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BOARD OF DIRECTORS MEETING
22ND DISTRICT AGRICULTURAL ASSOCIATION
MISSION TOWER, DEL MAR FAIRGROUNDS
2260 JIMMY DURANTE BOULEVARD
DEL MAR, CALIFORNIA

(VIA REMOTE TECHNOLOGY)
TUESDAY, NOVEMBER 10, 2020
1:30 P.M.

REPORTED BY: Kathryn L. Edwards, CSR No. 7288
Present at Del Mar Fairgrounds

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IN ATTENDANCE

OFFICERS:

- Richard Valdez, President
- Lisa Barkett, Vice President (via Zoom)
- Carlene Moore, Interim CEO/General Manager

DIRECTORS PRESENT:

- Michael Gelfand (via Zoom)
- Kathlyn Mead (via Zoom)
- Donald Mosier (via Zoom)
- Sam Nejabat (via Zoom)
- G. Joyce Rowland (via Zoom)
- Frederick Schenk (via Zoom)

OFFICERS ABSENT:

- Pierre Sleiman

DIRECTORS ABSENT:

ALSO PRESENT:

- Donna O'Leary, Executive Assistant
- Josh Caplan, Deputy Attorney General (via Zoom)
- Katie Mueller, Business Services Officer
- Melinda Carmichael, Business Development Officer

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1 DEL MAR, CALIFORNIA, TUESDAY, NOVEMBER 10, 2020

2 1:30 P.M.

3 ---o0o---

4 PRESIDENT VALDEZ: Good afternoon,
5 everybody. Welcome to the November 2020 meeting of
6 the Board of Directors of the 22nd DAA.

7 Donna, could you please call roll.

8 DONNA O'LEARY: Sure.

9 President Valdez?

10 PRESIDENT VALDEZ: Here.

11 DONNA O'LEARY: Vice President Barkett?

12 VICE PRESIDENT BARKETT: Here.

13 DONNA O'LEARY: Director Gelfand?

14 DIRECTOR GELFAND: (Raised hand.)

15 DONNA O'LEARY: I see him.

16 Director Mead?

17 DIRECTOR MEAD: Here.

18 DIRECTOR GELFAND: I'm here. Sorry.

19 DONNA O'LEARY: That's okay.

20 Director Mosier?

21 DIRECTOR MOSIER: Here.

22 DONNA O'LEARY: Director Nejabat?

23 DIRECTOR NEJABAT: Here.

24 DONNA O'LEARY: Director Rowland?

25 DIRECTOR ROWLAND: Here.

1 DONNA O'LEARY: And Director Schenk?

2 DIRECTOR SCHENK: Here.

3 DONNA O'LEARY: And Director Sleiman?

4 PRESIDENT VALDEZ: Not here yet.

5 DONNA O'LEARY: Not here yet, anyway.

6 PRESIDENT VALDEZ: He might be late, and he
7 can only participate for a portion of the meeting.

8 DONNA O'LEARY: Okay.

9 PRESIDENT VALDEZ: Nice to see everybody's
10 faces, and welcome to the meeting. On to the consent
11 calendar. Do I have a motion to approve?

12 DIRECTOR MEAD: So moved.

13 PRESIDENT VALDEZ: That's Mead.

14 A second?

15 DIRECTOR GELFAND: Seconded.

16 PRESIDENT VALDEZ: A second is Gelfand.

17 Any questions or comments or discussion?

18 Okay. Donna?

19 DONNA O'LEARY: Okay. President Valdez?

20 PRESIDENT VALDEZ: Aye.

21 DONNA O'LEARY: Vice President Barkett?

22 VICE PRESIDENT BARKETT: Aye.

23 DONNA O'LEARY: Director Gelfand?

24 DIRECTOR GELFAND: I'm sorry. What was the
25 question?

1 DONNA O'LEARY: Approving the consent
2 calendar motion.

3 DIRECTOR GELFAND: Yes.

4 DONNA O'LEARY: Director Mosier?

5 Oh, Director Mead?

6 DIRECTOR MEAD: Aye.

7 DONNA O'LEARY: Director Mosier?

8 DIRECTOR MOSIER: Aye.

9 DONNA O'LEARY: Director Nejabat?

10 DIRECTOR NEJABAT: Aye.

11 DONNA O'LEARY: Director Rowland?

12 DIRECTOR ROWLAND: Aye.

13 DONNA O'LEARY: Director Schenk?

14 DIRECTOR SCHENK: Aye.

15 DONNA O'LEARY: And Director Sleiman? Oh,
16 he's not present. He's not here.

17 PRESIDENT VALDEZ: Okay. Motion carries.

18 On to the Management Report. CEO Carlene
19 Moore.

20 CARLENE MOORE: Thank you. And, actually,
21 I'm gonna go a little bit out of order here and go to
22 Item B first, and that is our employee recognition,
23 because I think it's just a great way to start things
24 off.

25 So Sean McAvoy, we are celebrating his

1 20 years of dedicated service to the District as of
2 next Monday. And he really is -- And everyone here
3 enjoys working with him, and he really is a team
4 player. And the story that I want to share about
5 Sean, in addition to what's in your packet, that
6 really demonstrates what a team player he is, is that
7 my first experience in meeting Sean was actually in
8 2015. And it's my understanding he was one of the
9 first employees here that responded to the call that
10 was made -- At the time, I was at the Napa County
11 Fair in Calistoga, and we suddenly, overnight, had
12 over a thousand people from neighboring Lake County
13 descend upon us for an evacuation center with the
14 Valley Fire in 2015. And, at the time, that was
15 thought of to be the largest wildfire response in
16 California's history, in terms of just the shear
17 numbers.

18 And one of the very first phone calls, that
19 I got in the early morning hours, was from the
20 Del Mar Fairgrounds' Becky Bartley, reaching out to
21 me to say "What do you need, and what can we do to
22 help?" And it's my understanding that Sean McAvoy
23 was one of the first people who stepped up and said,
24 "I will go." And go he did; and arrived; and, I
25 think, lived on a forklift for us for those couple of

1 weeks that he was there.

2 So -- And then, what was really great was,
3 you know, just last year, in 2019, with the fires
4 raging up again in that general area and Sonoma
5 County's need -- and, as everyone knows, that's where
6 Becky Bartley moved and is the CEO of -- and, once
7 again, Sean was the first person to say, "I will go
8 and I will help." And that really, I think,
9 exemplifies his time and service here at the Del Mar
10 Fairgrounds.

11 And so, with that, please join me in
12 recognizing and congratulating him on his 20 years of
13 service.

14 (Applause and pictures being taken.)

15 All right. And now, just kind of some --
16 some updates of things that have been going on, and
17 then that will be followed by our Scream Zone wrap-up
18 from Katie Mueller and our events report from
19 Melinda.

20 But before that, last week was the
21 California Fairs Alliance Fall Managers Conference,
22 of which at various times Katie, myself, or Melinda
23 attended. And this is really for the California fair
24 industry, and it's a time where the industry and our
25 various JPA partners within it provide updates.

1 There's also a lot of -- There were several sessions
2 on reinventing ourselves and our business models, you
3 know, for the future. As we all know, it's been a
4 very odd year in the events and fair industry, as
5 well as just kind of creatively overcoming COVID-19
6 restrictions, how various -- and not only statewide
7 there's been a response to things but then also how
8 things vary from county to county.

9 With that, I want to just give a reminder,
10 too, because one of those partners that's a part of
11 it, obviously, is the Department of Food and
12 Agriculture. And so just as a reminder to the Board,
13 that on November 19th is the Bagley-Keene training.
14 And if anybody besides Director Gelfand is planning
15 to attend, please let Richard or I know.

16 And then, with that, one of the other
17 updates that we received at that meeting was
18 Department of Food and Agriculture on the AB-75
19 funds. And these are the funds that we had been
20 receiving through October, you know, that are tied to
21 layoffs for the industry. And, of that, they
22 confirmed that only eleven DAAs, plus Cal Expo, have
23 actually officially done layoffs and received that --
24 that funding support. And so at this time they do
25 have a surplus of funds, in terms of the money that

1 was set aside in this current fiscal-year budget.

2 Also what they talked about, and was talked
3 about in a couple of different sessions, is that --
4 in terms of AB-75 and the industry and the
5 administration's focus on kind of actively working on
6 long-term solutions for the DAAs and kind of -- and
7 the constraints that we operate under.

8 And that's referenced -- and just for
9 everybody's recollection -- back in the governor's
10 May revise. What it said in the third paragraph of
11 that was that:

12 The administration will work with
13 fairs, local governments, and partners
14 toward alternative options due to the
15 lack of general fund subsidies available
16 in this budget. The administration
17 plans to engage the legislature and
18 stakeholders over the course of the next
19 year to develop a thoughtful approach to
20 transition the State's relationship with
21 fairs, while acknowledging the need to
22 continue supporting property that may be
23 necessary for emergency operations.

24 And so there's been a little bit of work in
25 progress. There wasn't much that was reported on at

1 that time, but that work still does continue.

2 In addition to that, the week before was
3 the IAVM Venue Connect, and this is for the industry
4 of public assembly venues. Obviously, also, really
5 the industry hardest impacted, because we're -- many
6 of us are still waiting for, you know, really being
7 able to truly reopen. And so there were just a
8 number of perspectives on the future that were shared
9 at that, and creativity, as well, in these turbulent
10 times.

11 And then there's been a number of articles,
12 recently, with some various kind of business, you
13 know, and industry insights that we're monitoring and
14 watching and have on our radar in terms of, you know,
15 offering, at times, a little bit of a ray of hope and
16 sunshine for -- for what the future holds and things
17 like that. And so recently there was actually an
18 article in the *Tampa Bay Times*, and it was entitled,
19 I think, you know, "What small businesses can learn
20 from Disney." But within the article, they were also
21 talking about how, even though Florida reopened all
22 of their theme parks, there has not yet been a link
23 to any widespread outbreak of the virus as a result
24 of folks attending, for example, Disneyworld. And
25 part of that is because of the protocols and the

1 efforts that they're going to in making sure that
2 their patrons and -- you know, and in doing that in a
3 respectful manner, but that they were following the
4 pandemic and the social-distancing guidelines.

5 There is also -- Firestone Financial did a
6 survey of the amusement and carnival industry, and
7 this is in terms of, like, long-term equipment
8 financing, what that's looking like into the future.
9 And, surprisingly, a vast majority actually expressed
10 interest and intent to purchase equipment in the
11 coming 12 months. So I think that's also a good and
12 strong indicator of things to come for us in the
13 future.

14 And, then, one of my favorites was Purdue
15 University recently put out a study and the results
16 of "The positive perception of animal agriculture in
17 fairs." And I just thought that that was really
18 great, especially in a year where fairs have truly
19 been challenged. There's only been a handful across
20 the nation that were held either prior to the
21 pandemic and/or have done, you know,
22 drive-through/drive-in, you know, types of concepts
23 and things.

24 And so that's just a little bit of insight
25 of, you know, what we're seeing and hearing within

1 the industry. And I'll keep you posted on any, you
2 know, subsequent information, any substantial
3 information, as well, that comes of that. But with
4 that, I'm gonna turn it over to Katie for the Scream
5 Zone report.

6 KATIE MUELLER: All right. Good to see
7 everyone. I'll just do a quick PowerPoint
8 presentation for the wrap-up of Scream Zone. As we
9 kind of indicated the past two months' board
10 meetings, it went very, very well, and we've got some
11 final results to share with you all.

12 All right. So just to refresh everyone's
13 memory: We adapted the traditional Scream Zone haunt
14 that we've had for the past 23 years into a
15 drive-through experience. It was a one-mile course
16 that ran through the backstretch stable area.

17 Hold on one second.

18 And the past two board meetings I've shown
19 some pictures of the haunt experience, a map of the
20 route, and I wanted to share with you some of the
21 great comments that we received. Once again, social
22 media was the star of this event, as it was for the
23 Fair Food Fix. We had terrific coverage on YouTube,
24 by -- Are you guys looking at me for something?

25 HENRY RIVERA: You've just got to say --

1 We have to do it manually. So just say "Next."

2 Okay?

3 KATIE MUELLER: Oh, okay. Oh, go back.

4 I'm not done with that one.

5 So anyway, this is an Instagram post from
6 someone who came towards the end of the event. It's
7 called MidSummerScream. And they actually are from
8 L.A. County, and they organize a haunt convention
9 every single year, and there was a lack of haunts, if
10 you will, this year. And their -- their post was:

11 Our travels took us south to
12 drive through Scream Zone Road Kill in
13 Del Mar, just outside of San Diego.
14 This year the attraction was a
15 drive-through haunt experience. Guests
16 could listen to each zone of the haunt
17 via an app on their phones, which was
18 interesting. Lots of large props and
19 vignettes, scare actors, and guests
20 driving slowly in their cars. It went
21 smoothly and was sold out. Folks
22 everywhere are wanting to get their
23 scare on, and Del Mar Scream Zone
24 certainly helped save Halloween this
25 year.

1 So I thought that was a great post done on
2 our behalf by some haunt lovers.

3 Okay. You can go to the next slide now.

4 This is another post that was done by the
5 *San Diego Reader*, another just, you know, really
6 great plug for the Scream Zone and one that helped us
7 become an event that was literally sold out every
8 single night, from opening night to closing night.
9 And I don't think I can recall, in my history of
10 working at the fairgrounds, any event where we were
11 actually turning people away at the gate.

12 Next slide. This is just some more
13 positive reviews that we received on social media.
14 You can scroll through these slides.

15 So as you can see, you know, traditional
16 advertising is kind of to the wayside. Social media
17 is really where it's at, and we really reaped the
18 benefits of that.

19 Okay. So the final slide. So we saw
20 10,901 vehicles over the run of the event. The
21 estimated attendance, if you multiply that by five
22 people per vehicle -- obviously, there was pluses
23 and, plus, you know, there's vehicles with, you know,
24 15 people in them, and then there was -- there was
25 vehicles with just one person, but the average was

1 about 54,505 people, which is more -- actually,
2 greater attendance than we usually see for the
3 Scream Zone. We usually see around 30,000 for it.

4 Our net revenue, we still have some final
5 numbers to pull together because, as we speak,
6 they're still finishing the final elements of
7 teardown. The rain certainly slowed them down a
8 little bit. But our net revenue anticipated is going
9 to be about \$180,000. And we also made a little -- a
10 little bit off food & beverage. We had three food
11 vendors that were available, selling cotton candy and
12 caramel apples and kettle corn, and all that good
13 stuff. And so lots of people stopped by there to
14 purchase. So we also made about \$15,000 on food &
15 beverage.

16 So that concludes my presentation. Does
17 anybody have any questions about that?

18 PRESIDENT VALDEZ: No question. Just want
19 to comment again what a good job staff had done with
20 being able to again be creative, flexible, and really
21 responsive to what the public wanted. And I know
22 that a lot of the staff stepped up to work the event;
23 right, Katie?

24 KATIE MUELLER: Yes.

25 One of the things that really made this

1 event a success is -- if you recall, we were going
2 through the layoff process right in the middle of the
3 month, and that was quite a challenge, but I have to
4 say our staff really stepped up to the plate. We had
5 everyone out there, from department heads to, you
6 know, operations crew, security staff, you know,
7 being zone monitors and parking directors. And
8 really is our staff, I think, that's the hero in all
9 of this, because they really helped us to keep our
10 costs low.

11 PRESIDENT VALDEZ: So big shout-out to
12 staff for stepping up and, you know, really -- in a
13 really meaningful way. We really, really appreciate
14 all of that.

15 Any other questions before we move on? Is
16 that it?

17 KATIE MUELLER: That's all I have.

18 PRESIDENT VALDEZ: Okay.

19 CARLENE MOORE: All right. Well, then, on
20 to the overall events report from Melinda.

21 MELINDA CARMICHAEL: Good afternoon. Well,
22 I have the pleasure to cover our events for November
23 and December, which is located on pages 11 and 12 of
24 your board packet. We currently have the fall race
25 meet going on, and that will conclude on the 29th of

1 November. We have Concerts in your Car, which
2 continue to operate with both concerts and movies.
3 Two horse shows in November, and one continuing on
4 through February. We have our first retail show,
5 SnowJam, on the 13th and through the 15th, which is a
6 great opportunity for us to get back into some
7 additional interim events. And then we have our two
8 tree lots going through December. After that, in
9 December, along with the continuations, we also have
10 a retail gun show. And then CBF Productions is
11 presenting a drive-through Holiday of Lights.

12 So as you know, we used to have the Holiday
13 of Lights, and now they are presenting that for us.
14 And so we're very excited about that, because it's a
15 long -- well, it's an event that's been long loved by
16 San Diego. And many people have attended in the
17 past, so we're looking forward to a great turnout at
18 our Holiday of Lights.

19 So -- And that concludes my report.

20 DIRECTOR GELFAND: May I ask a question?

21 PRESIDENT VALDEZ: Actually, I'm gonna step
22 in real quick, Michael, before you do, because I do
23 have a follow-up question that may anticipate yours.
24 If not, we'll go back to yours.

25 I note on page 12, with respect to

1 December 12th and 13th, B&L Productions Gun Show is
2 listed, and I just have a couple of questions and
3 then, also, comments. First of all -- I think my
4 question is gonna be posed to Carlene and to Josh
5 Caplan.

6 First of all, my understanding is that,
7 given the language of the settlement agreement and
8 court order that arose out of the lawsuit in which
9 the 22nd was named, that the Court ordered -- in a
10 settlement agreement -- stated that the 22nd DAA
11 would allow B&L Productions to hold gun shows through
12 2020, as they normally would in normal course.

13 My recollection is that typically there was
14 a December gun show that was held at the fairgrounds.
15 And, consequently, this would likely fall into --
16 And my question to Mr. Caplan, I think, is -- And
17 I'm setting aside COVID question at the moment. I'm
18 gonna ask a COVID question secondly. I am asking
19 only with respect to what arose out of the lawsuit.

20 Assuming COVID didn't exist, Mr. Caplan,
21 would we have an obligation to allow B&L to hold a
22 gun show in December of 2020, in accordance with the
23 settlement agreement and the court order?

24 DEPUTY STATE ATTY. GEN. CAPLAN: Chair
25 Valdez, yes, that's correct. Setting aside the

1 County of San Diego health order and related
2 limitations arising out of COVID-19 and preventing
3 the spread of the pandemic, yes, the District would
4 be required, under the terms of the settlement
5 agreement with Crossroads, to allow it to host this
6 gun show in December of 2020, insofar as that would
7 maintain the status quo based on where Crossroads was
8 at this time and before it filed its lawsuit. So,
9 yes, that is correct.

10 PRESIDENT VALDEZ: Okay. Thank you.

11 My second set of questions, I think, are
12 gonna be to Carlene Moore. And so now I think
13 another issue here is COVID and the restrictions
14 imposed by the County of San Diego with respect to
15 any sort of event or it being retail or a gathering.
16 So, Carlene, my first question is to what extent has
17 the fairgrounds been open for any retail purpose
18 since COVID, the COVID pandemic, and the limitations
19 imposed by the governor and the County until now?

20 CARLENE MOORE: So really the first one is
21 SnowJam that's coming up this coming weekend, and
22 that -- that will be the first one. Early on we had
23 a number of, in essence, retail, like -- and that's
24 really what the gun show is falling under and
25 following in terms of protocols and reopening

1 guidelines. It's also what SnowJam has, as well.
2 But these are not events in the sense of large,
3 public gatherings, but a retail atmosphere that can
4 be controlled and regulated with reduced attendances
5 and -- and occupancies.

6 But prior to sort of changes really and
7 some of the softening in retail guidelines being put
8 out in September and October, we previously had other
9 events that had submitted but were denied due to the
10 health regulations at the time, but that was prior to
11 the reopening of retail.

12 PRESIDENT VALDEZ: So I think it begs the
13 question, somewhat: I mean, obviously, if there were
14 to be a gun show, and it's a retail event, we would
15 have to make sure that we were following the
16 restrictions imposed by the County with respect to
17 distancing for the number of people attending and
18 whatnot?

19 CARLENE MOORE: Yes. The true
20 responsibility falls on the promoter. But as the
21 facility that is hosting and allowing this, it would
22 be in our best interest to ensure that that is
23 being -- that the policy -- and there is a written
24 reopening plan for it in terms of -- and as well as
25 the distancing and how they will manage that -- but

1 for us to ensure that that is being followed with our
2 staff.

3 PRESIDENT VALDEZ: So my question is --
4 One last question, and then I'll open it up to more
5 questions.

6 One of my questions, therefore, is --
7 Mr. Caplan, I think it would be appropriate for you
8 to look at the contract that exists, if there is one
9 that governs the December gun show, so that you feel
10 comfortable that it is -- we're adhering to the
11 settlement and court order but also making sure that
12 we're adhering and the contract allows for any out
13 with respect to if there's any limitations on -- on
14 COVID or if they -- it's canceled because of County
15 limitations or, also, who is responsible for the
16 adherence of those safety protocols. So I think it
17 appropriate that you look and work with staff and, to
18 the extent you need to, with B&L, of course, to make
19 sure that the contract is taking care of all those
20 things. I think that's an important step.

21 I know that we don't meet until like two or
22 three days -- our December board meeting is only two
23 or three days before the gun show is scheduled to
24 take place. I suspect that, if you are able to iron
25 out, although, the contractual provisions, that the

1 board would -- would allow you to go forward with
2 that, but that's where I'm gonna ask -- open up to
3 more questions.

4 So, Director Gelfand, you had wanted a
5 question. Does it relate to keeping on the topic of
6 this topic, please?

7 DIRECTOR GELFAND: Yeah. You've -- You've
8 asked the same questions I was going to. However, as
9 Carlene looks into or Josh looks into the contract a
10 little deeper, it would be interesting to know
11 what -- where we are with the contract related to the
12 potential -- you know, the potential for COVID to get
13 worse, in terms of our -- our status going from, you
14 know, red to purple or whatever and whether that
15 would have an impact on our ability to host it.

16 PRESIDENT VALDEZ: Exactly. And then the
17 potential cancellation of the entire event, given if
18 we go to the different level.

19 Director Barkett.

20 VICE PRESIDENT BARKETT: I just wanted to
21 say that, as of 1:00 o'clock today, San Diego has now
22 moved into the purple tier, the strictest category of
23 the state's reopening. So we need to really, you
24 know, be concerned about this.

25 PRESIDENT VALDEZ: Correct.

1 DIRECTOR GELFAND: That would have an
2 impact on SnowJam also, I would imagine.

3 PRESIDENT VALDEZ: Definitely on this
4 weekend. I think, as long as we're consistent across
5 the board with whoever, I think we're fine with
6 keeping the protocols consistent.

7 Director Schenk.

8 DIRECTOR SCHENK: I was going to point out
9 what Director Barkett just did, that within the last
10 hour we'd gone to purple, and that whatever
11 contractual agreements we enter into would have to
12 consider whether it would be an indoor versus
13 outdoor, time of the year, if it's outdoor, you know,
14 what -- what -- what the climate might be like.

15 So I think it just behooves us to be
16 prepared for worst-case scenario and then leave it up
17 to the vendor to decide whether they're capable of
18 compliance and meeting whatever weather conditions
19 might be at play. It's going to be challenging and
20 some crystal ball -- crystal balling, which I think
21 will be a problem potentially.

22 Thank you.

23 PRESIDENT VALDEZ: Director Mosier.

24 DIRECTOR MOSIER: Yes. I -- I was going to
25 be the third person to announce that we've moved into

1 the purple category. But my understanding of the
2 purple category is this kind of event would have to
3 be outdoors. There's no way you could accomplish the
4 appropriate distancing in an indoor venue. So I
5 think that I would echo Director Schenk's comments
6 that this would need to be planned for an outdoor
7 event with appropriate social distancing.

8 And the question I had is does this
9 Crossroads hire their own security staff, or will our
10 limited security staff be tasked with handling this
11 event?

12 CARLENE MOORE: No. For any of our events,
13 our security -- So our security staff works and
14 maintains the perimeter, the facilities, and the
15 overall, you know, operations. But in terms of any
16 events, whether it's Crossroads or any of our others,
17 then we contract in, on their behalf, a third-party
18 contractor for the security for the event itself. So
19 this would actually fall to that contractor. In this
20 case, we work with Elite Security for that.

21 DIRECTOR ROWLAND: I have a question,
22 Carlene. Does any of our -- Do we have any space --
23 covered space -- that qualifies as "outdoor" under
24 the County guidelines?

25 CARLENE MOORE: That doesn't have -- Well,

1 I'm thinking. I don't think so, in terms of it --
2 where it doesn't have, you know, sides, in essence,
3 that creates a building structure. Maybe the arena?

4 DIRECTOR GELFAND: Like the arena.

5 KATIE MUELLER: The arena.

6 CARLENE MOORE: Yeah. Possibly the arena,
7 because it's an open-air building. So it's open on
8 all four sides.

9 DIRECTOR ROWLAND: Okay.

10 CARLENE MOORE: And we'll explore this.

11 And I apologize; I should have said that.

12 You know, this has been in following,
13 again, you know, safe reopening guidelines, you know,
14 for retail. So, obviously, any changes, whether it's
15 today's change or, you know, something in the future
16 as we lead up to that would, you know, impact. And
17 we will work with, in addition to Josh, then, with
18 the client on this or any other activities that are
19 scheduled at the fairgrounds and following and
20 maintaining San Diego County's public health orders.

21 PRESIDENT VALDEZ: And just a reminder --

22 I'll get you. One second, Director Gelfand.

23 Just as a reminder, the reason why the
24 court order and the settlement said "through 2020" is
25 because the new legislation that prohibits firearms

1 on fairgrounds will take effect January 1, 2021, and
2 we are precluded from having gun shows once -- once
3 that takes effect.

4 Director Gelfand, question?

5 DIRECTOR GELFAND: Yeah. I'm wondering
6 whether the contract for both -- both SnowJam and the
7 gun show are specific to O'Brien Hall and the other
8 place that the SnowJam is supposed to be, the exhibit
9 hall, or whether the contract would require us to
10 relocate them to another location or exterior
11 location if the contracted-for location is not
12 available because of COVID.

13 CARLENE MOORE: Well, I think really what
14 we'll be doing is taking a look at it overall to even
15 see if that's an opportunity.

16 We have -- Yes, our contracts are specific
17 to the facilities that people are renting. With that
18 being said, even prior to COVID sometimes there were
19 reasons and -- you know, for changes, whether that
20 was on the part of the promoter and/or on our part,
21 and so we would work with them on things like that.
22 But I think first we need to, you know, find out what
23 the implication especially of moving into the purple,
24 what this means and if there are opportunities to
25 still continue with -- And it's not just the gun

1 show. I mean, really, again, we have the SnowJam for
2 this -- this coming weekend, which would be moving in
3 this week. So we'll be getting to work on this right
4 away, knowing that tomorrow is a holiday.

5 PRESIDENT VALDEZ: Any other questions
6 about this or any of the other items on the events
7 calendar?

8 Okay. Moving on. Carlene.

9 CARLENE MOORE: All right. Well, next up
10 we have Chana with the Don Diego Foundation report
11 this month.

12 HENRY RIVERA: You're still muted.

13 CARLENE MOORE: You're muted, Chana.

14 CHANA MANNEN: Even though this is a very
15 crazy year, Thanksgiving is coming, and I just want
16 to express the thanks of our 276 scholarship winners
17 to each person who has donated a dollar or \$10,000 to
18 the cause. I know that each of -- we get many, many
19 letters and many, many comments about how having that
20 scholarship, be it \$1,000 or \$5,000, has made a
21 difference in their ability to pursue the education,
22 whether it's to buy their boots and hat so they can
23 be a firefighter or to pursue a degree in veterinary
24 science at Davis. So we have a wide array of
25 students who all say "Thank you."

1 And then continuing my "give now"
2 opportunities, we still are offering a 2-for-1 match
3 if you want to -- to create an endowed scholarship.
4 Since your last board meeting, we have created three.
5 Each of the donors put up \$10,000, and Don Diego
6 matched it with \$20,000. So we will next -- in 2022,
7 we'll be able to offer three \$1500, fully-funded
8 scholarships in perpetuity.

9 So there are plenty of opportunities.
10 Either call me or email me or, please, check out our
11 website. But thank you. Even in crazy times, we all
12 can find plenty of things to be grateful for.

13 Thank you. That's it.

14 CARLENE MOORE: And that concludes my
15 report.

16 PRESIDENT VALDEZ: Okay. Thank you very
17 much.

18 On to committee reports. Item A is the
19 DMTC Liaison Committee, and I'm gonna hand it off to
20 Josh Rubinstein.

21 JOSH RUBINSTEIN: Good afternoon, District
22 directors and staff. Josh Rubinstein. I'm also here
23 with Joe Harper, our CEO.

24 Del Mar's fall meet opened on October 31st
25 under stringent COVID-response protocols. As was the

1 case during the summer, we are not open to fans.
2 These protocols, again, similar to the summer and
3 were implemented under the guidance of our medical
4 advisers at Scripps Health.

5 Pleased and proud to say that the fall
6 meet, both racing and training, has been extremely
7 safe, with no injuries.

8 Two weeks in and total wagering for the
9 fall has increased by over 28 percent, for an average
10 daily handle of \$13.8 million. As you would expect,
11 internet wagering remains very strong, up 130
12 percent, and this is significant. During the summer
13 we did not have the very popular sports of the NFL
14 and college football to compete with. So the fact
15 that our internet wagering is holding strong with
16 those two major players in the market is very
17 encouraging.

18 Out-of-state wagering is up more than
19 10 percent, as Del Mar is the premium signal during
20 the month of November. Overall our handle numbers
21 are very strong, and this is despite California
22 wagering limited to outdoor simulcast facilities.
23 So, in total, our inner-track wagering facilities in
24 the state are down 55 percent but, as I mentioned
25 earlier, total wagering is up over 28 percent.

1 The Breeders' Cup, a horse racing Super
2 Bowl, was run last weekend at Keeneland, in
3 Lexington, Kentucky. Attendance was limited to
4 owners and their guests. Total wagering was 116- --
5 or excuse me -- \$160 million over two days. That
6 was down 8 percent over last year when the event was
7 held at Santa Anita in Los Angeles. But given the
8 fact that they had limited spectators on site and
9 reduced simulcast wagering, as we have in California,
10 down 8 percent, they were very pleased with the
11 results. The strong wagering at Breeders' Cup in
12 2020 is certainly positive for us, as we will be
13 hosting the event next year, 2021.

14 Last point I had was DMTC continues to work
15 with District staff to ensure that events that you
16 just heard about -- the Scream Zone, Concerts in Your
17 Car, SnowJam -- all take place in parallel to fall
18 racing. Our goal remains, even under these very
19 difficult circumstances, to maximize facility
20 revenues. We also continue to work with District
21 staff on staffing and venue upkeep synergies.

22 So that's all we have. Happy to answer any
23 questions.

24 PRESIDENT VALDEZ: Any questions?

25 Okay. We have a few people on public

1 comment. We are limiting three minutes today.

2 I want to make a statement before we have
3 any public comment. So -- And, Mr. Caplan, correct
4 me if I'm wrong. During last month's public comment,
5 one of the speakers posed a question during the
6 three-minute public comment. It was directed to me,
7 and then there was a pause, waiting for a response.
8 And my response to that was "This isn't a
9 question-and-answer process."

10 And what I meant by that was that folks
11 from the public should not be expecting to be able to
12 pose a question and get answers to those questions
13 during their three minutes of public comment. You
14 can pose a question, continue with your three
15 minutes. If a board member would like to answer that
16 question or have further questions that arise out of
17 that, given it's an agenda item, they can do so. If
18 it's not an agenda item, they can't even answer or
19 talk about that, that question.

20 I didn't mean to be rude. I just wanted to
21 make it really clear that the three minutes is not
22 intended to be the public speakers asking a question
23 and a board member expecting to answer. It would
24 just elongate the process. And also, board members
25 do not have an obligation to necessarily answer any

1 question that's directly posed by the public.

2 Mr. Caplan, have I misstated anything under
3 Bagley-Keene in that regard?

4 DEPUTY STATE ATTY. GEN. CAPLAN: No, you
5 have not, Chair Valdez. As you said, each board
6 member has the prerogative to respond to questions
7 during the public comment portion on agenda items.
8 There is nothing in Bagley-Keene that requires board
9 members to respond, but board members are authorized
10 to engage in a back-and-forth, if they so choose, on
11 agenda items. They certainly don't have that same
12 flexibility during the general public comment period.

13 PRESIDENT VALDEZ: And, yes, it can have
14 that, but not necessarily during the three minutes
15 that the person is given to comment; correct?

16 DEPUTY STATE ATTY. GEN. CAPLAN: That's
17 correct. Yes.

18 PRESIDENT VALDEZ: Thank you.

19 Okay. Having said that, the first person
20 up for this item is Ellen Ericksen.

21 And, Donna, are you keeping --

22 HENRY RIVERA: Ellen Ericksen is not on the
23 queue.

24 PRESIDENT VALDEZ: Okay. Next is Martha
25 Sullivan.

1 HENRY RIVERA: Go ahead, Martha. Star six.

2 MARTHA SULLIVAN: Hello. This is Martha
3 Sullivan from Imperial Beach. I'd like to make a few
4 points.

5 One, I did some quick math. I find it
6 extremely disheartening that the Del Mar Thoroughbred
7 Club has paid less than 8 percent of their reported
8 revenues year to date to this fairgrounds for the use
9 of the fairgrounds for several months this year for a
10 racing meet. So once more, the fairgrounds and
11 San Diego County residents and California people,
12 generally, kind of suck hind teat, and given that the
13 Del Mar Thoroughbred Club has increased purses by
14 10 percent but it's still stiffing the fairgrounds.
15 And they haven't even committed to paying their share
16 of the bond payment yet, either.

17 I also want to point out that Bob Baffert
18 admitted that several members of his staff this last
19 summer had COVID and making the excuse for a drug
20 positive for one of his horses that raced in late
21 July at Del Mar. So, you know, once again we hear
22 the truth that there are people suffering from COVID
23 at the racetracks. We also heard that a jockey
24 tested positive just last week, J. C. Diaz.

25 And, finally, I want to convey that as of

1 this past Friday we now have 90 horses that have died
2 on California racetracks so far this year. This
3 industry kills horses, and more and more people are
4 becoming aware of that and, you know, aren't
5 interested in continuing horse racing. That's only
6 gonna continue. It's not gonna change. It's gonna
7 become more apparent. So regardless of all the happy
8 talk, this is a dying industry, and they're killing
9 you, too.

10 PRESIDENT VALDEZ: Thank you.

11 On to Oscar de la Torre.

12 HENRY RIVERA: He has registered, but he
13 has not joined the webinar. So he's not on the
14 queue.

15 PRESIDENT VALDEZ: Okay. Doug O'Neil.

16 HENRY RIVERA: Same with Doug O'Neil.

17 PRESIDENT VALDEZ: Okay. That is our last
18 member of the public signed up for that agenda item.

19 Moving on to Item B, Contracts Oversight
20 Committee. And I think, Carlene, you're gonna
21 explain the topic that is there under this agenda
22 item.

23 CARLENE MOORE: Yes.

24 And first and foremost, just to start off
25 with, is that we don't have the grant documents yet.

1 So that's why they're not a part of the packet, but
2 give you some -- some background and also some
3 understanding of what we can do in terms of next
4 steps to be ready for when they do come in. So this
5 item is in reference to CDFA letter F2020-12, which
6 was received by the board September 16th, so the day
7 after our September board meeting, and then it was
8 included in our October board packet.

9 And what the -- They refer to them as the
10 "F Letters," but what F Letter 12 was about is the
11 fiscal year 2021 distribution plan of general
12 fund-base allocations and AB-1499 funds. And if you
13 recall, AB-1499 is the sales tax funds for the
14 industry, where three-quarters of one percent of the
15 sales tax generated on fairgrounds in California is
16 now set aside and redistributed back to -- back to
17 the fairs.

18 Since Class 5 through 7 fairs, of which we
19 are a 7 -- and that's based on the size of our
20 organization -- are not eligible for the general
21 fund-base allocations, and yet the need of the Class
22 7 -- 5 through 7 fairs is much larger, especially at
23 this time in a pandemic, such as we are, the new fair
24 funds, or the AB-1499 funds as they're now called,
25 are weighted towards the larger fairs receiving a

1 greater share. And this is -- And this was applied
2 to the -- There was a residual balance of fiscal
3 year 1920 [sic] funds, as well as what is partially
4 forecasted in terms of the fiscal year 2021.

5 And so the -- the metrics were derived off
6 of the operating revenues and expenditures of all of
7 the fairs and, again, showing that the largest fairs,
8 the class 7s are outsized. So this time around,
9 unlike in May -- And if you recall, in May there
10 was -- this board had approved, at the time, the
11 necessary documents and policies in order to qualify
12 for the funds. Well, this time around, in essence,
13 that table of allocation has been inverted. So in
14 May we received \$132,500 for those funds. We are now
15 eligible for \$830,000 with the way that the chart
16 was -- the way it's inverted. \$830,170.

17 And so due to the unanimous action of this
18 board during our May 19th meeting, which qualified us
19 to receive, again, the fiscal year 1920 [sic] funds,
20 we are already qualified. We adopted the employee
21 work conditions policy, the contracting policies and
22 procedures, and a resolution to determine our
23 eligibility to receive those sales and use tax
24 allocations. And per CDFA's letter, again, from
25 September 16th, we are already qualified.

1 They had anticipated having the grants
2 distributed by now. But, again, we haven't received
3 ours or many of the other fairs. And so -- But the
4 grants are -- were expected to have a start date in
5 October. They might be adjusting that now to
6 November, with an end date of June 30th, 2021.

7 And what this means is that the primary
8 change, for us as an organization, was the overtime
9 as it applies to temporary employees. And under
10 Business and Profession Code -- was it 19620.15? and
11 then there's some letters and numbers after that --
12 fairs would no longer take -- in order to accept the
13 AB-1499 funds, would no longer take the federal --
14 the FLSA -- Federal Labor Standards -- exception as
15 for recreation and agriculture, meaning not having to
16 pay overtime on temporary employees.

17 So by entering into these agreements, we
18 would no longer have that -- have that exemption.
19 However, because Executive Order N40-20 remains in
20 effect, those policies are currently suspended. And
21 so until such time as N40-20 is ended, is no longer
22 in effect, the overtime issue would not come into
23 play for us until that time or June 30th, whichever
24 happens -- whichever happens first.

25 And so -- so with that -- And that was

1 similar to -- It was -- Really, it was the same as,
2 again, back in May when this board took that action
3 to approve it; only, at the time, that was done
4 through December 30th of 2020. So, in essence, this
5 would be extending it out to June 30th, 2021 and,
6 obviously, for a much more significant \$830,170,
7 versus the \$132,500 that we had received back in
8 June.

9 PRESIDENT VALDEZ: Any questions on that?
10 Any comments?

11 It's basically mirroring what we did in
12 May, that was effective through the calendar year,
13 extending it to the end of the fiscal year June 30th,
14 2021, with additional funds and markedly more funds:
15 830- versus 130,000 or so.

16 And we were hoping that we would have the
17 documentation necessary for us to be able to present
18 it in the board packet, but those documents would
19 mirror what we had already seen and approved in May
20 and will ultimately, after public comment, be
21 requesting -- and after your comments, requesting a
22 motion to approve it provisional on just receiving
23 those documents.

24 Before we go to public comment, is there
25 any questions just for clarification purposes?

1 Okay. We do have one member of the public
2 signed up for this item, and that's Martha Sullivan.

3 MARTHA SULLIVAN: Hi. I really just signed
4 up, you know, to have the opportunity to comment if,
5 after I heard the report, I -- I -- I had something I
6 felt I needed to say, and that is not the case. So
7 thank you.

8 PRESIDENT VALDEZ: Thank you very much.

9 So I think, Mr. Caplan, I want to make sure
10 that we're doing this correctly. I would be looking
11 for a motion to approve the memorandum of
12 understanding when received from CDFA, so that staff
13 has the authority to execute the documents and the
14 necessary board members to execute the documents, so
15 that we can receive the funding as soon as possible,
16 rather than having to wait for the December board
17 meeting for that action. And is that an appropriate
18 motion?

19 DEPUTY STATE ATTY. GEN. CAPLAN: Yeah.
20 Yes, it is --

21 PRESIDENT VALDEZ: Okay.

22 DEPUTY STATE ATTY. GEN. CAPLAN: -- Chair
23 Valdez.

24 PRESIDENT VALDEZ: Having said that, do I
25 have a motion in that regard?

1 DIRECTOR MEAD: So moved.

2 PRESIDENT VALDEZ: That is Director Mead.

3 Do I have a second?

4 DIRECTOR MOSIER: Second.

5 PRESIDENT VALDEZ: That is Director Mosier.

6 Any questions? Comments? Discussion?

7 Hearing none, Donna, would you take the

8 vote?

9 DONNA O'LEARY: President Valdez?

10 PRESIDENT VALDEZ: Aye.

11 DONNA O'LEARY: Vice President Barkett?

12 VICE PRESIDENT BARKETT: Aye.

13 DONNA O'LEARY: Director Gelfand?

14 DIRECTOR GELFAND: Aye.

15 DONNA O'LEARY: Director Mead?

16 DIRECTOR MEAD: Aye.

17 DONNA O'LEARY: Director Mosier?

18 DIRECTOR MOSIER: Aye.

19 DONNA O'LEARY: Director Nejabat?

20 DIRECTOR NEJABAT: Aye.

21 DONNA O'LEARY: Director Rowland?

22 DIRECTOR ROWLAND: Aye.

23 DONNA O'LEARY: Director Schenk?

24 DIRECTOR SCHENK: (Raised hand.)

25 DONNA O'LEARY: And that's it.

1 PRESIDENT VALDEZ: Okay. That concludes
2 Contracts Oversight Committee. And on to Item C,
3 Food & Beverage Committee. Director Mead.

4 DIRECTOR MEAD: I would just like to
5 introduce Premier General Manager Mark Wiggins to
6 provide the report. Thank you.

7 MARK WIGGINS: Thank you, Director Mead.

8 For September we had a total sales of
9 \$77,252. What made up those sales were our last week
10 of the Fair Fix, where we did about 30-point- --
11 38.6 thousand dollars. We also had the last week of
12 the live meet, where we had 16.1 thousand dollars.
13 And then we also started the Concerts in Your Car,
14 toward the end of the month, where we did
15 13.3 thousand. We also had a private catering event,
16 where we did -- for Pfizer -- for about
17 8 thousand dollars.

18 Our cost of goods are in line with our
19 normal product cost. It's kind of skewed due to the
20 other operating income from our third parties.

21 Payroll, again, was high this month, but we
22 expect that to go down quite a bit in October because
23 of the health and welfare benefits will be falling
24 off that we normally have.

25 Operating expenses, again, our percentage

1 are high due to the -- just the lack of sales.

2 And that's -- that's it.

3 PRESIDENT VALDEZ: Any questions?

4 Anything else, Director Mead?

5 DIRECTOR MEAD: No. That's it, except for
6 thank you to Mark and the rest of the Premier team.

7 PRESIDENT VALDEZ: Okay. Great. Thank
8 you.

9 On to Item D, and that is Community
10 Relations Committee. Director Mosier.

11 DIRECTOR MOSIER: Yes.

12 There was no Community Relations Committee
13 meeting this month. The cities did not request any
14 substantive issue for a discussion.

15 PRESIDENT VALDEZ: Thank you.

16 On to Item E, Horsepark/Horse Show
17 Committee, and that's Directors Nejabat and Gelfand.

18 DIRECTOR GELFAND: I don't know if, Sam,
19 you want to say anything.

20 DIRECTOR NEJABAT: We met earlier in the
21 month, and we just decided to conclude that we won't
22 be holding the show, due to the lack of mass
23 gatherings and the revenue standpoint.

24 But anything else you'd like to include,
25 Director Gelfand?

1 DIRECTOR GELFAND: Nothing else.

2 PRESIDENT VALDEZ: The report is from Katie
3 Mueller. It's set forth on Page 31 of our board
4 packet.

5 And, Katie, did you have anything you
6 wanted to add?

7 KATIE MUELLER: No. I think the report
8 speaks for itself.

9 Amy Billburg -- you can't see her in the
10 room -- our equestrian manager, is also in the room
11 here, if anybody has any questions that I can't
12 address. But basically, when we met to discuss the
13 prospect of the 2021 return of the Del Mar National
14 Horse Show, you know, it typically takes place in
15 late April and early May, and planning for that
16 show -- of that magnitude is three weeks long, three
17 different disciplines -- it would have been well
18 underway at this point in time.

19 You know, there's much to be done between
20 contract negotiation and website updates, marketing.
21 We dedicate a lot of resources to this show. It's in
22 its 75th -- Its 75th year will be the next show that
23 we're able to put on, and we just feel, at this time,
24 you know, that we are short on resources, human and
25 financial, to invest in putting on the show of the

1 magnitude that people have come to expect.

2 There's also a public portion of this show,
3 which is unusual for horse shows, but we do have
4 three nights of entertainment: Night of the Horse,
5 Musical Freestyle, and the Grand Prix. And without
6 being able to have mass gatherings, the horse show is
7 very dependent upon those ticket sales for revenues
8 to be financially viable. And again, you know, just
9 during this time of uncertainty, we recommend that we
10 postpone it another year and revisit having it in
11 2022.

12 PRESIDENT VALDEZ: And, Katie, can you
13 remind me, and just historically, you know, over the
14 last couple years, what's the net revenue the horse
15 show tends to generate?

16 KATIE MUELLER: The last couple of years,
17 it's actually been in the negative when all of our
18 expenses are tallied together, between not just
19 the -- the horse show -- direct horse show
20 department, but also all of the departments it takes
21 to support the show: So operations, production,
22 marketing. It has not seen positive returns.

23 And I would recommend, moving forward,
24 that -- both Amy and I feel that we could -- that we
25 could take a look at it and some of the things that

1 we have operated in the past, and possibly, by
2 reducing some of those expenses, we might be able to
3 come up with a better P&L that would make more sense
4 in the future. But again, you know, we need some
5 capital to get the show started, to be able to honor
6 the contracts and, you know, pay judges and all of
7 that kind of good stuff.

8 So we feel that we might -- hopefully we'll
9 be in a better financial position to do that in 2022.

10 PRESIDENT VALDEZ: Thank you.

11 I think this is -- Correct me if I'm
12 wrong, Carlene, and then also Josh and any other
13 members of the board, especially the committee. I
14 think this is an operational question and not one
15 that would be necessarily up for a board vote. I do
16 believe that it was important and helpful that the
17 Horse Show Committee spoke with staff about it and
18 came up with a recommendation that they felt
19 comfortable with, but I think it is an operational
20 decision that needn't be voted on by the board.

21 Do I have disagreement there?

22 CARLENE MOORE: It can definitely fall into
23 the category of operations.

24 PRESIDENT VALDEZ: Okay. So I don't think
25 I need to take a vote on that one. Any other

1 questions before we move on?

2 Thanks again to the committee and to Katie
3 and, then, to Amy for that. I mean, hard decisions
4 having been -- to be made and continuing to do so and
5 always looking at, you know, how we might be able to
6 do things in the future a little, you know, leaner
7 and perhaps meaner.

8 So on to Item F, and that's the Finance
9 Committee. And I think, Carlene, you're gonna report
10 out on that.

11 CARLENE MOORE: Uh-huh. Thank you.

12 So the largest update to the overall
13 finance report is towards the end of that, in that we
14 did send a letter to CDFA requesting an additional
15 \$12 million in support. And this would be in
16 addition to what we're already qualified to receive,
17 having completed our layoffs, in terms of
18 unemployment insurance support through the fiscal
19 year, as well as if we have any additional leave
20 liability payouts and because of employees either
21 retiring and/or separating, you know, if they go to
22 work -- were to go to work somewhere else.

23 But with that, what I really wanted to
24 speak to, because you do have the report in your
25 packet, is actually the financial statements

1 themselves. And so on page 35 of the packet, in the
2 balance sheet, it might be alarming to look at cash
3 and cash equivalents of \$923,000, but I wanted to
4 point out that we had not yet received, in September,
5 the reimbursement from CDFA for payroll in September.
6 So the expense is already there, but not having
7 received that back, of which that was \$929,687. So
8 that did come in October.

9 And, then, in addition to that, there's
10 also a check that was written on our account that we
11 had -- for 1-point- -- \$1,480,000 that we hadn't yet
12 transferred from. And if you look further down under
13 that list of current assets, the restricted cash of
14 Premier Ent., which is the entertainment venue, and
15 if you recall, this -- well, this was the balance of
16 the \$2 million that Premier and SMG has put towards
17 the renovation of SSRP. And so those funds -- And
18 this had to do somewhat with some of the signatures
19 needing to get updated on accounts and things like
20 that. We weren't able to transfer those funds until
21 November 2nd, and it was at that point that we
22 actually handed over the check that had been written.
23 So, you know, cash wasn't quite as low as it shows on
24 the balance sheet, in theory.

25 In terms of page 36 and the Statement of

1 Operations items, one of the things that I wanted to
2 point out, because sometimes it can be a little
3 confusing in terms of how our reporting is
4 structured, which is really from CDFA reporting
5 over -- over the decades, but there -- one of the
6 things is that there does seem to be a little bit of
7 a misunderstanding in terms of DMTC's contributions
8 to the District, and that is that it's more than just
9 the assistance with the RTA and the bond payment.

10 And so while horse racing might have fallen
11 short of the bond payment over the past few years,
12 that calculation and those funds come after DMTC has
13 paid us rent of \$1,250,000 a year, of which this year
14 they paid all of -- they paid their rent ahead of
15 when it was due, to assist us with our cash flow
16 managements.

17 And then, also, that they -- they pay their
18 own operating expenses, but they reimburse the
19 District for utilities and labor that is directly
20 related to the production of the race meets. And so
21 those items are found within -- There are other
22 things that also contribute to this, but, for
23 example, they are found in the revenue portion of our
24 Statement of Operations, in the reimbursement costs.
25 So this is where offsets to utilities, telephone,

1 labor, and the revenues from them for that, along
2 with the racetrack. And then within expenses, again,
3 those things are intermingled. So it's not
4 necessarily a clear understanding of, again, you
5 know, the impact that racing does bring to the
6 District even in a pandemic year.

7 And with that, that concludes my portion of
8 the finance report.

9 PRESIDENT VALDEZ: Any questions before we
10 move on to public comment on this item?

11 Okay. Hearing none, we have one member of
12 the public signed up for this item, and that's Martha
13 Sullivan.

14 HENRY RIVERA: Star six, Martha.

15 MARTHA SULLIVAN: Yes. Hello. This is
16 Martha Sullivan again.

17 I guess I want to emphasize that I, for
18 one, am very clear about the difference between the
19 rent that DMTC pays and what they owe for the bond
20 debt service. I understand that they paid about
21 1.2 million this year in rent. That was my reference
22 to that being less than 8 percent of the revenues
23 they've reported just year to date, before the fall
24 meet was even taken into account.

25 You know, it's nice to hear that they

1 reimburse the District for utilities and labor. But
2 without having a number associated with that, you
3 know, it doesn't really tell us anything. And, you
4 know, that's often the case with horse racing; we get
5 a lot of talk, but not much in the way of discipline.

6 But I, again, as a member of the public who
7 has worked for state government and who has followed
8 government at all levels, you know, all my adult
9 life, I find the way that the Del Mar Thoroughbred
10 Club has taken advantage of this district, I mean,
11 it's very comparable to like the ticket guarantee
12 that the City of San Diego so ridiculously gave the
13 Chargers. They don't deserve the consideration that
14 they've been given, and they certainly don't deserve
15 it now. They're not carrying their weight, and
16 they're -- they're bringing this fairgrounds down.

17 I really wish that I'd stop hearing
18 apologies about them from the staff and from the
19 board.

20 PRESIDENT VALDEZ: Thank you.

21 That's the last member of the public on
22 that item, and that will close that item. And we're
23 now on to Item G, and that's the Legal Committee, and
24 I will report out on that.

25 Last month we discussed the City of

1 Del Mar's request that the District -- the 22nd DAA
2 enter into discussions with the City towards the goal
3 of entering into an M.O.U., memorandum of
4 understanding, between the two parties regarding
5 affordable housing on the fairgrounds property. That
6 was requested by the City of Del Mar as a result of
7 their meeting in November -- I'm sorry -- October.

8 The next day was our board meeting, and at
9 that time we really hadn't really been given any
10 notice of it ahead of time. Director Mosier had
11 requested, and I had agreed, that the item should be
12 moved out of the Community Relations Committee, and I
13 had reported to the board that I would then consider
14 to which committee I would place the item for further
15 consideration. I have decided that I will place it
16 in the Legal Committee at the moment, and the Legal
17 Committee is myself and Director Schenk, and we've
18 discussed that with -- with our Deputy A.G. Josh
19 Caplan. And the reason why I had requested that it
20 be and have placed it in Legal Committee is -- and
21 spoken to Mr. Caplan -- is I've requested him to
22 provide the board with information and some guidance
23 with respect to how we might want to embark on this.

24 At last month's meeting there were really
25 good questions posed, by various members of the

1 board, about how we go about this. And I think that
2 the first step is one from our legal counsel setting
3 forth, perhaps, the parameters under which we would
4 have to be working: As foundational as can we -- can
5 we embark on having affordable housing on the
6 fairgrounds? If so, what can we do? Are there
7 requirements of us to also have the blessing or the
8 approval from any other Sacramento entity, including
9 the Department of General Services or any others?
10 What is an M.O.U? What are the consequences and
11 ramifications of entering into an M.O.U? And what
12 risks do we run with respect to agreeing to take
13 action in the future and with a deadline that the
14 City is looking to that may or may not be a deadline
15 that works for us?

16 So I think there's a lot of legal questions
17 that are really important for us to understand and be
18 told about before we embark on whatever next steps we
19 want to take with respect to discussions with the
20 cities and to which committee I would then place it.
21 So I wanted to give you all the explanation of my
22 thought process where I've placed it and what we're
23 looking to Mr. Caplan for.

24 And in speaking to him, and it's, you know,
25 quite an endeavor. And our last meeting was just

1 three weeks ago, if you remember, and he had not had
2 an opportunity to do all the work necessary. So I
3 think that -- And I don't think he has the
4 opportunity to get it done by December. I'll have
5 him speak to that. And so what we're looking at,
6 probably after the first of the year for Mr. Caplan
7 to provide us that information, but I don't want to
8 speak necessarily for him.

9 Mr. Caplan, is that consistent with your
10 understanding of what you've been asked to do and the
11 timetable, your timetable?

12 DEPUTY STATE ATTY. GEN. CAPLAN: Yes, it
13 is.

14 And I have been working, along with some
15 colleagues in my office, to generate the advice
16 memo -- which obviously would be privileged
17 information -- addressing all of those issues and
18 other issues, including the fact that the property is
19 located within a coastal zone. And so there's a lot
20 of -- a lot of things that our office must consider
21 in providing legal advice and guidance to the board
22 in terms of what it can do moving forward and what
23 issues it would need to address throughout the
24 process.

25 And so we do hope to get that advice to the

1 District. It will likely be after the first of the
2 year. We're obviously working on it now, but just
3 we'll need some additional time to make sure that we
4 are -- we have enough -- enough time to complete our
5 comprehensive review and analysis and provide that
6 information to the board.

7 PRESIDENT VALDEZ: Thank you.

8 Director Mosier.

9 DIRECTOR MOSIER: You know, I just wanted
10 to point out that the Del Mar memo, when it was
11 approved by Council, is related to the 6th cycle
12 housing element, which would not be approved by a
13 housing and community development until April 2021.
14 So we really have until that date to figure out
15 whether that's even an approved part of their housing
16 element. So we have sufficient time to move forward
17 with Josh and the Legal Committee.

18 PRESIDENT VALDEZ: Thank you for that. I
19 appreciate that.

20 Any questions or comments?

21 Okay. Hearing none and having no members
22 of the public signed up for this agenda item, I think
23 we're gonna then move on to public comment, and the
24 first person up for public comment is Ellen Ericksen.

25 HENRY RIVERA: Ellen Ericksen is not on the

1 queue.

2 PRESIDENT VALDEZ: Okay. Next is Martha
3 Sullivan.

4 HENRY RIVERA: Star six, Martha.

5 MARTHA SULLIVAN: Hello. This is Martha
6 Sullivan again.

7 I wanted to share with you a recent news
8 report from *Thoroughbred Daily News*.

9 Sagamore Racing, the Maryland-based
10 breeding and racing operation founded
11 14 years ago by Under Armour chief
12 executive, Kevin Plank, is getting out
13 of the sport. Its horses have been in
14 the gradual process of being sold off,
15 and the historic 530-acre Sagamore Farm
16 in Glyndon will transition into
17 supplying rye, corn, and
18 limestone-filtered spring water to
19 support a Plank-backed whiskey
20 distillery.

21 Sagamore led all breeders of
22 Maryland-breds by earnings in 2019, and
23 at its peak during Plank's tenure the
24 farm housed 100 horses. The news comes
25 ten years to the date that Sagamore

1 Racing color bearer Shared Account upset
2 the GI Breeders' Cup Filly and Mare Turf
3 at 46 to 1, which marked the first
4 elite-level win for the stable.

5 So I just want to share this with the
6 board. You know, the smart money is getting out of
7 horse racing.

8 PRESIDENT VALDEZ: Thank you.

9 On to Mary Talley.

10 HENRY RIVERA: Star six, Mary.

11 MARY TALLEY: Can you guys hear me?

12 PRESIDENT VALDEZ: Yes.

13 MARY TALLEY: You'll have to bear with me.
14 I'm actually in traffic driving. I've been on this
15 call, you know, for hours in my car.

16 So my name is Mary Talley, Talley
17 Amusements. I am a fourth-generation, Texas carnival
18 owner/operator. Regarding my last comment -- public
19 comment this last board meeting, I cannot stress
20 enough that this is the worst time in history for
21 your fair to make a drastic change to the midway.
22 Basically, the mentality is, if it's not broke, don't
23 fix it.

24 You have a great independent fair. There
25 are many vendors, who I've talked to since the last

1 meeting, who truly feel that a meeting with the
2 executive board and the staff -- a workshop, so to
3 speak -- is prudent to discuss the concerns regarding
4 budgeting, digital ticketing, and so forth before
5 jumping into a single-source carnival RFP.

6 If this meeting is going to be an absolute
7 impossibility, then, I cannot stress enough to you,
8 the fair board, that the RFP will need to include a
9 stipulation for COVID-19 regarding capacity. With
10 this election up in the air and the uncertainty in
11 our country at this time, it is a financial roadblock
12 to all submissions who propose that COVID
13 restrictions are not addressed. In my state of
14 Texas, carnival and fairs have been able to open back
15 up at 50 percent capacity, and Texas is way, way
16 further along than the state of California.

17 Being a fourth-generation carnival
18 operator, I was shocked as I read your letter I
19 received last week about a one-year contract. I've
20 participated in many RFP processes, and this is
21 highly unusual to offer only a one-year contract from
22 the outset regarding a new single-source operator,
23 especially if you're truly interested in having a
24 good pool of talent propose.

25 So I appreciate your time. I hope that you

1 all have a wonderful Thanksgiving and look forward to
2 hearing from you again. Thank you.

3 PRESIDENT VALDEZ: Thank you.

4 On to Brian Vandervorste.

5 HENRY RIVERA: Star six, Brian.

6 BRIAN VANDERVORSTE: Hello. My name --

7 Can you guys hear me?

8 PRESIDENT VALDEZ: Yes.

9 BRIAN VANDERVORSTE: Hello. My name is
10 Brian Vandervorste. I am a third-generation operator
11 with SJ Entertainment, and I just wanted to say that
12 I truly believe that the fair -- or the fair went
13 independent in order to give itself the best chance
14 at the greatest revenue, and this is the winning
15 formula. Doing anything other than this is gonna be
16 going backwards.

17 So I know that everybody is worried about
18 even if we're gonna be, you know, operating this next
19 year. But I'm not thinking about only one year. I'm
20 thinking about multiple years, and we definitely
21 don't want to see the fair go down in revenue after
22 this thing gets back rolling again.

23 So there's a lot of talent in the current
24 operators that you have. And, again, I just truly
25 believe that -- I agree with Mary Talley: If it's

1 not broke, don't fix it.

2 Thank you.

3 PRESIDENT VALDEZ: Thank you.

4 On to Rosemarie Barton.

5 HENRY RIVERA: Star six, Rosemarie.

6 Rosemarie, star six.

7 PRESIDENT VALDEZ: Do you want us to skip?

8 Do you want us to come back?

9 HENRY RIVERA: Yeah. Let's come back to
10 her.

11 PRESIDENT VALDEZ: We're gonna skip
12 Rosemarie, and hopefully fix the technical issues,
13 and go on to John Taggart.

14 HENRY RIVERA: Star six, John Taggart.

15 DONNA O'LEARY: Here he goes.

16 JOHN TAGGART: Hello.

17 PRESIDENT VALDEZ: Hello.

18 JOHN TAGGART: Can you hear me?

19 PRESIDENT VALDEZ: Yes.

20 JOHN TAGGART: Can you hear me?

21 PRESIDENT VALDEZ: Yes.

22 JOHN TAGGART: This is John Taggart. I'm
23 the owner of Big T Concessions.

24 Again, agreeing with what Mary Talley said,
25 before a fair of your size and stature makes a

1 drastic change, going into a single operator, a
2 meeting like we used to hold every year in Las Vegas
3 at the trade show, to bring up new ideas and new ways
4 of helping the fair, why can't we do that? Why can't
5 we call everybody in for a meeting?

6 If nothing can be decided, and you think
7 you're doing the best thing -- which you're not; my
8 opinion -- and let's work things out -- just don't
9 disregard something that has worked for a long time,
10 please, and I ask you as a small businessman who has
11 suffered pretty much this year. We've been out of
12 business since March.

13 We can use Del Mar as much as you need a
14 big fair. Thank you.

15 PRESIDENT VALDEZ: Thank you.

16 On to -- Any luck on Rosemarie?

17 HENRY RIVERA: Rosemarie. There she goes.

18 PRESIDENT VALDEZ: Rosemarie Barton.

19 ROSEMARIE BARTON: Yes. Thank you so much.

20 I'm an independent ride owner/operator.
21 2020 would have been my 26th year at the Del Mar
22 Fair. Your midway is a wonderful blend of carnival
23 companies and independent operators like me. And
24 there's a reason why the top fairs in the nation,
25 like the State Fair of Texas, Minnesota State Fair,

1 and your fair, have independent midways. We're
2 hands-on. We are out there making sure that the
3 public gets the safest and best fair experience
4 possible. And we have to compete for the fair
5 dollar, which makes us work harder. And it's our
6 diversity that makes an independent-midway fair
7 superior to a single-source carnival.

8 We give up 48 percent of our ride revenue.
9 That's 48 percent of the gross dollars that we work
10 hard to generate. That's more than we give up at any
11 other fair. A single-source carnival is not going to
12 give you 48 percent of the ride revenue. Absolutely
13 not. So you're gonna lose a substantial amount of
14 money if you give up your independent midway.

15 And as John said, we used to have meetings
16 every year. Bring us all to the table. Let's talk
17 about things. I think that's really what we need to
18 do.

19 You probably don't think right now that you
20 see that you have the resources to retain an
21 independent midway, but we are your resources, and
22 we're ready and willing to figure this out if you'll
23 give us a chance. If you go to a single-source
24 provider, you're going to be throwing away those
25 resources and you're going to be putting a lot of

1 small hard-working business owners out of business in
2 favor of a behemoth carnival company that cannot
3 possibly provide the level of care that we do.

4 Personally, you're gonna be taking away
5 25 percent of my annual income, which this year is
6 already nothing, and that may be more than my
7 business can overcome.

8 We've always been told, in Del Mar, that
9 we're a team, we work together as a team, and we are.
10 And you guys are in control of the team. You've been
11 in total control of a very successful midway, and I
12 don't understand why you're thinking of giving that
13 up. You don't have to give up control of your midway
14 and take less money in the process. I think that we
15 can work this out if we just work together.

16 And, Ms. Carlene, we need that ray of hope
17 that you spoke of at the beginning of this meeting.
18 Please, please, Directors, give it some thought.
19 Livelihoods like mine are counting on it. And I
20 thank you very much for your time.

21 PRESIDENT VALDEZ: Thank you very much.

22 On to Adam West.

23 HENRY RIVERA: Star six, Adam.

24 ADAM WEST: Can you hear me?

25 PRESIDENT VALDEZ: Yes.

1 ADAM WEST: Good afternoon.

2 That was just amazingly well said by Rose.
3 I don't even know if I could give a comment after
4 that. But almost a decade ago, the fair started the
5 conversation about a chashless midway. Over the past
6 four years, fair staff has attempted to hand over
7 more control to a single vendor. If this RFP is
8 issued, it will be the fifth attempt to change from a
9 highly successful independent midway, closer to a
10 single carnival provider.

11 The board has been blinded about the real
12 reason behind these changes. You were told, in 2018,
13 that the fourth largest fair in the U.S. had seen a
14 drastic decline in qualified applicants. This
15 couldn't be farther from the truth. This time, fair
16 staff is advising you that they don't have the staff
17 to successfully contract an independent midway. Once
18 again, this is very inaccurate and highly deceptive.

19 Every part of the independent midway is
20 contracted to third parties or is handled by
21 departments that are not changed. Fair staff is not
22 telling the board the whole story. You are only
23 receiving a prefabricated depiction of why the most
24 successful midway in the country has not changed.

25 If it's not broke, don't fix it. These

1 words can never be more true. I urge the board to
2 think for yourself. Ask the hard questions and find
3 out the real reasons for the change.

4 Why hasn't there been public workshops?
5 Why hasn't the board and fair staff communicated with
6 its longtime loyal vendors? Why are board members
7 steered a different direction when asking good
8 questions?

9 The carnival midway, the \$15 million-a-year
10 revenue generator producing over \$6 million in net
11 revenue annually for the District, the main
12 responsibility of the 22nd DAA is to produce the
13 San Diego County Fair. I believe the board is
14 falling short on its fiduciary responsibility to make
15 sure this change is being done for the right reasons.

16 Tim Fennell said the fair can make 5 to
17 10 percent more with its independent midway than that
18 of a single-source carnival. That is even a million
19 dollars more revenue annually. What business in the
20 world would give away a million dollars a year and
21 all the control of the largest part of their
22 business? The board isn't asking the right
23 questions.

24 Do the right thing. Invite your loyal
25 operators to a District-approved, -sponsored workshop

1 and make sure you have looked at all the options
2 before issuing an RFP, a decision that would destroy
3 30 years of building the greatest carnival midway.

4 In a year where 2021 is extremely uncertain
5 and having an award-winning midway already, what
6 sense does an RFP make now?

7 If I had the winning proposal and RCS
8 protested me, it could go well into June of 2021
9 before it was settled, which is way past the opening
10 day of the 2021 fair.

11 Have a meeting with your loyal midway
12 vendors and operators. What does the District have
13 to lose? Thank you.

14 PRESIDENT VALDEZ: Thank you.

15 On to Davey Helm.

16 HENRY RIVERA: Star six, Davey Helm.

17 Davey? Mr. Helm?

18 PRESIDENT VALDEZ: There he goes.

19 DAVEY HELM: Hello. Can you hear me?

20 PRESIDENT VALDEZ: Yes, we can.

21 DAVEY HELM: Sorry. I apologize.

22 Hello. My name is Davey Helm, from Helm &
23 Son Amusements. I want to thank you for taking your
24 time to allow me to speak.

25 The Del Mar Fair and the fairgrounds

1 itselfes [verbatim] are both very important to my
2 family and I. Earlier this year I was invited to be
3 involved with our fair in a drive-through, and I
4 wanted to take this moment to also say "thank you"
5 for including us. Thank you to all -- to all that
6 were involved in putting this on, and to let you guys
7 know that it helped our company and our family in
8 these trying times.

9 Next, moving on to the topic at hand on
10 Item 6 on the agenda, we here at Helm & Sons would
11 love an opportunity to have a meeting with Del Mar
12 and any team members, any and all fair partners,
13 similar to what we've experienced in the past years
14 at conventions. We feel this has been a great way to
15 hear and to voice all aspects of our fair and how to
16 work together on how to make each and upcoming years
17 at the fair much better. I would be happy to
18 participate in person, in a Zoom, or whichever way
19 you'd prefer if you should choose to decide to have a
20 meeting.

21 I lastly believe, whether it is the help,
22 the understanding of the current format of an
23 independent midway, or to help shape the possible
24 single-source RFP process as it pertains to its
25 potential partners, I feel a meeting would definitely

1 be beneficial to all parties involved.

2 Thank you again for your time. Happy
3 holidays.

4 PRESIDENT VALDEZ: Thank you very much.

5 On to Katrine McDonagh.

6 KATRINE MCDONAGH: Hello. Can you hear me?

7 PRESIDENT VALDEZ: Yes.

8 KATRINE MCDONAGH: Okay. Hi. My name's
9 Katrine McDonagh, co-owner of B-Thrilled Attractions.
10 And as you have figured out by now, us independent
11 operators would really like to have a meeting with
12 you. We have not been allowed to even offer to be a
13 part of the solution at this point. We can offer
14 many services to help keep an independent midway,
15 which has been proven to be financially advantageous
16 for the fair.

17 We, as amusement operators, have had a
18 devastating year, just like your fair. Your decision
19 to award one carnival and one family the entire fair
20 midway would enhance the financial devastations for
21 more than 20 small businesses and families. If you
22 no longer have a lot manager ready to do what he
23 does, I know we have plenty of capable people that
24 could improve the midway layout to ensure better
25 traffic flow and enhance the accessibility of each

1 and every ride, attraction, game, or food concession.
2 If you need electricians, we have them. If you need
3 inspectors, we have them. If you need someone to
4 handle tickets, we have a guy for that.

5 I know electronic ticketing is a big issue,
6 but, in times of crisis, sometimes you just have to
7 do whatever measures to make things work.

8 Basically, there is no issue that we
9 couldn't solve if we can be involved in the process.
10 Give us a list of what needs to be covered by the
11 loss of your independent fair managing staff, and we
12 can work with you to find the solutions.

13 You, as board members, have not been
14 properly informed on all of the benefits of an
15 independent midway or had the chance to get to know
16 any of us and learn what we are capable of. Let's
17 change that. Three minutes is appreciated, but not
18 enough time to inform you on what you would be losing
19 by eliminating an independent midway. But I can tell
20 you this: You would be losing invaluable combined
21 years of knowledge and experience from all of us.
22 Let's set up a meeting so that we can show you all of
23 the benefits of our independent midway and create the
24 solutions with you.

25 And thank you.

1 PRESIDENT VALDEZ: Thank you very much.

2 On to Oscar de la Torre.

3 CARLENE MOORE: Oscar, you're muted.

4 OSCAR DE LA TORRE: Yes. Can you hear me?

5 PRESIDENT VALDEZ: Yeah. We have a major
6 echo. So I think you might have -- Okay. I think
7 that might be better. Go ahead.

8 OSCAR DE LA TORRE: Okay. Here we go. Is
9 that better?

10 PRESIDENT VALDEZ: Yes.

11 OSCAR DE LA TORRE: Can you hear me now?

12 Okay. Thank you very much. Thank you all,
13 DMTC, for all the great work that they're doing, and
14 thank you all board members of the 22nd DAA for the
15 great work that you're doing.

16 You know, it's just heartbreaking to hear
17 the pain caused by the loss of income, the loss of
18 economic activity, the economic devastation for many
19 families and many small businesses. And, you know,
20 it reminds me of the struggle to bring back live
21 racing. And once live racing came back, you know,
22 from Del Mar and to Santa Anita, just the relief that
23 many of the families that I work with, a lot of
24 workers on the backstretch, the relief that they had.
25 You know, COVID is just bringing a lot of

1 uncertainty, but the certainty of these workers
2 having their jobs and having their, you know, medical
3 benefits and having housing is something that's just
4 relieved a lot of the stress on the families, and I
5 just want to acknowledge the work of you all, you
6 know, for making that happen.

7 So it's really important to understand,
8 also, that the workers are very -- all the workers
9 I've talked to, you know, just say that -- that the
10 COVID protocols that have been implemented at Del Mar
11 are very strict, that they welcome that because it's
12 keeping them safe and keeping their families safe.
13 And so we should commend DMTC for the great record
14 that they have, you know, with working with the
15 public health agencies to ensure that we're
16 compliant, you know, with our -- our COVID plan and
17 keeping workers safe, because that's really, really
18 important, and that -- and that all of this, all of
19 this -- all the protocols have been developed with
20 the guidance of public health officials in the County
21 of San Diego.

22 And so it's just so important for us to
23 understand that the safety record that we had on the
24 racetrack, that DMTC has accomplished in making
25 Del Mar, you know, the safest racetrack in

1 North America for two years in a row, has now
2 extended into supporting the workers and protecting
3 the safety and the public health of the workers at
4 Del Mar, and we should definitely applaud that
5 effort.

6 You know, it's also real important to
7 understand what just happened at Santa Anita in their
8 last race meet, that the reform effort has really
9 shown success. I mean, we had zero accidental horse
10 racing fatalities on the racetrack or in training,
11 and that's just remarkable. And it just shows that
12 the reform effort can work, that the promise of
13 keeping horses safe, ensuring, you know, and
14 prioritizing the safety of our horses is something
15 that is real, is something that, you know, despite,
16 you know, the comments that we consistently hear on
17 the negative, we're not -- We don't see the media
18 reports. Where's all the media reports right now on
19 Santa Anita's success? Just like we don't see --

20 DONNA O'LEARY: Ten seconds.

21 OSCAR DE LA TORRE: -- the success, you
22 know, in the media. I'm talking about, you know,
23 when Del Mar succeeds, as well.

24 Thank you very much. God bless.

25 PRESIDENT VALDEZ: Thank you. On -- Last

1 speaker is Doug O'Neil.

2 DOUG O'NEIL: Hello. Can you hear me?

3 PRESIDENT VALDEZ: Yes.

4 DOUG O'NEIL: Great. Thanks, you guys.

5 Thanks to all the board members of the 22nd Ag for

6 having me on here.

7 When I heard there was a meeting today, I
8 just wanted to share a few things on my experience.
9 I'm a horse trainer. I've been training racehorses
10 for some 35 years and just got back from the
11 Breeders' Cup, which was held in Lexington, Kentucky
12 this year and scheduled to be held in Del Mar next
13 year. And so I got to see firsthand the safety
14 protocols that were in place at Keeneland Racetrack.
15 And though they were really good and really strict,
16 they were -- you know, I think Del Mar was -- is as
17 good or better than what we got to experience there
18 at the -- you know, the equivalent to the Super Bowl
19 of horse racing.

20 So I just want to applaud Del Mar. And
21 they deserve a lot of credit, like Oscar commented
22 on, too, with -- not only from the safety that
23 they've given all of us men and women who have chosen
24 to work alongside horses for a living but also to the
25 horses themselves and the jockeys and the exercise

1 riders. The track safety has been incredible, Dennis
2 Moore and his crew.

3 So I just wanted to say "thank you." And,
4 you know, it's been a heck of a run through a real
5 trying time, and couldn't do it without DMTC and 22nd
6 Ag. So thanks, you guys. Thanks for your time.

7 PRESIDENT VALDEZ: Thank you very much.

8 That concludes public comment. We are
9 gonna break for closed session. We do reconvene
10 after closed session, but we have a long closed
11 session. And I suspect that the members of the
12 public, a few of them, will still be here. To the
13 extent you are leaving, I just wish you all a very
14 Happy Thanksgiving, a happy holiday, and thank you
15 for your participation in our meeting.

16 With that, we're going to go to closed
17 session.

18 (Closed Session: 3:06 P.M. to 5:23 P.M.)

19 PRESIDENT VALDEZ: Okay. We are
20 reconvening to open session. And the board conferred
21 with and received advice from counsel on the items
22 listed on the closed-session portion of the agenda.
23 There's nothing further to report.

24 On Item 9, Directors Request and Closing
25 Comments, do I have any?

1 Just for my own, we won't be seeing each
2 other, I don't think, until after Thanksgiving, and I
3 want to wish each of you a very Happy Thanksgiving.
4 And I want to just say publicly that in a very
5 challenging year I am thankful for each of you, for
6 all that you do and all that you have helped the
7 fairgrounds and me personally and our staff. And I
8 want to -- I'm thankful for our incredible staff, as
9 well, and all of your commitment and your energy. So
10 thank you, everybody, and have a terrific
11 Thanksgiving.

12 And with that, anything else?

13 DIRECTOR SCHENK: I just want to thank you,
14 Mr. Chairman. It's been a very challenging year.
15 And I -- I know what it's like to sit in that seat.
16 And I have to tell you, some may call it a thankless
17 job, but I can say I am thankful for what you've
18 done, with Lisa -- I see her shaking her head -- as
19 your -- as your right-hand person there and Carlene
20 on the other side of you, not in realtime, but thank
21 you. But in realtime there. But I really do. I
22 want to acknowledge that. The leadership, it's been
23 tremendous. And thank you all, and everyone else,
24 clearly.

25 But it takes so much to be in that seat,

1 Richard. And I know, and I'm proud of you for what
2 you've done, and I'm grateful for all that you've
3 done.

4 PRESIDENT VALDEZ: Thank you. Thank you,
5 Fred.

6 VICE PRESIDENT BARKETT: Excellent job.

7 DIRECTOR MEAD: Hear, hear.

8 DIRECTOR ROWLAND: And to inject some
9 optimism in it, I know we heard about the vaccines,
10 and there are obviously serious challenges with
11 respect to getting a vaccine out and going through
12 the distribution, but, nevertheless, we can begin to
13 see the pathways to, you know, a more normal future,
14 and it looks like sometime in 2021, as opposed to
15 2022. So hopefully we can, you know, all continue to
16 support each other and -- and the 22nd DAA and, you
17 know, make it through this very significant
18 transitional period, but I know we'll be part of that
19 future.

20 DIRECTOR SCHENK: Don, can you give us any
21 assurance?

22 DIRECTOR MOSIER: No. I share Joyce's
23 optimism. I think there will be more vaccines to
24 come, and there will be some antivirals that are
25 coming. And in the meantime, we'll just all have to

1 mask up until next June. So --

2 DIRECTOR GELFAND: Move to adjourn,
3 Mr. Chairman.

4 PRESIDENT VALDEZ: All right. And we are
5 adjourned.

6 (Meeting adjourned at 5:26 P.M.)

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