

**AGREEMENT for the MANAGEMENT and OPERATION
of the SOLANO COUNTY FAIRGROUNDS**

This Agreement is made on Jan. 25, 2011 between County of Solano, a political subdivision of the State of California, ("County"), and Solano County Fair Association, a California non-profit corporation, ("SCFA").

RECITALS

A. County owns approximately 152 acres of real property and improvements located at the intersection of I-80 and Hwy. 37, and bounded by Fairgrounds Drive on the west and Coach Lane on the south (the "Fairgrounds Property").

B. County conducts an annual County Fair on the Fairgrounds Property.

C. SCFA is experienced in the business of operating and managing fairs and has operated the County Fair on behalf of the County since 1946.

D. County desires to engage the services of SCFA to manage and operate the Fair and maintain the Fairgrounds Property, and SCFA desires to provide such services on the following terms and conditions.

E. The parties agree that this Agreement is intended to supersede all prior agreements related to the responsibilities between the parties for the operation and maintenance of the Fairgrounds Property until such time as the Fairgrounds Property is further developed, or as otherwise modified by the Parties.

In consideration of the mutual covenants contained in this Agreement, the parties agree:

1. AGENCY

A. *Appointment and Purpose.*

SCFA will:

- i. Except as otherwise provided in this Agreement and pursuant to California Government Code §25906, act as the exclusive agent of County to operate the annual Solano County Fair ("Fair"), and use, manage and maintain the Fairgrounds Property.
- ii. Make improvements and take other steps necessary to generate additional revenue through the management and operation of the areas Fairgrounds Property not otherwise privately developed. However, the County Board of Supervisors must first approve by separate action any significant changes or improvements to the Fairgrounds Property which substantially change the current condition of the Fairgrounds Property or the SCFA's current operations.
- iii. Cooperate fully with the County at all times.

- iv. On or before March 31st and August 30th of each year of this Agreement, SCFA will submit a report detailing all activities pursuant to this Agreement. Upon the mutual agreement of the County Administrator and the SCFA, the report may be in the form of a presentation to the Board of Supervisors at a regular meeting, a meeting with the County Administrator or in the form of a written document submitted to the County Administrator.

B. Standards of Performance.

Subject to all State, Federal and local laws and regulations, SCFA will manage, operate and conduct the Fair and the areas of the Fairgrounds Property that are not otherwise privately developed to the end that the Fair and use of the Fairgrounds Property shall be in accordance with the highest and best standards for the County's benefit.

C. Articles of Incorporation and Bylaws.

SCFA's Articles of Incorporation and Bylaws are attached and incorporated into and made fully a part of this Agreement.

2. TERM AND TERMINATION

- A. The term shall commence February 1, 2011 and shall expire January 31, 2014.
- B. Either party may terminate this Agreement, at any time, with or without cause, upon 90 days written notice from one to the other.
- C. Concurrent with the annual approval of SCFA's budget, the parties agree to recommend to the Board of Supervisors that this Agreement be annually amended to extend the term for two additional one (1) year options.

3. FINANCIAL MANAGEMENT

A. ACCOUNTING/AUDIT

SCFA will:

- i. Establish and maintain a system of accounts for budgeted funds that complies with generally accepted accounting principles as required by County and/or the State of California, Department of Food and Agriculture, Division of Fairs and Exposition ("F&E").
- ii. Document all costs by maintaining complete and accurate records of all financial transactions associated with the operations of the Fair and the Fairgrounds Property, including but not limited to, invoices and other official documentation that sufficiently supports all charges made by SCFA.
- iii. Preserve all books, records and supporting documents as public records until destroyed according to the requirements of applicable law.
- iv. Timely submit an annual budget to the County for approval, and once approved by the County's Board of Supervisors, submit the budget to F&E, as required by law.
- v. Comply with all applicable laws in amending budgets after SCFA's budget is approved by F&E.

- vi. Operate within its budget and the General Manager shall take all appropriate actions to avoid an operating loss.
- vii. Monitor all aspects of all Agreements, including, but not limited to, Agreement compliance, performance and payment in accordance with the SCFA's procurement policy which has been approved by the County Administrator.
- viii. Submit to a biennial audit, performed by the County Auditor, no later than April 1st for the two preceding fiscal years. The audit will be submitted to the Board of Supervisors for approval. The first audit to be performed under this Agreement will be performed in the year 2012, covering years 2010 and 2011.

B. ASSET MANAGEMENT

SCFA will:

- i. Establish and adhere to a written fixed asset policy and procedure which shall be subject to review and approval by the County.
- ii. Establish and adhere to a written procurement policy subject to review and approval by the County.
- iii. Establish a reserve to provide for deferred and major maintenance.
- iv. Establish a replacement plan for major physical assets. No permanent capital improvement shall be made without prior County approval.

C. CONTRACTING

SCFA will:

- i. Delineate any expenditure contract exceeding \$50,000 (with the exception of arena entertainment contracts), in the annual budget submitted to the County for approval. Approval of the budget by the Board of Supervisors shall constitute specific approval for the SCFA to enter into the contracts so delineated.
- ii. Include an annual budget line item for arena entertainment which may be included in the budget as a lump sum.
- iii. With the exception of arena entertainment contracts, expenditure contracts exceeding \$50,000 which are not specifically delineated in the annual budget shall be subject to the approval of the Board of Supervisors in accordance with the County's Purchasing & Contracting Policy.
- iv. Negotiate and enter into revenue generating contracts (i.e., sponsorship agreements, facility license agreements) without the approval of the Board of Supervisors, regardless of dollar amount provided such contracts are consistent with the terms of this Agreement.

4. REVENUE PARTICIPATION AND FINANCIAL OBLIGATIONS

A. FAIRGROUND REVENUES

- i. SCFA will retain all moneys collected from the management and operation of the annual Solano County Fair and 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 SCFA within thirty days of receipt of lease payment.
- iii. County shall remit all revenue from the existing ground leases for the site where the existing Courtyard by Marriott is located, and for the site currently leased by Mattina Enterprises, where the existing Chevron gas station, Carl's Jr. and Baskin Robbins is located to the SCFA within thirty days of receipt of the lease payment.
- iv. Distribution of any revenue from leases executed after the date of execution of this Agreement that do not renew, replace or modify any lease existing as of the date of execution of this Agreement will be determined at the time the new lease is executed.

B. .33 REVENUES

- i. Pursuant to Bus. & Prof. Code section 19605.7(d) and 19610.4, Solano County receives .33 revenues in connection with satellite wagering operations (".33 monies").
- ii. The Parties agree that the .33 monies received by County will be used to offset costs for County services provided to SCFA.
- iii. To the extent that there is an excess of .33 monies after accounting for County services, the parties agree that County may sweep the excess monies into the General Fund
- iv. To the extent that the costs of County services provided to the SCFA exceed the amount of .33 funds, the SCFA will be obligated to pay for those services at the current rate as set forth elsewhere in this Agreement.
- v. In order to facilitate Fair's effective management of its resources, County will submit to SCFA on a quarterly basis a detailed accounting of .33 monies received by the County and County services charged against .33 monies. Quarterly statements may be submitted individually by each department. The last quarterly statement must be submitted prior to the time the Auditor closes the books for the fiscal year to allow for their payment from any excess .33 funds.

C. COUNTY PENSION OBLIGATION BONDS

- i. Due to SCFA's participation in the County's Miscellaneous Retirement Plan with the Public Employment Retirement System ("CalPERS"), SCFA is obligated to pay its share of the County-issued Series 2004 Pension Obligation Bonds (POBs), which prepaid the parties' obligations under the contract with CalPERS for the County's Unfunded Accrued Actuarial Liability (UAAL) as of June 30, 2002 and June 30, 2004, respectively. The Fair's annual obligation of the Series 2004 and Series 2005 POBs will continue to be 0.6307% and 0.4887%, respectively of the scheduled principal and interest. The County's Pension Advisory Committee will set the POB rates annually.
- ii. Each pay period, the SCFA will remit its share of the POB liability by applying the POB rate as determined by the County's Pension Advisory Committee to its PERS wages. The County will allocate the SCFA's biweekly payment between principal

- and interest in accordance with the original debt amortization schedules of the 2004 & 2005 POBs. Any amounts remitted over the SCFA's applicable share shall be applied to the principal balance. Any amounts remitted under the SCFA's applicable share shall be applied first to interest.
- iii. SCFA will continue to pay its share until the maturity of the POBs scheduled to be redeemed by June 30, 2024 and June 30, 2025. The County will absolve any residual balance remaining at the end of the twenty-year term.
 - iv. If the County plans to issue any additional POBs, the County shall notify the SCFA at least sixty (60) days in advance of such issuance and inform it of the financial impact of such decision. The amount of the POBs allocated to the SCFA will be based on the SCFA's covered payroll as a percent of the County's covered payroll as of the date of the actuarial valuation. The amortization period will coincide with the new POB term.

5. SECURITY

A. GENERAL PURPOSE

The parties agree that 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. SCFA and Sheriff will work jointly to establish a plan ("Plan") for a law enforcement presence during the annual Solano County Fair, including 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 Plan will be completed on an annual basis and shall be reduced to writing no later than thirty (30) days prior to the commencement of the annual Solano County Fair.

B. RESPONSIBILITIES OF SHERIFF

Sheriff will:

- i. Establish and maintain a strong law enforcement presence, and provide law enforcement services during the annual Solano County Fair in accordance with the Plan.
- ii. Provide additional law enforcement services at interim events on the Fairgrounds Property, as needed.

C. RESPONSIBILITIES OF SCFA

SCFA will provide unimpeded access to the Fairgrounds Property for law enforcement officers performing patrol and/or law enforcement services on a year round basis and shall cooperate with Sheriff to facilitate law enforcement services on the Fairgrounds Property.

D. COMPENSATION

- i. Compensation for law enforcement services during the annual Solano County Fair 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 Solano County Fair.
- ii. Compensation for law enforcement services at interim events shall be at the

overtime rate set for in the Deputy Sheriffs Association contract in existence at the time of the interim event at which services are performed. The compensation shall be paid by the lessor of the Solano County Fairgrounds requiring law enforcement services.

- iii. Sheriff will provide SCFA with the current Deputy Sheriff's Association contract rates no later than sixty (60) days before the opening of the annual Solano County Fair to be incorporated into the Plan.
- iv. Any revisions to the Fair Plan shall be in writing and signed by the General Manager of the SCFA and a designated representative of the Sheriff's Office.
- v. SCFA will pay for Sheriff's services via check or, if paid with available .33 money, by journal voucher entry within 60 days of receipt of an invoice.

6. LEGAL SERVICES

A. SERVICES PROVIDED

Unless otherwise approved by County, SCFA will be provided legal services by the County Counsel's office.

B. COMPENSATION

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 \$145 per hour. County will notify SCFA thirty (30) days before the effective date of any change in the hourly rate not set forth in this Agreement. Fees for services will be charged against .33 monies.

C. ACCOUNTING

County Counsel will provide SCFA with a quarterly statement detailing the services provided and hours expended by its attorneys in providing services to SCFA.

7. HUMAN RESOURCES SERVICES

A. SERVICES TO BE PROVIDED

It is understood and agreed that SCFA employees are included on the County's standard dental and vision plans. Human Resources will provide management and staff support as necessary to the inclusion of SCFA's employees in these plans.

B. COMPENSATION

SCFA will compensate Human Resources according to the rate established pursuant to the County cost plan charged to all other internal departments and paid out of .33 monies.

8. REAL ESTATE SERVICES

A. SERVICES TO BE PROVIDED

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 SCFA's account. 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.

B. COMPENSATION

SCFA will compensate the Department of General Services, Real Estate Services according to the rate established pursuant to the County cost plan charged to all other internal departments and paid out of .33 monies.

9. AUDITOR/CONTROLLER SERVICES

A. SERVICES TO BE PROVIDED

The Auditor/Controller will provide the following services:

1. **Audit** – Audit will be performed on a biennial basis, beginning in 2012 for the years 2010 and 2011.
2. **General Accounting** – The Controller will:
 - (1) Process general accounting transactions to the Integrated Fund Accounting System;
 - (2) PERS and Pension Obligation Bond collection and accounting;
 - (3) Accounting of .33 money, preparing journal for services provided by other county departments, monitoring and tracking of the fund;
 - (4) Compilation of budget data for Countywide Budget;
 - (5) Compilation of Audited financial data for CAFR;
 - (6) General oversight and review.

B. COMPENSATION

1. **Audit** -- The cost of the audits will be agreed upon between the Auditor and the SCFA in advance of the audit based upon the estimate of staff hours needed to complete the audits and the Auditor's hourly rate established pursuant to the County cost plan charged to all other internal departments and paid out of .33 monies.
2. **General Accounting** – General Accounting services will be charged at the rate established pursuant to the County cost plan charged to all other internal departments and paid out of .33 monies.

10. OTHER SERVICES

At its option, SCFA may elect to use other County services, including but not limited to, Fleet Services, Reprographics, Architectural Services and any other service that the County provides to County Departments. SCFA will be charged at the established rate charged to other County Departments, with payment to be charged against .33 monies.

11. LEASE OR REDEVELOPMENT PLANNING OF FAIRGROUNDS PROPERTY

County will consult with the SCFA regarding any potential lease or redevelopment of Fairgrounds Property that will materially affect SCFA's operations, revenue streams, or use of the Fairgrounds Property.

12. INSURANCE

A. Without limiting SCFA's obligation to indemnify County, SCFA 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 SCFA, SCFA's agents, representatives, employees or subcontractors.

B. Minimum Scope of Insurance

Coverage must be at least as broad as:

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

C. Minimum Limits of Insurance

SCFA must maintain limits no less than:

(1) General Liability: (Including operations, products and completed operations.)	\$5,000,000	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:	\$1,000,000	per accident for bodily injury and property damage.
(3) Workers' Compensation:	As required by the State of California.	
(4) Employer's Liability:	\$1,000,000	per accident for bodily injury or disease.

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

E. 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:

- 1) The insurer will reduce or eliminate such deductibles or self-insured retentions with respect to County, its officers, officials, agents, employees and volunteers; or

- 2) SCFA must provide a financial guarantee satisfactory to County guaranteeing payment of losses and related investigations, claim administration and defense expenses.

F. Other Insurance Provisions

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

- 1) 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 SCFA; and with respect to liability arising out of work or operations performed by or on behalf of SCFA 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 SCFA's insurance policy, or as a separate owner's policy.
- 2) For any claims related to work performed under this Agreement, SCFA'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 SCFA's insurance and shall not contribute to it.
- 3) Each insurance policy required by this clause must be endorsed to state that coverage may not be canceled by SCFA, except after 30 days prior written notice has been provided to County.

G. Waiver of Subrogation

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

H. 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.

I. Verification of Coverage

- 1) SCFA must furnish County with original certificates and endorsements effecting coverage required by this Agreement.
- 2) 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.
- 3) County must receive and approve all certificates and endorsements before work commences.
- 4) However, failure to do so shall not operate as a waiver of these insurance requirements.

- 5) 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.

13. INDEMNIFICATION

A. SCFA 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 SCFA's performance of this Agreement or from any persons directly or indirectly employed by, or acting as agent for, SCFA, excepting the sole negligence or willful misconduct of the County.

B. County will indemnify, hold harmless and assume the defense of, the SCFA, 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 SCFA.

C. Acceptance of insurance required by this Agreement does not relieve SCFA from liability under this indemnification clause. This indemnification clause shall apply to all damages or a claim for damages suffered by SCFA's operations regardless if any insurance is applicable or not.

14. GENERAL PROVISIONS

A. COMPLIANCE WITH LAW

SCFA will comply with all federal, state and local laws and regulations applicable to SCFA's performance, including, but not limited to, licensing, employment and purchasing practices, wages, hours and conditions of employment.

B. CONFLICT OF INTEREST

SCFA will ensure that SCFA's 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 management of the fairgrounds. SCFA will employ or retain no such person while rendering services under this Agreement.

C. DRUG FREE WORKPLACE

SCFA warrants that SCFA 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

SCFA 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. SCFA 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, SCFA 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 SCFA's performance, place of business and/or records pertaining to this Agreement.

F. NONDISCRIMINATION

- 1) In rendering services under this Agreement, SCFA 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.
- 2) Further, SCFA 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.

G. 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
County Administrator
Solano County
675 Texas St., Ste. 6500
Fairfield, CA 94533

CONTRACTOR
General Manager
Solano County Fair Association
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

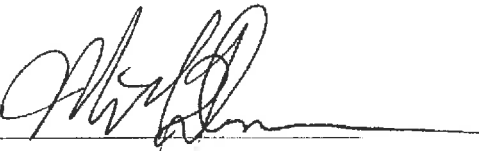
Any failure of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, under this Agreement or any provision of this Agreement.

K. ENTIRE AGREEMENT

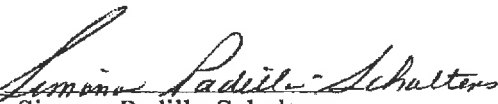
This Agreement, including any exhibits referenced, constitutes the entire agreement between the parties and there are no inducements, promises, terms, conditions or obligations made or entered into by County or SCFA other than those contained into this Agreement. This Agreement supersedes all prior Agreements or agreements, verbal or written, between the

parties.

COUNTY OF SOLANO, a Political
Subdivision of the State of California

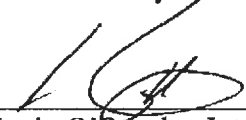
By 
Michael D. Johnson
County Administrator

APPROVED AS TO CONTENT

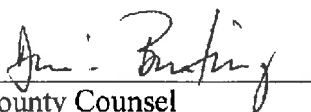
By 
Simona Padilla-Scholten
Solano County Auditor-Controller

By 
Gary Stanton
Solano County Sheriff-Coroner

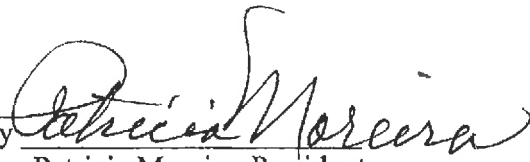
By 
Don Turko
Solano County Human Resources

By 
Kevin O'Rourke, Interim Director
Solano County General Services

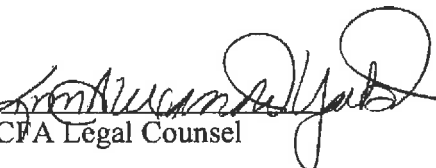
APPROVED AS TO FORM

By 
County Counsel

SOLANO COUNTY FAIR ASSOCIATION

By 
Patricia Moreira, President
Solano County Fair Association
Board of Directors

APPROVED AS TO FORM

By 
SCFA Legal Counsel



AGENDA SUBMITTAL TO SOLANO COUNTY BOARD OF SUPERVISORS

ITEM TITLE Approve a three-year contract with two annual one-year extensions with the Solano County Fair Association for management and operation of the Solano County Fairgrounds; and Authorize the County Administrator to sign the contract and any amendments		BOARD MEETING DATE January 25, 2011	AGENDA NUMBER 5
Dept:	County Administrator's Office	Supervisory District Number ALL	
Contact:	Stephen Pierce		
Extension:	784-6122		
Published Notice Required?		Yes _____	No <u> X </u>
Public Hearing Required?		Yes _____	No <u> X </u>

DEPARTMENTAL RECOMMENDATION:

The County Administrator's Office recommends the Board approve a three-year contract with two annual one-year extensions with the Solano County Fair Association for management and operation of the Solano County Fairgrounds and authorize the County Administrator to sign the contract and amendments.

SUMMARY:

Since 1946, the County has been contracting with the Solano County Fair Association (SCFA) for the management and operation of the Solano County Fair. The current agreement expires January 27, 2012. The current contract was originally entered into in January 2004 as a five-year contract with annual one-year extensions to make a rolling five-year contract. The annual renewal has not been executed since 2007.

The proposed contract is for a new three-year agreement with two one-year extensions, and enables the SCFA to enter into new contracts for facility use and services on the fairgrounds. At the same time, the County can move forward on long-term plans for the fairgrounds property and the Fair of the Future (Solano 360).

FINANCING:

There is no direct financial impact to the County if the contract is approved; however, the SCFA will be able to enter into long-term agreements (in excess of 12 months) to generate additional annual income. Revenue generated from existing leases on the fairgrounds property are forwarded to SCFA. The SCFA will compensate the County for services provided by the various County departments according to the rates established under the County Cost Allocation Plan.

DISCUSSION:

California Government Code section 25906 allows the Board of Supervisors to contract with a nonprofit corporation to conduct an agricultural fair in the county. This section gives the Board discretion to determine the specific terms of the contract as well as the contract period.

The changes to the contract between the Solano County Fair Association and the Board of Supervisors include changes in the term of the contract and the incorporation of language from various separate agreements between the SCFA and County departments. In addition, clarifying language has been incorporated regarding financial responsibilities and the use of .33 revenues from satellite wagering.

Prior to the current contract, the agreement between the two entities has ranged from three to five years with options for extensions. The term of this agreement, if approved, is for three years (February 1, 2011 to January 31, 2014) with the option for two one-year extensions.

In September 2008, the County began efforts to revitalize the fairgrounds property and approved a vision for the 152-acre property in June 2009 known as Solano360 Vision. This agreement enables the SCFA to maintain day-to-day operations of the fairgrounds while retaining flexibility for the County to move forward on long-term plans for the potential redevelopment of the fairgrounds property and the Fair of the Future.

ALTERNATIVES:

The Board could choose not to approve the new Management Agreement with SCFA or it could request modifications to the terms. This action is not recommended because the terms of the Agreement have been negotiated by all affected departments.

OTHER AGENCY INVOLVEMENT:

County Counsel assisted with the negotiation of the Agreement. The Auditor-Controller, Director of General Services, Director of Human Resources, and Sheriff have reviewed the Agreement and have approved it as to content.

DEPARTMENT HEAD SIGNATURE:

By 
Michael D. Johnson,
County Administrator

Attachment A: Agreement for the Management and Operations of the Solano County
Fairgrounds

**SECOND AMENDMENT TO AGREEMENT for the MANAGEMENT
and OPERATION of the SOLANO COUNTY FAIRGROUNDS**

This Second Amendment ("Second Amendment") is entered into as of Feb. 10, 2015, 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 ("SCFA").

1. Recitals

- A. The parties entered into an agreement dated January 25, 2011 (the "Agreement"), for SCFA to manage and operate the Fair and maintain the Fairgrounds Property. The Agreement was amended on January 31, 2014 to extend the term through January 1, 2016.
- B. The parties now desire to amend the Agreement a second time to modify certain terms.
- C. The parties agree to amend the Agreement as set forth below.

2. Agreement

- A. Section 2 is deleted in its entirety and replaced with:

2. TERM AND TERMINATION

- a. The term shall commence February 1, 2011 and shall expire January 31, 2018.
- b. Either party may terminate this Agreement, at any time, with or without cause, upon 90 days written notice from one to the other.
- c. Concurrent with the annual approval of SCFA's budget, this Agreement may be annually extended by an affirmative vote of the Board of Supervisors in additional one (1) year increments.

- B. Section 3C, subparagraph iv is deleted in its entirety and replaced with:

- iv. Negotiate and enter into revenue generating contracts (e.g., sponsorship agreements, facility lease agreements) without the approval of the Board of Supervisors, regardless of dollar amount provided such contracts are consistent with the terms of this Agreement. In circumstances where the term of the revenue generating contract exceeds the remaining term of this Agreement, the SCFA may enter into such contracts with the concurrence of the County Administrator.

- C. Section 4B, subparagraph iii is deleted in its entirety and replaced with:

- iii. 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 retained by SCFA and deposited into the reserve account for major maintenance/capital deferrals.

D. Section 11 is deleted in its entirety and replaced with:

11. LEASE OR REDEVELOPMENT PLANNING OF FAIRGROUNDS PROPERTY

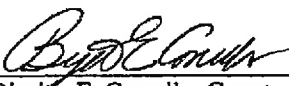
- A. Both SCFA and County understand that there is the possibility that the Solano 360 Project (development of the Fairgrounds site) will commence during the course of this Agreement. In the event that the construction of such project interferes with SCFA's use of the Fairgrounds Property, County will consult with the SCFA regarding any potential lease or redevelopment of Fairgrounds Property that will affect SCFA's operations, revenue streams, or use of the Fairgrounds Property.
- B. County agrees to provide SCFA with not less than 210 days' notice prior to the commencement of any construction in the private purpose areas, as designated in the attached Site Plan.
- C. County further agrees to require any third party's use of private purpose areas be coordinated with SCFA's use of the public purpose areas, as designated in the attached Site Plan, particularly as such use may impact circulation, signage, and any activities during the annual Fair.
- D. County agrees to require the replacement of signage from all third-parties that becomes necessary as a result of construction in the private purpose areas as designated in the Site Plan.

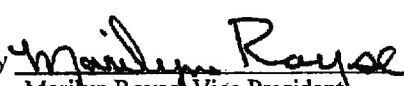
3. Effectiveness of Agreement

Except as set forth in this Second Amendment, all other terms and conditions specified in the Agreement remain in full force and effect.

COUNTY OF SOLANO, a Political
Subdivision of the State of California

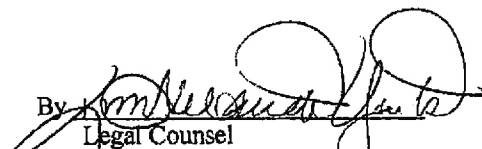
Solano County Fair Association

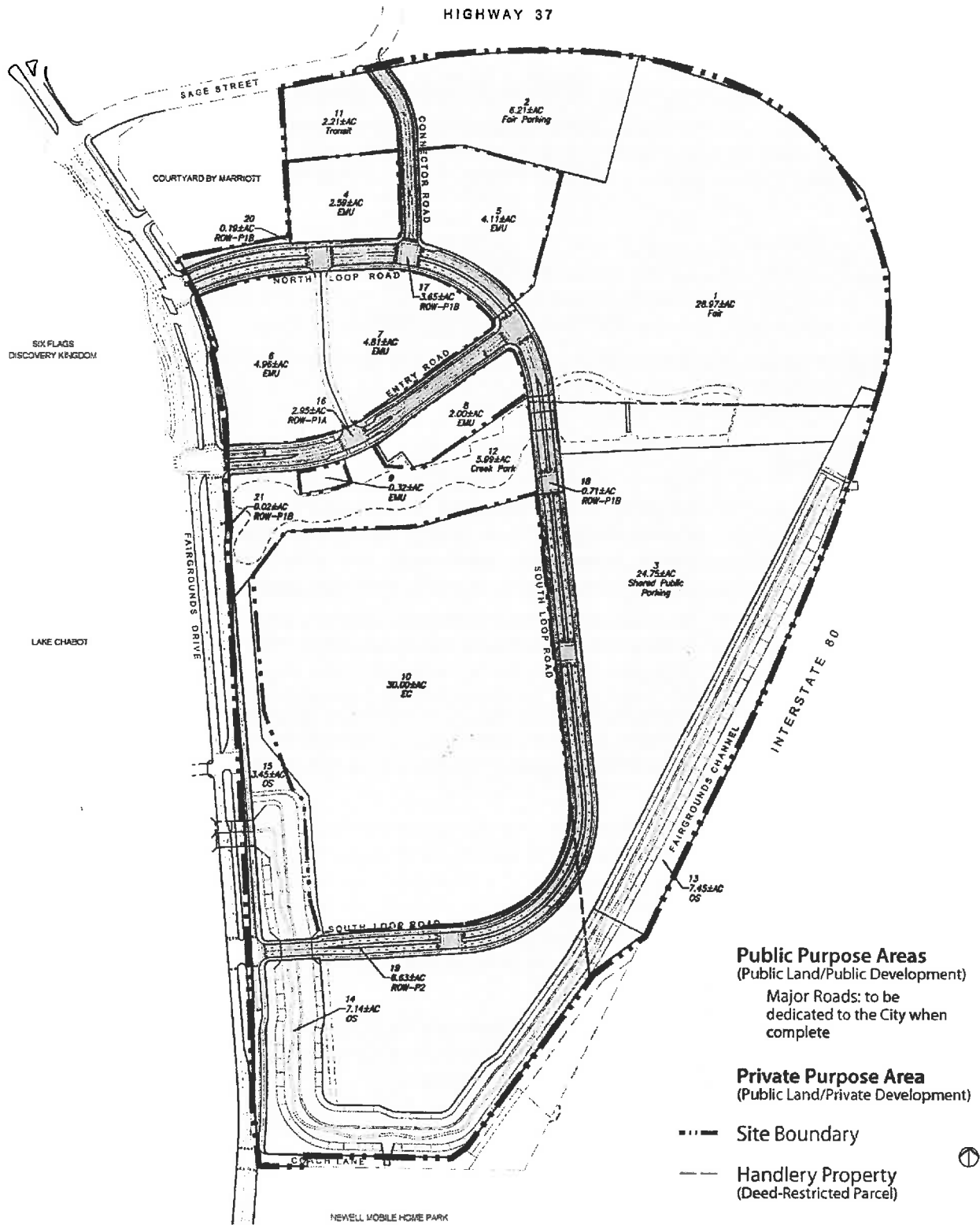
By 
Birgitta E. Corsello, County Administrator

By 
Marilyn Royse, Vice President

APPROVED AS TO FORM

By 
County Counsel

By 
Legal Counsel



Public & Private Purpose Areas



Solano County

675 Texas Street
Fairfield, California 94533
www.solanocounty.com

Meeting Minutes - Action Only

Board of Supervisors

Erin Hannigan (Dist. 1), Chairwoman

(707) 553-5363

John M. Vasquez (Dist. 4), Vice-Chair

(707) 784-6129

Linda J. Seifert (Dist. 2)

(707) 784-3031

James P. Spering (Dist. 3)

(707) 784-6136

Skip Thomson (Dist. 5)

(707) 784-6130

Tuesday, November 24, 2015

8:30 AM

Board of Supervisors Chambers

23

15-1106

Consider approving the Solano County Fair Association's CY2016 budget totaling \$2,833,883, including capital expenses; Approving the extension of the term of the Agreement for the Management and Operation of the Solano County Fairgrounds to expire January 31, 2019; Authorizing the SCFA to pursue federal and state grant and other revenues and delegating to the County Administrator approval of associated applications

On motion of Supervisor Seifert, seconded by Supervisor Vasquez, the Board approved the Solano County Fair Association's CY2016 budget totaling \$2,833,883, including capital expenses; Approved the extension of the term of the Agreement for the Management and Operation of the Solano County Fairgrounds to expire January 31, 2019; Authorized the SCFA to pursue federal and state grant and other revenues and delegated to the County Administrator approval of associated applications. So ordered by 5-0 vote.



Solano County

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Meeting Minutes - Action Only Board of Supervisors

Erin Hannigan (Dist. 1), Chairwoman

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(707) 784-3031

James P. Spering (Dist. 3)

(707) 784-6136

John M. Vasquez (Dist. 4)

(707) 784-6129

Skip Thomson (Dist. 5)

(707) 784-6130

Tuesday, November 1, 2016

8:30 AM

Board of Supervisors Chambers

AMENDED AGENDA

11 16-842

Consider approving an increase of \$116,620 in the Solano County Fair Association's (SCFA) CY2016 Adopted Budget, for a total of \$2,979,650; Approving the SCFA's CY2017 budget totaling \$2,992,373, including capital expenses; Approving the extension of the term of the Agreement for the Management and Operation of the Solano County Fairgrounds to expire January 31, 2020; and Authorizing the SCFA to pursue federal and state grant and other revenues and delegating to the County Administrator approval of associated applications

On motion of Supervisor Seifert, seconded by Supervisor Thomson, the Board approved an increase of \$116,620 in the Solano County Fair Association's (SCFA) CY2016 Adopted Budget, for a total of \$2,979,650; Approved the SCFA's CY2017 budget totaling \$2,992,373, including capital expenses; Approved the extension of the term of the Agreement for the Management and Operation of the Solano County Fairgrounds to expire January 31, 2020; and Authorized the SCFA to pursue federal and state grant and other revenues and delegated to the County Administrator approval of associated applications. So ordered by 5-0 vote.



Solano County

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Meeting Minutes - Action Only

Board of Supervisors

Erin Hannigan (Dist. 1) Chairwoman

(707) 553-5363

Monica Brown (Dist. 2), Vice-Chair

(707) 784-3031

James P. Spering (Dist. 3)

(707) 784-6136

John M. Vasquez (Dist. 4)

(707) 784-6129

Skip Thomson (Dist. 5)

(707) 784-6130

Tuesday, February 5, 2019

8:30 AM

Board of Supervisors Chambers

16 19-119

Receive a verbal update on the status of the Solano County Fair Governance Subcommittee comprised of Supervisors Monica Brown and Skip Thomson; Receive a presentation from the Fair Manager; Receive comments from the County Auditor/Controller and County Administrator's Office Staff; Consider the recommendations of the subcommittee; and Consider directing staff to issue a Request for Proposals for Management and Operation services for the Fairgrounds

On motion of Supervisor Vasquez, seconded by Supervisor Spering, the Board approved an extension of the current Fair Management and Operations Agreement to January 31, 2021 that would follow a report back to the Board regarding the status of activities by the SCFA and County to address current issues; Directed the establishment of a new management agreement with the SCFA; Directed the County Administrator's Office and General Services staff to work with the SCFA to develop a transition plan for delivery of year-round events and the Maintenance of facilities, Management and Operations of the Fairgrounds; Affirmed that the work and purpose of the Fair Governance Subcommittee had concluded; and Directed that further work to be done on the matter would fall to the Solano360 Implementation Committee. Supervisor Brown and Supervisor Thomson voted no. So ordered by 3-2 vote.

