



# County of Monterey

**Item No.**

## Board Report

Board of Supervisors  
Chambers

168 W. Alisal St., 1st Floor  
Salinas, CA 93901

**Legistar File Number: A 22-577**

**November 08, 2022**

**Introduced:** 11/2/2022

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

Approve and authorize the Monterey County Laguna Seca Representative to sign a Facility Use Agreement between Stonefish, Inc., a California corporation, and County of Monterey to promote and conduct a Music Festival to be held at Laguna Seca Recreation Area, with a term beginning June 15, 2023 through June 19, 2023, for a base event fee of \$75,000, plus an additional fee of \$25,000 if the number of tickets sold exceeds 5,000.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to sign a Facility Use Agreement between Stonefish Inc., a California corporation, and County of Monterey to promote and conduct a Music Festival to be held at Laguna Seca Recreation Area, with a term beginning June 15, 2023 through June 19, 2023, for a base event fee of \$75,000, plus an additional fee of \$25,000 if the number of tickets sold exceeds 5,000.

**SUMMARY/DISCUSSION:**

Stonefish, Inc. (Stonefish) has experience in promoting and managing various events including music and cannabis festivals. The proposed event would take place while the Start/Finish Bridge construction project at Laguna Seca Recreation Area (LSRA) is underway. The event will be promoted as a Music Festival with a cannabis component.

Participation and presentations from local and national industry professionals, cannabis growers, and vendors will enhance the event. Educational seminars will be held involving cannabis products, with a focus on production equipment, techniques, and support and help to showcase future initiatives of the industry. Stonefish will also promote an age-restricted (minimum 21-years old) cannabis sales and consumption area (restricted area). The restricted area will be strictly controlled by security personnel, and no alcohol will be allowed within the area in compliance with State law. The music component of the festival intends to showcase premier performance artists and may include an evening “silent disco,” where festival attendees will wear headphones and music will be streamed to them providing minimal noise impacts to surrounding areas.

The event is structured as a revenue-producing facility rental, with minimal expenditures and limited liability for the County. Stonefish holds all licenses and insurance required by the State. Areas within the park to be used are limited and noted in the Facility Use Agreement (FUA). All camping sites will be sold at special event rates and managed by LSRA with the County retaining all revenue, excluding twenty (20) sites designated for VIP and Event Operations, where there is a 50/50 revenue split between Stonefish and the County Promotion and operational responsibilities of the event, including tickets sales, will be managed by and at the sole expense of Stonefish. The facility base event rental

fee is \$75,000, plus an additional \$25,000 if the number of tickets sold exceeds 5,000. All revenue from vendors and sponsors participating with the event will be retained by Stonefish. Stonefish is required to utilize vendors currently on the County’s preferred vendor list, and these vendors will pay the County a ten percent (10%) administrative fee.

Stonefish is responsible to secure all required licenses and permits applicable to Federal, State, and local laws, including regulations to conduct the public performance of music, cannabis retail sales, and on-site consumption of cannabis and alcohol (limited to beer, seltzer, and wine), presented in a enclosed security-controlled area. All life safety and security requirements per established regulations will be provided at the expense of Stonefish. LSRA management will be on-site to monitor the event.

The event will be held in the LSRA lakebed, vendor court/marketplace, and island areas. LSRA will be closed to the public on the proposed event dates. A traffic plan will be required and submitted for approval to County and area agencies. Stonefish has been apprised that the Start/Finish Bridge construction project may still be in progress. Stonefish provided the Music Festival Summary information presented as Attachment B.

The County will require an insurance policy that explicitly provides coverage for personal injury and property damage for any incident where cannabis use is alleged to be involved either by way of specific policy language or special endorsement, including a waiver of "hazardous activity" and "criminal activity" exclusions as they relate to cannabis. The County, its officers, and employees will be named as additional insureds; insurance will be primary and non-contributory, and include a waiver of subrogation. Proof of the insurance policy, to the County’s sole and exclusive satisfaction, must be received no later than two (2) weeks after the proposed facility use agreement is executed.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel and Auditor-Controller’s Office reviewed and approved the proposed FUA as to form and fiscal provisions, respectively. Risk Management reviewed and approved the insurance coverage and limits.

FINANCING:

This FUA will generate revenue for the Fund 453 Laguna Seca Budget, and the festival will be conducted for a base event fee of \$75,000, plus an additional fee of \$25,000 if the number of tickets sold exceeds 5,000. Other potential revenue is noted above.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiatives for Economic Development and Administration. The proposed FUA will bring another quality event to LSRA and stimulate the local economy by attracting visitor dollars to the area. The additional County Parks revenue will help sustain and improve existing LSRA facilities improving the guest experience and promoting repeat park visitorship.

- Economic Development
- Administration
- Health & Human Services

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\_\_\_ Infrastructure

\_\_\_ Public Safety

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

Reviewed by: Bryan Flores, Chief of Parks

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

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Randell Ishii  
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Attachments:

Attachment A - Proposed Facility Use Agreement-Stonefish

Attachment B - Stonefish Music Festival Summary

(Attachments are on file with the Clerk of the Board)