

# **Proposed License and Operating Agreement Between County of Solano and the Solano County Fair Association**

This Agreement is by and between the County of Solano a political subdivision of the State of California ("County") and the Solano County Fair Association, a California non-profit corporation. ("Operator").

## **A. RECITALS**

- 1) The County is the owner of record of approximately 152 acres of real property and improvements ("Fairgrounds Property") located at the intersection of I-80 and Hwy. 37, bounded by Fairgrounds Drive on the west and Coach Lane on the south, as depicted on the map attached as Exhibit A. A portion of the Fairgrounds Property identified as "Handlery Parcel" has been dedicated to use as a "county fair or exposition for Solano County and purposes incident thereto, which may include public parks, playground and/or recreational areas, and for such other purposes for which county fairgrounds may be used." The County and the Operator are committed to the continuation of public and fairgrounds uses on the property.
- 2) The County has the authority, responsibility, and capability to manage, maintain, operate, and provide community programs, events, services, and general use of the Fairgrounds Property, including the annual Solano County Fair (County Fair), directly or through a contract with a qualified Operator, and where such community programs, events, services, and general use are in the vital and best interest of the residents of Solano County.
- 3) The County wishes to contract the administration and operation of the Fairgrounds Property, including the conduct of the annual County Fair, satellite wagering facility, and private and community events to an experienced nonprofit Operator.
- 4) The Operator has the personnel and experience to administer and operate as intended by the County.
- 5) The County and the Operator desire to enter into this License and Operating Agreement (Agreement) to provide for year-round events, facility use and license agreements, gambling activities authorized for fairgrounds and regulated by the State, such as satellite wagering, and additional rental and community events, use of the Fairgrounds Property and the annual County Fair for the overall benefit of the Solano County community and its residents.

## **B. TERMS**

- 1) **OPERATING COVENANT:** The County hereby contracts with the Operator to operate and maintain the Fairgrounds Property in clean, safe, and good condition. The Fairgrounds Property is to be operated for recreational use, facility rentals for private, commercial, and nonprofit events, facility rentals for temporary longer-term commercial and nonprofit use, food and beverage services and other concessions as

provided by the Operator for community enjoyment and benefit. Operator covenants and agrees to maintain and operate the Fairgrounds Property, provide for an annual County Fair, manage a year-long calendar of non-Fair events ("Events") and provide gambling activities authorized for fairgrounds and regulated by the State, such as satellite wagering solely for the purposes described within this Agreement and pursuant to the terms of this Agreement.

- 2) **DESCRIPTION OF THE FAIRGROUNDS PROPERTY:** The portion of the Fairgrounds Property subject to this Agreement is set forth on the map attached hereto as Exhibit A. The area designated as Highway 37 Staging Area shall be used by County until the Highway 37 project is completed and the Staging Area is no longer needed, at which point that area will automatically revert to part of the Fairgrounds Property subject to this Agreement.
- 3) **TERM:** The term of this agreement shall be for a period of five (5) years commencing on the Effective Date of January 1, 2025, and shall expire on December 31, 2029.
  - a. Either party may terminate this Agreement, at any time, with or without cause, upon 210 days written notice from one to the other.
- 4) **DEVELOPMENT PLANNING OF FAIRGROUNDS PROPERTY**
  - a. Both Operator and County understand that there is the possibility that the Solano 360 Project (development of the Fairgrounds site) approved by the Board of Supervisors in 2013 will commence during the course of this Agreement.
  - b. The parties agree to negotiate in good faith to amend this Agreement to allow for Operator's continued administration and operation of the Fairgrounds Property, or a portion thereof, during any period of the Solano 360 Project implementation or other development planning.
  - c. County agrees to work cooperatively with Operator at all times on all plans for construction and development that could impact Operator's operations and County will endeavor to provide a minimum of 180 days' notice prior to the commencement of any construction of any development on the fairgrounds property that will impact, impair, or impede Operator's operations, revenue streams or use of the Fairgrounds Property.
  - d. County further agrees to include Operator as a participant in any process that could result in a change to the site plan approved by the County Board of Supervisors in 2013. All final decisions regarding changes to the Site Plan rest with the County.
- 5) **OPTION TO EXTEND:** The Parties may extend the term of this Agreement by jointly executing an option to extend for five (5) additional years. This option may be executed a maximum of two times, after which a new Agreement must be drafted to extend the term further. Operator shall provide County with one-hundred-eighty (180) days written notice of election to exercise each option. Said options shall be incorporated by amendment to this Agreement and must be approved by the Solano County Board of Supervisors.

- 6) **USE:** Operator shall pursue, provide, and pay for the operations and use of the Fairgrounds Property, including the operation of the annual County Fair, Satellite Wagering Facility, RV Park, and Events and including event programming, marketing, management, security, maintenance (excepting capital maintenance as defined in Paragraph 7.j. of this Agreement) and environmental compliance of all areas of the Fairgrounds Property as defined in this Agreement. The Operator shall be permitted to enter into use agreements or license agreements for the use of portions of the Fairgrounds Property, including entering into permits, contracts, sub-licenses or other agreements affecting or related to the use of the Fairgrounds Property to generate and maximize community events and programming and to generate revenue. The Operator may pursue Facility uses which may include, but is not limited to, farmers markets, dances, concerts, consumer shows, trade shows, cultural and educational showcases, festivals, recreational/sports activities, and other forms of entertainment. The Operator has the right and responsibility of pursuing an Event schedule that provides for maximum public use and revenue potential of the Fairgrounds Property. Operator may enter into use agreements or license agreements of any length, provided that such agreements contain appropriate indemnification, insurance, mechanisms for cancellation or amendment in the event this Operating Agreement is not continued, or development construction commences. County's counsel shall approve the language to be used in Operator's agreements in this regard.

## 7) OPERATOR OBLIGATIONS

- a. Operations. Subject to the terms of this Agreement, Operator shall have the responsibility to 1) hire, train and supervise all employees, 2) supervise and direct advertising, sales and business promotion and marketing, and 3) establish accounting and payroll procedures and reporting functions.
- b. Personnel. Except for employees of vendors or contractors, all employees working at the Fairgrounds Property shall be full or part-time employees of Operator or a Contractor of the Operator. The number of employees working at the Fairgrounds Property and the compensation (salaries or wages, benefits, and commissions) paid to them, shall be reasonably established by Operator. Operator shall recruit, hire, train, discharge, promote and manage the staff of the Operator and supervise through the recruiting, hiring, training, discharge, promotion, and work of all other full or part-time employees. The compensation (including benefits) of the staff and all other Operator employees shall be at Operator's expense, except as otherwise set forth in this section. Operator shall conduct background checks on all full-time employees in accordance with California Labor Laws and Codes. County shall have no role in Operator's personnel operations, and Operator is not required to obtain permission or provide notice of any personnel decisions.
  - i. County and Operator understand and agree that Operator currently employs six (6) individuals who are "grandfathered" into the County's Public Employment Retirement System (PERS) contract. County will continue to allow these grandfathered employees to participate in the County's medical benefits and CalPERS retirement plan. County agrees to provide management and staff support as necessary to the administration of these benefits, and Operator agrees to compensate County according to the rate approved by the County Board of Supervisors. Operator further agrees to

reimburse County for the actual cost of benefits received by the "grandfathered" employees.

- ii. County and Operator understand that Operator has two (2) employees/survivors who have retired from employment and are receiving retirement benefits through the County's PERS plan. Operator agrees to compensate County for actual costs associated with the identified employees' retirement benefits.
  - iii. County and Operator understand that Operator may have former employees who are no longer employed by the Operator but may be eligible for PERS retirement benefits under the County's PERS plan and have been identified in the Settlement Agreement and Release of All Claims between County, Operator and CalPERS executed in April, 2024. Operator agrees to compensate County for actual costs associated with the identified employees' retirement benefits.
  - iv. If Operator hires retired annuitants, Operator shall report to County hours worked per month and any other pertinent information required to allow County to ensure compliance with PERS requirement.
  - v. The parties agree that the administration and payment of the Operator's liabilities associated with its participation in the County's PERS Retirement Plan, which includes Pension Obligation Bonds and CalPERS Unfunded Liability will be addressed in a separate agreement between the parties. The parties agree to negotiate in good faith.
- d. Protection and Restoration of the Fairgrounds Property. Subject to County's Capital Maintenance and Improvement obligations hereunder and as defined in Section 7) I., Operator shall keep and maintain all portions of the Fairgrounds Property in good condition and at Operator's expense. Reasonable wear and tear is acceptable and Operator shall not cause waste or damage to the improvements and natural resources thereon by its employees, contractors, or agents. Upon the termination of this Agreement, Operator agrees to return the Fairgrounds Property in the same or better condition than received, ordinary wear and tear excepted.
- i. Operator may not commit or create, or knowingly allow the commission or creation of any new waste, hazardous condition and/or nuisance to occur upon the Fairgrounds Property.
  - ii. Operator must exercise reasonable due diligence in the security and protection of the Fairgrounds Property against damage or destruction, vandalism, or other security-related causes. Operator will provide at its own expense any and all security, including any required law enforcement presence to ensure that the Fairgrounds Property, County Fair, Satellite Wagering Facility, and Events, employees and patrons are reasonably secure, safe and protected at all times. Operator will ensure that both Operator and any County Fair, Satellite Wagering Facility and Events are operated as per any required agency permits (City, County, State or Federal) and in a safe and secure manner. The sale and consumption of alcohol on the Fairgrounds Property shall be conducted in compliance with the

California Department of Alcoholic Beverage Control's policies and regulations.

- e. Contracting with Third Parties. Operator, in its own discretion, may enter into agreements and contracts with qualified and responsible third parties for the purpose of providing any of the services or programs in connection with the uses permitted to be performed on the Fairgrounds Property as described in Section 6) or for the purpose of operational need and including custodial, maintenance or security services. All such agreements and contracts shall contain provisions necessary to protect the County, its officers, employees, successors, and assigns from any liability arising out of the provision of services or programs, operation, maintenance or replacement of any improvements and facilities at the Fairgrounds and as a result of such third parties, including the obligation to indemnify the County of Solano, its officers, employees, successors, and assigns and carry the necessary insurance.
- f. Utilities. During the term of this Agreement Operator agrees to pay or cause to be paid, any and all, utilities used by Operator upon the Fairgrounds Property including but not limited to electric, water, gas, sewer, phone, refuse collection, security and/or fire alarm monitoring, IT services or related fees, and all other services supplied to Operator.
- g. Financial Management, Records, Reports, Audits. Operator will establish and maintain a system of accounts for budgeted funds that complies with generally accepted accounting principles as required by the County and/or the State of California, Department of Food and Agriculture, Fairs & Expositions Branch. ("F&E"). Operator shall preserve all books, records and supporting documents as public records until destroyed according to the requirements of applicable law.
  - i. Operator shall prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant in conformity with Governmental Accounting Standards Board regulations. Operator agrees to provide County with its audited financial statements no later than December 1st and will cooperate with County's external auditors as necessary to complete the County's audit.
  - ii. Operator shall submit to County an annual budget no later than March 1st of each year, as required by California Government Code section 25906 for purposes of obtaining funding allocations from the California Division of Fairs and Expositions. County will timely schedule this submitted budget for approval by the Board of Supervisors. Operator shall work with County staff on presentation of this budget, including written details on programs and yearly changes.
- h. Revenue Participation and Financial Obligations
  - i. FAIRGROUND REVENUES. The Operator will retain all money collected from the management and operation of the Fair, Satellite Wagering Facility, RV Park, Event Rentals, parking lots and other uses of the Fairgrounds Property.
  - ii. County shall remit all revenues from any ground leases on the Fairgrounds Property that are in effect as of the date of this Agreement, or any new

leases which renew, replace, or modify any existing leases, to the Operator each quarter, including but not limited to the following:

- Bay Hospitality
  - Cingular Cell Tower Sublease
  - 10 Sage Street (Triangle)
  - ATT Cell Tower
  - Sprint/Nextel Cell Tower
  - ATT Utility Reimbursement
  - County Communications Division utility reimbursement for site on tower in Maintenance Yard
- iii. County agrees to dedicate to Operator any revenue from future cell tower leases on the Fairgrounds Property during the term of this Agreement, and to include Operator in negotiation efforts of any such leases. Final approval of any such lease rests with the County.
- iv. Operator shall be entitled to revenues from the operation of the current Electronic Sign, any new or updated Electronic Sign and the lease of the static billboards which sit along Highway 80. County agrees to include Operator in negotiations of any contract for the construction of a new Electronic Sign and for the lease of the above-mentioned static billboards. Final approval of any such contracts or leases rests with the County.
- v. Operator shall be entitled to operate, manage, sell and/or leverage advertising time on the current Electronic Sign. Parties agree to negotiate in good faith to reach agreement on Operator's role in the operation and management of any future electronic sign.
- vi. 33 REVENUES: Pursuant to Business and Professions Code section 19605.7(d) and 19610.4, Solano County receives .33 revenues in connection with satellite wagering operations.
  - 1. The parties agree that the .33 monies received will be used to offset costs for County services provided to Operator.
  - 2. To the extent that there is an excess of .33 monies after accounting for County services, the parties agree any remaining excess monies will be returned to Operator to be used for on-going maintenance and repair.
  - 3. County will submit to Operator on a quarterly basis a detailed accounting of .33 monies received by the County and County services charged against .33 monies. The last quarterly statement must be submitted to Operator no later than July 15<sup>th</sup>. Operator, at its option, may audit .33 expenditures.
- i. Lease or Development Planning of Fairgrounds Property

County will consult with the Operator regarding any potential lease or development of Fairgrounds Property that will materially affect Operator operations, revenue streams, or use of the Fairgrounds during the term of this Agreement. County and Operator agree to negotiate in good faith towards the ultimate goal of developing the Fairgrounds Property and transitioning the management of the Fairgrounds Property to the County's developer and execution of a subsequent agreement between the County and Operator for the continuation of the annual County Fair, operation of Satellite Wagering Facility and other Operator-produced events and activities. The parties agree to communicate at a minimum one time per month, prior to the third Wednesday of each month, to allow Operator to keep its board

timely apprised of the progress of the negotiations process. Communication may be in the form of an email or telephone call initiated by County.

j. Maintenance

i. Operator's Responsibilities

Operator shall, at its sole cost and expense, maintain, or cause to be maintained, the buildings and buildings systems, outdoor recreational areas, RV Park, Livestock barns and areas, the parking lots and landscaping in good, clean and safe condition and use as outlined above and in accordance with all applicable Federal, State and local laws, including but not limited to health, fire, and safety ordinances and laws, environmental regulations and such rules and regulations as may be binding upon Operator, with reasonable wear and tear excepted, throughout their useful life.

Operator shall keep the Fairgrounds Property in a clean and neat condition at all times. Operator shall at its sole cost and expense, be responsible for all custodial service and supplies necessary for the operations of the Fairgrounds Property and County Fair, RV Park, Satellite Wagering Facility, and Events including all facilities and the associated grounds.

Operator will prepare a draft annual Capital Repair and Maintenance Request ("Capital Request") identifying needed capital repairs and major maintenance requests to be included for consideration as part the County's Capital Facility Improvement Plan (CFIP) process, to be submitted to County late summer and aligned with the County's budget calendar which will be provided each year to Operator.

At its option, Operator may perform Capital Request projects on the Fairgrounds Property that have been approved as part of the County's CFIP budget with the prior consent of the County Administrator or designee. Operator must first provide the County Administrator with a work plan (including scope of work) and documentation of costs for consideration and approval by the County. Operator shall utilize California Construction Authority or licensed contractors to perform any and all work and abide by all local, State, federal laws and ordinances and regulations, including procurement, when pursuing the approved work.

In the event Operator elects to perform such approved CFIP projects as set forth in this paragraph, Operator shall ensure completion and pay for such work and then request reimbursement for the approved work by providing the County with the final documentation, including invoices and proof of payment, and making the approved area available for inspection by County or its designee. County shall endeavor to reimburse Operator within thirty (30) days of presentation of an invoice showing proof of payment by Operator. Notwithstanding the above, if California Construction Authority is engaged to perform work and requires funds to be placed on deposit in advance, County shall endeavor to reimburse Operator within thirty (30) days of presentation of proof of said advance deposit. All reimbursements under this paragraph shall be made within a reasonable time.

Operator may elect to seek grants or engage in other fundraising activities to fund the completion of CFIP projects that are not approved as part of the County's budget process. Should sufficient funds be raised for any such project, Operator must first provide the County Administrator with a work plan (including scope of work) and documentation of costs for consideration and approval by the County. Operator shall utilize California Construction Authority or licensed contractors to perform any and all work and abide by all local, State, and federal laws and ordinances and regulations, including procurement, when pursuing the approved work. No reimbursement will be made by County for any projects completed using grant funds or donations secured by Operator for projects under this paragraph.

The County Administrator or representatives, employees, agents, or independent contractors may enter and inspect the Fairgrounds or any improvements thereon at any time with reasonable prior notice of twenty-four (24) hours except in emergency situations in which a prior phone call will suffice, and from time to time to verify Operator's compliance with the terms and conditions of this Agreement and inspect the overall maintenance of the Fairgrounds Property.

ii. County's Responsibilities

Inasmuch as the Fairgrounds buildings are owned by the County, the County has ultimate financial responsibility for all CFIP project costs and it is at the sole discretion of the County to prioritize and establish the timeline for projects to be funded. Capital Requests shall include any structural, mechanical, utility, electrical, plumbing, landscaping and/or paving repair and/or replacement, fire, life and safety repairs, building deficiencies, and conservation measures that exceed twenty-five thousand dollars (\$25,000) per maintenance project and shall include each building structure, outdoor structure, and paved parking area on the Fairgrounds.

For all projects approved and funded within the County's budget process, County shall ensure completion and pay for such work. County may utilize California Construction Authority or licensed contractors to perform any and all work, and abide by all local, State and federal laws and local ordinances and regulations, including procurement when pursuing the approved work.

County agrees to communicate and coordinate all such projects with Operator in order to minimize any negative impacts to Operator's operations or revenue streams.

k. Funding

- i. Grant Funding. County will cooperate with Operator in its pursuit of grants for funding and improving the Fairgrounds Property. County authorizes Operator to use the Solano County Fairgrounds name and to collaborate on grant pursuits, marketing, and public events during the term of this Agreement.
- ii. Allocation of State Funds. Any allocation of funds provided by the California Department of Food and Agriculture for County Fair, Satellite Wagering Facility and Fairgrounds Property purposes will be immediately distributed to the Operator for use in its operations or for the purpose for which the funds were granted.



- iii. County Funding. County shall include Operator's annual draft Capital Repair and Maintenance Requests for the Fairgrounds for consideration as part of its annual County Budget Process.

I. Taxes and Assessments

During the term of this Agreement, Operator shall pay, or cause to be paid, any and all applicable taxes, general and special assessments, and other charges of any description as may be levied on or assessed against the Operator by reason of Operator's operations. County shall be responsible to pay any assessments on its property.

m. Disaster, Emergency, or Pandemic

In the event of a disaster, emergency, or pandemic ("Major Event") the County shall have full access and right to use the Fairgrounds and its facilities to meet the health, safety, and welfare needs of the County, its residents, and animals. Operator shall work with the County to provide full and immediate access in the case of a Major Event and without cost to the County other than the reasonable reimbursement of staff time, business loss and utility use by County, subject to submission of proof and documentation to the County Administrator or County designee for review and approval.

- 8) COUNTY SERVICES: County agrees to provide the County Services set forth below to Operator, at Operator's sole option. Except as otherwise provided in this Agreement, compensation for said services will be by the rate established pursuant to the County Cost Plan charged to all external County clients, and with the exception of the Solano County Sheriff's Office services, will be paid out of .33 monies:

a. Law Enforcement/Security

- i. General: The Solano County Sheriff ("Sheriff"), in cooperation with the Vallejo Police Department is responsible for the enforcement of all applicable laws on the Fairgrounds Property.
- ii. Annual County Fair: Operator and Sheriff will work jointly to establish a plan for a law enforcement presence during the annual County Fair ("Fair Plan"), to include the number of officers to be present on the grounds, the dates, and times for the presence of officers and the expected duties of officers. The Fair Plan will be completed annually and shall be reduced to writing no later than sixty (60) days prior to the commencement of the annual County Fair. Any revisions to the County Fair Plan shall be in writing and signed by both Operator and Sheriff. Compensation for services pursuant to the Fair Plan shall be at the overtime rate set forth in the current Deputy Sheriff's Association contract for the year in which services are performed for each officer working overtime at the annual County Fair.
- iii. Events: Operator will notify Sheriff of any law enforcement/security required of Sheriff at an event at least thirty (30) days prior to such event. Compensation for services at events shall be at the overtime rate set forth in the Deputy Sheriff's Association contract in existence at the time of the interim event at which services are performed. The compensation shall be paid by the event promoter.
- iv. All payments to Sheriff will be paid by check or, if paid with .33 monies, by journal voucher entry within 60 days of receipt of an invoice.

b. Legal

Operator may use the legal services of the County Counsel's office. Legal services will be charged at the rate approved by the County Board of Supervisors, which as of the date of execution of this Agreement is \$240 per hour. County will notify Operator thirty (30) days before the effective date of any change in the hourly rate not set forth in this Agreement. At Operator's request, County Counsel shall timely assign an attorney to provide legal services.

c. Human Resources

Human Resources will provide management and staff support as necessary to the inclusion of Operator's "grandfathered" employees (as defined in this Agreement), in the County's medical benefits plans.

d. Real Estate

County's Department of General Services, Real Estate Services will administer all current ground leases of the Fairgrounds Property between County and any tenant. Real Estate Services will receive all lease payments and transfer revenues via journal voucher entry into Operator's account within 60 days of receipt of payment. Real Estate Services will be responsible for enforcing compliance with lease terms, up to and including the initiation of any litigation necessary to achieve tenant compliance with lease terms. Upon request, Real Estate Services will provide Operator proof of collecting unpaid lease revenues.

e. Auditor-Controller

The Auditor-Controller will:

- i. Process general accounting transactions to the financial accounting system as necessary to account for Solano County Fair activities;
- ii. Collect and account for the Operator's payments for CalPERS and Operator's share of the County's Pension Obligation Bond payment (Notes Payable);

Account for .33 money, preparing journal for services provided by other county departments, monitoring and tracking of the funds; and

- iii. Enter the Fair budget data for the County's Adopted Budget.

f. Other Services

At its option, Operator may request and County may provide use of other County services, including but not limited to, Fleet Services, Architectural Services, Office of Emergency Services, Environmental Health, Weights & Measures and any other service that the County provides to County Departments at the rate approved by the County Board of Supervisors applicable to external customers.

- 9) **INSURANCE:** Without limiting Operator's obligation to indemnify County, Operator must procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work under this Agreement and the results of that work by Operator, Operator's agents, representatives, employees, subcontractors, or volunteers.

a. Minimum Scope of Insurance

Coverage must be at least as broad as:

- i. Insurance Services Office Commercial General Liability coverage (occurrence Form CG 00 01).
- ii. Insurance Services Office Form Number CA 00 01 covering Automobile Liability, code 1 (any auto).
- iii. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

b. Minimum Limits of Insurance

Operator must maintain limits no less than:

(1) General Liability: (Including operations, products and completed operations.)	<b>\$5,000,000</b>	per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
(2) Automobile Liability:	<b>\$1,000,000</b>	per accident for bodily injury and property damage.
(3) Workers' Compensation:	As required by the State of California.	
(4) Employer's Liability:	<b>\$1,000,000</b>	per accident for bodily injury or disease.

If Operator maintains higher limits than the minimums shown above, County is entitled to coverage for the higher limits maintained by Operator.

c. Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by County. At the option of County, either:

- i. The insurer will reduce or eliminate such deductibles or self-insured retentions with respect to County, its officers, officials, agents, employees and volunteers; or
- ii. Operator must provide a financial guarantee satisfactory to County guaranteeing payment of losses and related investigations, claim administration and defense expenses.

d. Other Insurance Provisions

The general liability and automobile liability policies must contain, or be endorsed to contain, the following provisions:

- i. The County of Solano, its officers, officials, agents, employees, and volunteers must be covered as insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of

Operator; and with respect to liability arising out of work or operations performed by or on behalf of Operator including materials, parts or equipment furnished in connection with such work or operations. General Liability coverage shall be provided in the form of an Additional Insured endorsement (CG 20 10 11 85 or equivalent) to Operator's insurance policy, or as a separate owner's policy.

- ii. For any claims related to work performed under this Agreement, Operator's insurance coverage must be primary insurance with respect to the County of Solano, its officers, officials, agents, employees, and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, agents, employees, or volunteers is excess of Operator's insurance and shall not contribute to it.
- iii. Each insurance policy required by this clause must be endorsed to state that coverage may not be canceled by Operator, except after 30 days prior written notice has been provided to County.

e. Waiver of Subrogation

- i. Operator agrees to waive subrogation which any insurer of Operator may acquire from Operator by virtue of the payment of any loss. Operator agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation.
- ii. The Workers' Compensation policy must be endorsed with a waiver of subrogation in favor of County for all work performed by Operator, its employees, agents and subcontractors.

f. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII unless otherwise acceptable to County.

g. Verification of Coverage

- i. Operator must furnish County with original certificates and endorsements effecting coverage required by this Agreement.
- ii. The endorsements should be on forms provided by County or, if on other than County's forms, must conform to County's requirements and be acceptable to County.
- iii. County must receive and approve all certificates and endorsements before work commences.
- iv. However, failure to do so shall not operate as a waiver of these insurance requirements.
- v. County reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

10) INDEMNIFICATION:

- a. Operator will indemnify, hold harmless and assume the defense of, the County, its officers, employees, agents, and elective and appointive boards from all claims, losses, damages, including property damages, personal injury, death and liability of every kind, directly or indirectly arising from Operator's performance of this Agreement or from any persons directly or indirectly employed by, or acting as

agent for, Operator, excepting the sole negligence or willful misconduct of the County.

- b. County will indemnify, hold harmless and assume the defense of, the Operator, its officers, employees, agents and elective and appointive boards from all claims, losses, damages, including property damages, personal injury, death and liability of every kind, directly or indirectly arising from County's performance of this Agreement or from any persons directly or indirectly employed by, or acting as agent for, County, excepting the sole negligence or willful misconduct of the Operator.
- c. Acceptance of insurance required by this Agreement does not relieve Operator from liability under this indemnification clause. This indemnification clause shall apply to all damages or a claim for damages suffered by Operator's operations regardless if any insurance is applicable or not.

#### 11) GENERAL PROVISIONS:

- a. Compliance with Law: Operator will comply with all federal, State and local laws and regulations applicable to their performance, including, but not limited to, licensing, employment and purchasing practices, wages, hours and conditions of employment.
- b. Conflict of Interest: Operator will ensure that its employees and/or their immediate families and/or Board of Directors and/or officers have no interest, including, but not limited to, other projects or independent contracts, and shall not acquire any interest, direct or indirect, including separate contracts for the work to be performed hereunder, which conflicts with the Solano County Fair or operations on the Fairgrounds Property. Operator will employ or retain no such person while rendering services under this Agreement.
- c. Drug Free Workplace: Operator warrants that it is knowledgeable of Government Code section 8350 et seq., regarding a drug free workplace and will abide by and implement its statutory requirements.
- d. Health and Safety Standards: Operator will abide by all health and safety standards set forth by the State of California and/or the County pursuant to the Injury and Illness Prevention Program. Operator will abide by all health and safety standards set forth by the State of California and/or the County pursuant to the Injury and Illness Prevention Program. If applicable, Operator will receive all health and safety information and training.
- e. Inspection: Authorized representatives of County, the State and/or the federal government may inspect and/or audit Operator's performance, place of business and/or records pertaining to this Agreement.
- f. Communication: Parties recognize that the free exchange of information is key to a successful relationship, and therefore agree to communicate at least once a month. Each party will be included in the distribution of the other party's Board meeting agendas, and board packets will be provided on request. In addition, the parties will engage in regular briefings, emails or other communications to keep

each other informed regarding the status of the Fairgrounds Property and this Agreement.

g. Nondiscrimination:

- i. In rendering services under this Agreement, Operator will comply with all applicable federal, State, and local laws, rules and regulations and shall not discriminate based on age, ancestry, color, gender, marital status, medical condition, national origin, physical or mental disability, race, religion, sexual orientation, or other protected status.
- ii. Further, Operator will not discriminate against its employees in those areas which include, but are not limited to, employment upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.

h. Notice: Any notice necessary to the performance of this Agreement shall be given in writing by personal delivery or by prepaid first-class mail addressed as follows:

County of Solano  
County Administrator  
675 Texas Street, Suite 6500  
Fairfield, CA 94533

Solano County Fair Association  
Chief Executive Officer  
900 Fairgrounds Drive  
Vallejo, CA 94589

If notice is given by personal delivery, notice is effective as of the date of personal delivery. If notice is given by mail, notice is effective as of the day following the date of mailing or the date of delivery reflected upon a return receipt, whichever occurs first.

- h. Changes and Amendments: This agreement may not be modified unless such modification is in writing and signed by both parties to this agreement.
- i. Choice of Law: The parties have executed and delivered this Agreement in the County of Solano, State of California. The laws of the State of California shall govern the validity, enforceability, or interpretation of this Agreement. Solano County shall be the venue for any action or proceeding, in law or equity that may be brought in connection with this Agreement.
- j. Waiver: Any failure of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, under this Agreement or any provision of this Agreement.
- k. Entire Agreement: This Agreement, including any exhibits referenced, constitutes the entire agreement between the parties and there are no inducements, promises, terms, conditions, or obligations made or entered into by County or Operator other than those contained in this Agreement. This Agreement supersedes all prior Agreements, verbal or written, between the parties.

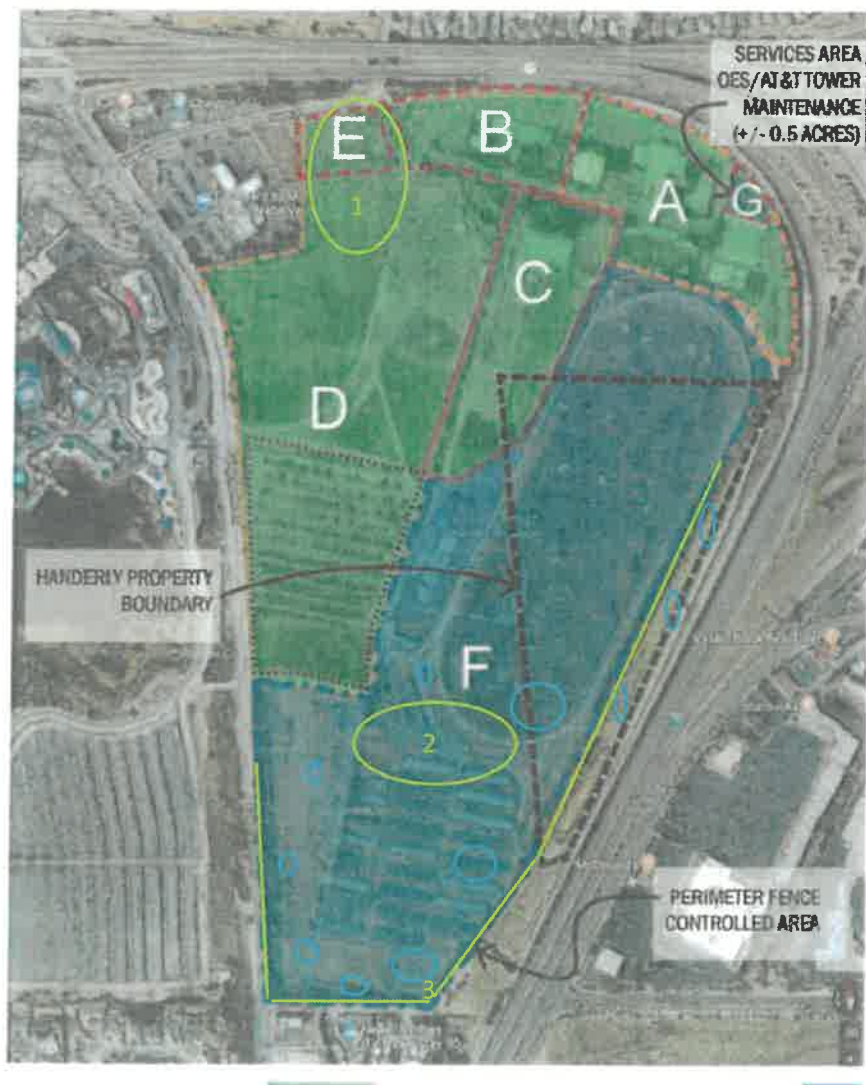
SIGNATURES TO FOLLOW ON THE NEXT PAGE

**IN WITNESS THEREOF**, the parties have executed this agreement effective January 1, 2024.

COUNTY OF SOLANO, a Political subdivision of the State of California	SOLANO COUNTY FAIR ASSOCIATION, a California non-profit corporation
By: <u>Bill Lee</u>	By: <u>[Signature]</u> PRESIDENT
APPROVED AS TO FORM	APPROVED AS TO FORM
By: <u>Bernadette S. Carr</u> County Counsel	<u>[Signature]</u> Counsel for Solano County Fair Association

## Exhibit A

AREAS MAY ADJUST BASED UPON TIMING OF DEMOLITION AND DEVELOPMENT RELATED TO THE 360 DEVELOPMENT PROJECT



**FAIR AREAS - (+/- 69.1 ACRES) \***

A - FAIR MAIN USE - (+/- 14.5 ACRES)

B - FAIR ADMIN - (+/- 6.2 ACRES)

C - EXPO AREA - (+/- 9.8 ACRES)

D - PARKING - (+/- 36.4 ACRES - INCLUDES 14.8 ACRES 6 FLAGS PARKING)

E - FUTURE TRANSIT (+/- 2.2 ACRES)

F - FENCED AREA - (+1.785 ACRES)

G- SERVICE AREA TOWER - (+/- 0.5 ACRES)

- 1) Project location #1 represents the approximate area for the Mobility Hub - County and Operator to discuss arrangements for use of this area for the duration of the project timeline. (Green)
- 2) Project location #2 represents the SR37 staging area - County and Operator to discuss arrangements for use of this area for the duration of the project timeline. (Green)
- 3) Project location #3 represents the Channel Project - County and Operator to discuss arrangements for use of this area for the duration of the project timeline. (Green)
- 4) Blue circles represent approximate locations of protected wetlands to be excluded from management.