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BOARD OF DIRECTORS MEETING
22ND DISTRICT AGRICULTURAL ASSOCIATION
DEL MAR FAIRGROUNDS via ZOOM
2260 JIMMY DURANTE BOULEVARD
DEL MAR, CALIFORNIA 92014

THURSDAY, MARCH 8, 2022

1:30 P.M.

REPORTED BY:

MARY JULIA COLEMAN-KIEFER, CER 1468



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IN ATTENDANCE

OFFICERS:

- Frederick Schenk, First Vice President
- Richard Valdez, Second Vice President (via Zoom)
- Carlene Moore, Chief Executive Officer

DIRECTORS PRESENT:

- Michael Gelfand, Director (via Zoom)
- Don Mosier, Director (via Zoom)
- San Nejabat, Director (via Zoom)

DIRECTORS ABSENT:

- G. Joyce Rowland, President
- Lisa Barkett, Director
- Kathlyn Mead, Director

ALSO PRESENT:

- Josh Caplan, Deputy Attorney General (via Zoom)
- Katie Mueller, Chief Operations Officer, 22nd DAA
- Donna O'Leary, Executive Assistant, 22nd DAA
- Melinda Carmichael, Chief Administrative Officer, 22nd DAA
- Henry Rivera, Operator/Production
- Mark Wiggins, Premier Food Services
- Dustin Fuller, Environmental (via Zoom)



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Martha Sullivan, Requesting that meeting minutes and Agenda be made available online in a live link and the weekend before the next meeting, Swifty Swine Pig Races, the Op-Ed in <i>San Diego Union Tribune</i> ; substandard housing for horse racing employees; Premier Catering's Contract No Bid Extension and loan; article printed in the "Paulick Report"	
Elvia Sedano, Animal and human rights in repressive, non-democratic governments, reading from unspecified print article	
Closed Session: Convened at 2:30 p.m.	
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DEL MAR, CALIFORNIA, MONDAY, MARCH 8, 2022

1:30 P.M.

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MR. SCHENK: Good afternoon, everyone. I want to welcome everyone to the March 8, 2022, meeting of the 22nd District Ag Association Board of Directors meeting.

We do have a more limited number of Board members present today, and because of that, we have a couple of action items that I want to make sure that we maintain the entire voting quorum. So we will start today with the consent calendar.

And right after that, we are going to go into the general business session, on which we will have an action item to cover under Fair Ops. Just so that, if there is anyone waiting to speak to 5E and F on the calendar, those two items will be tabled for the April Board meeting. So if your interest is to speak to those two topic items and are waiting just to speak to those two topic items, I don't want there to be any disappointment when I get to them to then advise you that those two have been tabled. So for general information, on today's agenda we will not be addressing items 5E and F.

But with that, let's call to order the meeting.

The roll call, please.

MS. O'LEARY: Vice President Schenk.

MR. SCHENK: Present.



1 MS. O'LEARY: Vice President Valdez.
2 MR. VALDEZ: Present.
3 MS. O'LEARY: Director Gelfand.
4 MR. GELFAND: Present.
5 MS. O'LEARY: Director Mosier.
6 MR. MOSIER: Present.
7 MS. O'LEARY: Director Nejabat.
8 MR. NEJABAT: Here.
9 MS. O'LEARY: And we have excused absence are:

10 President Rowland, Director Barkett, and Director Mead.

11 MR. SCHENK: Thank you.

12 So as I indicated, we will be starting with the
13 consent calendar, and we do have action items on that. So I
14 will entertain a motion -- oh, public comment. Thank you so
15 much.

16 I do have -- I see Martha Sullivan has asked to
17 speak.

18 Martha, welcome. If you are still interested in
19 addressing the board on -- on the consent calendar, please know
20 that we will be allotting two minutes per speaker today.

21 Welcome, Ms. Sullivan.

22 MS. SULLIVAN: Yes, I'm here. This is Martha
23 Sullivan.

24 I wanted to, one, ask that the link, the reference to
25 the transcript for public comments in the minutes, could be a



1 live link so that people can click on that and go to the
2 transcript because, otherwise, it's not really obvious to the
3 uninitiated how to find it.

4 I would also ask that that transcript be made
5 available at least by the weekend before the meeting where the
6 minutes are going to be considered. I don't think I found it
7 until yesterday.

8 I'd also like to observe slash ask: I don't seem to
9 find any minutes or transcript for the Board meeting of January
10 31st.

11 And then, my final comment on this item is just to
12 again note that the contract for the Swifty Swine Pig Races for
13 the upcoming fair constitute animal abuse.

14 MR. SCHENK: Ms. Sullivan, does that complete your --
15 your public comments?

16 MS. SULLIVAN: Yes.

17 MR. SCHENK: Okay. Thank you.

18 I just want to ask for clarification: When you are
19 referring to the minutes, you said the January 31. I just want
20 to make sure you are speaking of January 31 of this year;
21 correct?

22 MS. SULLIVAN: I couldn't hear all that because you
23 were overridden by the operator trying to tell me to
24 reactivate.

25 MR. SCHENK: All right. I will -- I will assume that



1 you were speaking to January 31, '22 -- 2022. You did not
2 mention a year; you just mentioned a month and date, and I want
3 to make sure --

4 MS. SULLIVAN: Yes. That's --

5 MR. SCHENK: -- for the record --

6 MS. SULLIVAN: -- the special meeting.

7 MR. SCHENK: Correct. Okay. Thank you very much.

8 I think that is all we have on the -- for public
9 comment on the consent calendar. So I will entertain a motion
10 to approve the consent calendar, if there is such a motion.

11 MR. GELFAND: So moved.

12 MR. SCHENK: Michael, thank you. If there is a
13 second?

14 MR. MOSIER: Second.

15 MR. SCHENK: So it was moved by Director Gelfand and
16 seconded by Director Mosier.

17 MR. MOSIER: Mr. --

18 MR. SCHENK: Mr. Valdez?

19 MR. MOSIER: Mosier. I just had a question.

20 MR. SCHENK: Oh, yes?

21 MR. MOSIER: Actually, I just wanted to clarify for
22 the record. Regarding the January 31st, 2022, meeting, I think
23 the speaker referred to it as a quote/unquote "special
24 meeting," and that has a particular definition, I think, under
25 Bagley-Keene. That was not a special meeting. Under Bagley-



1 Keene, it was a duly-noticed meeting with the, I think, 10-day
2 notice requirement, which means it was technically a regular
3 meeting on a different day than we usually hold our board
4 meetings, but it wasn't special. I just want to make sure that
5 the record is clear on that.

6 MR. SCHENK: Yeah. You are correct, and I thank you
7 for making that point. Appreciate it.

8 Any other comments before we take a vote?

9 All right. Hearing no other or seeing no other hands
10 raised, let's take a vote on the consent calendar.

11 MS. O'LEARY: Vice President Schenk.

12 MR. SCHENK: Approved, yes.

13 MS. O'LEARY: Vice President Valdez.

14 MR. VALDEZ: Aye.

15 MS. O'LEARY: Director Gelfand.

16 MR. GELFAND: Aye.

17 MS. O'LEARY: Director Mosier.

18 MS. MOSIER: Aye.

19 MS. O'LEARY: And Director Nejabat.

20 MR. NEJABAT: [No audible response.]

21 MR. SCHENK: As I said, we were short-boarded today
22 so that -- that completes the approval, and it is unanimous,
23 but it is an approval of five board members, which constitutes
24 a quorum. Thank you for your -- your help on this.

25 We will defer the Manager's Report until after we



1 address the General Business topics, again, wanting to make
2 sure that we maintain our quorum for the action items.

3 We'll start with Community and Government Relations
4 Committee.

5 Director Mosier.

6 MR. MOSIER: Yes. I was absent for that meeting, and
7 Director Nejabat is going to give the report.

8 MR. SCHENK: Thank you.

9 MR. NEJABAT: Thank you. Good afternoon, everybody.
10 Last month, the committee met and we discussed
11 receiving a temporary occupancy permit for the Center and that
12 an RFP for a managing promotor would be released later on with
13 plans to have that company in place by mid-April.

14 We discussed the 2022 San Diego County Fair plans for
15 the Center for some programming, but concerts are not
16 anticipated again until later this year. Meetings are also
17 scheduled with the Equestrian Center operator, the Regional
18 Water Board prop, and DAA staff and consultants.

19 We also discussed sports wagering plans which are on
20 hold until we wait for confirmation of ballot measures that
21 will be on the November 2022 ballot and CEQA reports are filed.
22 And then, we also discussed ongoing strategic planning work by
23 the staff.

24 That's all for the committee to report.

25 MR. SCHENK: Thank you, Director Nejabat.



1 Are there any questions or comments from other
2 members of the board?

3 All right. I'm hearing none. We will move on to the
4 next.

5 Oh, I'm sorry. There is. So for 5A, Ms. Sullivan,
6 you -- you are identified as someone who wishes to speak to
7 Community and Government Relations. Thank you.

8 MS. SULLIVAN: Hello, again. I can pass on this one.

9 MR. SCHENK: All right. Thank you for letting us
10 know.

11 We will move on to Fair Ops, and we have some
12 recognition that we will like to acknowledge.

13 MS. MUELLER: Can you hear me? Oh, there we go.

14 Yes, we were not having -- having had to postpone the
15 2021 -- or cancel the 2021 fair, fortunately, we were still
16 allowed to participate in a WFA achievement awards program
17 which has been held annually for many, many years, recognizing
18 different events and programs that fairs throughout the state
19 of California and also Arizona and other Western States in the
20 United States put together. They made some room this year for
21 alternative events. There were many fairgrounds who had to
22 cancel their fairs like we did and put on an alternative event
23 due to the Covid pandemic; so we were able to be recognized for
24 a few areas, and I wanted to share those with you now.

25 Oops. Went too far. There we go.



1 So first place -- we received a first place award for
2 acting as a vaccination superstation in the community outreach
3 area. We received a first place for our live and virtual
4 auction. We conducted both this year. We -- even though it
5 was not part of HOME*GROWN*FUN, we were able to put together a
6 in-person, live junior livestock auction that was also -- had
7 the opportunity to take bids online as well.

8 We won a first place for a non-fair-time event or
9 program, which was the exhibition of photography had a virtual
10 workshop series. And then, we also received a first place in
11 interim events for our Mainly Mozart series. If you recall,
12 they put on a number of concerts, drive-up concerts last year
13 when we really weren't able to host any events of any kind.
14 Mainly Mozart was one of the first. So excited about that.

15 And then we received a second place in agricultural
16 programming for the Hollandia Dairy Milking Parlor, which, if
17 you recall, we were set to debut that at the 2020 fair and,
18 unfortunately, were not able to, but we were -- we did put
19 together a program with Hollandia Dairy to have milking
20 demonstrations for the public as part of HOME*GROWN*FUN.

21 And then we received a number of awards in -- for
22 different photographs that we had taken of the fairgrounds and
23 of the event; so believe it or not, this -- this photo actually
24 won an award. And this was our vaccination superstation that
25 we were hosting last year in the Wyland Center.



1 We received some awards for this shot of a 4-H youth
2 showing at the livestock show, and then, if you also recall, we
3 had a wild -- wildlife show that was put on by a local
4 entertainer.

5 We just had some general people shots at the
6 HOMEGROWN event that received awards. Again, here's the ever-
7 popular photobooth, and a girl washing her hands at the Sudsies
8 Barn handwashing display. And then, on the top left was, you
9 know, the entrance to the milking parlor display. And then,
10 actually, at the bottom what you see with the camera and the
11 man MCing and everything was the -- was the virtual livestock
12 auction itself. So he actually interviewed each kid. As their
13 animal was on the auction block, he interviewed them, and then,
14 bids could be taken. And then finally, just one of our ground
15 stages, or our strolling entertainment, I should say.

16 And that was it.

17 MR. SCHENK: Great. Well, congratulations.

18 MS. MUELLER: Thank you.

19 MR. SCHENK: I know much of this was -- had to be
20 quickly --

21 MS. MUELLER: Yes.

22 MR. SCHENK: -- thought through and -- and
23 implemented. So it's really a great honor to be recognized by
24 your peers under these trying circumstances. Congratulations.

25 MS. MUELLER: Absolutely. Thank you.



1 MR. SCHENK: Now we get to talk a little bit about
2 general Fair Ops information for the -- the true fair that we
3 will be having this summer.

4 And so, the theme is going to be Heroes Reunite, and
5 it will be a combination of a celebration fun through those
6 beloved comic books and the superheroes that we've known for
7 many decades. But it will also be a tribute to the real-life
8 superheroes that walk amongst us every day and who have been at
9 -- at all of the challenges that we have faced over the last
10 several years.

11 Our fair, our true fair, will be a 21-day event.,
12 June 8th through July 4th. We will be closed every Monday and
13 Tuesday. July 4th falls on a Monday; so it's every Monday and
14 Tuesday, excepting July 4th.

15 Tickets for this year's event will go on sale
16 shortly, on April 2nd, which will include tickets for
17 admission, tickets for parking, tickets for grandstand
18 concerts, and for carnival tickets and wrist bands.

19 And at this year's fair, we are going to be returning
20 to the festivals in the fair, such as the Toast of the Coast
21 Wine Festival, which take place on June 11th. Out at the Fair
22 will be returning on June 12th. The San Diego International
23 Beer Festival is a two-day event, and those will occur on
24 June 16th and 17th. The Asian Festival will be on June 18th,
25 and Gospel Festival will be on June 25th. And if all of that



1 wasn't enough, toward the very end of the fair, we get to have
2 the distilled spirits event on July 2nd, just as we say goodbye
3 to the summer fair.

4 A lot of the traditional displays and competitions
5 will be coming back, and we will be having the Garden Show, the
6 Flower Show, Home Made, which is an exhibit combining home
7 arts, creative youth, best of K through 6, Kindergarten through
8 Six, student showcase, gems, minerals, jewelry, fine art,
9 photography, design in wood, livestock, California Grown and,
10 of course, the theme-related Hall of Heroes.

11 This will really be a -- a fair to remember, and I'm
12 sure everybody is excited that for the first time since 2019,
13 we will be back as a regular San Diego County Fair event. For
14 more information, everyone's invited to go to SDFair.com and
15 you'll be able to find, as more and more information comes
16 online, information will be posted there.

17 I will be taking public comment before we get to the
18 action item regarding our contracts that are being proposed for
19 approval, and I see that Martha Sullivan, you have asked to
20 speak on Fair Ops. You have an additional two minutes of time.

21 MS. SULLIVAN: Yes, this is Martha Sullivan again.

22 I just wanted to use this opportunity to, I guess,
23 comment on the reply op ed that was published by President
24 Rowland and Vice President Schenk in the *Union Tribune* on
25 March 4th.



1 I understand that you need to defend your position in
2 terms of your litigation strategy, but I thought that the -- it
3 was a very, very glib, you know, throwaway comment, you know.
4 So is it okay to erase rough drafts but scandalous to shred
5 them? You didn't justify the shredding of storing documents,
6 but you tried to downplay the seriousness of it, you know,
7 which is a very weak defense. But clearly, you didn't have
8 much of a defense, since you used such a weak one.

9 You know, this -- this whole episode has not
10 reflected well on this Board or on the APC, and it's -- it's
11 truly, truly distressing to see. I think that you need to take
12 a very hard look at how you are presenting yourself to the
13 public in this matter. That was so serious that the editorial
14 board of the *San Diego Union Tribune* felt compelled to write an
15 editorial about the scandal.

16 That's all I wanted to say.

17 MR. SCHENK: We appreciate your -- your comments,
18 Ms. Sullivan.

19 We are going to move on to approval -- I don't see
20 any other individuals who wish to speak on it. All right.

21 So we're going to move on to the grandstand
22 entertainment contracts which appear on page 18 of the Board's
23 agenda. You'll see that there are seven music entries and one
24 comedy entry that are ready for approval. And since I am
25 chairing this, I will entertain a motion for its approval.



1 MR. GELFAND: So moved.

2 MR. SCHENK: Director Gelfand, thank you.

3 MR. VALDEZ: Second.

4 MR. SCHENK: Thank you. Director Valdez has
5 seconded.

6 Any discussion or comments before we vote on the
7 approval of these eight items for the grandstand stage?

8 All right. Seeing none, we'll take a vote.

9 MS. O'LEARY: Vice President Schenk.

10 MR. SCHENK: Aye.

11 MS. O'LEARY: Vice President Valdez.

12 MR. VALDEZ: Aye.

13 MS. O'LEARY: Director Gelfand.

14 MR. GELFAND: Aye.

15 MS. O'LEARY: Director Mosier.

16 MR. MOSIER: Aye.

17 MS. O'LEARY: And Director Nejabat.

18 MR. NEJABAT: Aye.

19 MR. SCHENK: We have a unanimous vote and we are
20 grateful for that and we will be hopefully completing our
21 approval process by next month. We still have, I think, maybe
22 five or six more nights available for entertainment, and I look
23 forward to those additions in the next month.

24 And that completes my report for Fair Operations.

25 We will move on to RTA and RTLK.



1 Director Valdez.

2 MR. VALDEZ: Thank you. So historically, RTA and
3 RTLC meet around the end of March every year. We address
4 issues with our board going into that meeting, and
5 historically, we would approve a budget. As the staff report
6 had indicated, that has changed since the bonds; we don't
7 really have any money that we are using for the bonds, and now,
8 it's just a matter of paying off the bonds and the obligations
9 arising out of the bonds, which, those bonds are held by RTA
10 and RT -- the RTLC, frankly. RTA, I think.

11 RTLC, Race Track Leasing Commission; RTA, the Race
12 Track Authority, separate entities from ours, but there's three
13 members of our board who sit on those, and that would be
14 myself, Director Barkett, and Director Mead. We were appointed
15 by the Governor's Office for those seats, and the other three
16 members of those entities are the Director of Finance, the
17 Secretary of California Department of Food and Ag, and the
18 Director of the Department of General Services.

19 I'm going to hand it on over to Carlene, who kind of
20 explained the history of RTA/RTLC a number of months ago and
21 how there has been a shift with respect to no longer having to
22 present a budget for us to approve. And I'm just going to pass
23 that back on over to Carlene so you can kind of remind the
24 Board and the public about that and just, you know, the issues
25 arising out of that to go into our meeting -- our meeting in



1 March for RTA/RTLTC.

2 Carlene.

3 MS. MOORE: Thank you.

4 So as Vice President Valdez was saying, and there's a
5 lot of information included in the packet, but really be --
6 this started last year, the process that he was referring to.
7 And -- and some of it, I'll just -- just has to do with just
8 helping to clarify. Because as the bonds have changed over the
9 years, in essence, the funding sources for those bonds have.

10 So in 2015, we refinanced the bonds, as well as took
11 on -- took out additional debt for -- through that for some
12 other projects. And so the bonds that we have -- so it
13 refinanced everything that was previous so everything to do
14 with the bonds is funded via two sources.

15 The first - the -- often referred to as the pledged
16 revenues, the first of which is that 100 percent of the net
17 horseracing revenues and from operations go toward the bond.
18 And in the -- as well as then up to \$4 million of the net
19 concessions revenue. So in the event that -- that the
20 Thoroughbred Club ever falls short of that, the DAA's pledged
21 revenues come from concessions, up to \$4 million. In essence,
22 if there was zero funding from the net operations of
23 horseracing, then the DAA would have to cover the entire debt
24 for that year, up to 4 million, and our bond payments are about
25 3.3 million annually.



1 So that's where the funding sources of that -- that
2 come from. And other than that, the RTA does not have a
3 revenue source. But historically, there have been three
4 budgets that were brought forward at this meeting, and then
5 subsequently, at the RTA and RTLC meetings that occur typically
6 later this month. And that was one -- one of those was for the
7 bond projects themselves. So, in essence, the bond -- when
8 there were bond dollars available, what projects were going to
9 be completed utilizing the bond funds.

10 The second was a budget for administrative and
11 maintenance expenses for, in essence, kind of ongoing
12 operations of the grandstands, the bookkeeping, and things like
13 that that needed to take place for the RTA.

14 And then, the third of which was additional projects,
15 not bond-sourced projects but just additional projects to be
16 done that really address a lot of our environmental as well as
17 backstretch and other facility improvements.

18 So the very first one, the bond, that's what's
19 covered -- or the bond projects, that's what was covered by
20 the -- the debt we took out, itself. But the other two budgets
21 really were funded via DAA resources. So if you recall, for
22 those of you who have been on the Board throughout that period,
23 back then, the DAA would annually transfer funds to the RTA to
24 then pay those expenses. And over the course of so much that
25 we learned through this pandemic, including even just the



1 sources of funds for -- for the various components of what made
2 up these RTA budgets, we realized that, you know, many of those
3 operations, you know, the operation of the grandstand is really
4 something that's there whether or not we were even to have bond
5 debt, whether or not, you know, there is -- there's
6 horseracing; I mean, it's a year-round, you know, facility.
7 And so we have since, so starting with the 2021 budget, we, as
8 the DAA, have absorbed those administrative, maintenance, and
9 other projects into our operating budget. In essence, it was
10 there before. It just was there as a line item to then
11 transfer to -- to the RTA.

12 So that's -- so that's where we are, and that's why
13 we don't now have these -- these various budgets coming
14 forward. You've already approved the operating budget for this
15 year which would have included, again, those administrative,
16 maintenance, and smaller project expenses. And then, the other
17 is simply the payment of the debt, the debt obligation.

18 So I also just wanted to take a moment and update
19 everybody on that in terms of both the 2021 debt obligation, as
20 well as 2022. So if you recall, the 2021 debt obligation,
21 which is actually paid or transferred to the trustee, in
22 essence, kind of at the end of the 2020 calendar year so it's
23 actually sort of paid in advance. That was actually covered by
24 approximately \$700,000 in net horseracing revenues, as well as
25 the additional 2.6 million was also provided by the



1 Thoroughbred Club because they received forgiveness of their
2 PPP loan in 2020. So the \$3.3 million bond payment was
3 completely covered for 2021. So we did not have to transfer
4 any funds from our own concession operations, food and beverage
5 operations.

6 And then, as was reported, I think, starting in
7 December, but for the 2022 bond payment, we already received
8 \$4.7 million from the Thoroughbred Club net operations for
9 their 2021 season, while their -- and that was just -- so
10 primarily through the summer, they still have year-end to wrap
11 up. We anticipate additional funds coming of approximately \$2
12 million, coming in -- usually, it's around the April time
13 period, once they have closed out their books fully and realize
14 100 percent of those -- those operations. So in both years,
15 even despite a pandemic, the good news is that the -- the debt
16 obligation has been fully funded through horseracing
17 operations.

18 And so with that -- and making those payments at the
19 end of 2022 our -- our debt on the bonds will be approximately
20 35,700,000. So we've been, you know, paying that down on a
21 regular basis. It started off at 44 -- about 44-and-a-half
22 million dollars. So that's where we'll stand at the end of
23 2022 and fully funded for those bonds.

24 So that's -- that's where we're at. We'll be
25 presenting that information, along with others, at the upcoming



1 State Race Track Leasing Commission meeting and Race Track
2 Authority meeting later this month, and that will be taking
3 place on March 30th.

4 MR. SCHENK: Thank you.

5 Anything further on that before we go to public
6 comment?

7 MS. MOORE: I have nothing.

8 MR. SCHENK: So we do have some public comment. We
9 have three individuals who have requested time to speak.

10 We will begin with Marth Sullivan. Welcome back.

11 MS. SULLIVAN: Yes, hello again. This is Martha
12 Sullivan.

13 I wanted to note for the record and for the
14 information -- well, at least one of the RTA/RTLTC committee
15 members; the other two aren't present -- that the current vice
16 chair of the California Horse Racing Board is also an Assistant
17 Secretary for the U.S. Department of Agriculture. Oscar
18 Gonzalez recently was quoted as saying that the horse racing
19 industry can't bank on immigration reform coming to the rescue,
20 but he offered a glimmer of hope through the Foreign Work Force
21 Modernization Act that has passed the U.S. House and is pending
22 before the Senate. That bill would allow non-U.S. residents
23 working in agriculture to receive certified agricultural worker
24 status and put them on a path to being lawful permanent
25 residents.



1 "He said, 'I try to remind people in the horse racing
2 industry there is tremendous upside in embracing our
3 agricultural roots,' said Gonzales, who worked as a groom
4 growing up and through college. 'We've just got to figure out
5 a way to get workers on race tracks eligible for that.'"

6 I'm pointing this out because currently, the
7 substandard housing at the race tracks, including Del Mar, for
8 race track workers is exempted from California's migrant worker
9 and farm worker housing law. If race track workers are
10 reclassified as agricultural workers, so will the housing at
11 the race tracks. And you will probably be required to upgrade
12 it.

13 MR. SCHENK: Thank you, Ms. Sullivan.

14 Our next speaker on 5C, RTA/RTLIC is Jane Cartmill.
15 You have two minutes.

16 MR. RIVERA: I have a -- in the queue, it's called --
17 they're labeled as Call-In User 1, is the only person I have in
18 there so I'm going to allow them to speak, but I need them to
19 identify themselves when they come in.

20 MR. SCHENK: Please identify yourself as you address
21 the Board.

22 MR. RIVERA: Call-in User 1, you're in the meeting.

23 Star 6 to unmute. There you go. Please identify
24 yourself.

25 MS. SEDANO: Elvia Sedano.



1 Just recently, I could not help but wonder at the
2 coverage of the Saudi Cup by racing journalists. The coverage
3 of the Saudi, coverage that seemed completely oblivious to the
4 authoritarian government and abysmal human rights record of the
5 host country. I'm sure we'll see the same with the Dubai World
6 Cup.

7 Ironically, the Saudi Cup occurred at the same time
8 as the new golf sponsored by Saudi concerns with engendering
9 public controversy as well as resistance from the PGA and its
10 golfers, hardly known as hotbeds of progressivism. Yet racing,
11 while properly concerned with the need to be acceptable to
12 people, this abyss, this treatment of animals seems blind or
13 uncaring about the industry's tacit acceptance of the
14 mistreatment of humans.

15 Of course, the amount of Saudi and UAE money and
16 influence in breeding and racing operations makes ignoring
17 these countries' shameful human rights record expedient, it
18 does not make it acceptable. Confronting this is not just the
19 morally right thing to do; it is also the self-interested
20 course.

21 Racing leaders, if there actually are any looking
22 beyond their balance sheets or PL statements, must realize that
23 any industry that partners with or even silently benefits from
24 repressive governments will not endure. The current situation
25 in Ukraine serves to remind us that most Americans' feelings



1 about undemocratic regimes fill the public spotlight has not
2 yet fallen on a niche or cozy relationship with autocratic and
3 authoritarian countries and rulers. It is one short step to
4 coupling maltreatment of horses with persecution --

5 MS. O'LEARY: Ms. Sedano --

6 MS. SEDANO: -- of people.

7 MS. O'LEARY: -- your time is up.

8 COURT REPORTER: Uh, ma'am?

9 MR. SCHENK: So thank --

10 COURT REPORTER: Excuse me. This is --

11 MR. SCHENK: -- Ms. Sedano.

12 COURT REPORTER: -- your reporter.

13 MR. SCHENK: You were on the list, but we --

14 COURT REPORTER: Can you hear me?

15 MR. SCHENK: -- did not realize that you were that
16 call-in 1. So that was Elvia Sedano for the record.

17 We still have --

18 COURT REPORTER: Yes. Yes. Frederick, can you hear
19 me? This is your court reporter. I need to get --

20 MR. SCHENK: Who are you asking -

21 COURT REPORTER: -- her correct spelling --

22 MR. SCHENK: Sure. May I do that --

23 COURT REPORTER: -- for that caller.

24 MR. SCHENK: Thank you. I can provide that to you.
25 I can provide that to you.



1 First name is El -- E-l-v, as in Victor, i-a; last --
2 the surname is S, as in Sam, e, as in Edward, d, as in David,
3 a, as in Apple, n, as in Nancy, o, as in opinion. Which is
4 what she provided.

5 COURT REPORTER: And I would -- I would just need the
6 correct spelling of each caller, if you don't mind asking them.

7 MR. SCHENK: Yes. Donna will provide that to you.
8 All right?

9 Our last --

10 COURT REPORTER: Thank you.

11 MR. SCHENK: -- caller on this topic for RTA/RTL
12 remains to be Jane Cartmill, who I invited to speak a few
13 moments ago.

14 Jane, are you available?

15 MR. RIVERA: She is not in the queue.

16 MR. SCHENK: She's not in the queue. All right.

17 We've now invited her twice. If - if -- Jane, if you
18 come back in shortly, we'll allow you to speak on this subject.

19 I do want to go back briefly to Fair Ops; it's the
20 gift that keeps on giving. I -- I -- I neglected to invite
21 Katie to present the highlight reel as she was so gracious to
22 share with us the recognition from last summer's event. We do
23 have some highlight reels, as I understand.

24 MS. MUELLER: Yeah. This is just to give everyone a
25 little taste of some of the entertainment that's going to be at



1 the upcoming fair and get -- if -- it got me excited. If it
2 gets you excited for the -- for the fair as well. So --

3 MS. MOORE: And this is our -- just to clarify, this
4 is going -- our, like, grounds and smaller stadia. Next month,
5 we'll be rolling out the grandstand entertainment.

6 MR. SCHENK: Thank you for clarifying.

7 [Recording is played.]

8 MR. SCHENK: Well, well, thank you.

9 [Further recording is played.]

10 MR. SCHENK: One word: Wow.

11 So for those of us who have been around this event
12 for many years, one might notice that indeed the San Diego
13 County Fair is ageless and timeless.

14 Some of these little pieces of the video were from
15 five, six years ago, and -- and they're still great acts that
16 will be returning. And some were obviously not on the
17 property, but we're excited to have them visit us this summer.
18 So Katie, thanks for sharing that little bit of entertainment.

19 Now more to the mundane. We've returned to our
20 general business, and since it's not my committee, it's more
21 mundane.

22 Mr. Valdez; Director Valdez.

23 MR. VALDEZ: Well, with that.

24 Nothing much to report. Did want to let you all know
25 this used to be called the Personnel Committee. It's now



1 called People and Culture Committee. And wanting to let the
2 Board know and also the public and those who look at our
3 upcoming agendas that this is the time of year that the CEO is
4 evaluated by the Board. And we will be placing the evaluation
5 on next year -- next month's agenda, and it will be placed in
6 the closed session portion of the agenda. Just to let you
7 know.

8 That's all I have.

9 MR. SCHENK: Thank you.

10 Any questions or comments for that committee?

11 Seeing none, I do have one public comment that is on
12 the agenda. Martha Sullivan, you have two minutes.

13 MS. SULLIVAN: I can pass on this one.

14 MR. SCHENK: Thank you, Ms. Sullivan.

15 With that, we will now go -- as I indicated earlier,
16 we will be tabling until the April Board meeting matters
17 involving 5E and F. So we will now go into the Manager's
18 Report.

19 Ms. Moore.

20 MS. MOORE: Thank you.

21 It's a pretty light month in terms of that because so
22 much of staff's effort and energies on just things going on.
23 We are already debuted by the very fun and entertaining Fair
24 Ops Committee Report. Just a lot of focus, and it's just
25 really great, I think, for everybody to be back on track



1 with -- you know, it's been a couple of years. Yes, we had
2 HOME*GROWN*FUN last year, and the community loved it. But to
3 really be planning, you know, really every aspect of the -- of
4 the fair to return.

5 So -- but with that, I do have a couple of things.
6 One is, pending any new updates, we will be resuming in-person
7 meetings next month, as things come to sunset on what has
8 allowed for virtual meetings for State agencies. So more
9 information on that -- on that to come.

10 With regard to some of our construction project
11 updates, the Surf & Turf RV Park project was -- if you recall,
12 we are waiting on the pedestals to come in, and it had been
13 anticipated that they were to arrive in mid-February. But,
14 unfortunately, as with so many things out there now, those are
15 back ordered until at least May. So we'll just continue to
16 update you on that. Hopefully, we are able to get those in and
17 wrap that project up completely.

18 We don't have any further updates at this time on the
19 Via de la Valle widening project, but when we do, we'll be sure
20 to let everybody know.

21 And then, also, last month, on the golf center roof
22 project, had reported that it looked like that was -- project
23 was actually -- be moving to the summer, but indeed, it's going
24 to get on track at the end of this month so that we don't have
25 any increases to cost and price for that particular project.



1 And then, finally, the Center, we did issue, as
2 Director Nejabat had mentioned during the Community and
3 Government Relations Committee Report, we did issue the RFP for
4 managing promotor services for the Center. That was released
5 on February 25th, and we anticipate bringing that back to the
6 Board at next month's meeting to award that contract.

7 Really, nothing new to report in terms of industry
8 news and updates other than it seems like pretty much everybody
9 is back on track with their fair plans with regard to this
10 industry.

11 And so with that, I will turn it over to Mark
12 Wiggins, the General Manager of Premier Food Services for this
13 month's -- this month's report.

14 MR. WIGGINS: Good afternoon, everyone. For the
15 month of January, the Food and Beverage Report is as follows:
16 Total revenue was \$81,935, but we had to adjust that due to
17 some Breeder's Cup invoicing. So it brought it down to
18 \$51,188, compared to a budget of \$59,077. Cost of goods were
19 at \$9,541, compared to a budget of \$8,551. That is a little
20 high due to losing those reven- -- those revenue from the
21 decrease. The total payroll was \$171,26- [audio skip] compared
22 to a budget of \$157,869. Operating expenses came in at
23 \$51,466, compared to a budget of \$56,705; and so, the net
24 profit was \$181,000 -- or negative \$181,025, compared to a
25 negative 164,048.



1 MS. MOORE: Thank you, Mark.

2 MR. WIGGINS: That's it.

3 MS. MOORE: If there are any questions on Food and
4 Beverage?

5 MR. SCHENK: Yeah. Are there any questions regarding
6 Food and Beverage, either for Mark or for Carlene?

7 Hearing none.

8 MS. MOORE: And then, I will just go ahead.

9 In this month's packet, you received just the balance
10 sheet through December 31st; so staff is working very
11 diligently to close out the entire year for 2021, which has to
12 be done this month as our annual report is due to CDFA at the
13 end of this month, on March 28th.

14 So at next month's meeting, we'll have a full
15 presentation of the 2021 financial year, including that
16 statement of operations, the balance sheet which we anticipate
17 will be revised and updated as they continue with some of those
18 account reconciliations, and also a P and L for the year. So
19 we'll have a more full report at next month's meeting where we
20 will be joined by our Director of Finance for that.

21 And with that, that concludes my report, unless there
22 are any questions.

23 MR. SCHENK: Thank you, Ms. Moore.

24 We will now entertain public comment. We have three
25 members of the public who have requested time to address the



1 Board. I'll start with Martha Sullivan.

2 Ms. Sullivan, you have two minutes.

3 MS. SULLIVAN: Hello, again. I'm going to keep
4 asking about this until I get an answer. I've been asking for
5 several months now. I'm still trying to get an explanation for
6 how the extensions, the No-Bid Extension of Premier's contract
7 and the \$2 million loan associated therefrom, how that, you
8 know, was done in compliance with state laws and rules.

9 I have a couple of other. Last -- I think it was
10 last month, I believe CEO Moore said that the \$2 million loan
11 is accounted for in the financial reports, but I don't see
12 anything in this month's Premier report. The financial report
13 has a footnote that lists the various long-term debt
14 components, but there's no mention of this \$2 million loan.

15 So I would also, again, ask how is this \$2 million
16 loan tracked in terms of being a liability for the District and
17 how it's being paid off. I mean, it's another long-term debt
18 as far as I can tell.

19 That's it for me.

20 MR. SCHENK: Thank you.

21 The next person to ask for public comment time is
22 Jane Cartmill.

23 MR. RIVERA: We only had one listed under Management
24 Report, and that was Martha Sullivan.

25 MS. MOORE: We're under public comment.



1 MR. SCHENK: Oh, I'm sorry. We're still on -- so you
2 want to address that? Thank you.

3 MS. MOORE: I'm happy to address that for you, Ms. --
4 Ms. Sullivan.

5 So in addition to the information that was -- that
6 was sent to you, there was a -- we also -- the 22nd DAA also
7 submitted a request to the California Department of General
8 Services, who granted the approval per the Food and Ag Code
9 with regard to the request for a non-competitive-bid process
10 for that loan that was made. And so, if you have any further
11 questions in terms of their process, you would be able to
12 contact the Department of General Services.

13 And with regard to the Premier loan, and thank you
14 for that because it was not listed on here; we'll be sure to
15 add that, but it's a \$2 million loan that is paid as \$100,000 a
16 year or a percentage of operations, which we have not triggered
17 yet since the Center hasn't been operating. But we'll be sure
18 to include that information on next month's financials.

19 MR. SCHENK: Thank you.

20 So that completes the Manager's Report and public
21 comment on that. We will move to number 6, agenda item number
22 6 for public comment.

23 Ms. Sullivan, do you wish to address the Board?

24 Ms. Sullivan, would you like to address the Board for
25 two minutes, under item number 6, public comment?



1 MS. SULLIVAN: This is Martha Sullivan again. It's
2 hard because there's a lot of talkover; so it's hard for me to
3 hear what's going on through operator telling me to unmute and
4 the facilitator talking. So anyway.

5 MR. SCHENK: We'll give you full --

6 MS. SULLIVAN: Uh --

7 MR. SCHENK: -- starting now.

8 MS. SULLIVAN: Thank you very much.

9 MR. SCHENK: Sure.

10 MS. SULLIVAN: I'm -- I would like to read this from
11 the "Paulick Report," which is a horse racing industry news
12 publication. I found it very, very compelling.

13 "A few years ago, I found myself in Spain and went to
14 a bull fight in Madrid." I'm stuck 'cause it just went dark.
15 I'm sorry. Oh, shoot. I'm sorry about that. I lost
16 [inaudible].

17 Okay. "I didn't really know what I was getting
18 myself into but it seemed like a good idea as long as I was
19 there. The bull ring had a decent crowd that is almost
20 entirely made up of either old men or tourists. The sport
21 itself was more gruesome than I realized. Somehow, I hadn't
22 realized they still kill the bull. I just assumed that it
23 would be more humane by now, but nope. The bull gets all cut
24 up and just drops dead right in front of you. I was horrified
25 and left early once I understood there was a lot more bull



1 murders to come.

2 "It was very enlightening, though, when it dawned on
3 me that I was looking at the future of horse racing. The
4 beauty, the athleticism, the tradition, the pageantry. None of
5 it could overcome the very obvious fact that modern audiences
6 do not want to see animals die. If we don't get our act
7 together, racing in the U.S. will soon be run for nothing but
8 tourists and old men in a handful of holdouts like Kentucky,
9 Arkansas, and upstate New York, the same way that Spanish bull
10 fighting has been reduced to little more than a novelty in
11 Madrid and Seville."

12 And that was from a young worker in the horse racing
13 business.

14 MR. SCHENK: Okay. The next speaker is Elvia Sedano.
15 I apologize if I mispronounced your surname. You have two
16 minutes to address the Board.

17 MR. RIVERA: Star 6, Elvia.

18 MS. SEDANO: Yes. I spoke, but I would like to
19 finish where I left off. Let me pull up here.

20 "The current situation in Ukraine" -- okay, well, I
21 did say that.

22 Okay. "The current situation in Ukraine serves to
23 remind us of most Americans' feelings about undemocratic
24 regimes. While the public spotlight has not yet fallen on a
25 niche toward cozy relationship with autocratic and



1 authoritarian countries and rulers, it is one short step to
2 coupling maltreatment of horses with persecution of people.
3 Not to be overly dramatic but that may just provide the death
4 knell for racing as a viable industry in America, particularly
5 one which requires political support."

6 Thank you.

7 MR. SCHENK: Thank you for your opinion.

8 That completes the public comments for today's
9 agenda.

10 I think that will take us to the closed executive
11 session. And we will return following closed session and
12 reconvene to open to address agenda item number 9, Matters of
13 Information.

14 For now, we are adjourned from the public meeting.

15 (The meeting was adjourned at 2:30 p.m.)

16 (The meeting was reconvened at 4:01 p.m.)

17 MR. SCHENK: Well, good afternoon, everyone. We are
18 reconvening to public open session.

19 The Board did confer with and received advice from
20 counsel on items listed on our closed session portion of the
21 agenda. We have nothing to report out.

22 We are now going on to item 9, Matters of
23 Information, and I will entertain any director's request at
24 this time.

25 Hearing none, moving on to the May 10th and May 24th,



1 2022, Board Meetings, currently we have both dates scheduled.
2 Should we be able to complete all the contract issues and
3 matters during the May 10th meeting, there will not be a need
4 for the May 24th, but currently we have those two dates
5 scheduled for the month of May.

6 Any questions about that?

7 All right. And I understand that we have no
8 correspondence at this Board Meeting to share.

9 So I will -- with that, I will entertain a motion to
10 close our meeting for today.

11 And I thank you all for the opportunity of -- after
12 several years of -- of being on the side of the table to be
13 sitting here with the gavel once again.

14 I'll entertain a motion to -- to --

15 MR. MOSIER: So moved.

16 MR. SCHENK: So moved.

17 Seconded?

18 [No audible response.]

19 MR. SCHENK: We stand adjourned. Thank you, all.

20

21 Meeting adjourned at 4:03 p.m.)

22 -o0o-

23

24

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CERTIFICATE OF TRANSCRIPTIONIST/REPORTER

I, Mary Julia Coleman Kiefer, do hereby certify:

That the proceedings were taken before me at the time and place herein named; that said proceedings were reported by me in the digital reporting method and later transcribed through computer-aided transcription under my direction, and that the foregoing transcript is a true record of the proceedings.

I do further certify that I am in no way interested in the outcome of this proceeding nor related to any of the participants or their respective counsel.

In witness whereof, I have hereunto set my hand this 21st day of March, 2022.

Mary Julia Coleman-Kiefer
Certified Electronic Reporter
No. 1468

