



Edward Jerome Laber, Esq., CPA

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(520) 624-3000 • ejl@edwardlaber.com

December 8, 2016

Clerk of the Board  
Administration Division  
130 W. Congress, 5<sup>th</sup> Floor  
Tucson, AZ 85701

Dear Clerk of the Board,

I represent Championship Sports, LLC, the current operator at the Mike Jacob Sports Park. A proposal for the park is planned on the agenda for the December 13<sup>th</sup> meeting of the Board of Supervisors. Enclosed are six binders containing materials for the Board's review and the County Administrator. Please distribute accordingly and if additional copies are needed let me know.

Respectfully,

Edward J. Laber

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3 ATTORNEYS AT LAW

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10 **PIMA COUNTY BOARD OF SUPERVISORS**

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13 In re:

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15 MIKE JACOB SPORTS PARK

**CHAMPIONSHIP SPORTS, LLC  
RESPONSIVE MEMORANDUM  
AND PROPOSAL**

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20 Before: The Honorable Chair and Members

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22 Date: December 13, 2016

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**To:** The Honorable Chair and Members, Pima County Board of Supervisors  
130 W. Congress Street, 11<sup>th</sup> Floor  
Tucson, AZ 85701

**From:** Championship Sports, LLC

**Re:** Responsive Memorandum and Proposal for Mike Jacob Sports Park

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Championship Sports, LLC provides this Responsive Memorandum and Proposal to the Board of Supervisors to supplement the information provided in Natural Resources Park and Recreation Memorandum dated November 8, 2016, so that the Board of Supervisors can make an informed decision regarding the future of Mike Jacob Sports Park.

CS has requested a meeting with NRPR several times which has been denied. Therefore, this proposal is not completely fleshed out and CS is not committing to every provision herein until further discussion ensues to finalize the details and sound business judgment can be made based on complete information and disclosure.

If the County likes the general concept of the Proposal, CS will make itself available for a meeting immediately to iron out the details.

### **Purpose**

1. CS believes that concessions has been the primary bottleneck in growth and revenue at the park. See Addendum C.
2. CS believes that the Memorandum presented to the Board of Supervisors by NRPR understated the deficiencies in concessions and overstated the deficiencies in CS' operations.
3. CS believes that by taking over responsibility for concessions, maintenance and some capital improvement projects, it can capitalize on the relationship between the two operations and maximize the use and public enjoyment of Sports Park. CS seeks to continue its partnership with the County to achieve this mutual goal.

### **Advantages**

1. Saves County the burden of finding other operator(s) for leagues and concessions.
2. County gets to deal with a known party with a proven track record.
3. County will save operating expenses and capital investment.
4. County will reduce annual deficit.

### **Proposal**

1. Pinnacle currently remits 20% of concession sales to the County. CS proposes to assume concession duties and instead reinvest that 20% for the first two years to fund various improvements to facilities and overall public experience.

2. CS currently pays field usage fees to the County. CS proposes to assume most park maintenance to save the County that burden. Instead of paying the field usage fees, CS will reinvest those fees into the park for the first two years.
3. CS changes the revenue model at the park so that concessions and leagues and tournament operations integrate seamlessly and drive growth to each other.
4. CS and County will work together to coordinate spreading of financial risk. One idea is County pays utilities.

Below is an outline of the three main components of the proposal:

## 1. **Concessions:**

Current Issues as raised by NRPR and CS's survey of park patrons: There is limited seating and food preparation capacity. The menu is based on limited and unappealing microwaveable options. The atmosphere is uninviting. There is no air conditioning and no vent hood out of the kitchen. Concession operations are overstaffed mismanaged, and unclean.

### Proposal:

1. CS will install air conditioning and state of the art turbo chef ovens in concessions.
2. The new ovens will allow CS to revamp the menu offerings to include chicken fingers, pizza, mozzarella sticks, and increase the volume of production. The ovens avoid the need to deep fry so they also increase the nutritional value of the food and production speed.
3. CS will install a drop ceiling, paint and repair walls, and replace carpet.
4. CS will install new bar tables and stools so that capacity is expanded to 5 six-tops and 4 four-tops.
5. CS will install six flat screen televisions per pub and add speakers outside to broadcast college sports, etc., to improve overall patron experience.
6. CS will retain experienced Pinnacle staff who do not want to leave, but CS will also bring in new staff and institute new policies and training for better customer service.
7. CS will install new POS systems to improve inventory management, production, record keeping and open opportunities to promote beer specials, etc.
8. CS will coordinate with County to close one pub at a time so that operations can stay in effect while work is being completed.
9. County would remain responsible for building maintenance, plumbing, roof, major infrastructure, and electrical.

## 2. **Maintenance**

Current Issues as raised by NRPR and CS's survey of park patrons: The County can take a long time to remedy issues requiring immediate maintenance. Fields are rarely leveled and present a safety risk to patrons due to heavy use and squirrels. The park is not aesthetically appealing.

Proposal:

1. CS will hire own staff to perform all operating maintenance.
2. CS will be permitted to use county equipment and CS would be willing to negotiate a rental fee if requested.
3. CS will reseed and purchase replacement infield mix and responsibility of leveling infields.
4. CS will roll grass to level out fields.
5. CS will take care of shrubs.
6. CS will beautify interior of park.
7. CS will replace sprinkler heads.
8. CS will clean and maintain bathrooms.
9. CS will invest in air hand dryers in bathrooms to green the park and save money.
10. County retains responsibility for chemical maintenance on fields (weed killer, etc.).
11. County retains responsibility for water-lines, electrical, tree damage and fence repair.
12. County will commit ADA money to large infrastructure projects. CS will accommodate any time table for infrastructure projects provided that CS is aware in advance of the time table and sufficient space in the park remains operational.

**3. Revenue Model**

Current Issues as raised by NRPR and CS's survey of park patrons: Youth baseball was lost when the County offered free fields to another park operator. In the past, cooperation for large events (corporate events, etc.) between CS and Pinnacle was limited and several deals fell through. Profitability of concessions declined over the years because of increases in beer and food prices.

Proposal:

1. CS will overhaul revenue model.
2. CS will bring in new business by promoting for large and special events to supplement its loss of youth baseball.
3. CS will eliminate 32 ounce beer, and adjust prices to be in line with statewide competition.
4. CS will Reinstitute gate tokens: \$2.00 entry for adults and \$1.00 entry for kids. Token equates to \$1.00 off on beverage. This will drive up concessions, and unredeemed tokens will simply be additional revenue. This practice was very successful in years prior, but was not continued by Pinnacle for unknown reasons.
5. CS will perform annual customer satisfaction survey to identify wants and needs of public.

**Capital Investment Schedule and Approximate Costs to CS**

CS will supplement with hard numbers and timeline upon receiving estimates from contractors. The following can be accomplished in January 2017:

1. CS obtains Beer and Wine License (CS can do this in 10 days). \$20,000.
2. CS contracts improvements to concessions improvements. approximately \$120,000.

3. CS hires new concession staff: approximately \$150,000 in additional annual salaries.
4. CS subsumes maintenance operations: approximately \$100,000 in additional annual salaries.
5. CS contracts bathroom additions: approximately \$1,000.

Other additional investment by CS:

6. Periodic re-seed: approximately \$5,000.
7. Sand, mulch, in-field clay mix etc.: approximately \$8,000.

### **Misstatements and Inaccuracies in Memoranda**

In his letter dated November 29, 2016, attached as Addendum A, the County Administrator requested that CS identify the misstatements and inaccuracies presented to the Board of Supervisors by Natural Resources Park and Recreation in the memorandum dated November 8, 2016. Although many of these misstatements and inaccuracies significantly affect the perception of the reader on CS, some of these misstatements are relatively insignificant, Since the County Administrator specifically requested that CS address them, they are included in descending order of importance in Addendum B.

### **Conclusion**

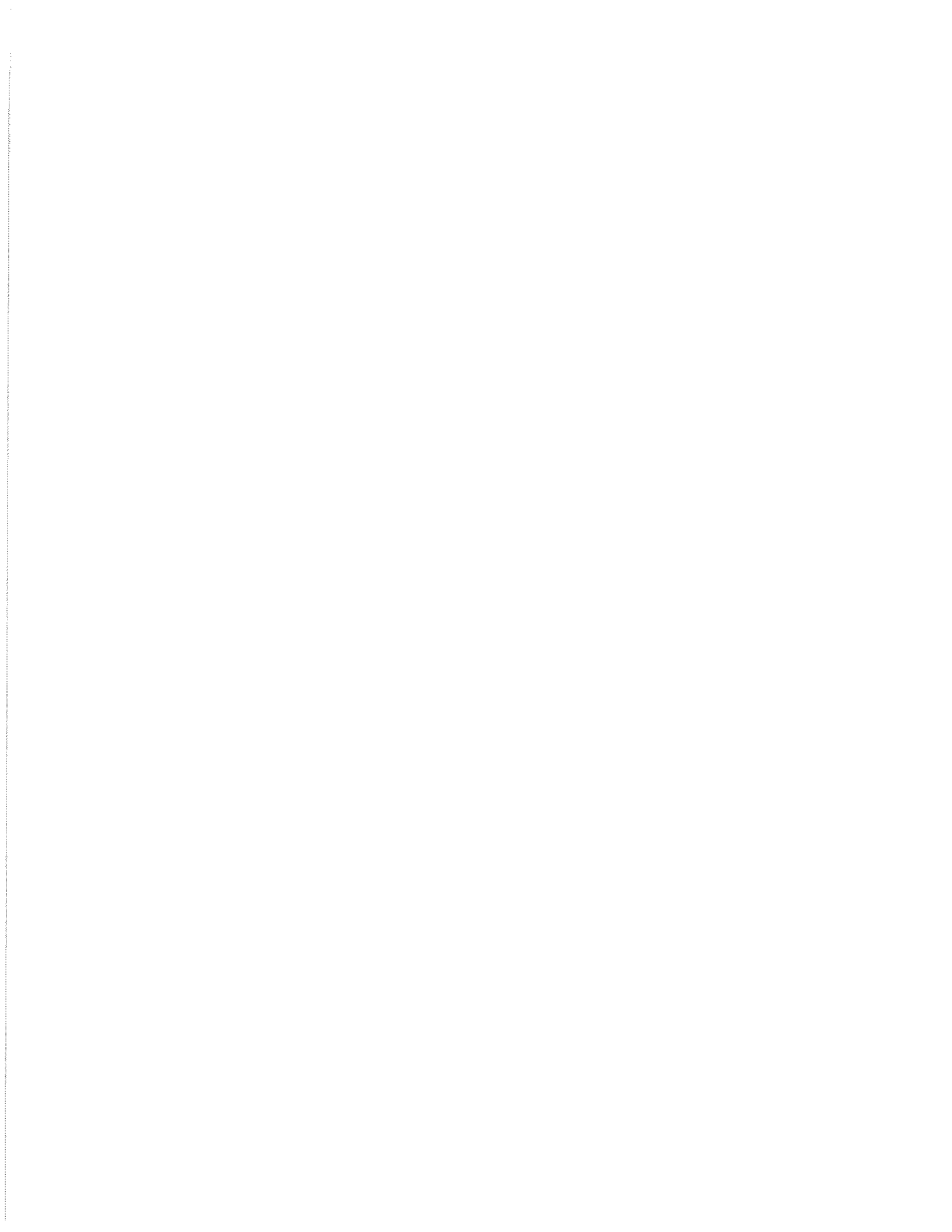
Championship Sports, LLC has been a proud partner of the County for six years now and hopes to continue our relationship and mutual goal to bring the public the best experience possible at Mike Jacob Sports Park. We are available to discuss any of these points in greater detail at the contact information below or through our legal counsel.

Respectfully,



Lou Ciurca,  
Owner  
Championship Sports, LLC  
T: (520) 400-8323  
6901 N. Casa Grande Highway  
Tucson, AZ 85743

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Attorney for Championship Sports, LLC





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## COUNTY ADMINISTRATOR'S OFFICE

PIMA COUNTY GOVERNMENTAL CENTER  
130 W. CONGRESS, FLOOR 10, TUCSON, AZ 85701-1317  
(520) 724-8661 FAX (520) 724-8171

C.H. HUCKELBERRY  
County Administrator

November 29, 2016

Louis Ciorca, President/CEO  
Championship Sports  
c/o Edward J. Laber, Esq., CPA  
33 N. Tucson Boulevard  
Tucson, Arizona 85716

Re: Mike Jacob Sportspark Operating Agreement

Dear Mr. Ciorca:

As you know, the Board of Supervisors, at their November 22, 2016 meeting, deferred action regarding staff's recommendation for a six-month operating agreement extension for operation of Mike Jacob Sportspark. The matter will again be considered on December 13 at the Board Meeting.

In your Call to the Audience materials, you indicated you would be able to provide more information with additional time, which was provided by the Board's continuation. You also indicate you would like to "bring to light numerous misstatements and inaccuracies of material facts in the NRPR memorandum, which result in false conclusions." Please provide detailed, factual information to substantiate these "misstatements and inaccuracies."

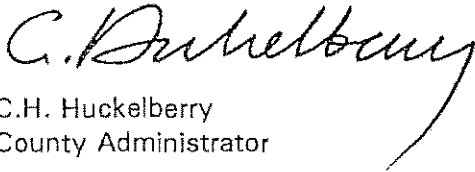
If you have any specific, compelling proposals to make regarding why you believe you should be afforded the time extension you have requested, it would be appropriate to make that proposal in writing so the Board may properly consider such. The information should address the issues and concerns outlined in the November 8, 2016 Natural Resources, Parks and Recreation (NRPR) report to me including, but not limited to, the provision of concessions, tournament scheduling and management, as well as overall field maintenance of the facilities that has been provided by NRPR. A capital investment schedule should also be included to indicate major repairs and/or maintenance costs that would be performed by Championship Sports if your lease were extended based on your request.



Mr. Ciurca  
Re: Mike Jacob Sportspark Operating Agreement  
November 29, 2016  
Page 2

I look forward to your response at your earliest convenience.

Sincerely,

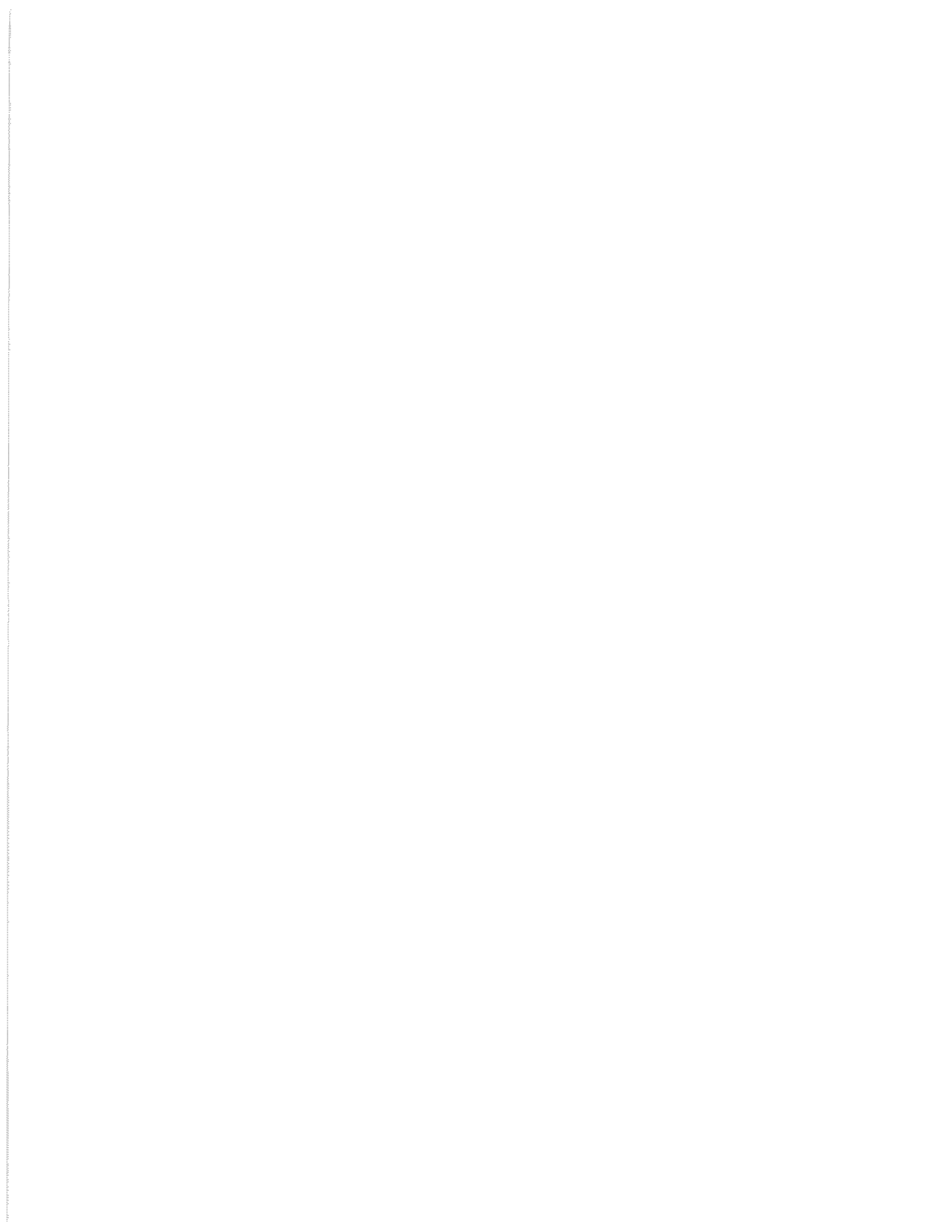


C.H. Huckelberry  
County Administrator

CHH/anc

Enclosure

c: The Honorable Chair and Members, Pima County Board of Supervisors  
Thomas Weaver, Chief Civil Deputy County Attorney  
John Bernal, Deputy County Administrator for Public Works  
Chris Cawein, Director, Natural Resources, Parks and Recreation



## Addendum B

Championship Sports Response to Memorandum

Nov 8, 2016

By Chris Cawein, Director

Subject: Future of Mike Jacob Sports Park

Misstatements and Inaccuracies in Memorandum dated November 8, 2016

### **1. Championship Sports invested its own funds into MJSP facilities.**

NRPR has not acknowledged the following:

- 2010 CS built the wiffleball stadium. A \$30,000 park upgrade. Page 2 of memorandum under Facility Amenities list the wiffleball stadium.
- 2010 CS added baby changers to the bathrooms. \$400
- 2010 and 2014 CS purchased over \$13,000 in temporary post fencing allowing for girls fastpitch play. This allows MJSP to host the annual Canyon Del Oro high school tournament in February.
- 2012 CS sports purchased 54 new base pegs, bricks and cement and provided the labor to remove old base anchors and replace with new. \$775.
- CS has created many proposals over the 7 year period that offered reinvestment into MJSP. Documentation provided.

### **2. The Financial Information provided by NRPR was inaccurate.**

- Based on information provided in the memorandum, the MJSP actual cost of operations for FY2014-2015 was \$393,614. Based on information CS obtained from Joe Barr in a March 27, 2015 e-mail, he stated that the actual cost of operations included costs not only for the Sports Park, but they also included costs incurred for the Ted Walker Dog Park for a fence, repairs and maintenance and supplies. Based on the attachment to the e-mail, Mr. Barr indicated that at a glance, costs incurred for the Dog Park for nine months were at least \$38,158. Annualized, this number reasonably could approach \$50,000, and thus overstating MJSP actual operating costs by about 13%.

The memorandum points out that in FY14 there was an overrun of the budget in the amount of \$18,067. However, when removing the approximate annualized TWDP cost of \$50,000, one could reasonably conclude that there was an actual MJSP surplus of \$32,000, or 8% better than budget.

Further, there is no detail provided in the memorandum, nor has there ever been disclosure as to what is the true budget for the MJSP. The question must be asked,

how Fun Spot operating expenses are being budgeted and accounted for and are they distorting true MJSP performance even further?

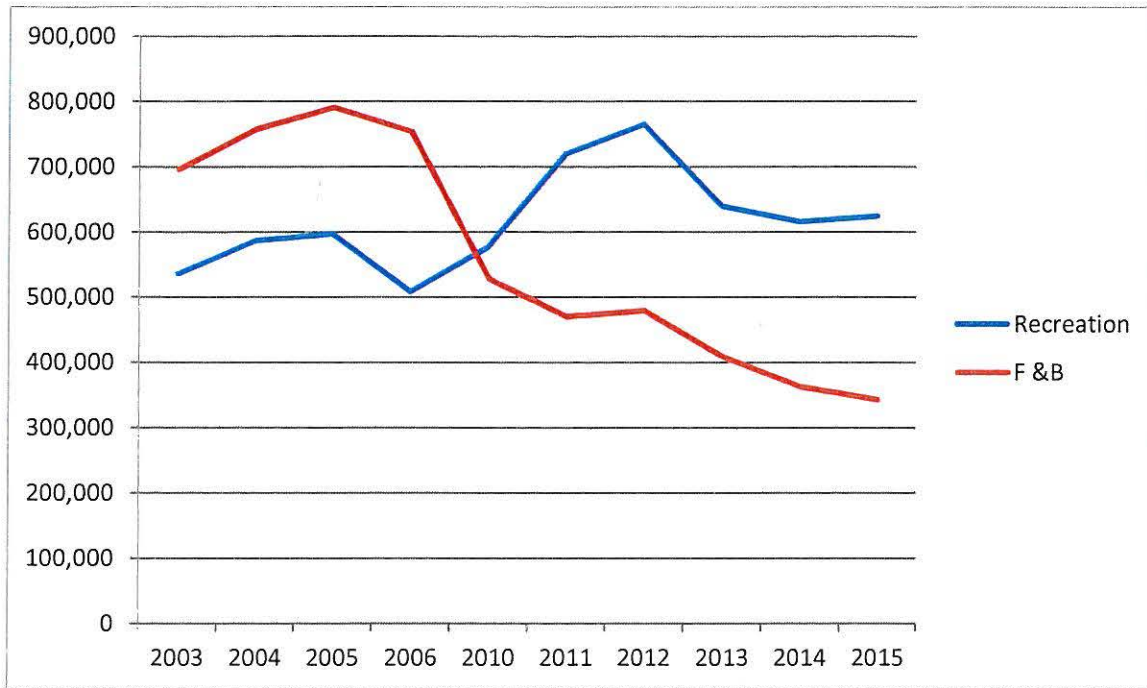
- In March through April of 2015 CS put together a proposal to take over all ground responsibilities for NRPR. This was drafted as Amendment 8. CS was provided county financials of park expenses and given access to a PC computer to determine accurate expenditures relevant to MJSP. Items were poorly itemized to be able to determine exact cost to MJSP vs. other facilities tied into its budget. This eventually cost NRPR the success of implementing Amendment 8.
  - March 27, 2015 Email from Joe Barr says Ted Walker Park is part of budget and would try to determine what expenses don't belong to MJSP.
  - April 1, 2015 Email from Martina acknowledges \$17,000 spent on the dog park fence.
- With MJSP being lumped in with other park budgets as well as admittance of park maintenance neglect creating an overage in budget expenditures due to infrastructure failure it's not possible to properly determine the actual cost to run MJSP and what a fair value of vendor expectancy should be.
- In the current contract there is no contractual obligation to either vendor to have to reinvest in MJSP as this document leads one to believe.
  - 6.7 in contract states: Vendors may revenue share provided that all funds generated is used to reinvest into MJSP. This option was never exercised.
- "CS fees were modified to... down to \$10 per hour without lights and \$12.50 per hour with lights. (Note that the net fee differential between lighted fields and unlit fields is \$2.50 per hour but internal calculations suggest that the actual cost for the county to pay the electricity to operate the field lights is approximately three times that much at \$7.30 per hour.)"
- This statement is ambiguous, and makes no sense regarding field fees. The \$2.50 differential between day and night usage has nothing to do with cost recovery. This statement leads the reader to believe that cost recovery is \$2.50 per hour and is losing 66% of field rental.
  - Night light usage is \$12.50 per hour. Field cost to light is \$7.30 therefore leaving NRPR with a positive \$5.20 per hour margin.
  - Day use is \$10 per hour and incurs no field light usage there all \$10 is free and clear to NRPR.
  - The greater question, to put perspective on the issue of excessive deficits, is how does the County recoup field usage costs at the estimated twenty other County facilities, where fields are being granted free of charge (for nonprofits) and \$5 (for for-profits) during the day, and \$7.50 (for nonprofits) and \$10.00 (for for-profits) during the evenings?

### 3. NRPR mischaracterized tournament participation at the park.

Facility Use by Public As illustrated in the table and attached graphic, Tournament participation at Sportspark appear to peak in the early days of the contract period with CS in 2011 with 758 teams and has decreased since.

- Accurate data on league and tournament play was provided by CS in 2014 in its yearly review and proposal that it sent to Chris Cawein. The data in this memorandum is not accurate nor does it properly demonstrate how the park operates.
  - 2011 817 teams participated in tournament play not 758
  - 2012 717
  - 2013 420
- January 28, 2013 CS presented NRPR with trends that were occurring why they were occurring with solutions in how to fix the downward trends. NRPR did nothing to help reverse trends NRPR created itself. Documentation provided.
  - February of 2012 Beer prices increase to \$6. This led to adult slow-pitch tournament protest which resulted in a decrease of over 90 teams. 2010 we had 186 teams and 185 teams play at MJPS in 2011 and in 2012 those numbers fell to 95. The park has never recovered since.
  - In 2012 an upset patron was granted non for profit rate claiming Toys for Tots as his 501c3 discount scheme running 5 tournament dates head to head against our park tournament dates using the Kino Baseball complex to host its softball events.
    - Pinnacle concession sold beer at these events .50 cents cheaper than at MJSP.
  - NRPR undermined its own park by providing non-profit permits to adult slow pitch competitors that directly competed against MJSP.
  - 2012 Pima County and the City of Tucson pass the 2012 Economic Initiative.
    - One goal was to seek non- profit groups and offer discounted fees to bring tournaments back into the city to increase the tax base.
      - This started the trends of teams running benefits over tournament play to raise money for their tournament teams to travel outside of Tucson to play.
    - Visittucson.gov a funded website by PC and the City excludes MJSP from being on the park list to help solicit business.
      - CS asked to be added to the list but was denied. Documentation available
  - March 17, 2015 Cs emails Chris, Joe and Robert
    - Email makes a plea for help in order to be competitive locally
      - County responds it's not in a financial position to help CS

## Continuation Income Analysis 2003-2015



Sports Park LLC operated the park from 2002-2007. Championship Sports and Pinnacle Concessions took over duties from 2010 to 2016.

### Pinnacle Concession performance per paid patron.

Per paid patron	
2010	\$5.56
2011	\$3.42
2012	\$3.52
2013	\$3.73
2014	\$3.03
2015	\$2.92

#### **4. NRPR uses faulty methodology in making conclusions about the number of participating leagues**

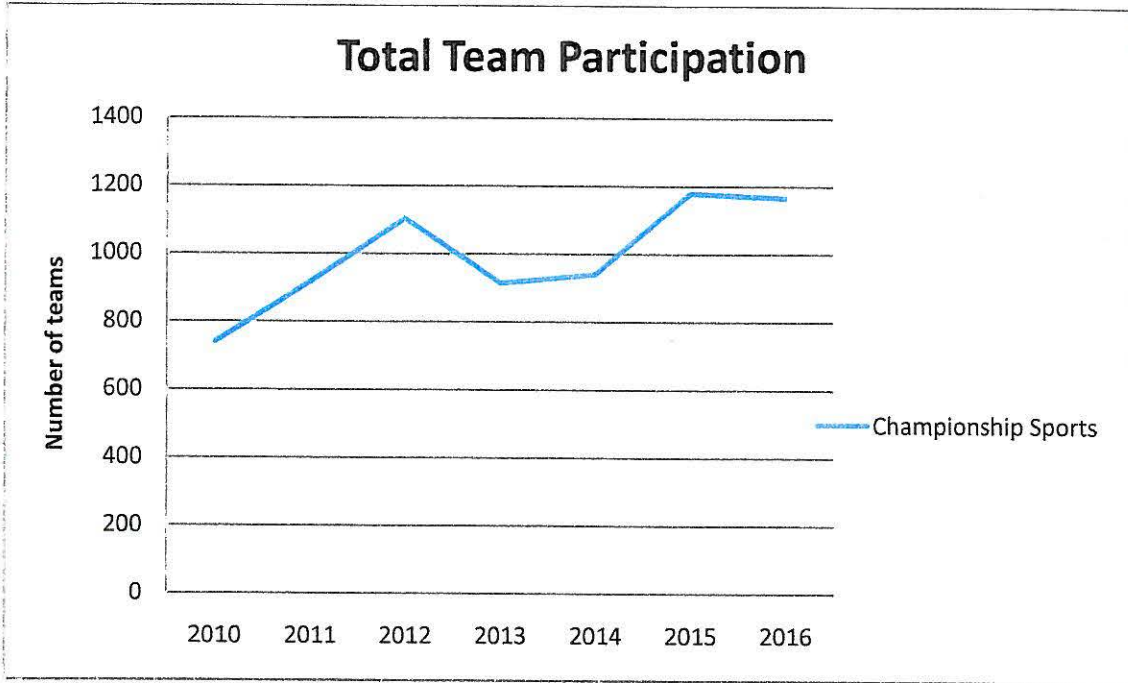
The calculation of the participation number in the Memorandum is based on taking the sum of monthly participation numbers for the year and then dividing by half or two thirds. At best this is a crude estimate. Actual team participation is easily determined by referring to Quickscores website and adding up the number of teams. Or much of this information is readily available in the Annual Park Reviews that CS provides the County each year. In those reports, performance statistics, detailed causal analysis for change in participation, and recommendations for performance improvement were also provided.

In order to effectively understand Park performance, Tournament play and League play must be analyzed separately. In Table 1a of the Memorandum one can see the decline in Tournament play caused by increasing beer prices, Tres Rios construction, poor air quality, free fields for non-profits, and a struggling economy

Table 1b combines Tournament and League numbers, (based on the incorrect methodology described above), providing a somewhat misleading, watered down performance picture of actual league participation. A graph illustrating just League performance would have provided a much more "balanced" view of MJSP performance. League performance based on actual total team participation for all sports shows the following:

CS had to make a decision to survive and that was to focus on league growth and outsource tournaments to other tournament vendors. Leagues have grown in Adult softball, adult volleyball and adult flag football in the past two years. League performance based on actual total team participation for all sports shows the following:

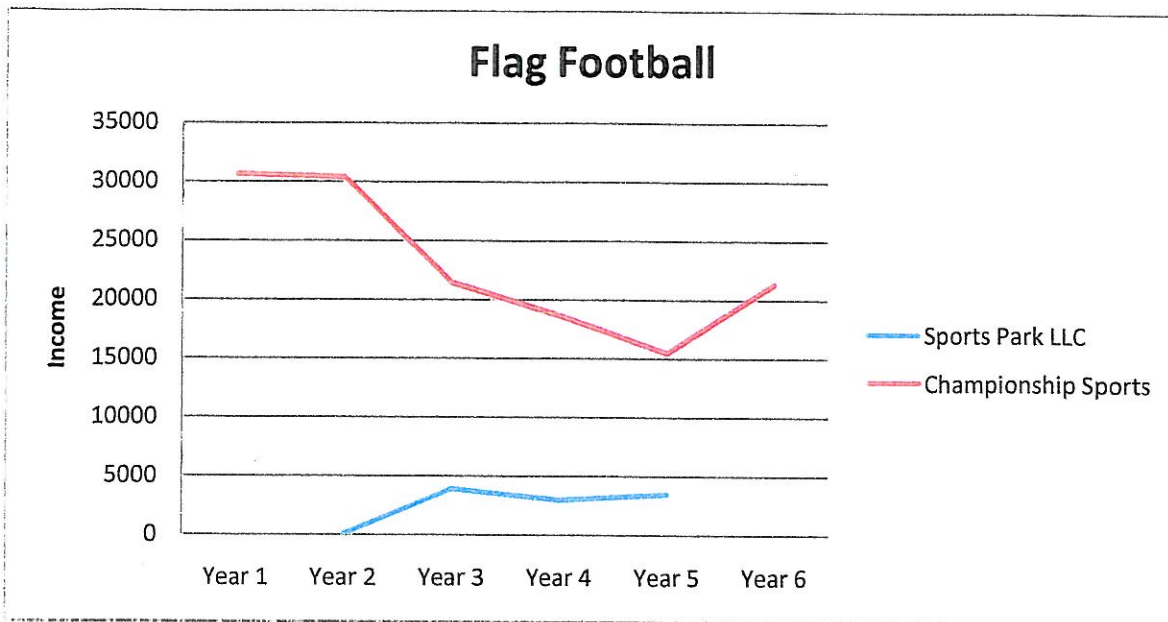
- 2010 738
- 2011 915
- 2012 1,101
- 2013 912
- 2014 939
- 2015 1,177
- 2016 1,165 (lost approx 100 additional teams couldn't start last season)



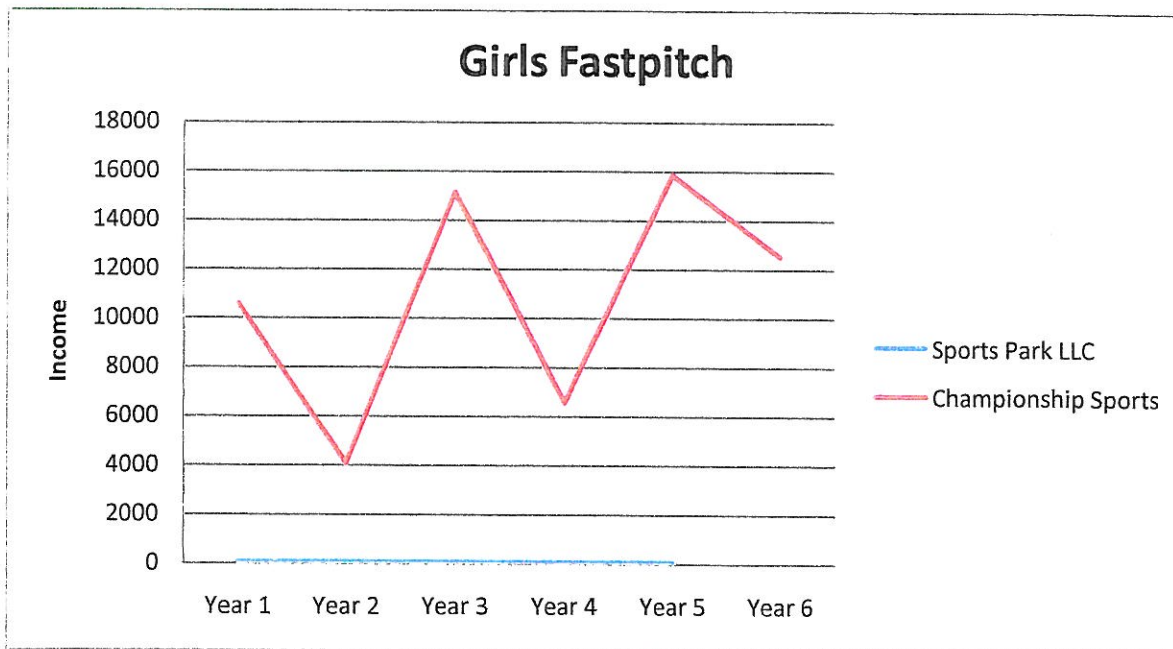
Mike Jacob Sports Park suffered a setback in overall participation from 2012 to 2014 for a few reasons. First the Tucson local economy declined in 2012. Second, during from 2012 to 2014 Tres Rios expanded its plant and the air quality was at its worst during this period of time. Third, in 2012 beer cost rose over the \$6 mark and was met with heavy resistance.

The rebound in 2015 and 2016 performance is the result of endeavors to improve public relations and overall player game safety. What this shows is that CS actually found ways to overcome the decline of the economy and other obstacles. League participation increased leagues by two hundred teams or well over three thousand repeat, weekly paying customers for the duration of league play. 2016 would have surpassed 2015 numbers by approximately 100 teams however due to lingering contract issues we were not able to start a few of our volleyball and softball seasons.

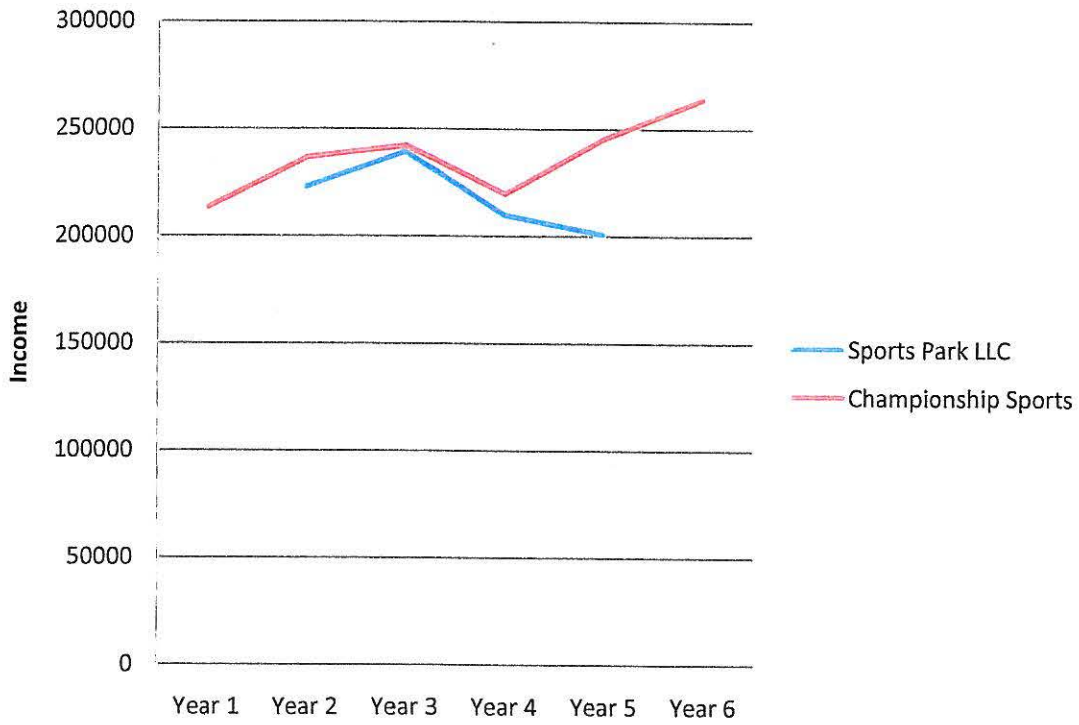




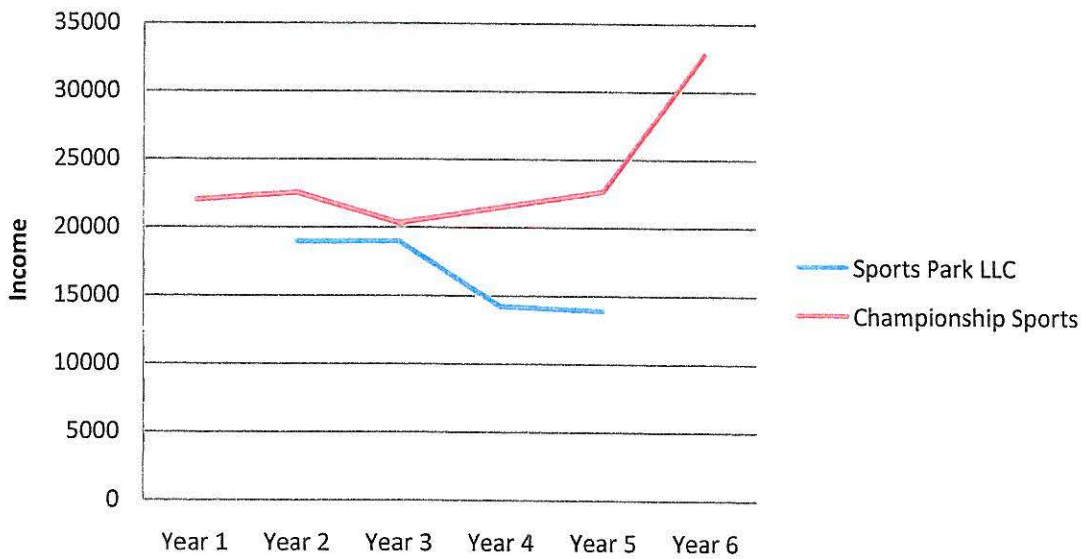
After year 2 Championship Sports dropped its league fees from \$450 to \$365. There was no participation drop just a decrease in fees. Year 5 there was only 4 seasons due to rain and needed field rest.

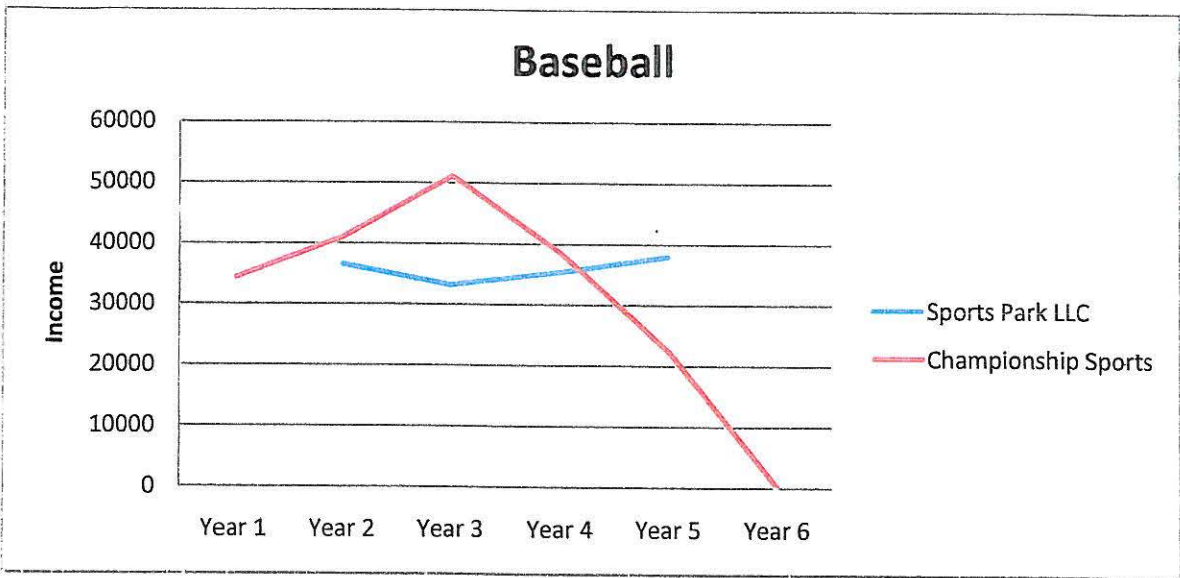


### Adult Softball

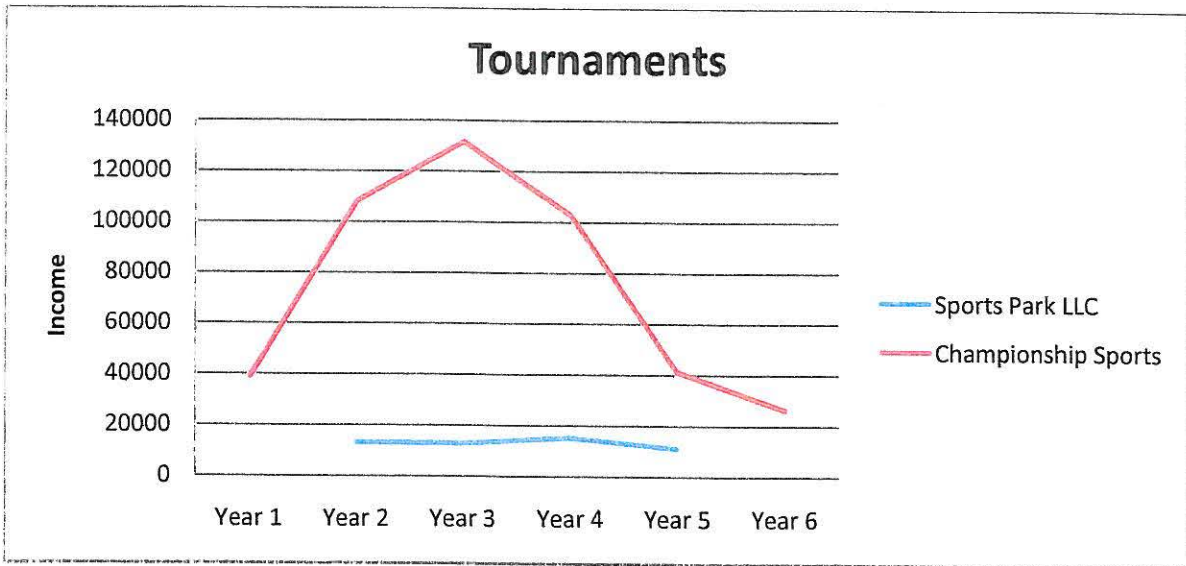


### Volleyball





In 2012 year 3 Kino Baseball a Non-profit organization started to received free fields from Pima County to run leagues against MJSP. MJSP simply could not compete against free fields and lost the entire league and tournament market.



From year 1 to year 4 Championship Sports ran many of its own tournaments. Team entry fees have inflated the curve. In 2012 year 3 you will see the beginning of the decline. In 2012 beer went over \$6 for a draft. This was met with resistance. Teams received non profit rates from PC and the city and ran head to head with the park losing close to 100 teams in participation. In 2013 year 4 Kino Baseball received free fields from Pima Country to run its leagues. This tied up youth teams on the weekend so they could not play in tournaments. This eventually cost MJSP over 300 teams per year in tournament play. With a bad economy along with Non-profit rates and free fields being given by the city and Pima County devastated the tournament market as team started running their own fund raiser tournaments for less money. MJSP could not price compete. From year 4 to now Championship Sports sought Phoenix directors to run tournaments to attract more out of town teams however they also could not compete with the lower rates given to non-profit teams and organizations.

**5. Youth participation dropped off because the County gave a competitive advantage to Kino Baseball League and CS supplemented this participation in other ways.**

Additional, the data provided by CS clearly illustrate that the sports facility has primarily served an adult population base and has limited youth sport participation. It is unknown exactly why the adult league use is so predominant when compared to youth league use, but one of the possible reasons is that the fee structure at the facility does not compare favorably to non-profit youth league rates.

- CS has provided a very detailed document explaining why the youth baseball market completely left the facility. CS gave multiple proposals to NRPR regarding this very issue. Proposal provided.
  - December 20, 2014 CS provide Chris Cawein another detailed report asking for help.
  - Starting in 2012 NRPR undermined MJSP by gifting Kino Baseball league FREE FIELDS.
    - Free fields were approved by Chris Cawein.
    - MJSP over the course of a year and a half completely lost our 24 team baseball league that we held twice a year to the Kino Baseball league.
    - Within one year CS and MJSP lost 100% of all tournament team participation in baseball due to NRPR creating an unfair competitive market. CS can't compete with free fields.
    - Kino Baseball to receive free fields could not use lights so they created a double header weekend baseball league. This resulted in losing close to 300 tournament teams in participation a year. Over 35% of our tournament teams come from NM, Texas, CO, and the Phoenix area.
    - To date NRPR has still not offered any assistance to help reverse the consequences of providing free and discounted fields.

Championship Sports simply cannot compete with the gifting of free fields and nonprofit discounted rates for tournament play. Even under a single vendor running MJSP the operator still wouldn't be able to compete with the practices the local government is engaging in. With the decrease in available tournament teams in Tucson CS contracted Phoenix directors in hopes they would be able to bring part of their following to Tucson. There still was a lack of local support forcing directors to cancel many of the contracted tournament dates. Most of the successful tournaments that have taken place the past two years were ran by CS staff. NRPR has created self inflicted financial wounds by interfering with the competitive market structure, pulling business out of MJSP through nonprofit rates and gifting fields. This in return has hurt weekend events and our food vendor Pinnacle Concession who over the past few years has countered this loss with increasing food and beverage cost.

## NON PROFIT BASEBALL LEAGUE VS MJSP BASEBALL LEAGUE

	MJSP BASEBALL LEAGUE (PROFIT)	KINO BASEBALL (NON PROFIT)
SEASON	11 GAMES	10 GAMES
TEAM ENTRY	\$900	\$850
FIELD RENTAL	\$206.25	\$0
UMPIRES COST	\$43 PER GAME	\$40 PER GAME
Umpire cost per team/season	\$473.00	\$400
Awards fee per team	\$50	\$25
BALLS	\$60.50	\$55
TOTAL EXPENSES	\$789.75	\$520.00
NET PROFIT	\$110.25 (BEFORE TAXES & EMPLOYEES)	\$330 NO TAXES & NO EMPLOYEES

## NON PROFIT SLOWPITCH & FASTPITCH TOURNAMENT

### VS MJSP

20 team tournament comparison (use of 4 Fields)

	NON PROFIT /BENEFIT	MJSP
CITY PER FIELD (PROFIT) \$155		
CITY PER FIELD (NON PROFIT) \$80	\$320	
MJSP \$36 PER TEAM		\$720

## **6. NRPR makes incorrect statements about CS' reputation.**

Memorandum: In the section entitled "Analysis of Contractual Relationship and Performance of the Parties", multiple inferences are made to damage Championship Sports reputation as difficult, uncooperative while disregarding the safety of others.

"Regular and recurring complaints are directed at our PC NRPR contact regarding the acceptable level of maintenance required and completed at the facility. This leads to regular emails from CS that are critical of County staff for not completing".

- Chris Cawein mandated that Martina Gonzalez and Lou Cieurca meet every Wednesday to go over park maintenance issues that needed attention. Page 7 of memorandum.
- Whenever issues were identified at the weekly meetings or between meetings, CS documented and emailed findings to Joe Barr and Chris Caweins.
- It is CS's contractual obligation (with potential legal liability) to notify NRPR of any safety and liability issues that it observes throughout the park.. The Memorandum acknowledged eight different times that the park has been neglected due to the lack of funds. When matters went unresolved, CS simply followed up to expedite resolution in order to protect the interests of CS, the County, and the public.
- Per contract Exhibit D PC NRPR is contractually responsible for maintaining the facility. CS possesses 7 years of documented maintenance problems, which can be made available upon request. CS has helped NRPR avoid many potential litigations by consistently fixing improper work and safety issues at its own expense.
- What the memorandum does not state is Mark Nunez, the lead grounds and maintenance employee at MJSP, was recently dismissed for poor job performance. His poor performance contributed to much of the chronic and unresolved problems at the Park.

## **7. NRPR makes incorrect allegation that CS disregards safety recommendations.**

"When facilities break (as is inevitable in the aging facility) resulting in safety concerns, there appears to be general disregard for safety recommendations. Two incidents of note in the past few years involving metal roofing and a snapped wooden pole." CS took numerous actions to resolve each of these matters. The facts listed below and supported by documentation illustrate a pattern of negligence by the County in addressing these serious matters:

- During three of the four past years, the tin roofs of the food and beverage pubs have blown off in storms. Each year instead of being proactive and replacing n the entire roof NRPR did patch work.
- Wednesday Feb 11th, 2015 a storm blew part of the south pub roof off. For 8 days CS contacted NRPR about securing a loose sheet it was so concerned about.
  - Email dated Feb 17,2015 states that still no one has responded to my questions regarding removal or securing.

- Email Feb 18th a week after the storm states that no work has been done. These emails cc Robert, Chris, Joe, Sarah Horvath, and Martina.
- After days County inaction, CS notified all teams of the loose tin roof and filled out waivers. Teams were given the choice to be rescheduled if they desired. Teams signed waivers and Martina was notified of such actions and there were no objections by NRPR. CS monitored wind conditions with no further incidences occurring. Documentation provided.
- Sunday September 13, 2015. North Pub roof partially blew off. CS closed the north side of the facility as requested by Martina. NRPR staff secured the area using one line of caution tape. CS took the initiative to add additional barrier tap to keep small kids out and taped off entry to the north side from our office to the back walkway and added signs to not enter. NRPR after working a full day at the park left the tin roof sheets on the ground and did not remove the sheets out of the facility. Documentation provided.
- Sunday June 12, 2015. Storm rips tin roofs off and knocks down volleyball wooden pole.
  - Monday June 13<sup>th</sup> I closed softball field 6 and volleyball played with no objection by NRPR.
  - June 28 I email Martina, Joe, Robert, and Chris stating, I still have not heard anything regarding the replacement of the net and pole. Asked has this issue been forgotten? No response from NRPR. 16 days after the storm. Trades came 2 different days to remove broken trees but left pole.
  - June 28 Labor & Labor draft letter to Chris, Joe, Robert and Martina stating: CS would like to notify NRPR there continues to be a damaged pole at MJSP. CS would like a time frame for when repairs will be complete, or CS offered to engage a third party to provide repairs.
  - July 6 field meeting notes with Martina Gonzales. "Still no repair and pole still remains".
  - July 13th a full month later the pole still remains. Pictures are provided in documented email.
  - August 8th, 2016 pole is finally replaced. 2 full months later.
  - Documentation provided.
- Over the course of 7 years CS has provided NRPR with countless safety concerns that have gone ignored. In many cases CS unfairly had to provide man hours and materials itself and paid for those repairs. Countless documentation available upon request.

**8. NRPR makes incorrect assertion about Tres Rios and its damaging relationship with the park.**

"When infrastructure at the facility breaks, there is a lack of acceptance and or understanding with regard to the complexity of required repairs, the timeline required to complete such repairs in a safe manner, the County's need to complete with applicable procurement requirements to execute such repairs, and the willingness to partner with the county in managing patron concerns. Concerning issue of Tres Rios".



- This is a straight misrepresentation of actual fact based on one person's perception. CS can provide years of patron complaints regarding the odor from Tres Rios. The first report of foul odor can be found as early as March 26 2010. In 2013 as construction of the facility doubled the capacity of Tres Rios is when complaints from the patrons became a regularity. Countless emails to document went un responded to or were quickly dismissed.
  - One such complaint came during a baseball tournament where out of town guest insisted the park had a gas leak and called the fire department. After 45 minutes the FD determined it was Tres Rios. Documentation can be provided
  - May 16, 2015 Arturo Norzagaray the WWTP plant manager admits to having continuous high H2S concentrations and keeping the doors open were the only way to keep their work environment safe. He openly admitted the odors are very toxic. One breath of H2S in a high concentration can kill a person in one breath according to OSHA. Documentation provided.
  - After deflecting hundreds of patron complaints over the years for NRPR after receiving that email CS could not in good conscience lie to the public. It was not in our best interest to mollify or assuage the concerns of the patrons anylonger. CS is not going to put itself in a legal predicament know knowing the odors can be bad for patrons health. For NRPR to expect CS to lie on their behalf is unethical on their part.
  - NRPR in this document agree the odors are foul themselves. At some point NRPR has to take accountability for itself.

**9. NRPR makes incorrect statement regarding an incident at the park involving police.**

"Calling of police by our staff who felt threatened".

- This statement is 100% false and is irresponsible of NRPR to put this in this document. Since Mark's firing he openly admitted this is false and CS staff member did not threaten him. Documentation being withheld for legal purposes.
- NRPR failed to mention the day before June 18, 2015 Mark threatened to call the police on two ADOT employees and a CS employee who were there to observe the park for potential issues for upcoming construction. Group wasn't in the park for more than two minutes. Documentation being withheld for legal purposes.
- CS has substantial documentation of this County staff member lying; therefore, he has no credibility regarding the truth. Documentation since 2015.
  - February, 2015. While mowing this individual cut brand new soccer net with a lawn mower. He did not tell NRPR of the accident until I noticed and reported it to Martina. Documentation provided.
  - February 20, 2015. Mark stole a glove from a player that had gotten it stuck on the pub roof. Instead of returning it as asked, Mark sold it to a used sports store. County employee Phil was a witness. Documentation provided.
  - September 16, 2015. Mark claimed someone broke the bricks at the volleyball courts. Pictures show scars from heavy machinery from the tractor hitting the



walls with tire marks leading to the impacted area. Employees acknowledge he was on the tractor. Documentation provided.

- Friday Feb 15, 2016. Brand new league flyers were torn down and thrown in the garbage the morning after CS staff put them up after the park closed. This only happened on the side of the park Mark cleaned. This went on for a whole month. Documentation upon request.
- March 4, 2016. Again Mark hits the volleyball brick wall with the tractor breaking the wall. Tries to blame CS. Pictures show the tractor tires leaving black marks on the walls and tracks leading to them. Employees acknowledge he was on the tractor. Documentation provided
- March 16, 2016. Mark lied about returning one of our volleyballs saying he no longer had it. Two days later after being confronted by Martina a ball was returned. However, this was not the same ball as he emailed 2 days earlier. One week later the new ball mysteriously reappears in the middle of our wiffleball stadium with a hole in it. Not only did he lie, but he had two volleyballs not just one like he claimed. Documentation provided.

#### **10. NRPR tries to case CS in a false light with regards to its dealings with co-operators.**

"Negative interactions with co-tenants at the Sports Park. The Fun Spot operator has also reported to us issues related to balls landing in their facility along with sports park patrons retrieving the balls. This has led to strained relations between those two operating entities".

- This title is misleading the reader into believing CS has been an agitator and there are continuous arguments or heated discussions that simply do not occur at all.
  - It was CS who cooperated with BMX and Pima County giving up part of their property to help Pima County that mistakenly gave BMX property that was in CS boundary lines. This led to Amendment 7. CS has not been acknowledged in its willingness and cooperation to assist both parties.
  - Secondly, The softball complex existed for 30 years before BMX rented Fun Spot. CS warned BMX owners and PC about balls that frequently go over the outfield fences. CS warning led Pima County to install nets around Field 1 and 2 to help knock down home run balls. Even with the net in place BMX took an aggressive manner with CS patrons retrieving balls on CS property. Their treatment and interactions of park patrons has nothing to do with CS. Exhibit E is a letter from a tax payer complaining how BMX threatened them for getting a ball.
  - BMX owners posted signs on CS property stating that any trespassers will have the police called and they would be arrested. To keep CS from retrieving balls NRPR changed the locks on the gates. This gave BMX a false impression they were right for reacting as they had. Document provided.
  - It was the BMX owner and son who came into MJSP to verbally confront park patrons for retrieving game balls. Their aggressive manner was observed by our

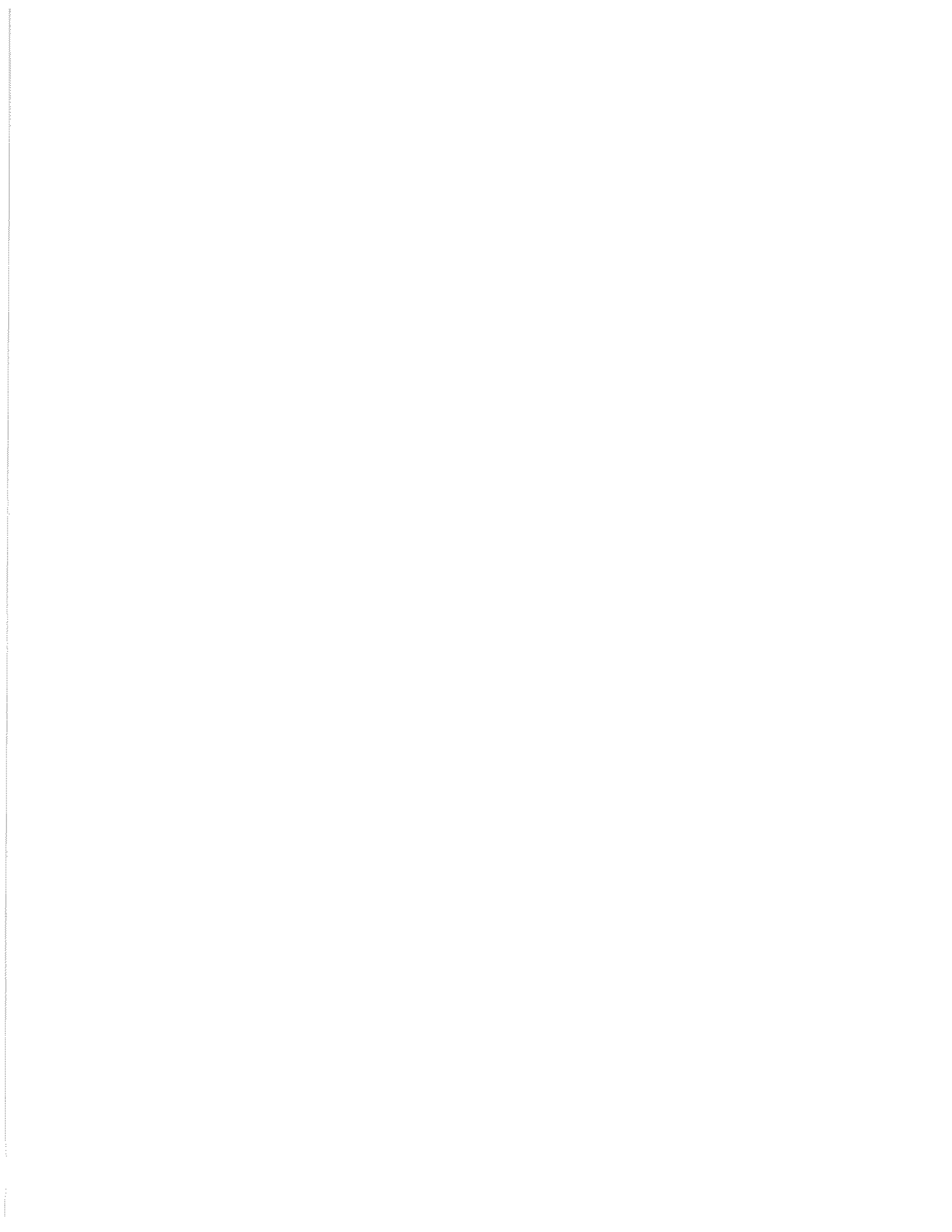
Marana off duty officer CS hires for weekends. Police report faults BMX for altercation not CS staff. Police report provided.

- Since 2013 CS owner has only talked with the fun Spot owner two times. 1. CS went over to introduce ourselves in 2013. 2. When they made a scene inside MJSP.
- In 7 years CS rarely has seen the owner of Pinnacle Concessions. There can be no vocal exchanges if we don't ever see each other. Just because CS may not agree with food and beverage fees does not constitute negative interactions.

#### **11. NRPR erroneously states the timeline that a renewal request was made.**

Memorandum: "On July 28, 2016, a request for Renewal of Agreement for Operation and Administration of Leagues and Tournament at MJSP from Edward was received".

- Championship Sports (CS) made its first request on February 5<sup>th</sup> to Robert Padilla, Joe Barr & Chris Cawein.
- Chris Cawein responded February 12<sup>th</sup> that CS did not have any more extensions and therefore contract expired Dec 31, 2016.
- Appendix C: January 29<sup>th</sup> Cawein used Pinnacle Concession as his acceptance letter for not seeking extensions past 2016 therefore acknowledging an extension does exist.
- In Amendment 8: July 1<sup>st</sup>, 2015 Not signed Section 14.6 Chris Cawien and Pima County acknowledge that an extension exists by stating: Operator has the right of first refusal to provide concessions service at Sports Park in the event the current Concession Coordinator, Pinnacle Concessions, LLC, terminate or fails to extend its agreement... (this Amendment was for CS to take over all grounds at MJSP)
- February 27 Notice of Claim was filed
- April 29<sup>th</sup> Notice of Claim to Pima County goes unanswered.
- July 21<sup>st</sup> Superior Court rules in favor of CS agreeing it has the right to a 4-year extension.
- July 27<sup>th</sup> CS through certified letter by legal counsel sends ROA for OA of Leagues and Tournament
- July 28<sup>th</sup> Pima County for the first time acknowledges request.



Addendum C  
Mike Jacob Sports Park  
Comparative Revenues

Sports Park, LLC operated both revenue streams prior to 2010. Current dual operating model (Championship Sports, LLC and Pinnacle Concessions) was instituted in 2010.

	2003	2004	2005	2006	AVG
Concessions	\$ 695,825.00	\$ 757,313.00	\$ 790,658.00	\$ 753,483.00	\$ 749,319.75
Leagues and Tournaments	\$ 535,291.16	\$ 586,446.83	\$ 596,732.26	\$ 507,852.00	\$ 556,580.56
<b>Year end Gross</b>	<b>\$ 1,231,116.16</b>	<b>\$ 1,343,759.83</b>	<b>\$ 1,387,390.26</b>	<b>\$ 1,261,335.00</b>	<b>\$ 1,305,900.31</b>
Softball	\$ 223,416.00	\$ 238,967.00	\$ 209,541.00	\$ 200,420.00	\$ 218,086.00
Volleyball	\$ 18,837.00	\$ 19,864.00	\$ 14,109.00	\$ 13,774.00	\$ 16,646.00
Baseball	\$ 36,516.00	\$ 33,085.00	\$ 35,250.00	\$ 37,927.00	\$ 35,694.50
Flag Football	\$ -	\$ 3,848.00	\$ 2,909.00	\$ 3,415.00	\$ 2,543.00
Girls Fastpitch	\$ -	\$ -	\$ -	\$ -	\$ -
Tournaments	\$ 12,616.00	\$ 12,300.00	\$ 14,495.00	\$ 10,500.00	\$ 12,477.75
Gate	\$ 81,833.00	\$ 86,947.00	\$ 77,370.00	\$ 79,118.00	\$ 81,317.00
Adult Fast Pitch					

	2010	2011	2012	2013	2014	2015	AVG
Concessions	\$ 528,000.00	\$ 470,000.00	\$ 479,000.00	\$ 408,610.00	\$ 362,640.00	\$ 342,275.00	\$ 431,754.17
Championship Sports	\$ 576,366.00	\$ 719,920.84	\$ 764,406.00	\$ 639,115.26	\$ 615,225.00	\$ 623,749.00	\$ 656,463.68
<b>Year end Gross</b>	<b>\$ 1,104,366.00</b>	<b>\$ 1,189,920.84</b>	<b>\$ 1,243,406.00</b>	<b>\$ 1,047,725.26</b>	<b>\$ 977,865.00</b>	<b>\$ 966,024.00</b>	<b>\$ 1,088,217.85</b>
Softball	\$ 212,803.00	\$ 236,222.05	\$ 241,737.10	\$ 219,307.80	\$ 245,026.71	\$ 263,322.00	\$ 236,403.11
Volleyball	\$ 21,896.00	\$ 22,461.09	\$ 20,250.00	\$ 21,399.12	\$ 22,575.44	\$ 32,675.00	\$ 23,542.78
Baseball	\$ 34,196.00	\$ 40,869.69	\$ 51,000.00	\$ 38,387.75	\$ 22,229.02	\$ -	\$ 31,113.74
Flag Football	\$ 30,573.00	\$ 30,315.42	\$ 21,370.00	\$ 18,583.00	\$ 15,402.50	\$ 21,252.00	\$ 22,915.99
Girls Fastpitch	\$ 10,533.00	\$ 4,034.50	\$ 15,075.00	\$ 6,503.00	\$ 15,814.66	\$ 12,484.00	\$ 10,740.69
Tournaments	\$ 38,570.00	\$ 107,623.36	\$ 131,087.00	\$ 102,315.21	\$ 40,644.07	\$ 25,649.00	\$ 74,314.77
Gate	\$ 190,036.00	\$ 275,244.73	\$ 272,227.25	\$ 219,307.00	\$ 239,415.00	\$ 233,758.00	\$ 238,331.33
Adult Fast Pitch	\$ -	\$ 3,150.00	\$ -	\$ -	\$ -	\$ -	\$ 525.00

