



# County of Monterey

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

## Board Report

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**File #: A 21-588, Version: 1**

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Approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year Sponsorship Agreement, with an additional three-year renewal option, effective January 1, 2022, between Motul USA and the County of Monterey for the IMSA Monterey Sports Car Championship, as an official Motor Oil Sponsor, Heritage Display Sponsor at the Rolex Monterey Motorsports Reunion, and year-round Paddock Classroom Title Sponsor for WeatherTech® Raceway Laguna Seca in the amount of \$300,000 for the year 2022; \$412,000 in 2023; and \$425,000 in 2024; and
- b. Negotiate and execute one (1) future amendment to this Agreement for the renewal term of 2025-2027.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to:

- a. Execute a three-year Sponsorship Agreement, with an additional three-year renewal option, effective January 1, 2022, between Motul USA and the County of Monterey for the IMSA Monterey Sports Car Championship, as an official Motor Oil Sponsor, Heritage Display Sponsor at the Rolex Monterey Motorsports Reunion, and year-round Paddock Classroom Title Sponsor for WeatherTech® Raceway Laguna Seca in the amount of \$300,000 for the year 2022; \$412,000 in 2023; and \$425,000 in 2024; and
- b. Negotiate and execute one (1) future amendment to this Agreement for the renewal term of 2025-2027.

**SUMMARY/DISCUSSION:**

Motul USA (Motul) wishes to enter into a three-year Sponsorship Agreement (Agreement) with the County with a first right of refusal option to renew the Agreement for one additional three-year term (2025-2027.) The initial term of the proposed Agreement shall begin on the January 1, 2022, and end on October 1, 2024, unless sooner terminated in accordance with the Agreement. During the term of the Agreement, Motul shall be the sponsor for the IMSA Monterey Sports Car Championship, the official Motor Oil Sponsor, Heritage Display Sponsor at the Rolex Monterey Motorsports Reunion, and year-round Paddock Classroom Title Sponsor.

In consideration for County obligations under the Agreement, Motul shall pay the County \$1,137,000 over the three-year term: \$300,000 in 2022; \$412,000 in 2023; and \$425,000 in 2024. For all Events, Motul shall pay fifty (50) percent of the sponsorship investment on or before January 15th and the remaining fifty (50) percent of the sponsorship investment on or before April 1st of each year. Should Motul elect to exercise the renewal option, the required payments for the additional three year term (2025-2027) are subject to negotiations with the County. The proposed Agreement will provide additional revenue which will be available to continue required capital improvements at Laguna Seca Recreational Area (LSRA).

**OTHER AGENCY INVOLVEMENT:**

The Office of County Counsel reviewed the Agreement and approved it as to form.

**FINANCING:**

In consideration for County obligations under the Agreement, Motul shall pay the County \$1,137,000 over the three-year term: \$300,000 in 2022; \$412,000 in 2023; and \$425,000 in 2024 with the first right of refusal to renew for a three-year term (2025-2027) at a negotiated rate.

The Sponsorship Agreement will provide additional revenue which will be available to continue required capital improvements at LSRA. This sponsorship revenue is part of the annual fiscal revenue budget in Fund 453, Unit 8536, Appropriation Unit CAO046.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

The recommended action supports the Board of Supervisors Strategic Initiatives for Economic Development, Administration, and Infrastructure by proactively seeking funding sources to enhance the County's ability to offer improved County Parks' facilities and provide popular recreational venues for the public.

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

Prepared by: Dona Luna, Management Analyst II (831)755-5455

Reviewed by: Bryan Flores, Interim Chief of Parks

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

Attachment:

Attachment A-Proposed Motul Sponsorship Agreement  
(Attachment is on file with the Clerk of the Board)