



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13509

Upon motion of Supervisor Salinas, seconded by Supervisor Phillips and carried by those members present, the Board of Supervisors hereby:

- a. Approved the Assignment Agreement authorizing the Sports Car Racing Association of the Monterey Peninsula (SCRAMP) to assign the current Sponsorship Agreement with Mazda North American Operations (MNAO) to the County of Monterey;
- b. Authorized the Chair to execute the Assignment Agreement;
- c. Approved the request for the County of Monterey to execute an extension of the Mazda Sponsorship Agreement through March 31, 2018; and
- d. Authorized the Chair of the Board to execute the Amendment No. 4 to the Sponsorship Agreement.

PASSED AND ADOPTED on this 18th day of April 2017, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Salinas, Parker and Adams

NOES: None

ABSENT: None

I, Gail T. Borkowski, 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 of Minute Book 80 for the meeting April 18, 2017.

Dated: April 25, 2017
File ID: A 17-106

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

FINAL
3/24/17

AGREEMENT

for the

ASSIGNMENT OF SPONSORSHIP AGREEMENT

between

MAZDA MOTOR OF AMERICA, INC.
d/b/a MAZDA NORTH AMERICAN OPERATIONS,

THE SPORTS CAR ASSOCIATION OF THE MONTEREY PENINSULA,

and

THE COUNTY OF MONTEREY

dated

MARCH 24 2017

**FINAL
3/24/17**

ASSIGNMENT AGREEMENT

This Assignment Agreement ("Agreement") dated March 24, 2017, is between the COUNTY OF MONTEREY, California (the "County"), the SPORTS CAR RACING ASSOCIATION OF THE MONTEREY PENINSULA, a not for profit corporation ("SCRAMP"), and MAZDA MOTOR OF AMERICA, INC. d/b/a MAZDA NORTH AMERICAN OPERATIONS ("MNAO").

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 SCRAMP has operated and managed the race track and associated facilities located within LSRA (currently known as Mazda Raceway Laguna Seca, hereinafter "Raceway") under a series of concession agreements between SCRAMP and the County, most recently under a concession agreement originally dated February 8, 2000, amended from time-to-time, and which expired on March 31, 2014; and

WHEREAS, SCRAMP continued to operate and manage the Raceway on a month-to-month basis as a holdover concessionaire since April 1, 2014; and

WHEREAS, effective January 1, 2017, the County and SCRAMP entered into a new three-year management agreement for the operation and management of LSRA; and

FINAL
3/24/17

WHEREAS, effective March 1, 2006, SCRAMP and MNAO entered into a sponsorship agreement whereby for good and valuable consideration MNAO became the exclusive title sponsor of the Raceway through March 31, 2011; and

WHEREAS, through a series of three amendments SCRAMP and MNAO agreed to extend the Sponsorship Agreement first to March 31, 2012, and subsequently to April 30, 2017 (collectively, the original agreement and the three amendments are referred to herein as the "Sponsorship Agreement"); and

WHEREAS, the County now desires to have the Sponsorship Agreement assigned to the County for the purposes of further extending the Sponsorship Agreement; and

WHEREAS, the Sponsorship Agreement requires that both SCRAMP and MNAO agree to an assignment to the County; and

WHEREAS, both SCRAMP and MNAO desire that the Sponsorship Agreement be assigned to the County;

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the County, SCRAMP and MNAO agree as follows:

A. SCRAMP and MNAO represent and warrant that the Sponsorship Agreement is valid and binding as of the date of this agreement, and that there is no current dispute, or pending or threatened litigation as between them, or with any third-parties, with regard to the performance of their respective obligations thereunder.

B. SCRAMP hereby assigns the Sponsorship Agreement, attached hereto as Exhibit A, to the County.

C. MNAO hereby agrees to the assignment.

FINAL
3/24/17

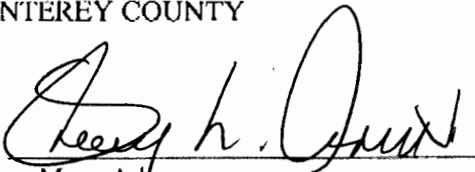
D. The County shall succeed to the rights and obligations of SCRAMP under the Sponsorship Agreement, including the right to receive any remaining sponsorship monies payable by MNAO under the Sponsorship Agreement.

E. Notwithstanding this assignment, the parties agree that all vehicles previously provided by MNAO to SCRAMP under the Sponsorship Agreement shall continue to be driven by the current drivers as of the date of this assignment, whether at SCRAMP or the County, in accordance with the terms of the Sponsorship Agreement, unless otherwise approved in writing (which approval may be provided via email) by MNAO's authorized representative for this purpose which shall be Jeremy Barnes of MNAO.

F. Except as specifically set forth herein, the terms and conditions of the Sponsorship Agreement remain in effect.

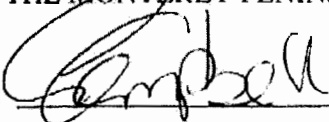
IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

MONTEREY COUNTY

By: 
Mary Adams
Chair, Board of Supervisors

Date: ~~March~~, 2017
April 18, 2017

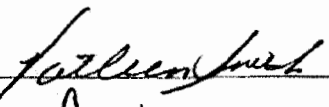
SPORTS CAR RACING ASSOCIATION
OF THE MONTEREY PENINSULA

By: 

Title: CEO

Date: March 24, 2017

MAZDA MOTOR OF AMERICA, INC. d/b/a
MAZDA NORTH AMERICAN OPERATIONS

By: 
Title: Controller

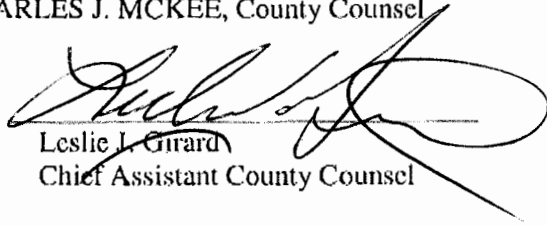
FINAL
3/24/17

Date: March ____, 2017

APPROVED AS TO FORM

CHARLES J. MCKEE, County Counsel

By:



Leslie J. Girard
Chief Assistant County Counsel

**AMENDMENT NO. 4
TO SPONSORSHIP AGREEMENT**

This Amendment #4 dated as of March 24, 2017 ("Amendment #4") is by and between the County of Monterey, California ("County") and Mazda Motor of America, Inc. d/b/a Mazda North American Operations ("Mazda"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to such terms in the Sponsorship Agreement.

W I T N E S S E T H

WHEREAS, Sports Car Racing Association of the Monterey Peninsula, a California non-profit corporation ("Assignor") and Mazda previously entered into a Sponsorship Agreement dated March 1, 2006, as amended by Amendment No. 1 effective as of April 1, 2011, Amendment No. 2 effective as of May 1, 2012, and Amendment No. 3 effective as of February 17, 2014 (collectively, the "Sponsorship Agreement");

WHEREAS, Assignor, Mazda and the County entered into an Assignment Agreement dated March 24, 2017 ("Assignment Effective Date"), in which all rights and obligations of Assignor were assigned to County; and

WHEREAS, the parties hereby desire to amend the Sponsorship Agreement in accordance with the terms and conditions herein.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged the parties agree as follows:

1. References. All references in the Agreement to SCRAMP shall be deemed to be references to the County from the Assignment Effective Date forward.
2. Amendments to Sponsorship Agreement.
 - a. Section 4(a) of the Agreement is hereby revised to add the following fee for Contract Year 2017/2018: One Million Five Hundred Thousand Dollars (\$1,500,000.00), payable in two equal installments of Seven Hundred Fifty Thousand Dollars (\$750,000) on each of May 1, 2017 and November 1, 2017.

b. Exhibit A of the Agreement is hereby revised to add the following 2017/2018 Major Race Events:

2017 Race Season

Ferrari Challenge	May 12-14
Spring Classic	May 19-21
Motul FIM Superbike World Championship	July 7-9

GEICO Motorcycle U.S. Round
Featuring MotoAmerica

Monterey Pre-Reunion	August 12-13
Rolex Monterey Motorsports Reunion	August 17-20
IMSA WeatherTech SportsCar Championship Continental Monterey Grand Prix	September 21-24
Pirelli World Challenge	October 13-15

c. Section 8(a) of the Agreement is hereby deleted in its entirety and replaced with the following language:

“The term of this Agreement shall begin on the Effective Date and end on March 31, 2018 (“Term”), unless sooner terminated in accordance with the terms of the Agreement.”

d. Section 8(b) of the Agreement is hereby revised and supplemented with the following additional language:

“From March 1, 2017 until September 30, 2017, Mazda shall have the exclusive right of first negotiation to enter into a new or continued exclusive sponsorship agreement with the County concerning the Raceway. If the two parties do not come to an agreement by the end of such period, the County shall be free to negotiate with any other entity for such sponsorship to begin after the Term of this Agreement expires. Notwithstanding the foregoing, until such time as a new sponsorship agreement is executed to begin after the Term, the County agrees to continue good faith negotiations with Mazda for a new sponsorship agreement concerning the Raceway.”

3. Representation. Each of Mazda, the Assignor, and the County, the Assignee, hereby represents and warrants to the other parties hereto that the execution, delivery and performance hereof by it are within its corporate powers, and have been duly authorized by all necessary corporate or other action and that this Assignment Agreement constitutes its legal, valid and binding obligation.
4. Governing Law. This Assignment Agreement shall be governed by and construed in accordance with the laws of the State of California.
5. Addresses. Any notice, request, demand, bill, or payment provided for in this Assignment Agreement shall be in writing and shall be considered as duly delivered when mailed by registered, certified or regular mail to the addresses of the parties hereto as follows (or such other address as any party shall later designate by formal written notice to the other parties, which notice shall be provided in accordance with this section):

Mazda:

Attn: Jeremy Barnes, Director, Public Relations & Brand Experience
Mazda North American Operations
7755 Irvine Center Drive
Irvine, CA 92618

With a Copy to:

Attn: General Counsel
Mazda North American Operations
7755 Irvine Center Drive
Irvine, CA 92618

County:

Attn: Assistant CAO – Budget & Analysis Division
County of Monterey
168 West Alisal Street, 3rd Floor
Salinas, CA 93901

With a Copy to:

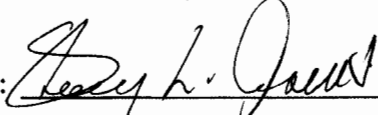
Attn: County Counsel
County of Monterey
168 West Alisal Street, 3rd Floor
Salinas, CA 93901

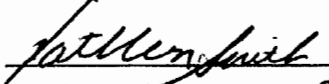
- 6. Definitions. Capitalized terms used in this Assignment Agreement and not defined herein shall have the meanings assigned to them in the Sponsorship Agreement.
- 7. Miscellaneous. Except as amended hereby, all of the terms and conditions of the Agreement are hereby ratified and confirmed and shall remain in full force and effect. If there is any inconsistency between the provisions of this Assignment Agreement and the provisions of the Agreement, the provisions of this Assignment Agreement shall control and govern. This Assignment Agreement may be executed in counterparts and signatures exchanged by electronic means, each of which shall be deemed an original, but all of which when taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment Agreement as of the date first above written.

County of Monterey, California

Mazda Motor of America, Inc. d/b/a Mazda North American Operations ("Mazda")

By: 

By: 

Name: Mary L. Adams

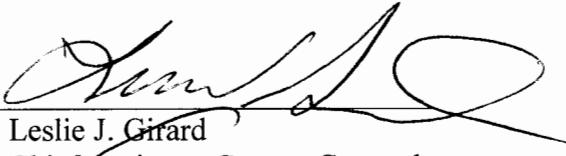
Name: Kathleen Smith

Title: Chair, Board of Supervisors

Title: Controller

APPROVED AS TO FORM

CHARLES J. MCKEE, County Counsel

By 
Leslie J. Girard
Chief Assistant County Counsel