



Legislation Details (With Board Report)

File #: A 21-423 **Name:** Approve Amendment No. 2 for IndyCar
Type: BoS Agreement **Status:** Passed
File created: 7/22/2021 **In control:** Board of Supervisors
On agenda: 7/27/2021 **Final action:** 7/27/2021

Title: Approve and authorize the County Administrative Officer, or designee, to execute Amendment No. 2 to the Agreement with IndyCar, LLC, revising the Sanctioning Fee and payment schedule for the 2021 scheduled event at WeatherTech Raceway Laguna Seca, reducing the Sanctioning Fee and payment schedule for the 2021 scheduled event by \$200,000 for a revised contract amount not to exceed \$1,300,000, as requested by A&D Narigi Consulting, LLC. (ADDED VIA ADDENDA)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. IndyCar Agreement 2019-2021, 3. Amendment No. 1 - IndyCar LLC, 4. Amendment No. 2 - IndyCar LLC, 5. Completed Board Order Item No. 41.2

Date	Ver.	Action By	Action	Result
7/27/2021	1	Board of Supervisors	approved	Pass

Approve and authorize the County Administrative Officer, or designee, to execute Amendment No. 2 to the Agreement with IndyCar, LLC, revising the Sanctioning Fee and payment schedule for the 2021 scheduled event at WeatherTech Raceway Laguna Seca, reducing the Sanctioning Fee and payment schedule for the 2021 scheduled event by \$200,000 for a revised contract amount not to exceed \$1,300,000, as requested by A&D Narigi Consulting, LLC. (ADDED VIA ADDENDA)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the County Administrative Officer, or designee, to execute Amendment No. 2 to the Agreement with IndyCar, LLC, revising the Sanctioning Fee and payment schedule for the 2021 scheduled event at WeatherTech Raceway Laguna Seca, reducing the Sanctioning Fee and payment schedule for the 2021 scheduled event by \$200,000 for a revised contract amount not to exceed \$1,300,000, as requested by A&D Narigi Consulting, LLC.

SUMMARY/DISCUSSION:

This request supports an amendment to the IndyCar, LLC agreement passed and adopted on July 17, 2018 to organize, promote, and market the IndyCar Monterey Grand Prix at WeatherTech Raceway Laguna Seca in 2019, 2020 and 2021. The event was cancelled in 2020 due to the COVID-19 pandemic and subsequent State and County mandates to not allow spectators.

Amendment No. 2 addresses the reduced Sanctioning Fee for the 2021 race, the 2021 IndyCar Monterey Grand Prix at WeatherTech Raceway Laguna Seca, which is scheduled to be held on September 17-19, 2021. Due to the COVID-19 pandemic, the 2020 race event was cancelled, and the payment made for said race were credited to the 2021 event, with the exception of \$400,000 which was returned to the County. The Sanctioning Fee for the 2021 IndyCar event was originally \$1,500,000 and has been negotiated down to \$1,300,000. Approval of this amendment is requested by our LSRA manager, A&D Narigi Consulting, LLC.

A revised payment schedule for 2020 is outlined in Amendment No. 2.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel has approved the Amendment as to form.

FINANCING:

LSRA Fund 453 is currently showing a very small positive cash balance and expenditures are trending higher than revenue. If this trend continues the fund will need to reduce expenditures, increase revenue or seek a General Fund subsidy. The management firm has submitted budgets indicating that a positive net income is expected and continues to advise that they will manage to positive end of year results. Approval of contracts increasing expenditures may add to the deficit if the Management firm is not successful in generating a positive operating income in Fiscal Year 2022.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The items included in this report relate to the Board of Supervisors Strategic Initiatives on Economic Development and Administration.

Mark a check to the related Board of Supervisors Strategic Initiatives

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

Prepared by: Lavonne Chin, Administrative Operations Manager, ext. 7214

Approved by: Charles J. McKee, County Administrative Officer

Attachments: Agreement with IndyCar, LLC; Amendment No. 1; Amendment No. 2