



County of Monterey

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

Board Report

File #: A 22-532, **Version:** 1

Approve and authorize the Monterey County Laguna Seca Representative to execute Amendment No. 2 to Agreement A-14218 with All Fields Sports, LLC to extend the Agreement term through December 31, 2023, to continue performing specialized corporate sponsorship and hospitality sales management services for Laguna Seca Recreation Area (LSRA), including WeatherTech® Raceway at Laguna Seca and the LSRA campgrounds, and shooting range.

RECOMMENDATION:

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute Amendment No. 2 to Agreement A-14218 with All Fields Sports, LLC to extend the Agreement term through December 31, 2023, to continue performing specialized corporate sponsorship and hospitality sales management services for the Laguna Seca Recreation Area (LSRA), including WeatherTech® Raceway at Laguna Seca and the LSRA campgrounds and shooting range.

SUMMARY/DISCUSSION:

On January 15, 2019, the Board of Supervisors approved Agreement A-14218 (Agreement) between the County of Monterey (County) and All Sports Fields, LLC (AFS) for Specialized Marketing and Management Services (Services) for the Laguna Seca Recreation Area (LSRA), including WeatherTech® Raceway at Laguna Seca and the LSRA campgrounds and shooting range (Attachment A-Agreement A-14218). The term of the initial Agreement was through December 31, 2021. On December 7, 2021, the Board of Supervisors approved Amendment No. 1 to the Agreement extending its term through December 31, 2022 (Attachment B-Amendment No. 1 to A-14218).

The County will continue to need such Services performed after December 31st of this year. Public Works, Facilities and Parks (PWFP) staff wish to extend the Agreement with AFS for one additional year (Attachment C-Proposed Amendment No. 2). The proposed Amendment No. 2 would extend the Agreement term through December 31, 2023. This extension would also align the term ending date with that of the contract manager of LSRA, A&D Narigi Consulting, LLC. Per Amendment No. 2, the County would continue to pay AFS a monthly base fee of \$30,000 for its performance of services, plus a sliding Commission Fee as stipulated in the Agreement. Amendment No. 2 would increase the base fee aggregate liability for the revised term of the Agreement from \$1,440,000 to \$1,800,000. All other terms and conditions of the Agreement remain unchanged.

AFS would continue to perform specialized corporate sponsorship and hospitality sales and management services for LSRA. AFS would have the equivalent of three staff dedicated toward these sales activities and is expected to generate in excess of \$4.5 million in annual sales. AFS would continue to coordinate, consult, and receive direction from the County in providing services under the Agreement. The PWFP-Parks Division manages this Agreement and would continue to receive, review, and execute all contracts issued per the Agreement. The County would receive all sponsorship, hospitality and vendor fees. In calendar year 2022, corporate sponsorships reached approximately \$5 million and other hospitality and vendor exhibitor agreements reached over \$1.2 million. AFS has more than doubled revenue growth for LSRA from \$3 million in 2018 to

\$6.5 million in 2022.

OTHER AGENCY INVOLVEMENT:

The Office of County Counsel and Auditor-Controller's Office reviewed and approved the proposed Amendment No. 2 as to form and fiscal provisions, respectively.

FINANCING:

The estimated 12-month base fee total for Amendment No. 2 is \$360,000. Commission fees, based on the value of existing and future service activity agreements, will follow the same commission fee table provided in Exhibit B of the Agreement. The Fiscal Year (FY) 2022-23 Adopted Budget, Laguna Seca Recreation Area Fund 453, Appropriation Unit PFP067, includes sufficient appropriations to cover the fees for services provided by AFS. Agreement costs from July 2023 through December 2023 will be included in the requested budget for FY 2023-24.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiatives for Economic Development and Administration as this Agreement secures Sponsorship income and advertising, which brings visitors to both the LSRA facility as well as to Monterey County.

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

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

Reviewed by: Bryan Flores, Chief of Parks

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

Attachment:

Attachment A-Agreement A-14218

Attachment B-Amendment No. 1 to A-14218

Attachment C-Proposed Amendment No. 2 to A-14218

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