

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, LLC, 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. If the Term of the Agreement is extended pursuant to the terms of Section 2.4, Contractor and

County shall in good faith discuss and agree upon new Management Fee Advances for the extended Term.

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, and as maybe extended pursuant to 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. Notwithstanding anything in the Agreement to the contrary, provided the Agreement has not been terminated and Contractor is not in default, with the consent of the County Representative Contractor shall have one (1) three (3) year option to extend the Term of the Agreement to December 31, 2026. Contractor shall notify the County Representative by September 1, 2023, if Contractor wishes to exercise the option to extend the

Term. The County Representative shall have ten business days after receipt of the notice to approve or disapprove the option; failure to approve or disapprove shall be deemed disapproval. Upon exercising the option, Contractor and County shall immediately and in good faith discuss and agree on new Management Fee Advances for the option Term.

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. If the Term of the Agreement is extended pursuant to Section 2.4 of the Agreement, the calculation and payment of the Management Incentive Fee shall mirror the terms for the first three (3) years of the Term with the dates adjusted accordingly.

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 by Contractor on contracting shall be Allowed Expenses. 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 (10th) 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 30 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 Contractor's 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 resulting to any and all persons, firms, or corporations furnishing or supplying work, service, materials, or supplies in connection with County's 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 County'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 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, 3rd Floor
Salinas, CA 93901
(831) 757-5792

Copy to:
County Counsel
168 West Alisal Street, 3rd Floor
Salinas, CA 93901
(831) 755-5283 (facsimile)

To Contractor:

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

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: President

Date: November __, 2019

Date: November 15th, 2019

Approved as to Form

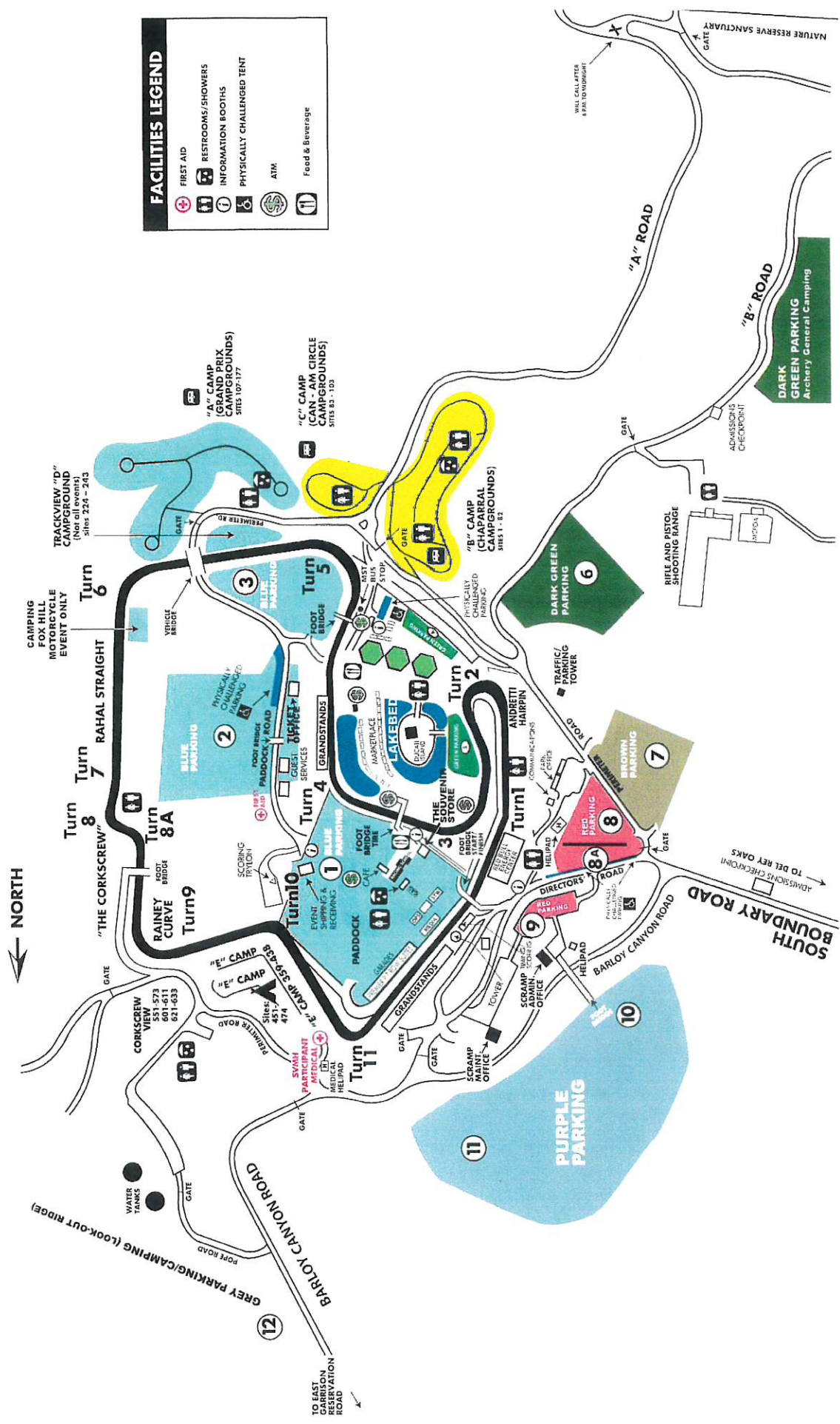
Leslie J. Girard
County Counsel

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
Souvenir Store:				
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
Communications, Marketing & Media:				
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
Reunion Management:				
Reunion Manager	\$71,760	\$73,913	\$76,130	\$78,414
Administrative Assistant - PT	\$41,600	\$42,848	\$44,133	\$45,457
Ticket & Camping Sales:				
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
Facilities:				
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
Facilities Assistant	\$35,360	\$36,421	\$37,513	\$38,639
Track/Event Operations:				
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
Annual Total for Salary Only (Excludes All Benefits)	\$2,321,238	\$2,390,876	\$2,462,602	\$2,536,480

EXHIBIT B

MAP OF MANAGEMENT PREMISES



FACILITIES LEGEND

- FIRST AID
- RESTROOMS/SHOWERS
- INFORMATION BOOTHS
- PHYSICALLY CHALLENGED TENT
- ATM
- Food & Beverage

NORTH

TRACVIEW "D" CAMPGROUND (Not all events) sites 224 - 243

"A" CAMP (GRAND PRIX CAMPGROUNDS) sites 107-177

"C" CAMP (CAN - AM CIRCLE CAMPGROUNDS) sites 83 - 103

"B" CAMP (CHAPARRAL CAMPGROUNDS) sites 1 - 82

"E" CAMP sites 353-363, 451-474

"F" CAMP sites 451-474

CAMPING FOX HILL MOTORCYCLE EVENT ONLY

RAHAL STRAIGHT

TURN 6

TURN 7

TURN 8

TURN 8A

TURN 9

TURN 10

TURN 11

TURN 12

BLUE PARKING

PHYSICALLY CHALLENGED PARKING

FOOT BRIDGE

PADDOCK ROAD

GRANDSTANDS

LAKEBET

MARKETPLACE

SOUVENIR STORE

THE SOUTHERN STORE

ANDRETTI HAIRPIN

TRAFFIC TOWER

HELIPAD

TOYER

SCRAMP MAINT. OFFICE

SCRAMP OFFICE

DIRECTORS' OFFICE

RED PARKING

BROWN PARKING

BARLOY CANYON ROAD

GREY PARKING/CAMPING (LOOK-OUT RIDGE)

TO EAST GARRISON RESERVATION ROAD

"A" ROAD

"B" ROAD

DARK GREEN PARKING Archery General Camping

NATURE RESERVE SANCTUARY

ADMISSION CHECKPOINT

RIFLE AND PISTOL SHOOTING RANGE

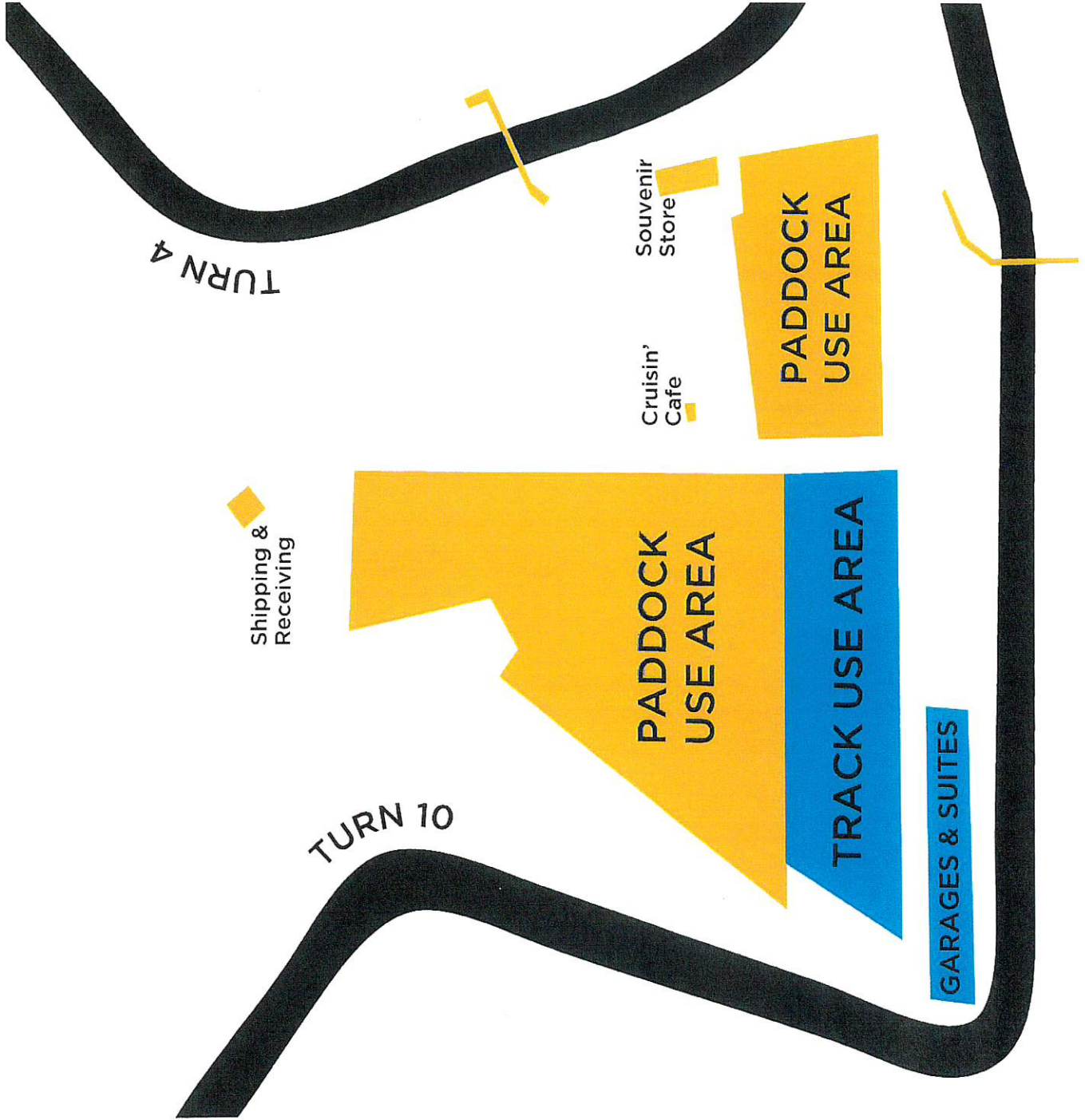
TO DEL REY OAKS

ADMISSIONS CHECKPOINT

SWARTZ MEDICAL CENTER

WATER TANKS

FOR ROAD



TURN 4

Souvenir Store

Cruisin' Cafe

PADDOCK USE AREA

Shipping & Receiving

PADDOCK USE AREA

TRACK USE AREA

TURN 10

GARAGES & SUITES

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 includes the following minimum limits each coverage;

CGL/Motorsport Liability	Minimum Required Limit
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’s 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's 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.

EXHIBIT D

ARMY DEED

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 "MAP-SJF" 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 M4LS10 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., 197.00 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 "MAR-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

OCT 14 11 21 AM '86

OFFICE OF RECORDER, COUNTY OF MONTEREY, SALINAS, CALIFORNIA

ACCEPT AMENDMENT TO QUITCLAIM DEED FROM UNITED STATES AND AUTHORIZE BOARD CHAIRMAN TO SIGN THE AMENDMENT.....

53883

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 SCRAM 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 57 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 [Signature] 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.

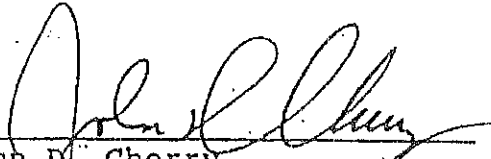
FURTHERMORE, because of its reference to Condition 5, Condition Number 6 on Page 6 of said Deed of October 31, 1974, is hereby revised to read as follows:

"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.

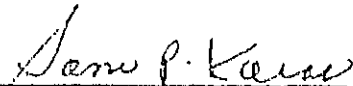
IN WITNESS WHEREOF, the Grantor has caused these presents to be executed in its name and on its behalf this the six day of August, 1986.

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, 19 86 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: *Asse Ari*
Deputy Clerk

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

Joseph F. Pitta
Monterey County Recorder
Recorded at the request of
County of Monterey

RAUBREY
12/15/2000
9:23:50

WHEN RECORDED MAIL TO:

COUNTY OF MONTEREY - PARKS

ATTN: RICH BRANDAU

DOCUMENT: 2000082485

Titles: 1 / Pages: 5



Fees....
Taxes...
Other...
AMT PAID

2000082485

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.

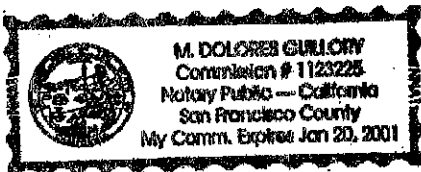
IN WITNESS WHEREOF the Grantor has caused these presents to be executed in its name and on its behalf on this the 21 day of January, 2000.

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 Gullow
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

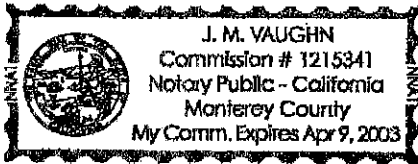
County of Monterey } ss.

On 12-11-2000, 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.

Jm 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

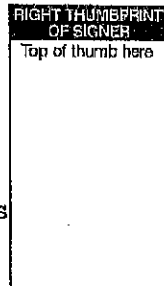
Signer(s) Other Than Named Above: _____

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 Chamsal 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 landsculpturing 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.

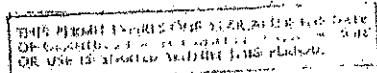
33. That parks historian conduct on-site research to determine whether the remains of the residence/farm complex should remain untouched and protected, be reconstructed, or be razed. The historian's recommendation shall be submitted to the Historical Commission for recommendation to the Board of Supervisors 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, Reeves



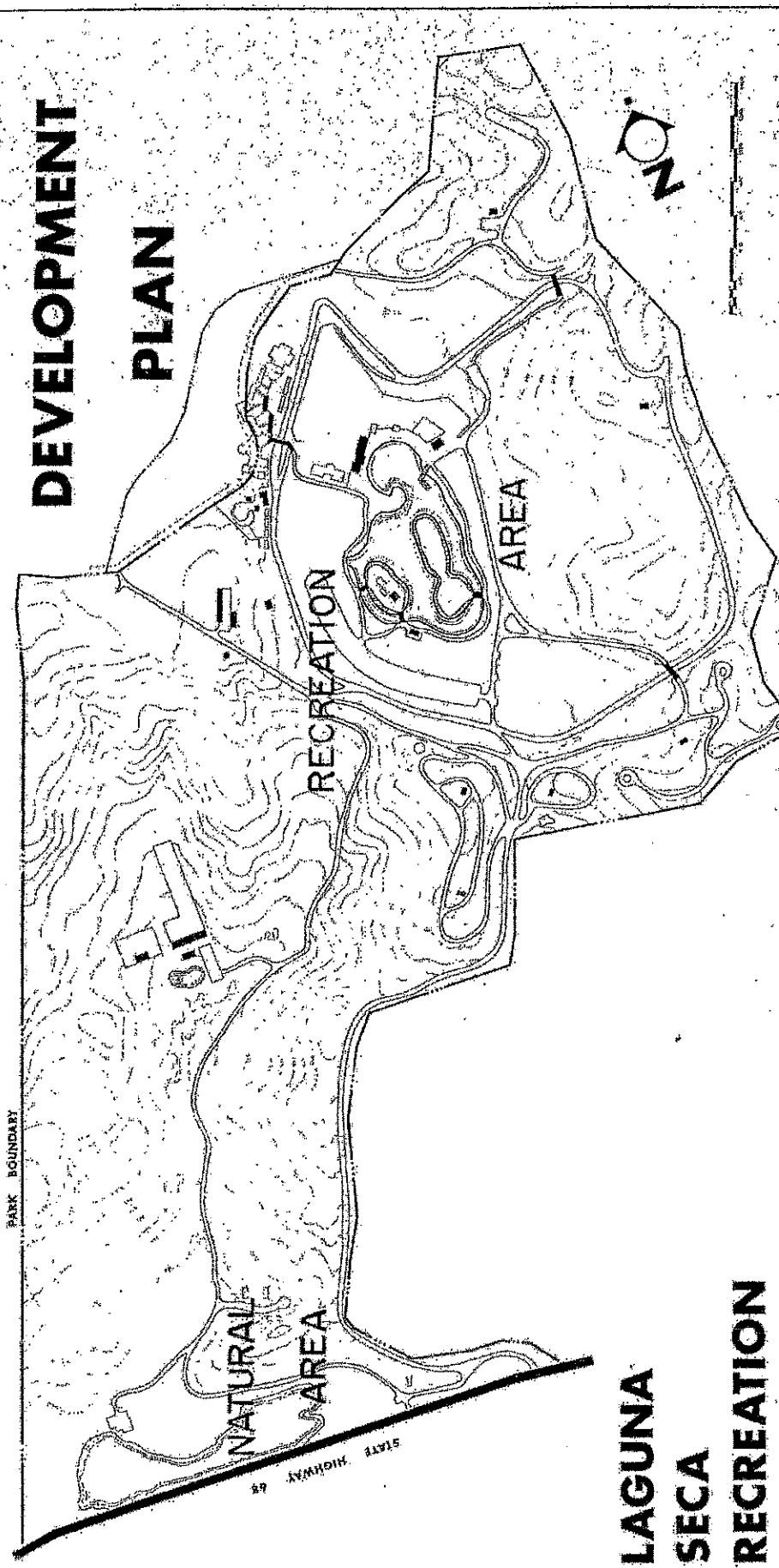
Robert S. Slidman, Jr.

 ROBERT SLIDMAN, JR.
 Secretary of the Planning Commission

Copy of this decision was mailed to the applicant on November 4, 1983.

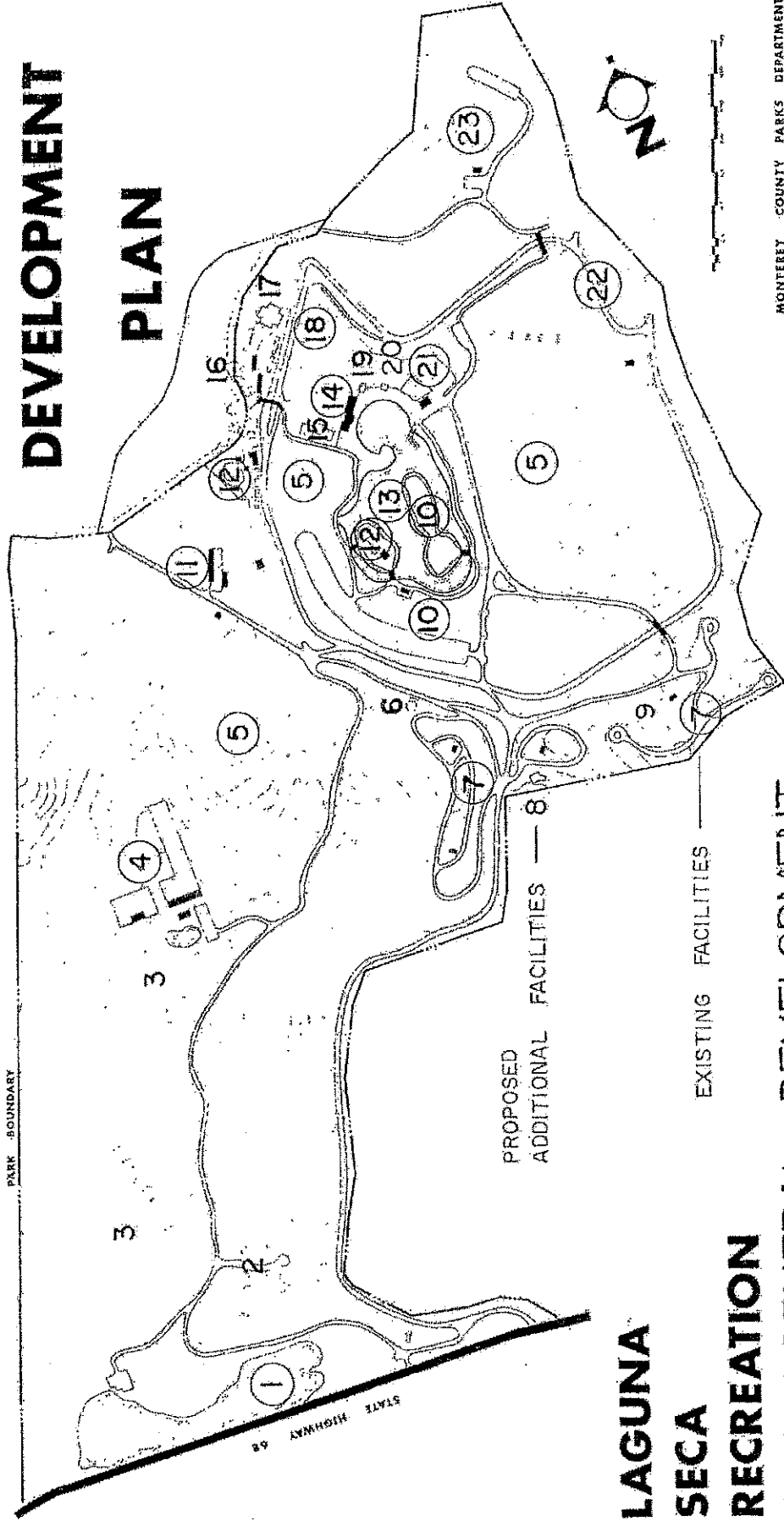
IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE CLERK OF THE BOARD OF SUPERVISORS ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE NOVEMBER 14, 1983.

DEVELOPMENT PLAN



**LAGUNA
SECA
RECREATION
AREA** _____ PLANNING CLASSIFICATIONS

DEVELOPMENT PLAN



MONTEREY COUNTY PARKS DEPARTMENT

**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, baseball, 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