



County of Monterey

Item No.

Board Report

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

Legistar File Number: A 24-026

February 06, 2024

Introduced: 1/17/2024

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Approve and authorize the Monterey County Laguna Seca Representative to execute a non-standard Event Agreement between Krave Group, LLC and the County of Monterey with a term of January 15, 2024 through December 31, 2024, to sanction and produce the MotoAmerica Superbike SpeedFest at Monterey to be held at WeatherTech® Raceway at Laguna Seca on July 12-14, 2024;
- b. Accept the non-standard insurance provisions as requested by Krave; and.
- c. Approve and authorize the Monterey County Laguna Seca Representative to execute up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, subject to County Counsel approval.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Monterey County Laguna Seca Representative to execute a non-standard Event Agreement between Krave Group, LLC and the County of Monterey with a term of January 15, 2024 through December 31, 2024, to sanction and produce the MotoAmerica Superbike SpeedFest at Monterey to be held at WeatherTech® Raceway at Laguna Seca on July 12-14, 2024;
- b. Accept the non-standard insurance provisions as requested by Krave; and.
- c. Approve and authorize the Monterey County Laguna Seca Representative to execute up to three (3) future amendments to this Agreement where the total amendments do not significantly change the scope of work, subject to County Counsel approval.

SUMMARY/DISCUSSION:

Krave Group, LLC, (Krave) is located in Irvine, California, and is the commercial rights holder of the American Motorcyclist Association (AMA) Superbike Championship known as MotoAmerica. Krave wishes to enter into a one-year Event Agreement (Agreement) to sanction and produce the MotoAmerica Superbike SpeedFest at WeatherTech® Raceway at Laguna Seca (WRLS). The race is sanctioned by the AMA and Federation Internationale De Motocyclisme (FIM) North America. The MotoAmerica series has been an annual event at WRLS since 2019.

The proposed non-standard Event Agreement (Attachment A) does not provide for a base event fee as in the past due to the re-negotiation of Laguna Seca Volunteer Association and service club's expense that will become an obligation of the Series. The Agreement historically has shared interest obligations: (1) a 50/50 split of the revenue between Krave and the County of Monterey from the sale of all general admission tickets, parking, and camping revenue; (2) the County retains all revenue from concessions, karting, parade laps, track activities, retail store sales, and corporate hospitalities sold by County's Manager; (3) Series and County will split on a 50/50 basis, the net revenue for Hospitality/VIP ticket packages sold by Series; and (4)

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expenses will be allocated on a shared basis between Krave and County. Sponsorships will be obtained in cooperation with Krave. In previous years this shared revenue and expense agreement has been profitable to the County as no sanctioning fee is required of this professional racing series.

Staff requests the Board of Supervisors approve and authorize the Monterey County Laguna Seca Representative to execute a non-standard Event Agreement between Krave Group, LLC and the County of Monterey with a term of January 15, 2024 through December 31, 2024, to sanction and produce the MotoAmerica Superbike SpeedFest at Monterey to be held at WeatherTech® Raceway at Laguna Seca on July 12-14, 2024;

OTHER AGENCY INVOLVEMENT:

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

FINANCING:

This Agreement will generate revenue for Laguna Seca Recreation Area Fund 453 but will also have a corresponding cost for the County’s share in the split of expenses between the County and Krave. The anticipated cost for services of this Agreement will be included in the Fiscal Year 2024-25 Recommended Budget in Fund 453, Unit 8579, Appropriation Unit PFP067.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The recommended action supports the Board of Supervisors Strategic Initiative for Economic Development and Administration. Use of the services will assist in conducting and attracting quality events at Laguna Seca Recreation Area and improve the effectiveness of County services. In addition, this will generate revenue to sustain the park facility and promote economic development by attracting domestic and international visitor dollars that will stimulate the local economy.

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

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

Reviewed by: Bryan Flores, Chief of Parks

Approved by: Randell Ishii, Director of Public Works, Facilities and Parks

DocuSigned by:

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The following attachments are on file with the Clerk of the Board:

Attachment A - Non-Standard Event Agreement 2024, Krave Group LLC