



MEMORANDUM

Date: April 11, 2018

To: The Honorable Richard Elías, Chairman
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Lights and Other Improvements at Rillito Park**

After we discussed this subject, I met with Natural Resources, Parks and Recreation Director Chris Cawein who provided me with the same explanation that was provided to Mr. Ted Schmidt. In addition, due to the complexity of this subject, Mr. Cawein has provided the attached response to this issue.

As you will recall, during the discussions regarding Rillito Park improvements, there was a great deal of controversy about who would pay for what type of improvements and that the County General Fund did not have specific funding for additional field lighting. The Board made a decision to continue racing and issued a five-year agreement with the nonprofit, Rillito Racing Inc. which requires a \$1,000,000 investment over five years in the racing facilities at Rillito Regional Park.

We hoped the racing agreement would produce the revenues necessary to meet some of the conditions and/or agreements between the horseracing and soccer interests; however, it is apparent both were counting on using County funds, not their own. Hence, the present problem.

If Mr. Schmidt is desiring lighting in the unpaved parking lot, it may be fairly easy to accomplish with overhead pole lighting. However, there are no additional funds to make any other improvements.

Given the racing enthusiasts have indicated they have entered the most profitable racing season ever and have outside betting revenues, I have asked our staff to determine if any of these funds will be reinvested in Rillito, including priority lighting of the parking lot. This is particularly important since at a meeting of the Arizona Racing Commission on March 8, 2018 attended by Mr. Jaye Wells and others of Rillito Racing Inc., it was stated by Mr. Greg Stiles of the Arizona Department of Racing that there is a "need for backside lighting" at Rillito. If the required investment by Rillito Racing Inc. cannot be met, I will recommend the Board of Supervisors terminate the lease given their lack of public investment in the horseracing facilities.

The Honorable Supervisor Richard Elías
Re: Lights and Other Improvements at Rillito Park
April 11, 2018
Page 2

Unfortunately, there are no General Funds allocated to make field lighting improvements suggested by Mr. Schmidt. Park field lighting is a universal problem for all jurisdictions in Pima County that is why the failed 2015 bond program contained \$12 million for park field lighting.

CHH/anc

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Chris Cawein, Director, Natural Resources, Parks and Recreation



MEMORANDUM

Date: April 5, 2018
To: CH Huckelberry, County Administrator
From: Chris Cawein, Director

A handwritten signature in blue ink, appearing to read "Chris Cawein". The signature is written in a cursive style and is positioned to the right of the "From:" field.

Subject: Recent Rillito Park Discussions with Ted Schmidt

Pursuant to our discussion yesterday, I am preparing this summary to inform you of the recent discussions between NRPR staff and Mr. Ted Schmidt, President of the Tucson Soccer Association (TSA) and Pima County Junior Soccer League (PCJSL). Given the information that Mr. Schmidt has presented to BOS Chairman Richard Elias, I thought it would also be useful to revisit the information and agreements pertaining to the extension of the Rillito Racing Contract from early 2017.

Mr. Schmidt contacted me via email on March 30, after meeting with our staff to discuss our proposed approach to close NRPR-managed sports fields in order to enhance the safety and quality of that turf. In this email, he stated that "Over a year ago, the BOS voted that funds paid for the racetrack and Jelks House were to also be allocated for the installation of lights in the parking lot and on the still unlit fields at Rillito." He questioned the status of installation of these projects, as well as the passage way from the northwest corner of the track into the sports field (**Exhibit A**).

I responded to Mr. Schmidt later that day via email (**Exhibit B**), after conducting some research, that although these projects were discussed as part of a larger list of projects at Rillito Park, many of which were requested by his organizations to garner their support for the horseracing contract, these specific projects were not included in the contract that was ultimately approved by the Board (**Exhibit C**).

Additionally I indicated that I had contacted the donor shortly after contract approval, who indicated his desire to primarily support projects that would benefit the survival of historic horseracing at Rillito Park. Due to the significant needs of the facilities (\$2M) used exclusively for horseracing, the donor indicated it would be unlikely that sufficient financial resources would be available to do other projects at the park at this time.

Further, I informed Mr. Schmidt that sports field lighting was being currently reviewed and that Rillito Park was an NRPR priority for adding additional lights in the future when sufficient funds become available. Follow up email conversations (**Exhibit D**) indicated his strong desire to prioritize parking lot lighting at Rillito Park plus my willingness to prioritize that item as an NRPR capital project as well as it would benefit any nighttime user of the park.

During our meeting yesterday afternoon, you showed me Mr. Schmidt's email sent to Chairman Elias exactly 10 minutes after my initial email response. It posed the following questions:

"What am I missing here?"

"Didn't the Board specifically mandate that the racetrack donation had to cover these items?"

"The donor just thumbs his nose at the BOS and gets to dictate that the money will NOT be used as the BOS ordered?"

"Can we discuss this?"

I conducted additional research later yesterday afternoon, including reviewing the BOS minutes for the Rillito Racing item which was discussed and acted upon during the January 17, 2017 Board of Supervisors meeting. I have included the relevant section of the minutes (including the public comment summary) for your information (**Exhibit E**).

As indicated in the minutes, the following pertinent items were recorded:

1. Public comments were received from representatives of soccer who addressed the Board in opposition to the Contract;
2. Supervisor Elias inquired about the lighting on the field and in the parking lot and asked why those issues had not been addressed;
3. Response was that if the lease was extended and a donation was received, those improvements (lighting fields and parking lot) could be presented to the individual making the donation;
4. A motion to approve the contract was made and include the County Administrator's memorandum from January 11, 2017 (**Exhibit F**) with direction for requested improvements to come back before the Board within 6 months, prior to the fiscal year end and prior to budget adoption;
5. Motion unanimously carried.

As illustrated above, all activities appeared to have been completed as indicated. The Contract Amendment was executed by the Board as presented and as illustrated in Exhibit C although the lighting projects desired by soccer representatives were not in the Exhibit of proposed projects or mentioned in the amendment. Rather, the list adopted with the amendment consisted of projects benefitting Rillito Racetrack.

As described earlier in this memorandum, the "individual making the donation" (Mr. Chandler Warden of the Bert W. Martin Foundation) was contacted shortly after Contract execution. The lighting improvement projects desired by soccer representatives were discussed, but the donor indicated that due to the significant and costly needs of the racetrack, which did not include lighting (since there is no night time racing), he did not believe those were the highest priority items for consideration at this time.

The referenced January 11, 2017 County Administrator's memorandum did not mandate that lights were to be installed. Rather it indicated that there are no County funds planned or programmed to construct any additional or expanded operations at Rillito, either for new fields for soccer or new lighting of fields.

The requested project update was provided by the County Administrator to the Board on May 30, 2017 prior to budget adoption (**Exhibit G**). Due to the lengthy list of required improvements at Rillito Park

and random infrastructure failures, a full and complete list of the improvements to be completed over the full contract period was determined to be inappropriate. Rather, a yearly planning cycle for necessary improvements was deemed most appropriate to ensure the evolving critical needs of the facility are properly addressed to keep the site safe. While this evolving project list could include other park improvements, it appears most likely that the infrastructure needs of the Rillito Racetrack complex will consume the entirety of \$1 million required for contribution under the contract amendment.

Therefore, I find no evidence that the Board specifically "mandated" that the racetrack donation had to cover the parking lot and field lighting projects as stated by Mr. Schmidt in his email to Chairman Elias. Nor do I see evidence that the donor has "thumbed his nose" at the BOS and "ignored what the BOS ordered." Rather the donor, Mr. Chandler Warden and his Foundation, have been quite generous to Pima County as evidenced by many projects, including the latest \$200,000 contribution to assist in development of the Manzanita Splash Pad. He has expressed through his donations that he wishes to support horseracing at Rillito Park and I believe we ought to accept his generous donations to improve County facilities that he wishes to improve with our gratitude.

Please note that I did indicate to Mr. Schmidt in a subsequent email on Friday March 30 (17 minutes after my initial email) that I do agree that some parking lot lighting at Rillito Park would be an important improvement for the site and that I would prioritize this item for consideration as an NRPR project (previous Exhibit D). As I indicated to you yesterday, I intend, provided other significant budget concerns do not arise, to provide some measure of lighting improvement to portions of the main parking lot at Rillito Park during FY19 using NRPR funds to improve safety and security and benefit all nighttime users of Rillito Park.

Please let me know if you have questions on the information submitted or require additional analysis.

Attachments: Exhibits A-G

C: Carmine DeBonis, Deputy County Administrator
Diane Frisch, Director, Attractions & Tourism

Chris Cawein

EXHIBIT A

From: Ted Schmidt <tschmidt@azinjurylaw.com>
Sent: Friday, March 30, 2018 7:01 AM
To: Chris Cawein
Subject: Lights @ Rillito

This message and sender come from outside Pima County. If you did not expect this message, proceed with caution. Verify the sender's identity before performing any action, such as clicking on a link or opening an attachment.

Hi Chris,

Over a year ago the BOS voted that funds paid for the racetrack and Jelks house were to also be allocated for the installation of lights in the parking lot and on the still unlit fields at Rillito. A passage way from the northwest corner of the track into the sports fields was also to be created. Can you give me an update on the status of these projects? Thank you, Ted

Ted Schmidt
PCJSL & TSA President
1790 E. River Road, Suite 300
Tucson, Az. 85718
520-545-1670
Cell: 520-241-2794
tschmidt@azinjurylaw.com

Chris Cawein

EXHIBIT B

From: Chris Cawein
Sent: Friday, March 30, 2018 2:08 PM
To: 'Ted Schmidt'
Subject: RE: Lights @ Rillito

Hi Ted –

Lights at Rillito for unlit fields and for the parking lot, as well as the NW pathway connection, were discussed as part of the larger list of projects needed for Rillito Park during the contract renewal discussion for Rillito Racing and, as I recall, were projects that may have been listed amongst other requests by you in order to gain your support for that contract extension. However, the actual amendment to the Contract that was approved by the Board early in 2017 did not specifically list these projects, nor other overall Rillito Park projects, but instead focused on identifying, prioritizing and executing project priorities associated with the Rillito Racetrack complex. Those projects alone were estimated at over \$2M. Follow up discussions with the donor to Rillito Park Foundation indicated a strong desire to use his donated funds to help Rillito Racing meet their contractual obligations to the County and fund those projects specifically dedicated to preservation of horse racing at Rillito.

That stated, we certainly recognize that there are other capital investment needs at this site, but funding sources are extremely limited. We have parking lot lighting and lighting the unlit fields at Rillito high on our list for completion when sufficient capital investment funds become available. I have been working with County Administration on getting some additional investment dollars for our parks system....and am confident that I have been gaining some traction with small steps in the right direction, but unfortunately that does not yet translate into a specific timeline to complete these particular projects. Note that just in the past few weeks, correspondence from County Administration has requested an updated listing of prioritized sports field lighting projects in the hopes of lighting additional sports fields in the area (or improving existing lighting systems) so I have reason to believe that these projects are considered high priority by County Administration as well. Also important to note is that viable public/private partnerships with NRPR that bring some funding to the table are definitely viewed in a favorable manner and help us justify our project prioritization. So if your organizations think that partnering is a possibility, we would certainly be ready and willing to use that partnership opportunity to help further advance these particular projects.

Wish I had more specific info and project dates for you, but at this point, we are continuing to just push for investment dollars in order to meet the overall needs of the entire community, including Rillito Park. We will keep you informed as this continues along its methodical progression. Meanwhile, let me know if you think a funding partnership between NRPR and TSA/PCJSL to complete any or all of these projects might be something of interest to you. Thanks for touching base.

Chris Cawein
Director
Pima County Natural Resources, Parks and Recreation Department
520-724-5000

From: Ted Schmidt <tschmidt@azinjurylaw.com>
Sent: Friday, March 30, 2018 7:01 AM
To: Chris Cawein <Chris.Cawein@pima.gov>
Subject: Lights @ Rillito

EXHIBIT C

<p>PIMA COUNTY DEPARTMENT OF: ECONOMIC DEVELOPMENT & TOURISM</p> <p>PROJECT: Agreement for the Non-exclusive Operation of Rillito Racetrack</p> <p>PARTIES: Rillito Racing, Inc., an Arizona non-profit corporation</p> <p>CONTRACT NO.: CT ED 140000 00000 00000537</p> <p>TERM: 07-01-2014 to 06-30-2021</p>	<div style="border: 2px solid red; padding: 5px;"> <p>CONTRACT</p> <p>NO. <u>CT-ED-14-537</u></p> <p>AMENDMENT NO. <u>02</u></p> <p><small>This number must appear on all invoices, correspondence and documents pertaining to this contract</small></p> </div>
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ORIGINAL CONTRACT TERM: 07-01-2014 to 06-30-2015	ORIGINAL CONTRACT AMOUNT:	\$14,000.00 *
TERMINATION DATE THIS AMENDMENT: 06-30-2021	AMOUNT PRIOR AMENDMENT:	\$28,000.00
	AMOUNT THIS AMENDMENT:	\$956,000.00 *
	TOTAL CONTRACT AMOUNT	\$998,000.00

*based on eight live race days; does not include per person amount

**AMENDMENT TWO
TO THE AGREEMENT FOR THE NON-EXCLUSIVE OPERATION OF
RILLITO RACETRACK**

WHEREAS on July 1, 2014 a non-exclusive Operation and Management Agreement of Rillito Racetrack ("Agreement") was made and entered into between PIMA COUNTY, a body politic of the State of Arizona (hereinafter referred to as "County"); and Rillito Racing, Inc., an Arizona non-profit corporation (hereinafter referred to as "Operator"); and

WHEREAS on June 30, 2015 the Agreement expired; and,

WHEREAS on January 19, 2016, the Pima County Board of Supervisors unanimously voted to extend the term of the Agreement to June 30, 2017; and,

WHEREAS, the parties desire to extend the term of the Agreement for an additional four (4) years to June 30, 2021 to provide for additional racing seasons at Rillito Park and to provide for the investment by the Operator of additional sums of money for improvements at Rillito Park.

Now, therefore, the Parties agree as follows:

CHANGE SECTION 3—Term and Renewal

FROM:

"3. **Term and Renewal.** The term of this Agreement is from July 1, 2014 to June 30, 2017. Any extension of this Agreement must be approved by County's Board of Supervisors in conformity with any renewal process or policy that the Pima County Board of Supervisors may determine prior to the expiration of this Agreement."

TO:

"3. **Term and Renewal.** The term of this Agreement is from July 1, 2014 to June 30, 2021. Any extension of this Agreement must be approved by County's Board of Supervisors in conformity with any renewal process or policy that the Pima County Board of Supervisors may determine prior to the expiration of this Agreement."

ADD SUB-SECTION 14.6—Plans and Construction to the end of SECTION 14—Repairs and Maintenance

"14.6. Plans and Construction. The operator intends to invest One Million Dollars (\$1,000,000.00) over Five (5) years in improvements to the racing facilities at Rillito Regional park. The first year improvements include the reconstruction of the dismantled barns and associated utilities (water and electricity) which are budgeted at One Hundred Thousand Dollars (\$100,000.00) and will be retained from the Year 1 allocation. The Operator will submit drawings by a licensed architect for these improvements, and County will not withhold appropriate permits if the drawings meet all standards. The Operator may reassemble the barns and install associated utilities with oversight by County. On or before July 1, 2017, Operator and County will agree to prioritize the list of improvements described in **Exhibit C** (the "Improvements"), which County will review in accordance with section 16.2 of this Agreement. Operator will irrevocably provide to County the sum of Nine Hundred Thousand Dollars (\$900,000.00) in cash over five (5) years in the following increments; Year 1 in kind funding in the amount of One Hundred Thousand Dollars (\$100,000.00) to be used by Operator to reassemble barns; Year 2 through 4, Two Hundred Thousand Dollars (\$200,000.00) each year, and in year 5, Three Hundred Thousand Dollars (\$300,000.00). Operator will make required annual contributions by October 1st of each year. Failure by Operator to deposit required funds with County by October 1st of each year will be a material breach of this Agreement for which County may immediately exercise its right under Section 22 to terminate the Agreement without providing Operator written notice and the opportunity to cure the breach as provided in that Section. County will deposit these funds in a Special Revenue Account to be used by County for the construction of the Improvements. County will construct the Improvements using contractors that County has approved for work in compliance with the requirements of Title 34 of A.R.S., and County staff will supervise said construction. All disbursements from the Special Revenue Account will be made by County and shall (i) be used solely for the Improvements prioritized by Operator and County. If the funding in the Special Revenue Account is insufficient for the construction of all of the Improvements, County may, at County's sole discretion, reduce the scope of the Improvements to be constructed."

All other provisions of the Agreement, not specifically changed by this Amendment, shall remain in effect and be binding upon County and Operator.

PIMA COUNTY

Sharon Bronson, Chair
Pima County Board of Supervisors

Date

ATTEST:

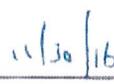
Robin Brigode, Clerk of the Board

Date

APPROVED AS TO FORM:

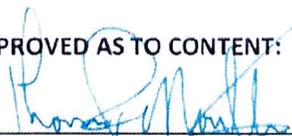


Tobin Rosen, Deputy County Attorney
Civil Division



Date

APPROVED AS TO CONTENT:



Tom Moulton, Director
Pima County Attractions & Tourism

11-30/16

Date

Rillito Racing Inc.



Frank B. DeFazio, Secretary

Nov 30 2016

Date

Exhibit C

(3 pages)

Rillito Park (Racetrack Complex) - Improvements and Renovations

Rillito Racetrack Complex Projects	Estimated Project Cost	RPF / Repp Mclain	P.C. Priority	Priority 1 Costs	Comments
Barns					
<i>Relocate horse washing stations</i>	10,000	x			
<i>Reconstruct 56 horse stalls</i>	84,000	x			
Clubhouse					
Clubhouse Roof Renovation	93,000		1	93,000	
Clubhouse Kitchen Counter Upgrades to Stainless Steel	20,000				Remodel Clubhouse Kitchen
Clubhouse Kitchen Hood upgrade	20,000				Remodel Clubhouse Kitchen
Clubhouse Kitchen Floor Replacement	15,000				Remodel Clubhouse Kitchen
<i>Remodel Clubhouse Kitchen</i>	66,382	x			
ADA Elevator (Lift) to Access Clubhouse/Grandstand	117,000				
<i>Add elevator to facade of Clubhouse</i>	48,000	x			
Install ramp between Clubhouse and Grandstand	6,000				
Strengthen wall at southwest corner of 2-story Clubhouse	5,000		1	5,000	
Renovate Clubhouse seating for ADA & Code Compliance	130,000				
Raise ceiling mounted TV stands at Clubhouse	1,300				
Remediate clearance issues at Concession Area 7 & 8	8,600				
Provide secondary means of egress at Concession Areas 6,7 & 8 and Betting Counter 3	2,800		1	2,800	
Update food-service finishes at north end of Concession Area 8	2,800				
Add mini-splits to lower office areas	4,500				
<i>Convert Clubhouse coolers to HVAC</i>	72,000	x			
<i>Add ADA bathroom to Clubhouse</i>	12,000	x			
Grandstand					
Strengthen masonry mezzanine enclosure walls	80,000		1	80,000	
Strengthen sloping Grandstand support beam	7,000		1	7,000	
Strengthen mezzanine support beam	7,000		1	7,000	
Replace countertops at Concession Area 1	7,000				
Install ADA-compliant work surfaces at Concession, Betting and Offices	9,000				

Rillito Park (Racetrack Complex) - Improvements and Renovations

	Estimated Project Cost	RPF / Repp Mclain	P.C. Priority	Priority 1 Costs	Comments
Rillito Racetrack Complex Projects					
Correct headroom issues at Concession Areas 2&3	5,300				
Remediate doorway clearances at Office 1,2&3	200				
Remediate floor surfaces at Betting Counter and Betting Office 1,2 & 3	600				
Remediate level changes Lower Grandstand Floor	20,500		1*	21,100	
Correct flue at grandstand building	1,400				
Correct outside air connection for furnace	2,100				
Correct Emergency & exit lighting at Grandstand	22,000		1	22,000	
Replace all stairs	124,000				
Replace all handrails	25,000				
Renovate seating for ADA & Code compliance	19,000				
Renovate & upgrade Mens & Womens Restroom on ground floor for ADA Compliance	40,000		1	40,000	
Restore Stewards box atop of Grandstand	88,949	x			
Add additional box seating to Grandstand	70,000	x			
Relocate Clubhouse coolers to Grandstand	12,250	x			
Restore Glass Panels to ends of Grandstand	70,000	x			
General Facility					
Install Standpipes at all stairways	30,000				
Replace non-compliant doors	39,000				
Remove restroom accessories and mount at correct height	1,200				
Correct ventilation at Jockey building	11,300				
Remove & replace wiring, panel boards and receptacles in Grandstand & Clubhouse as needed	100,000		1	100,000	
Replace plumbing fixtures at Grandstand*	124,000				
Refurbish beer lines in all bars	12,500	x			
Miscellaneous repairs to facility allowance	40,000	x			
Clean and repaint facility	165,000	x			
Additional ADA improvements allowance	40,000	x			
Update bathrooms throughout	40,000	x			
Overhead, coordination, and general conditions	125,337	x			
Jockey Building Potable Water Repiping	5,000		1	5,000	
Sales Tax	50,592	x			

Rillito Park (Racetrack Complex) - Improvements and Renovations

Rillito Racetrack Complex Projects	Estimated Project Cost	RPF / Repp Mclain	P.C. Priority	Priority 1 Costs	Comments
Outside Track Viewing and Overflow Area by Clubhouse and around Grandstand - Patch, Crack Seal and Seal Coat Asphalt	50,000		1*	28,900	
Portable ADA Path to Cross Track (2)	18,000				
Rillito Park Grandstand & Clubhouse Access Asphalt Path Improvements	30,000				
	\$ 2,211,610			\$ 411,800	
<i>italicized items preferred by RPF</i>					
<i>*combined ground surface leveling items totalling \$50,000</i>					

From: Chris Cawein
Sent: Friday, March 30, 2018 2:25 PM
To: 'Ted Schmidt'
Subject: RE: Lights @ Rillito

I don't disagree with you and will certainly see what can be done to advance getting some parking lot lighting in place at Rillito.

As I recall, initial estimates were a couple of hundred thousand dollars to light up the lot but even if I cannot find funds to do all that, a partial lighting approach would be an improvement over status quo. I'll see what I can do.

From: Ted Schmidt <tschmidt@azinjurylaw.com>
Sent: Friday, March 30, 2018 2:16 PM
To: Chris Cawein <Chris.Cawein@pima.gov>
Subject: RE: Lights @ Rillito

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Chris,
Thank you for your prompt reply. I do have a follow up question.

Lighting the parking lot at Rillito is the highest priority over fields or any other items on the list and the Board and Mr. Huckleberry specifically stated that this would be a high priority since it in fact benefits the racing community as well as other park users. Is there anyway to move that to the forefront?

I am trying right now to raise funds for the sodding project at Rillito, Brandi Fenton and Mehl. That will be a stretch. The cost for lights is unfortunately way beyond our means.

Ted A. Schmidt
Schmidt, Sethi & Akmajian
1790 E. River Road Suite 300
Tucson, Arizona 85718
520-545-1670
tschmidt@azinjurylaw.com
www.azinjurylaw.com

From: Chris Cawein <Chris.Cawein@pima.gov>
Sent: Friday, March 30, 2018 2:08 PM
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Hi Ted –

Lights at Rillito for unlit fields and for the parking lot, as well as the NW pathway connection, were discussed as part of the larger list of projects needed for Rillito Park during the contract renewal discussion for Rillito Racing and, as I recall, were projects that may have been listed amongst other requests by you in order to gain your support for that contract

BOARD OF SUPERVISORS' MEETING MINUTES

The Pima County Board of Supervisors met in regular session at their regular meeting place in the Pima County Administration Building (Hearing Room), 130 West Congress Street, Tucson, Arizona, at 9:00 a.m. on Tuesday, January 17, 2017. Upon roll call, those present and absent were as follows:

Present: Sharon Bronson, Chair
Richard Elías, Vice Chair
Ramón Valadez, Acting Chair
Ally Miller, Member
Steve Christy, Member

Also Present: Chuck Huckelberry, County Administrator
Thomas Weaver, Chief Civil Deputy County Attorney
Julie Castañeda, Clerk of the Board
Charles Lopiccolo, Sergeant at Arms

1 **INVOCATION**

The invocation was given by Pastor Jim Munns, First Assembly of God.

2. **PLEDGE OF ALLEGIANCE**

All present joined in the Pledge of Allegiance.

3. **POINT OF PERSONAL PRIVILEGE**

Supervisor Elías expressed appreciation to the Tucson community for coming together to show their kindness and camaraderie during the Martin Luther King Day march.

Chair Bronson agreed with Supervisor Elías' sentiments and added there would be a Women's March on Saturday, January 21, 2017, in Ajo, Arizona and throughout the United States.

PRESENTATION/PROCLAMATION

4. Presentation of a proclamation to Betsy Stuetze, Executive Director, and Nicole Olmstead, Senior Government Relations Director, American Heart Association, proclaiming the month of February 2017 to be:
"AMERICAN HEART ASSOCIATION HEART MONTH"

It was moved by Chair Bronson, seconded by Supervisor Elías and unanimously carried by a 5-0 vote, to approve the item. Supervisor Elías made the presentation.

5. CALL TO THE PUBLIC

Tom Cholley and Ron Schaefer asked for the County's assistance grading Lone Sahuaro Road, which is the only road to their neighborhood.

Christopher Cole stated money should be spent to bring in more employment at already established Davis-Monthan Air Force Base rather than companies like Worldview.

Keith Van Heyningen asked where the remaining HURF funds went when only \$5 million went to the roads.

Geri Ottoboni stated that instead of raising wastewater fees and other taxes, the County should learn how to cut costs.

The following speakers addressed the Board in opposition to Monsanto:

- William Scott
- Dru Heaton
- Anita Van Winkle
- Roxanne Jones
- Fred P. Farrius
- Keith Van Heyningen
- Geraldine Larrington
- Barb Mostoff
- Torrey Postal
- Sue Ann Christenson
- Cori McGraw
- Gail McGraw
- Melissa Diane Smith
- Ann Lofffield
- Gail Brock
- Diane Call

They offered the following comments:

- Monsanto is known for polluting the environment, which can cause illness, cancer and even death to those living in the area.
- The cost of contamination clean-up that Monsanto leaves in its wake would be forced upon Pima County residents.
- Monsanto will tarnish Pima County's reputation as a clean and safe place to live.
- The few jobs that Monsanto promised are low paying and may not even go to current residents of Pima County.
- Opposed to Monsanto having Federal free trade zone status and being offered a letter of no objection.
- Concerned about Monsanto's intention for the additional acres they own, no information has been provided beyond the 7 acres for the greenhouse.
- The greenhouse's ability for containment.
- Meetings still occurring to see if glyphosate is harmful to people.
- GMO seeds will destroy our native crops.
- Monsanto created pesticides that kill bugs by burning a hole in their abdomen. The pesticide also goes in our food and is a reason people are having more intestinal problems.
- Monsanto created biological and chemical weapons such as Agent Orange, roundup and dicamba.

- Asked to meet with the Science Advisory Committee.
- Monsanto is a multi-billion dollar corporation, not a foreign trade company and they do not deserve a tax break.
- Tax breaks should be given to local and sustainable farmers.
- Monsanto has a history of suing farms that have been contaminated with their seeds.
- Monsanto will never be transparent and truthful, even with a letter of no objection and regulations, such as in 2016 when they were fined \$80 million for accounting practices that were not being properly reported.
- Monsanto is being sued by the Port of Portland and the State of Washington to clean up polluted waterways Monsanto had caused.
- Not enough notice about the public hearings for those against Monsanto who wanted to bring in national experts to provide presentations on why Monsanto was not deserving of the tax breaks.
- No to tax breaks and no to Monsanto.
- Fear over the pollution and evil corporation ideals that Monsanto creates.

The following speakers addressed the Board in support of the Rillito Racetrack contract:

- | | |
|--------------------|-----------------------|
| • Paul Horwitz | • Zulema V. Echerivel |
| • Kasey Johnston | • Charlie MacCabe |
| • Page Repp | • Cass Dewey |
| • Robert Villamana | • Dale Pederson |
| • Russell True | • David Kerry |
| • Frank B. DeFazio | • Mick Ravelich |
| • Fabian Gomez | • Ronald Harley |
| • Victor Salazar | • Robin McArdee |
| • Daniel Hernandez | |

They offered the following comments:

- Want to keep Rillito Park as a multi-use facility.
- If the contract was approved, the Burt Martin Foundation would donate \$1 million dollars a year for five years.
- Horseracing at Rillito is a family event and brings the community together.
- Students enrolled in the racetrack industry program at the University of Arizona use the Rillito Racetrack to help further their education and chosen career path.
- Horseracing is a part of Tucson's culture.
- It would be culturally and historically irresponsible to demolish the Rillito racetrack building.
- Rillito Racetrack is about community, not just horseracing or soccer.
- Board members were encouraged to come to Rillito Racetrack and partake in what they have to offer.
- Rillito Racetrack is a treasure of Tucson.
- Nearby businesses would be negatively impacted if Rillito Racetrack shuts down.

- Find ways to increase racing at Rillito.
- Rillito Racetrack is on the National Register of Historic Places along with San Xavier Mission and the Titan Missile Museum.
- Rillito Racetrack needs more support from the Board of Supervisors.
- Support multi-use for Rillito, especially plans for more soccer fields.
- Many famous and important people in horseracing began at Rillito Racetrack.
- Helps employ the community and snow birds come for racing.

The following speakers addressed the Board in opposition of the Rillito Racetrack contract:

- Ebie Aldaghi
- Ted Schmidt
- Charlie MacCabe

They offered the following comments:

- In 2005 an advisory committee recommended that the best interest for the community would be to move the racetrack and build 16 soccer fields. 5 have been built but more are needed.
- Rillito Racetrack needs to move with the times; there are not enough soccer fields for the amount of people in Tucson.
- If the lease was renewed, add some concessions to the soccer fields, such as fixing the lights on the soccer fields and adding lights to the parking lot to curb vandalism.
- Tucson is the only city of its size that does not have a large multi-field soccer complex.
- Traveling to far away soccer fields is a hardship for many families and Kino fields are cost prohibitive.

The following did not speak but attended in support of the Rillito Racetrack contract:

- | | |
|------------------------|-------------------|
| • Steven Stratigouleas | • Ray Basurto |
| • Tristan White | • Alexa Ravit |
| • Cynthia Megariz | • Roger MacVittie |
| • Ramon Felix | |

6. **CONVENE TO EXECUTIVE SESSION**

It was moved by Supervisor Valadez, seconded by Chair Bronson and unanimously carried by a 5-0 vote, to convene to Executive Session at 9:26 a.m.

7. **RECONVENE**

The meeting reconvened at 9:40 a.m. All members were present.

EXECUTIVE SESSION

8. Pursuant to A.R.S. §38-431.03(A) (3) and (4), for legal advice and direction regarding settlement options in *Select Development v. Pima County*, Maricopa Superior Court No. CV2016-005345.

Thomas Weaver, Chief Civil Deputy County Attorney, reported that the County Attorney's Office sought direction as to whether or not to proceed as discussed in executive session.

It was moved by Supervisor Elías, seconded by Supervisor Miller and unanimously carried by a 5-0 vote, to proceed as discussed in Executive Session.

FINANCE AND RISK MANAGEMENT

9. **Formation of the Rocking K South Community Facilities District**
RESOLUTION NO. 2017 - 2, of the Board of Supervisors, declaring its intent and ordering and declaring formation of the Rocking K South Community Facilities District.

It was moved by Supervisor Christy, seconded by Supervisor Valadez and unanimously carried by a 5-0 vote, to adopt the Resolution.

PUBLIC WORKS ADMINISTRATION

The Board of Supervisors on December 13, 2016, continued the following:

10. **Contract**
Rillito Racing, Inc., Amendment No. 2, to provide for the non-exclusive operation of Rillito Racetrack, extend contract term to 6/30/21 and amend contractual language, contract amount \$956,000.00 revenue (CT-ED-14-537)

Chuck Huckelberry, County Administrator, explained that the Board was provided information which contained the history of Rillito, Rillito's multi-use status and potential investments. Also provided was a summary with bullet points and recommended modifications should the lease be extended.

Supervisor Elías stated Rillito Park needed to remain a multi-use facility and he supported this contract. He inquired about the lighting on the field and in the parking lot and asked why those issues had not been addressed.

Mr. Huckelberry explained any improvements to Rillito Park required Board approval. He stated the lighting and access to the inner fields were viable but the netting to the soccer fields was cost prohibitive. If this lease is extended and a donation was received those improvements could be presented to the individual making the donation.

It was moved by Supervisor Elías to approve the contract and include the County Administrator's memorandum from January 11, 2017, with direction for any requested improvements to come back before the Board within 6 months, prior to the fiscal year end and before final budget adoption. As well as a reminder that the Park was multi-use, and that scheduling be managed fairly for both soccer use and horse racing. Chair Bronson seconded the motion. No vote was taken at this time.

Supervisor Christy offered his assistance to make Rillito Park a successful multi-use facility and asked that the Board and the monetary donor consider some of the concerns raised by those using the facility for soccer.

Supervisor Miller questioned if the soccer netting was part of the motion as she had read in the received binder that the netting was too much of a liability to put up and questioned why the contract stated 8 live race days instead of 16.

Mr. Huckelberry explained the cost of the netting was the mitigating factor, with liability being a lesser factor. He then explained there were County fair horse racing and commercial racing, there would be no more than 16 days total of any type of horse racing and any changes would require an amendment to the contract.

Supervisor Elías stated his motion included the netting.

Upon roll call vote, the motion unanimously carried 5-0.

FRANCHISE/LICENSE/PERMIT

11. **Hearing - Liquor License**

12104478, Aric Kaiser Mussman, Sazerac, 4340 N. Campbell Avenue, No. 164, Tucson, Series 12, Restaurant, New License.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Bronson, seconded by Supervisor Elías and unanimously carried by a 5-0 vote, to close the public hearing, approve the license subject to the Sheriff's Report and forward the recommendation to the Arizona Department of Liquor Licenses and Control.

12. **Hearing - Liquor License**

10103809, Kim Kenneth Kwiatkowski, Circle K Store No. 3494, 15935 N. Oracle Road, Tucson, Series 10, Beer and Wine Store, New License.

The Chair inquired whether anyone wished to address the Board. No one appeared. It was moved by Chair Bronson, seconded by Supervisor Elías and unanimously carried by a 5-0 vote, to close the public hearing, approve the license and forward the recommendation to the Arizona Department of Liquor Licenses and Control.



EXHIBIT F
(w/o ATTACHMENTS)

MEMORANDUM

Date: January 11, 2017

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator *CHH*

Re: **Four-year Lease Extension with Rillito Racing, Inc.**

At the December 13, 2016 Board of Supervisors meeting, the Board continued consideration of the four-year lease extension for the operation of County fair horseracing at the Rillito Racetrack until the meeting of January 17, 2017.

The Board requested that an additional meeting be held with stakeholders, and that meeting was held December 22, 2016. A more comprehensive overall report of the various aspects associated with Rillito Park and its use as a multipurpose public recreational facility is attached to this memorandum.

I believe a number of issues should be considered in the Board's deliberation regarding extension of the lease. As you know, at the January 3, 2017 meeting, the Board approved up to six County fair horseracing dates. Consideration should be given to the following:

- Presently, there are no County funds – planned or programmed – to construct any additional or expanded operations at Rillito, either for new fields for soccer or new lighting of fields. Recently, minor funding was allocated to playground equipment to further Rillito's multipurpose park use for recreational purposes.
- There is no County funding allocated to build any substitute horseracing facility for Rillito, nor has there been any consensus on a location where such a facility could be constructed. The original plan to transfer horseracing was rejected by the Pima County Fair Commission.
- The existing grandstand and clubhouse facilities are functionally obsolete. They do not foster other recreational uses i.e., a recreation center, and there is little flexibility for any other public use of the grandstands other than horseracing. Eventually, these facilities will have to be removed or rebuilt to better serve multiple uses. There is a recent proposal by the Heirloom Farmer's Market to utilize the clubhouse facilities to expand their business operations. Additional information on their proposal is in the attached report. Diversification of uses at this facility will allow an ongoing benefit both to the market users and the County in the form of additional revenues. Such should be pursued if terms can be reached that are agreeable to both parties.
- The lease extension is for a four-year term and does not in itself allow for any additional horseracing. No additional race days beyond 16 (or the racing period January 1 to April

5) other than County fair horseracing and commercial horseracing, is allowed unless and until it has been determined that allowing additional horseracing days will not adversely impact other public recreational uses or public uses, including soccer, community events and other similar activities.

- The horseracing period between January 1 and April 5 needs to be better defined to allow for improved planning for completing public park uses.
- The funds referenced in the lease extension document are not public funds; they are a private donation.
- Rillito Park has been and always will be a multipurpose public recreation and public use park.

In reviewing the existing lease and second amendment to the lease, it should be made clear Rillito Park is a public facility; and those who occupy it, such as Rillito Racing, Inc. or any other user with a lease or sublease, do not have any ownership interest in the property or its improvements. It should also be clear the goal of the County is to maximize public use and utility of this important public recreation and community property. The past disagreements between the various users need to be eliminated, or at the very least, minimized.

For this reason, I will be recommending that if the Board chooses to approve the proposed four-year lease extension with Rillito Racing, Inc., additional amendments are made to the lease to clarify that while the race period is from January 1 to April 5, the actual number of permitted race days during this period is no more than 16, unless specifically authorized by the Board through a formal Board vote.

In addition, our Natural Resources, Parks and Recreation (NRPR) staff do a good job of creating a master use calendar for Rillito Park where the various interests may participate in requesting specific uses during specific periods. Such is intended to minimize conflicting use dates and to ensure all of the users who desire to use a property are in communication with one another. Hence, I would request the Board also amend the second amendment to the lease by adding language requiring specific consultation and coordination with NRPR staff in selecting race days for the master schedule maintained by NRPR and that required consultations occur between soccer users, event organizers and any ongoing sub-leasees, such as the farmer's market regarding the selected days for horseracing; and, the days selected must minimize the impact to other potential park users.

CHH/anc
Attachment

- c: Jan Leshner, Deputy County Administrator for Community and Health Services
Carmine DeBonis, Jr., Interim Deputy County Administrator for Public Works
Nanette Slusser, Assistant County Administrator for Public Works
Chris Cawein, Director, Natural Resources, Parks and Recreation
Tom Moulton, Director, Attractions and Tourism



MEMORANDUM

Date: May 30, 2017

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: **Update on Rillito Park Improvements**

Attached is a May 25, 2017 memorandum from the Natural Resources, Parks and Recreation Director regarding Rillito Park improvements. The memorandum outlines the use of the first capital contribution by outside parties to Rillito Park. This contribution is being exclusively dedicated to making usable, salvaged stalls for horseracing purposes. These stalls were salvaged at the County's expense and we expected them to be reused. Unfortunately, the nonprofit foundation did not have sufficient funds to do so and had to rely on this capital contribution from a benefactor.

Staff will continue to monitor progress associated with Rillito Park improvements and their wise use to improve the facilities for public access, safety and enjoyment.

CHH/anc

Attachment

c: Jan Leshner, Chief Deputy County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Chris Cawein, Director, Natural Resources, Parks and Recreation
Diane Frisch, Director, Attractions and Tourism



MEMORANDUM

To: CH Huckelberry, County Administrator

Date: May 25, 2017

From: Chris Cawein, Director

A handwritten signature in blue ink, appearing to read "Chris Cawein", is written over the printed name "Chris Cawein, Director". The signature is fluid and cursive.

Subject: Update on Rillito Park Improvements

Based on a recent communication from the Clerk of the Board, it was determined that the Board of Supervisors at their January 17, 2017 meeting had requested an update on the status of improvements to Rillito Park before final 2018 budget adoption.

As you may recall, the BOS approved Amendment 2 (attached) to the original agreement between Rillito Racing, Inc. and the Pima County Department of Attractions and Tourism at that January 17 meeting. This amendment extended horse racing through 2021, but contained a stipulation that private investment of \$1 million dollars would occur over a 5-year period at the Rillito Park facility. Additionally, the Amendment contained a listing of potential improvements to the racing facilities at Rillito Park that would be prioritized by agreement between the Operator and County by July 1, 2017.

This memorandum presents a brief status report of the activities related to the agreed-upon \$1 million in improvements that formed a portion of the requirements under the contract.

Amendment 2 to the Contract required an initial Year 1 (2017) "in kind" investment of \$100,000 that was to be used to reassemble the barns at the facility and provide associated utilities. This barn reconstruction activity was agreed upon between the Operator and the County as the initial priority project for the racing complex at Rillito Park. Contractual requirements of the Operator included a stipulation to submit drawings by a licensed architect for these barn improvements. Those initial drawings, prepared by Repp + McClain, were submitted to the County Project Management Office as required. Additionally, recently Pima County NRPR was made aware that private funding, in the amount of \$100,000, was recently awarded from the Bert W. Martin Foundation. These funds, which should be received in the next week or two, were agreed to be submitted, at the request of that benefactor, to the Pima County Parklands Foundation for the sole purpose of completing the required barn reassembly task at Rillito Park. Pima County NRPR will be working with the Parklands Foundation and the Pima County Project Management Office to provide the appropriate level of "oversight" of barn reconstruction as required under Amendment 2.

Therefore, the Year 1 financial obligations for funding in kind improvements to the racing facilities at Rillito Park appear to have been met. The use of the Parklands Foundation as the fiduciary agent for the

funds as desired by benefactors of the Operator, coupled with County oversight of the construction component, should ensure the required \$100,000 in Year 1 site improvement monies are appropriately spent on the agreed-upon improvements.

The list of possible future improvements to the Rillito Racetrack complex, including barn reassembly, attached to Amendment 2 totaled an estimated \$2.2 million, although the Amendment only required an investment of an additional \$900,000 spread out over four years between 2018 through 2021. Many of the improvements deemed necessary by the County were determined based on inspections conducted by the Pima County Facilities Management Department (FM) and their A&E consultants at the site over five years ago. Additionally, these projects were not aligned with the list of desired site improvements received from the Operator representatives. Therefore, the determination was made that the prioritization scheme for executing the \$900,000 in improvements during years 2 thru 5 needed to be agreed upon between representatives of the Operator and Pima County.

Discussions with FM suggested that the County prioritization scheme and estimated costs for recommended Rillito Park Racetrack Complex improvements, which was originally defined in their 2011 and 2012 inspections and report, should be updated to reflect current facility conditions in order to ensure that the most appropriate improvements are completed utilizing the investment dollars available. Therefore, it was deemed appropriate that the prioritization scheme for site racing complex improvements in Years 2 thru 5 be deferred until such time as an updated inspection of the facility occurs. FM proposed to lead a re-examination of the facility when facility renewal funds become available at the beginning of FY 2018.

Once those updated inspections are completed and cost estimates are prepared, the list of necessary and appropriate improvements to the site will be examined in the context of the contractual obligations for capital infusion for 2018, 2019, 2020, and 2021. At that time, the prioritization plan for site improvements will be formally developed, negotiated between the County and appropriate representatives of the Operator, and the improvements executed in accordance with that plan.

Please let me know if questions arise.

Attachment

C: Carmine DeBonis, Deputy County Administrator
Nanette Slusser, Assistant County Administrator
Lisa Josker, Director, Facility Management
Dianne Frisch, Director, Attractions and Tourism
Robert Padilla, Deputy Director, NRPR

PIMA COUNTY DEPARTMENT OF:
ATTRACTIONS & TOURISM

PROJECT: Agreement for the Non-exclusive Operation of
Rillito Racetrack

PARTIES: Rillito Racing, Inc., an Arizona non-profit
corporation

CONTRACT NO.: CT ED 140000 00000 00000537

TERM: 07-01-2014 to 06-30-2021

CONTRACT	
NO. <u>CT-ED-14-537</u>	
AMENDMENT NO. <u>02</u>	
This number must appear on all invoices, correspondence and documents pertaining to this contract.	

ORIGINAL CONTRACT TERM: 07-01-2014 to 06-30-2015

TERMINATION DATE THIS AMENDMENT: 06-30-2021

ORIGINAL CONTRACT AMOUNT: \$14,000.00 *

AMOUNT PRIOR AMENDMENT: \$28,000.00

AMOUNT THIS AMENDMENT: \$956,000.00 *

TOTAL CONTRACT AMOUNT: \$998,000.00

**based on eight live race days; does not include per person amount*

AMENDMENT TWO
TO THE AGREEMENT FOR THE NON-EXCLUSIVE OPERATION OF
RILLITO RACETRACK

WHEREAS on July 1, 2014 a non-exclusive Operation and Management Agreement of Rillito Racetrack ("Agreement") was made and entered into between PIMA COUNTY, a body politic of the State of Arizona (hereinafter referred to as "County"); and Rillito Racing, Inc., an Arizona non-profit corporation (hereinafter referred to as "Operator"); and

WHEREAS on June 30, 2015 the Agreement expired; and,

WHEREAS on January 19, 2016, the Pima County Board of Supervisors unanimously voted to extend the term of the Agreement to June 30, 2017; and,

WHEREAS, the parties desire to extend the term of the Agreement for an additional four (4) years to June 30, 2021 to provide for additional racing seasons at Rillito Park and to provide for the investment by the Operator of additional sums of money for improvements at Rillito Park.

Now, therefore, the Parties agree as follows:

CHANGE SECTION 3—Term and Renewal

FROM:

- "3. **Term and Renewal.** The term of this Agreement is from July 1, 2014 to June 30, 2017. Any extension of this Agreement must be approved by County's Board of Supervisors in conformity with any renewal process or policy that the Pima County Board of Supervisors may determine prior to the expiration of this Agreement."

TO:

- "3. **Term and Renewal.** The term of this Agreement is from July 1, 2014 to June 30, 2021. Any extension of this Agreement must be approved by County's Board of Supervisors in conformity with any renewal process or policy that the Pima County Board of Supervisors may determine prior to the expiration of this Agreement."

ADD NEW LANGUAGE AT THE END OF SECTION 8 TO READ AS FOLLOWS:

Add

- 8.4. **Live Race Scheduling.** Operator will coordinate the scheduling of Fair Racing and Commercial Racing with County's Department of Natural Resources Parks and Recreation under the master Rillito Regional Park event schedule. Consideration will be given to all Rillito Regional Park stakeholders during the annual master calendar development.

Notwithstanding any other provision of this Agreement, Operator is limited to no more than sixteen (16) live racing days per year unless the Board of Supervisors, in its sole discretion, approves of a greater number of live racing days for that year in advance of the racing season.

ADD SUB-SECTION 14.6—Plans and Construction to the end of SECTION 14—Repairs and Maintenance

- "14.6. **Plans and Construction.** The operator intends to invest One Million Dollars (\$1,000,000.00) over Five (5) years in improvements to the racing facilities at Rillito Regional Park. The first year improvements include the reconstruction of the dismantled barns and associated utilities (water and electricity) which are budgeted at One Hundred Thousand Dollars (\$100,000.00) and will be retained from the Year One allocation. The Operator will submit drawings by a licensed architect for these improvements, and County will not withhold appropriate permits if the drawings meet all standards. The Operator may reassemble the barns and install associated utilities with oversight by County. On or before July 1, 2017, Operator and County will agree to prioritize the list of improvements described in **Exhibit C** (the "Improvements"), which County will review in accordance with section 16.2 of this Agreement. Operator will irrevocably provide to County the sum of Nine Hundred Thousand Dollars (\$900,000.00) in cash over five (5) years in the following increments; Year 1 in kind funding in the amount of One Hundred Thousand Dollars (\$100,000.00) to be used by Operator to reassemble barns; Years 2 through 4, Two Hundred Thousand Dollars (\$200,000.00) each year, and in year 5, Three Hundred Thousand Dollars (\$300,000.00). Operator will make required annual contributions by October 1st of each year. Failure by Operator to deposit required funds with County by October 1st of each year will be a material breach of this Agreement for which County may immediately exercise its right under Section 22 to terminate the Agreement without providing Operator written notice and the opportunity to cure the breach as provided in that Section.

County will deposit these funds in a Special Revenue Account to be used by County for the construction of the Improvements. County will construct the Improvements using contractors that County has approved for work in compliance with the requirements of Title 34 of A.R.S., and County staff will supervise said construction. All disbursements from the Special Revenue Account will be made by County and shall be used solely for the Improvements prioritized by Operator and County. If the funding in the Special Revenue Account is insufficient for the construction of all of the Improvements, County may, at County's sole discretion, reduce the scope of the Improvements to be constructed."

All other provisions of the Agreement, not specifically changed by this Amendment, shall remain in effect and be binding upon County and Operator.

PIMA COUNTY



Sharon Bronson, Chair
Pima County Board of Supervisors

JAN 17 2017

Date

ATTEST:



Julie Castaneda, Clerk of the Board

JAN 17 2017

Date

APPROVED AS TO FORM:

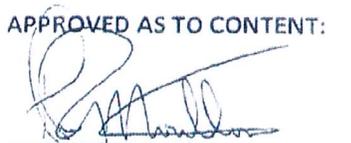


Tobin Rosen, Deputy County Attorney
Civil Division

1/18/17

Date

APPROVED AS TO CONTENT:

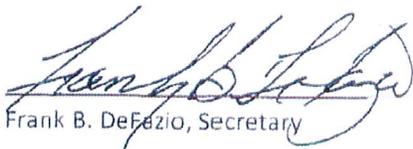


Tom Moulton, Director
Attractions & Tourism

1/18/17

Date

Rillito Racing Inc.



Frank B. DeFazio, Secretary

Jan 19, 2017

Date

Exhibit C

(3 pages)

Rillito Park (Racetrack Complex) - Improvements and Renovations

Rillito Racetrack Complex Projects	Estimated Project Cost	RPF / Repp McInain	P.C. Priority	Priority 1 Costs	Comments
Barns					
Relocate horse washing stations	10,000	x			
Reconstruct 56 horse stalls	84,000	x			
Clubhouse					
Clubhouse Roof Renovation	93,000		1	93,000	
Clubhouse Kitchen Counter Upgrades to Stainless Steel	20,000				Remodel Clubhouse Kitchen
Clubhouse Kitchen Hood Upgrade	20,000				Remodel Clubhouse Kitchen
Clubhouse Kitchen Floor Replacement	15,000				Remodel Clubhouse Kitchen
Remodel Clubhouse Kitchen	66,382	x			
ADA Elevator (Lift) to Access Clubhouse/Grandstand	117,000				
Add elevator to facade of Clubhouse	48,000	x			
Install ramp between Clubhouse and Grandstand	6,000				
Strengthen wall at southwest corner of 2-story Clubhouse	5,000		1	5,000	
Renovate Clubhouse seating for ADA & Code Compliance	130,000				
Raise ceiling mounted TV stands at Clubhouse	1,300				
Remediate clearance issues at Concession Area 7 & 8	8,600				
Provide secondary means of egress at Concession Areas 6, 7 & 8 and Betting Counter 3	2,800		1	2,800	
Update food-service finishes at north end of Concession Area 8	2,800				
Add mini-splits to lower office areas	4,500				
Convert Clubhouse coolers to HVAC	72,000	x			
Add ADA bathroom to Clubhouse	12,000	x			
Grandstand					
Strengthen masonry mezzanine enclosure walls	80,000		1	80,000	
Strengthen sloping Grandstand support beam	7,000		1	7,000	
Strengthen mezzanine support beam	7,000		1	7,000	
Replace countertops at Concession Area 1	7,000				
Install ADA-compliant work surfaces at Concession, Betting and Offices	9,000				

Rillito Park (Racetrack Complex) - Improvements and Renovations

Rillito Racetrack Complex Projects	Estimated Project Cost	RPF / Repp McInain	P.C. Priority	Priority 1 Costs	Comments
Correct headroom issues at Concession Areas 2&3	5,300				
Remediate doorway clearances at Office 1,2&3	200				
Remediate floor surfaces at Betting Counter and Betting Office 1,2 & 3	600				
Remediate level changes Lower Grandstand Floor	20,500		1*	21,100	
Correct flue at grandstand building	1,400				
Correct outside air connection for furnace	2,100				
Correct Emergency & exit lighting at Grandstand	22,000		1	22,000	
Replace all stairs	124,000				
Replace all handrails	25,000				
Renovate seating for ADA & Code compliance	19,000				
Renovate & upgrade Mens & Womens Restroom on ground floor for ADA Compliance	40,000		1	40,000	
Restore Stewards box atop of Grandstand	88,949	x			
Add additional box seating to Grandstand	70,000	x			
Relocate Clubhouse coolers to Grandstand	12,250	x			
Restore Glass Panels to ends of Grandstand	70,000	x			
General Facility					
Install Standpipes at all stairways	30,000				
Replace non-compliant doors	39,000				
Remove restroom accessories and mount at correct height	1,200				
Correct ventilation at Jockey building	11,300				
Remove & replace wiring, panel boards and receptacles in Grandstand & Clubhouse as needed	100,000		1	100,000	
Replace plumbing fixtures at Grandstand*	124,000				
Refurbish beer lines in all bars	12,500	x			
Miscellaneous repairs to facility allowance	40,000	x			
Clean and repaint facility	165,000	x			
Additional ADA improvements allowance	40,000	x			
Update bathrooms throughout	40,000	x			
Overhead, coordination, and general conditions	125,337	x			
Jockey Building Potable Water Repiping	5,000		1	5,000	
Sales Tax	50,592	x			

Rillito Park (Racetrack Complex) - Improvements and Renovations

	Estimated Project Cost	RPF / Repp McInain	P.C. Priority	Priority 1 Costs	Comments
Rillito Racetrack Complex Projects					
Outside Track Viewing and Overflow Area by Clubhouse and around Grandstand - Patch, Crack Seal and Seal Coat Asphalt	50,000		1*	28,900	
Portable ADA Path to Cross Track (2)	18,000				
Rillito Park Grandstand & Clubhouse Access Asphalt Path Improvements	30,000				
	\$ 2,211,610			\$ 411,800	
<i>italicized items preferred by RPF</i>					
*combined ground surface leveling items totalling \$50,000					

BERT W. MARTIN FOUNDATION

May 11, 2017

Pima County Parklands Foundation
c/o Pima County Natural Resources, Parks and Recreation
Attn: Mr. Michael Hellon
3500 West River Road
Tucson, AZ 85741

Dear Mr. Hellon:

The Bert W. Martin Foundation is pleased to inform you that it has approved a grant to the Pima County Parklands Foundation in the amount of \$100,000 ("the Grant"). This grant is made to the Pima County Parklands Foundation which will manage the Rillito barns construction project. By accepting the Grant, your organization agrees to use it solely for purposes described in Section 501 (c)(3) of the Internal Revenue Code. If your organization fails to use any portion of the Grant for the Rillito barns construction project, you agree to return such portion to the Bert W. Martin Foundation, unless we determine otherwise.

Also, we will require a written report detailing the use of the grant on or before December 31 of this year. Please mail six (6) copies of the report to the following address before December 31:

The Bert W. Martin Foundation
Attn: Ms. Dana Sutherland, Director
205 De Anza Blvd. #126
San Mateo, CA 94402

To accept these terms, please arrange for the execution of the enclosed copy of this letter by an individual authorized to represent your organization and return the signed copy to us. Once we receive the signed copy of this letter, we will send you our check in the amount of the Grant. A self-addressed envelope is enclosed for returning the signed acceptance copy of this letter.

Finally, please note that future grant requests that do not satisfy the following two requirements will be rejected without review: (1) the Board will only review grant requests that have been presented in writing on or before January 31 of the year of the grant, and (2) six (6) copies of all grant requests must be sent to the Foundation on or before January 31 of the year of the grant to the following address:

940 S. ORANGE AVE • SUITE 101
ORLANDO, FLORIDA 32806

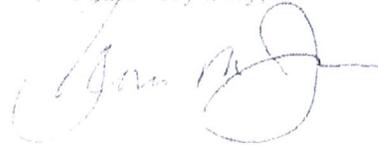
TELEPHONE: 407.872.7066
FAX: 407.650.9984

The Bert W. Martin Foundation
Attn: Ms. Dana Sutherland, Director
205 De Anza Blvd. #126
San Mateo, CA 94402

Again, any grant request that does not satisfy these requirements will be rejected.

Thank you for your interest in the Bert W. Martin Foundation.

Yours very truly,



Thomas M. James
Secretary of the Foundation

TML:lw
Enclosure

APPROVED

DATE

Whitney T. Sullivan
5-16-2017