



Monterey County

Item No.68

Board Report

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

Legistar File Number: A 22-302

July 12, 2022

Introduced: 6/1/2022

Current Status: RMA Public Works -
Consent

Version: 1

Matter Type: BoS Agreement

Approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year, retroactive Sponsorship Agreement between the County of Monterey and Bridgestone Americas Tire Operations, LLC as Event Title Sponsor and Official Tire of the NTT INDYCAR Grand Prix of Monterey, including sponsorship and marketing-specific rights for a \$325,000 annual sponsorship fee, totalling \$975,000 for the three-year term beginning June 1, 2022 and ending October 1, 2024; and
- b. Execute a one-year extension to the Sponsorship Agreement, if sponsor elects to exercise its option, for an annual sponsorship fee of \$325,000 for the one additional year, and term ending on October 1, 2025.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year, retroactive Sponsorship Agreement between the County of Monterey and Bridgestone Americas Tire Operations, LLC as Event Title Sponsor and Official Tire of the NTT INDYCAR Grand Prix of Monterey, including sponsorship and marketing-specific rights for a \$325,000 annual sponsorship fee, totalling \$975,000 for the three-year term beginning June 1, 2022 and ending October 1, 2024; and
- b. Execute a one-year extension to the Sponsorship Agreement, if sponsor elects to exercise its option, for an annual sponsorship fee of \$325,000 for the one additional year, and term ending on October 1, 2025.

SUMMARY/DISCUSSION:

Bridgestone Americas Tire Operations LLC (Firestone) wishes to enter into a three-year Sponsorship Agreement (Agreement) with the County with a right of first refusal option to renew the Agreement for one additional year. The initial term of the proposed Agreement shall begin on the June 1, 2022 and end on October 1, 2024, unless sooner terminated in accordance with the Agreement. During the term of the Agreement, Firestone shall be named the Event Title Sponsor and Official Tire of the NTT INDYCAR Grand Prix of Monterey, and the event shall be known as "Firestone Grand Prix of Monterey."

In consideration for County obligations under the Sponsorship Agreement, Firestone shall pay the County annual sponsorship fee of \$325,000 on or before July 1st of each year over the term of the Agreement. The proposed agreement will provide additional revenue which will be available to

support operations and maintenance as well as to help finance required capital improvements at the Laguna Seca Recreational Area (LSRA).

On December 7, 2021, the Board of Supervisors approved Sponsorship Agreement (Agreement A-15647). Firestone requested changes to the approved Agreement and Agreement A-15647 was not executed. PWFP requests the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute the retroactive Sponsorship Agreement and a future one-year extension to the Agreement should Firestone elect to exercise its option.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel and Risk Management reviewed the Agreement and approved it as to form.

FINANCING:

If approved, the Sponsorship Agreement will generate a total of \$975,000 in revenue over the initial term of the Agreement. This revenue will support the cost of operations and maintenance, and help finance required capital improvements at LSRA. The sponsorship fees will be included in the estimated revenues in the yearly budgets for Fund 453, Laguna Seca Recreation Area.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiatives for Economic Development, Administration, and Infrastructure by proactively seeking funding sources to enhance the County's ability to offer improved facilities and provide popular recreational venues at LSRA, which attract visitors to the area and stimulate the local economy.

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

Prepared by: Ryan Bell, Administrative Operations Manager-LSRA (831)755-8912

Reviewed by: Ma Eden Braganza, Finance Manager II

Reviewed by: Bryan Flores, Chief of Parks

Approved by: Randell Ishii, MS, PE, TE, PTOE, Director of Public Works, Facilities, & Parks 

Attachment:

Attachment: Proposed Bridgestone Sponsorship Agreement

(Attachment is on file with the Clerk of the Board)