live. Could I meet with CFO, Lavonne and Mike, either this Thursday or next Monday? Thursday available 11-3pm and Monday anytime up to 3pm. Happy to contact directly if good with you.

I am trying to complete at least one of my consulting accounts the others require additional work to achieve completion per the contracts.

I am however very focused on securing the LSRA mgt contract.

Appreciate you help.

jvn

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Monday, October 21, 2019 12:50 PM  
**To:** John Narigi  
**Subject:** LS list of questions

Here you go.



---

**From:** Woods, Dewayne x5309  
**Sent:** Tuesday, October 22, 2019 9:49 AM  
**To:** Gill Campbell  
**Subject:** Re: Just checking in

Yes planning on attending and working on all processes moving forward still on track just lots of bases to cover

Hope all is well on you front

Thanks

Dewayne

Sent from my iPhone

On Oct 22, 2019, at 9:46 AM, Gill Campbell wrote:

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Are you able to go to Vegas for the RRIC meeting? It looks like I might be there after all representing Michelin who will be giving a presentation hopefully.

Also just an FYI, as the VP of the organization, I am attending the Vintage Motorsports Council meeting this weekend, if there is anything of note, I will report back to you next week.

In the meantime, hope all is going according to plan.

I met with John Narigi on Saturday and had, I believe a very productive meeting.

I remain concerned about timing, so please let me know if I can be of any help during the process.

**Gillian Campbell**  
AERO Marketing Group  
DRIVING . BUSINESS . FORWARD  
[AEROMkg.com](http://AEROMkg.com)

Monterey



---

**From:** John Narigi  
**Sent:** Thursday, October 24, 2019 5:55 AM  
**To:** John Narigi; Woods, Dewayne x5309  
**Subject:** RE: LS list of questions

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Had computer issues, now resolved, draft term sheet to you by end of day. My attorney is out until Monday,

jvn

---

**From:** John Narigi  
**Sent:** Monday, October 21, 2019 8:32 PM  
**To:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Cc:** John Narigi  
**Subject:** RE: LS list of questions

Dwayne,

Thank you, appreciate the quick turn on the questions and clear answers, majority I am now clear, balance we can talk live. Could I meet with CFO, Lavonne and Mike, either this Thursday or next Monday? Thursday available 11-3pm and Monday anytime up to 3pm. Happy to contact directly if good with you.

I am trying to complete at least one of my consulting accounts the others require additional work to achieve completion per the contracts.

I am however very focused on securing the LSRA mgt contract.

Appreciate you help.

jvn

---

**From:** Woods, Dewayne x5309 <[woodsd@co.monterey.ca.us](mailto:woodsd@co.monterey.ca.us)>  
**Sent:** Monday, October 21, 2019 12:50 PM  
**To:** John Narigi  
**Subject:** LS list of questions

Here you go.





---

**From:** John Narigi  
**Sent:** Friday, October 25, 2019 6:58 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** darft term sheet LS number one  
**Attachments:** darft term sheet LS number one.docx

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne,

Draft term sheet as my attorney is out of town but will be back next week. Please review and we should schedule a meeting for next week to review final proposal and term sheet if desired. Final proposal completed by early next week. No major changes based on draft submitted.

Thoughts?

jvn

DRAFT TERM SHEET LSRA

10/24/19

Terms: A&D Narigi Consulting LLC (firm)

Laguna Seca Recreations Area (LSRA)

Monterey County (MC)

**Office Area and Equipment:** Office space for John Narigi and employees of firm will be provided, and all expenses will be the responsibility of MC at the LSRA site. All structures and equipment will be considered the property of MC.

Office equipment currently in use at the LSRA site and as needed replacement will be provided by MC utilizing MC approved process as defined.

Firm responsible for; the employment and daily management of employees as noted on the position page to be submitted by the firm. Direct payroll and overhead expense to be the responsibility of the firm as noted in exhibit A of existing contract. Expenses reimbursed by county monthly based on agreed amount.

MC will provide a county employee for the position of CFO with experience in the required disciplines of accounting to properly handle all specified duties associated with the accounting functions of LSRA businesses while adhering to all MC required reporting guidelines as specified in the management agreement. Additional accounting personnel required TBD. IT personal and support also included. At this time the understanding is that the mentioned positions in this section will be charged back against the monthly gross revenue of LSRA. Annual salary and total expense of each position to be provided to firm during annual budget process for review and agreement between firm and MC.

Accounting system to be used will be provided by MC. Revised operational and accounting systems and procedures to be created by firm in cooperation with MC and CFO. All controls and reporting systems to follow approved accounting practices as noted in the contract.

Director of Sponsorship, to be a county employee hired in cooperation with the firm and managed by the firm in cooperation with MC. Monthly expense charged back against gross revenue of LSRA.

Liability Insurance provided by firm as specified in Exhibit C, paid by gross revenue of LSRA.

Length of contract to be 3 years with a 3-year option for renewal.

Termination clause to be three months' notice for either party with cause.

Startup deposit of 150k to be deposited into the "allowed expense account" by the firm for operational expenses. MC to review the expense based on proper documentation for approval and then will reimburse the firm for the expense.

Monthly fee of 286k to be paid to the firm to cover all payroll and payroll overhead expense. Annually the fee will be increased by 2.0% for annual cost of living increases. Based on potential unanticipated

increases to benefits and workers comp, this figure to be reviewed annually by firm and MC for potential adjustments. Any reduction of fee expense the balance will be split 50/50 between MC and firm.

Incentive fee of 20% based on NOI to be paid at the end of each fiscal year prior to any capital, short- or long-term expenses, or capital expenditures as required for safety and health regulations. Clear definition of the NOI amount to be defined in contract.

Vehicle provided by a sponsoring organization for business and personal use with all expenses covered.

All expenses associated with the annual operation of LSRA will be paid by gross revenues earned at LSRA through the accounting services provided by MC unless otherwise specified in this term sheet.

A percentage of any future major sponsorship where firm played an active role to secure, a percentage of the sponsorship amount will be paid to the firm. Procedure to be created by firm and approved by MC. Percentage to be determined.

Firm to be held harmless by MC from any loss not caused by gross negligence.

Firm to be held harmless by MC for any financial liabilities associated with the LSRA or past operator's business practices.

---

**From:** John Narigi |  
**Sent:** Friday, October 25, 2019 7:40 AM  
**To:** Woods, Dewayne x5309  
**Subject:** Re: darft term sheet LS number one

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne failed to mention term sheet is obviously for discussion between you and I. Some new items. Let me know.

Sent from my iPhone.

Jvn

On Oct 25, 2019, at 6:59 AM, John Narigi wrote:

Dewayne,

Draft term sheet as my attorney is out of town but will be back next week. Please review and we should schedule a meeting for next week to review final proposal and term sheet if desired. Final proposal completed by early next week. No major changes based on draft submitted. Thoughts?

jvn

<darft term sheet LS number one.docx>



---

**From:** John Narigi  
**Sent:** Friday, October 25, 2019 9:32 AM  
**To:** Woods, Dewayne x5309  
**Subject:** Re: darft term sheet LS number one

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Suppose to head to aptos fir contract work. What time? After 11?

Sent from my iPhone.

Jvn

On Oct 25, 2019, at 8:48 AM, Woods, Dewayne x5309 <woodsd@co.monterey.ca.us> wrote:

Any chance you can come by today?

---

**From:** John Narigi  
**Sent:** Friday, October 25, 2019 6:58 AM  
**To:** Woods, Dewayne x5309 <woodsd@co.monterey.ca.us>  
**Cc:** John Narigi  
**Subject:** darft term sheet LS number one

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne,

Draft term sheet as my attorney is out of town but will be back next week. Please review and we should schedule a meeting for next week to review final proposal and term sheet if desired. Final proposal completed by early next week. No major changes based on draft submitted. Thoughts?

jvn



---

**From:** John Narigi  
**Sent:** Friday, October 25, 2019 10:25 AM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** RE: darft term sheet LS number one

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Just left vm on cell phone, have been in water mtg since 730. Will wait at home until 11am if mtg needed today. Then will head to aptos, but available by phone all day.

If mtg doesn't happen today, can do anytime Monday excluding noon-230. May be best to put a standing weekly time slot on calendars for any needs that may come up to discuss,

jvn

---

**From:** Woods, Dewayne x5309 <woods@co.monterey.ca.us>  
**Sent:** Friday, October 25, 2019 8:49 AM  
**To:** John Narigi  
**Subject:** RE: darft term sheet LS number one

Any chance you can come by today?

---

**From:** John Narigi  
**Sent:** Friday, October 25, 2019 6:58 AM  
**To:** Woods, Dewayne x5309 <[woods@co.monterey.ca.us](mailto:woods@co.monterey.ca.us)>  
**Cc:** John Narigi  
**Subject:** darft term sheet LS number one

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dewayne,

Draft term sheet as my attorney is out of town but will be back next week. Please review and we should schedule a meeting for next week to review final proposal and term sheet if desired. Final proposal completed by early next week. No major changes based on draft submitted.

Thoughts?

jvn





---

**From:** John Narigi  
**Sent:** Tuesday, October 29, 2019 8:36 PM  
**To:** Woods, Dewayne x5309  
**Cc:** John Narigi  
**Subject:** Proposal

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dwayne,

I plan on having my final proposal and term sheet to you by end of day Thursday or first thing Friday am. My attorney is now back in town and he is reviewing all. My LLC legal items are complete and filed with the state. I look forward to a conversation and being awarded the contract. If you need or desire any further documents from me as you determine your decision, please do not hesitate to ask.

John V Narigi  
A & D Narigi  
Strategic Consulting LLC.



---

**From:** John Narigi |  
**Sent:** Thursday, October 31, 2019 1:27 PM  
**To:** Woods, Dewayne x5309  
**Subject:** proposal

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Proposal is completed. Have a 130 conf call and then will be dropping off at office,

jvn

---

**From:** Woods, Dewayne x5309  
**Sent:** Thursday, November 21, 2019 6:20 PM  
**To:** Alejo, Luis  
**Subject:** Re: Laguna doc

The Deed? We have never had an agreement, the deed has limitations on leasing of the property that why we had a concession agreement in the past, we would have sought approval on a concession agreement.

However since 2017 we have operated under a management agreement with SCRAMP and the new agreement is basically the same management agreement with a few better terms for the County.

The deed is attached to exhibit C on COB agenda 11/19/19 I'll forward the link to you

Sent from my iPhone

> On Nov 21, 2019, at 6:09 PM, Alejo, Luis <AlejoL@co.monterey.ca.us> wrote:

>

> Can you send me a copy of the old agreement over Laguna w the Dept of the Interior. I want to prove a reporter wrong on a point.

>

>

>

> LUIS A. ALEJO,

> Monterey County Supervisor, 1st District

>

> Sent from my iPhone



---

**From:** Gomez, Javier x5328  
**Sent:** Monday, November 18, 2019 11:30 AM  
**To:** Alejo, Luis; Gonzalez, Linda x5869  
**Subject:** FW: Roger Penske and Mario Andretti support Laguna Seca SCRAMP | DrivingtheNation

I'm forwarding you this email from Jeff Canepa requesting a 15 minute meeting in regards to SCRAMP.

Javi

-----Original Message-----

**From:** Jeff Canepa <[jeffcanepa@co.monterey.ca.us](mailto:jeffcanepa@co.monterey.ca.us)>  
**Sent:** Monday, November 18, 2019 10:50 AM  
**To:** Gomez, Javier x5328 <[GomezJ@co.monterey.ca.us](mailto:GomezJ@co.monterey.ca.us)>  
**Subject:** Roger Penske and Mario Andretti support Laguna Seca SCRAMP | DrivingtheNation

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Good morning Javier.

Please forward this email to Supervisor Alejo and ask his 'scheduling' secretary if he has any room on his 'dance' card today?

I'll be in Salinas in the early PM and would appreciate 15 minutes of his time.

Jeff Canepa

<https://www.drivingthenation.com/roger-penske-and-mario-andretti-support-laguna-seca-scramp/>

Sent from my iPhone





---

**From:** Gonzalez, Linda x5869  
**Sent:** Wednesday, November 13, 2019 12:36 PM  
**To:** Alejo, Luis  
**Subject:** FW: Correspondence from Tony Lombardo  
**Attachments:** L-BOS re Narigi.11.12.19.pdf

FYI will print and place on desk

Linda

---

**From:** Angela Love <Angela@alombardolaw.com>  
**Sent:** Tuesday, November 12, 2019 3:49 PM  
**To:** Gonzalez, Linda x5869 <GonzalezL3@co.monterey.ca.us>  
**Subject:** Correspondence from Tony Lombardo

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dear Linda,

Kindly forward the attached letter from Mr. Lombardo dated today (November 12<sup>th</sup>) regarding John Narigi's proposal to management of Laguna Seca Raceway to Supervisor Alejo for his review.

Thank you.

Best regards,

Angela M. Love  
Legal Assistant to Anthony L. Lombardo  
ANTHONY LOMBARDO & ASSOCIATES  
A Professional Corporation  
144 W. Gabilan St.  
Salinas, CA 93901  
Phone (831) 751-2330  
Fax (831) 751-2331  
Email: [angela@alombardolaw.com](mailto:angela@alombardolaw.com)

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**ANTHONY LOMBARDO & ASSOCIATES**

A PROFESSIONAL CORPORATION

ANTHONY L. LOMBARDO  
KELLY MCCARTHY SUTHERLAND  
JOSEPH M. FENECH  
CODY J. PHILLIPS

144 W. GABILAN STREET  
SALINAS, CA 93901  
(831) 751-2330  
FAX (831) 751-2331

November 12, 2019

John Phillips, Chair  
Monterey County Board of Supervisors  
168 W. Alisal Street  
Salinas, CA 93901

Re: John Narigi proposal to management of Laguna Seca Raceway

Dear Chair Phillips and Members of the Board:

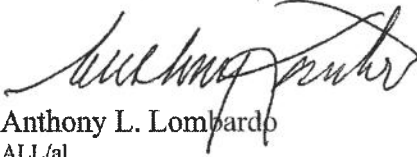
I understand that you are considering proposals to manage Laguna Seca Raceway. I believe that John Narigi has submitted a proposal to you for your consideration.

It appears based on the publicly available information that Laguna Seca Raceway is underutilized and in need of a new vision for its management and operation which will undoubtedly require County involvement broadening the uses of the property beyond simply a racetrack and campground.

It appears based on Mr. Narigi's experience in the hospitality industry that his expertise would be valuable in providing a new vision for the Laguna Seca property.

I hope you will give his proposal all due consideration.

Respectfully submitted,



Anthony L. Lombardo  
ALL/al



---

**From:** Alejo, Luis  
**Sent:** Tuesday, November 5, 2019 8:37 PM  
**To:** Gonzalez, Linda x5869  
**Subject:** Fwd: mtg with narigi regarding Laguna Seca proposal

John Narigi wants to meet in Laguna Seca

LUIS A. ALEJO,  
Monterey County Supervisor, 1st District  
Cell: (831) 726-6032  
Sent from my iPhone

Begin forwarded message:

**From:** John Narigi <  
**Date:** November 5, 2019 at 8:08:46 PM PST  
**To:** "Alejo, Luis" <AlejoL@co.monterey.ca.us>  
**Cc:** John Narigi <  
**Subject:** mtg with narigi regarding Laguna Seca proposal

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Supervisor, what day time good for you. Wed 10/6 in Aptos on a contract job. In town Thursday and Friday with some commitments. Would think next week is good as well,  
You give me some options and will make work.

Thank you,

jvn



---

**From:** Woods, Dewayne x5309  
**Sent:** Tuesday, September 17, 2019 7:25 AM  
**To:** 100-District 3 (831) 385-8333; 100-District 1 (831) 647-7991; 100-District 5 (831) 647-7755; 100-District 4 (831) 883-7570; 100-District 2 (831) 755-5022; Alejo, Luis; Adams, Mary L.; Parker, Jane; Phillips, John M. x5022; Lopez, Christopher M. x3535  
**Subject:** Laguna Seca Media Contact

Board Members,

Yesterday I received two separate media inquiries as follows;

### **Weekly**

Asaf Shalev from the Weekly contacted regarding IndyCar as well as questions pertaining to SCRAMP continuance at the track. According to Asaf Mr. McGrane had advised him the County was trying to “push SCRAMP out”. My response was the County is focused on insuring that LSRA is ran in the best business method possible to insure long-term stability and was not in the business of “pushing out” SCRAMP. I made a distinction between the dual roles at LSRA one of Volunteering which the County is extremely supportive and values and one of actual day-to-day operations which are two very distinct functions. I also advised that SCRAMP had indicated some months ago that they would present the County with a proposal to continuing managing the business, however the County has not received such proposal. I additionally made it clear that the County has the best interest of the facility, regional economy and care of public assets in mind in our decision making processes.

Mr. Shalev also requested a copy of the performance audit of SCRAMP which was done some months ago, I forwarded the request to County Counsel for review and advisement as to our disclosure requirements.

### **Monterey Heald**

Jim Johnson had schedule a tour to LSRA to review the improvements and seek information regarding IndyCar return. In addition to the tour and question on IndyCar, Mr. Johnson also asked questions regarding SCRAMP’s future at the Track. Again I advised of the value of the volunteers and the difference in volunteering and day-to-day conduct of business. Additionally advised that SCRAMP had indicated they wished to present a proposal some months ago however County had not received one to-date. Mr. Johnson was interested in how much longer the “turnaround” would take, which I replied the County has not set an arbitrary date and was committed to stay the course to insure long term stability of LSRA for the regional economy and protecting on the public asset LSRA.



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**From:** 100-District 1 (831) 647-7991  
**Sent:** Monday, July 24, 2017 5:36 PM  
**To:** Alejo, Luis  
**Cc:** Gonzalez, Linda x5869; Gomez, Javier x5328; Mckeithen, Shane x5127  
**Subject:** FW: SCRAMP contract for the operation of Mazda Raceway Laguna Seca

Constituent From Public Account  
-Shane

---

**From:** ginger mutoza [mailto:onefastred@threeina911.com]  
**Sent:** Monday, July 24, 2017 2:24 PM  
**To:** 100-District 1 (831) 647-7991 <district1@co.monterey.ca.us>; 100-District 2 (831) 755-5022 <district2@co.monterey.ca.us>; 100-District 3 (831) 385-8333 <district3@co.monterey.ca.us>; 100-District 4 (831) 883-7570 <district4@co.monterey.ca.us>; 100-District 5 (831) 647-7755 <district5@co.monterey.ca.us>  
**Subject:** SCRAMP contract for the operation of Mazda Raceway Laguna Seca

Dear Supervisors - I am writing to you as a Monterey County resident and a 30 year dedicated SCRAMP volunteer. From parking cars for a local non-profit to becoming a SCRAMP Director, former Corporate Secretary and now with the Race & Event Committee. I have managed the Admissions Committee function for the last 20 years. My non-volunteer life is a full-time job with the corporate Legal team of a \$100+ billion dollar cap technology company.

While the relationship between the Monterey County management team and SCRAMP has had it's ups and downs over my tenure with SCRAMP, I have never seen that relationship better than it has developed to in the past 7 months. The SCRAMP volunteers are excited to see this relationship continue to grow and Mazda Raceway Laguna Seca be brought up to the event venue that it should be.

Few race tracks (or even businesses) are fortunate enough to have the years of expertise that the SCRAMP organization has. It is due to this expertise, depth of commitment and leadership expertise that has continued to enable SCRAMP to operate with so little for so long. Not many businesses can continue to operate when kept on a month-to-month contract, or which continues to have the threat of being put of out business on short notice. This is a testament to the relationships SCRAMP has built over the years with businesses and sponsors.

The concept that you are considering to replace SCRAMP just as the relationship between the County and SCRAMP and the betterment of Mazda Raceway Laguna Seca is beginning is extremely questionable and disturbing from a business perspective. To consider replacing SCRAMP with an unproven organization with no one at the helm who has had full responsible for the day-to-day operations of a raceway or even an event facility for any length of time (Ms. Eberhart's short tenure with Charlotte Motor Speedway - LinkedIn profile) is without logic. Significant changes have occurred in the racing, event venue management and sponsorship world, especially since the 2008 market crash. Through the experience of the entire SCRAMP organization, we have continued to produce racing events to benefit our local communities, their businesses and residents.

SCRAMP is half-way thru a successful 2017 race season. We still have 4 events to go in 2017. For 2018 we have a full slate of events planned, plus a few new ones. Our communities need the SCRAMP organized events to continue. These events generate millions of dollars in occupancy and sales tax revenue, dollars which Monterey County needs. Business which Monterey County businesses need. Jobs which Monterey County residents and voters need.

Mazda Raceway Laguna Seca is a valuable public facility, owned by the residents of Monterey County. SCRAMP built this facility and has grown it to be a destination on the global map. In my 30 year tenure, SCRAMP has spent millions of dollars on improvements, replacement facilities and infrastructure improvements - just to list a few:

- Turn 4 grandstands (and replaced them 25 years later)
- Installed a new scoring trylon



- Built pit row suites and garages
- Built a new hospitality pavilion
- Made track safety improvements for car and motorcycle racers
- Extended the pit lane to accommodate Indy car racing
- Built new maintenance and concession buildings
- Built new racer medical facility
- Developed additional camping areas for race events generating thousands of dollars of additional revenue
- Moved and enlarged the SCRAMP business office

Retaining SCRAMP's expertise and local knowledge is the best decision for Monterey County. Monterey County wins, the hospitality and tourism businesses win, the residents continue in their jobs, and our out-of-town visitors continue to enjoy all that Mazda Raceway Laguna Seca and Monterey County businesses have to offer.

Thank you for making the right decision.

Virginia (Ginger) Mutoza  
Monterey county resident  
SCRAMP Race & Event Committee - Admissions



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**From:** 100-District 1 (831) 647-7991  
**Sent:** Tuesday, April 11, 2017 4:02 PM  
**To:** Gomez, Javier x5328  
**Subject:** FW: Mazda Raceway Laguna Seca

**From:** Gregory Johnson [mailto:drgregjohnson@gmail.com]  
**Sent:** Wednesday, April 5, 2017 4:50 PM  
**To:** 100-District 1 (831) 647-7991 <district1@co.monterey.ca.us>  
**Subject:** Mazda Raceway Laguna Seca

April 5, 2017

Dear Supervisor Alejo,

I am writing to you as I am most earnest to have you consider the issues at hand regarding the management of the Laguna Seca Raceway. I have been following the process and evaluation your board has taken in considering management of the recreational facilities at the Laguna Seca complex. As an aside I must also tell you that I have been a customer, fan, and participant in events at the Laguna Seca Raceway (racing, camping and the shooting range) and the area around Monterey and Carmel for the last 35 years. As you can appreciate I have seen a great many changes both in the Laguna Seca Raceway facility as well as the events that have grown up around the Monterey Peninsula over the last three decades. I am an avid fan of Laguna Seca as I really consider it my "home" race track. So naturally I have been very concerned about the process of who assumes management and continues the history and success of that facility. The SCRAMP organization and management have dedicated five decades of care, nurturing, and dedication to making Laguna Seca the preeminent dedicated racetrack in the United States. There is not one racing fan that

does not know of the famous “corkscrew” and Laguna Seca reputation. That profound and widespread reputation was achieved through the work of countless volunteers under the direction of dedicated management.

Over the years I have seen the changes in management go from director to director and have observed Gill Campbell’s efforts to steer the Laguna Seca “ship” in the right direction. I’ve met few people in racing that have the dedication and commitment that Gill exudes for the SCRAMP organization and for the Laguna Seca Recreation Area. I would encourage you to lean hard on her experience and insight regarding the problems and challenges which face the Laguna Seca facility and how to promote its continued success. I do not think that there is anybody in a better position to offer the type of counsel and guidance that Gill Campbell can provide. Certainly no one has the wealth of experience she possesses having been in the “middle of the action” for 15 years.

With your new management selection combining the expertise, experience and on-site, hands-on management by the SCRAMP organization and the profound experience and backing of the International Speedway Corporation, I believe you found the ultimate winning combination. I trust that your intent of a three-year contract with them will quickly resolve into a long-term multi-decade relationship and commitment. I would also like to voice my concern and discouragement from adopting any other management option. It is my understanding that the “Friends of Laguna Seca” has again approached the board for consideration in managing the Laguna Seca Recreation Area. While I understand that the “Friends of Laguna Seca” group offers a number of entrepreneurial, well-meaning and well-positioned local car enthusiasts, I don’t think that background translates into the expertise and management of a complex facility such as Laguna Seca demands. I would earnestly encourage you to proceed with the SCRAMP/International Speedway Corporation group.

Every time I come to the Laguna Seca Raceway for an event I am anxious to see what new ideas and facility improvements have been accomplished. It wasn't always that way. For 20 years the Raceway infrastructure was always "business as usual." It was comforting to round the corner into the paddock and see a "good old friend" but the "lady" was beginning to look worn and tattered. Under the SCRAMP management and Gill Campbell's guidance the last 10 years have shown significant improvements in infrastructure. I would encourage the Board of Supervisors to give Gill and the SRAMP organization as much budget and license for improvement as possible for continued improvements. More importantly the enthusiasm and energy given by the SCRAMP personnel and volunteers has given me events and experiences to cherish and to remember. That kind of personnel/staff enthusiasm and effort comes from the direction and nurturing of the management organization. The facilities are great and improving but it is the "people of Laguna Seca" that make the whole Laguna Seca Recreational Area experience the best.

Now is the time to support and encourage your new SCRAMP management team at Laguna Seca. The racing season is upon us and there is too much to do to offer further distraction to the successful management experience at Laguna Seca.

Sincerely,

Dr. Gregory P. Johnson



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**From:** Gonzalez, Linda x5869  
**Sent:** Friday, October 4, 2019 4:56 PM  
**To:** Alejo, Luis; Gomez, Javier x5328  
**Subject:** FW: Support Letter for SCRAMP  
**Attachments:** SCRAMP support letter 100319.pdf

FYI from Norm.

Linda

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**From:** Norm Groot <norm@montereycfb.com>  
**Sent:** Thursday, October 3, 2019 2:53 PM  
**To:** 100-District 1 (831) 647-7991 <district1@co.monterey.ca.us>; 100-District 2 (831) 755-5022 <district2@co.monterey.ca.us>; 100-District 3 (831) 385-8333 <district3@co.monterey.ca.us>; 100-District 4 (831) 883-7570 <district4@co.monterey.ca.us>; 100-District 5 (831) 647-7755 <district5@co.monterey.ca.us>  
**Cc:** Stratton, Josh Q. x5022 <StrattonJQ@co.monterey.ca.us>; Markey, Kristi A. x7576 <MarkeyKA@co.monterey.ca.us>; Gonzalez, Linda x5869 <GonzalezL3@co.monterey.ca.us>; Barba, Priscilla x3019 <BarbaP@co.monterey.ca.us>; Anderson, Yuri <AndersonY@co.monterey.ca.us>  
**Subject:** Support Letter for SCRAMP

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Attached please find our letter of support for a long-term management contract with SCRAMP at Laguna Seca.

## Norm Groot

*Executive Director,*

### **Monterey County Farm Bureau**

1140 Abbott St., Ste. C, Salinas CA 93901

Mail: P.O. Box 1440, Salinas CA 93902-1440

Office: 831-751-3100

[norm@montereycfb.com](mailto:norm@montereycfb.com)

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October 3, 2019

Monterey County Board of Supervisors  
Supervisor John Phillips, Chair  
Supervisor Luis Alejo  
Supervisor Christopher Lopez  
Supervisor Jane Parker  
Supervisor Mary Adams

VIA: E-mail

**RE: Long-term Management Agreement with SCRAMP**

Honorable Supervisors:

On behalf of the Board of Directors of Monterey County Farm Bureau, this letter requests support for engaging a new long-term management agreement with the Sports Car Racing Association of Monterey Peninsula (SCRAMP).

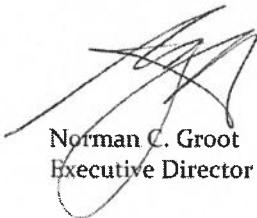
Since the deeding of the raceway to the County in 1974, the County has designated the overall management of the raceway to Monterey County Parks Department. At that time, the federal government requested that all revenues be utilized for the purposes of recreational development and operations, as well as property maintenance.

SCRAMP has been a valued partner to the County and is now seeking a long-term agreement for management of the facility (the Laguna Seca Recreation Area). A long-term agreement will allow SCRAMP to make valued and diligent decisions on how to move forward with future improvements and management of the track and associated facilities.

Laguna Seca is a valuable asset of the County and should be allowed to develop solid plans for the future operations of events that will enhance our hospitality economy, building upon the great reputation that the current events enjoy. SCRAMP management in the past 18 months has been able to increase revenues by 18%, demonstrating their commitment to enhancing the facilities' stature.

Please support a long-term management agreement with SCAMP.

Sincerely,



Norman C. Groot  
Executive Director





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**From:** 100-District 1 (831) 647-7991  
**To:** Alejo, Luis; Gonzalez, Linda x5869  
**Subject:** FW: Letter from Mario Andretti  
**Attachments:** SCRAMP Monterey Board of Supervisors 10\_10\_19.pdf

**From:** Amy Hollowbush <amy@marioandretti.com>  
**Sent:** Friday, October 11, 2019 7:23 AM  
**To:** 100-District 1 (831) 647-7991 <district1@co.monterey.ca.us>  
**Subject:** Letter from Mario Andretti

[CAUTION: This email originated from outside of the County. Do not click links or open attachments unless you recognize the sender and know the content is safe. ]

Dear Supervisor Alejo,

Please see the attached letter from Mario Andretti. An original will follow in the mail.

Thank you,  
Amy

Amy Hollowbush  
Office of Mario Andretti  
457 Rose Inn Avenue  
Nazareth, PA 18064 USA  
+1 (610) 759-5118 office  
+1 (610) 390-3615 mobile  
[amy@marioandretti.com](mailto:amy@marioandretti.com)  
[www.marioandretti.com](http://www.marioandretti.com)



October 10, 2019

To the Monterey County Board of Supervisors,

I raced for decades at Laguna Seca and I have been to events at racetracks all over the world. I think I can speak with some authority on track management and operations. I've seen it all.

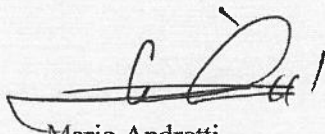
SCRAMP has made meaningful progress since January 2017 when the Monterey County Board of Supervisors awarded them with a 3-year agreement. The Laguna Seca facility was brought back from a state of disrepair to one that is respectable and suited to host the events it is now hosting, including IndyCar, IMSA and Trans AM. But you have only met the minimum requirements in terms of improvements to the facility that will allow it to keep these major disciplines and attract more events. There is much more work to be done before Laguna Seca is a modern motorsports venue and, because of that, I strongly recommend that you stay the course with SCRAMP.

Laguna Seca is a valuable Monterey County asset. The County's engagement is needed in the success of the transformation of Laguna Seca - and so is SCRAMP. The two partners need to stick together. I say without hesitation that SCRAMP should be secured long-term. Laguna Seca needs to continue to evolve in order to maximize the potential of the facility and to match other world-class motorsports circuits.

I urge you not to get caught up in dialogue about who might be able to do it better. You've got the best. SCRAMP is the most qualified to do what you need done. And they can do it with a long-term agreement that is structured to allow them to do what needs to be done. The transition to a modern motorsports venue is showing; you should continue it.

I would not endorse anything as a favor. I endorse only what I believe. And what I believe is to undermine or challenge SCRAMP's position is to derail what is in motion.

Respectfully,



Mario Andretti

Copies to: Luis Alejo, District 1; John Phillips, District 2; Chris Lopez, District 3; Jane Parker, District 4; Mary Adams, District 5; Timothy McGrane, Laguna Seca (via email and U.S. mail)