

Larry Costello
El Dorado County

June 2, 2008

PROFESSIONAL MANAGEMENT OF EL DORADO COUNTY, CA SKATEPARK

PROPOSAL

Submitted by:

Action Park Alliance (APA)





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I. Proposal Statement

A. Introduction

The Action Park Alliance, Inc., or APA, is an organization that operates skate parks through public-private partnerships with cities. Our principles have been actively involved in skate park management for 10 years, coming together to found Action Park Alliance in 2002. APA management reduces the cost and risk cities could face when supervising parks on their own. It also ensures greater safety and puts trained staff in the position of supervision.

At Action Park Alliance, Inc., our focus is on programming. We feel that your community skate parks can be a great opportunity for youth development, providing a wide variety of activities to a typically under-served group. For this reason, we partner with communities to provide high-quality programming at the lowest cost possible to the end users. To learn more about the Action Park Alliance's current programs, please see Appendix I A, *The Supervision Solution*.

We at the Action Park Alliance are pleased to provide you with this proposal for the management of your skate park.

Here's what separates us from other skate park management firms:

- X-Games and Gravity Games Affiliation—Our officers have provided equipment and services for the X-Games and Gravity Games, and we have close relationships to all the professional athletes.
- We utilize a custom-designed software package featuring:
 - To-the-minute tracking of all park users and their attendance history and waivers.
 - Tracking of all injuries, with follow-up reminders.
 - Provides safety and medical information for all users.
 - Complete accounting of all sales, including food, admissions, memberships, rental gear, etc.
- Contest Series—As part of our network of parks, we host nationwide amateur and professional competition series.
- Professional Skater Affiliations—having worked for years in the action sports industry, we are closely tied to professional skaters and BMX riders. This means that we can secure pros for events, contests, demos and appearances.
- Television Coverage—With our wide variety of events and contests at our parks, we have the ability to generate nationwide television exposure for the skate park, and for the community of El Dorado.



- Directory Listings—All our parks are listed in internet and industry publication directories.
- Multi-facility Marketing—We offer a network of facilities, which allows for reciprocal membership benefits between parks.
- Comprehensive insurance package—We carry limited medical coverage for participants in addition to standard liability.
- Expert Maintenance—Because our roots are in building world-class skate park facilities, we are knowledgeable with all types of construction, and are capable of providing the most comprehensive maintenance and inspections.
- Rolling Sports Educational Curriculum—In our other cities, we are working closely with the school districts to create physical education programs which teach skateboarding and in-line skating skills to those children who prefer these sports to traditional sports.
- Mentoring Program for at-risk youth—We offer scholarship programs to under-privileged children to allow all community members to use the park.

B. Business Plan/ Scope of Work

1. Skate Park Operation & Insurance

At a minimum, Action Park Alliance will offer a fully-staffed skate park atmosphere, enforcing safety gear rules at all times. Patrons without safety gear will be able to rent it from the pro shop. Our operation is completely computerized, and tracks each and every person using the skate parks. We require waivers to be signed by a parent or guardian, and they are kept on file at the parks. We carry a comprehensive liability insurance policy, and accident/ excess medical policy to provide maximum protection for our municipal clients. We have a comprehensive marketing plan that we implement at all our parks to generate as much use as possible.

2. Special Events and Programming

Programming is our specialty. We provide a full compliment of lessons, camps, and clinics at all our parks. We consistently hold special events including local contests, concerts, etc. In addition, we work to bring high profile special events to each and every facility, including professional demonstrations and competitions. We held the first ever Triple Threat Skateboard contest at our park in Lake Elsinore, which attracted the top names in skateboarding (including Andy MacDonald) and was televised on the Fox network. Please see Appendix I B for a sample special events flyer and a sample flyer from our Orlando park.



3. Proposed Hours of Operation and Session pricing

Alliance Skate Park of El Dorado Hours of Operation

Weekdays—

3:00 PM to 9:00 PM (School Year)

Noon to 9:00 PM (Summer)

Holidays—

To Be Determined

Weekends—

9:00 AM to 9:00 PM

Pricing

Memberships—

- | | |
|------------------------------------|---------|
| • Resident Membership (Annual) | \$20.00 |
| • Non-Resident Membership (Annual) | \$25.00 |

Entry Fees—

- | | |
|-------------------------------|-----|
| • Resident Member Session | \$0 |
| • Non-Resident Member Session | \$0 |
| • Non-Member Session | \$0 |

Programming—

- | | |
|---------------------|-----|
| • Camps | TBD |
| • Lessons & Clinics | TBD |
| • Contests | TBD |
| • Special Events | TBD |

4. Pro Shop

In order to keep costs down for the participants, to give the most benefit to the community, and for the skate parks to thrive as hubs of recreation, a pro shop is an integral part of the APA's plan for the El Dorado park. The pro shop will create a purpose for park employees to become involved in the community beyond insurance and simply overseeing operations. El Dorado shall be responsible for constructing a pro shop to APA's specifications prior to the beginning of APA management.

5. Snack Bar / Food Service Operations

APA will sell a wide array of snacks, cooked foods and non-alcoholic beverages. A clean and orderly food facility will be maintained at all times.



6. Employees, Subcontractors, and Agents

When any new park comes under the management of the APA, Mark Laue is on site before and after the management change for a period of several weeks. In the case of your park, Mark will be on site prior to the change over to supervise and control the hiring of all staff. The selected manager will be trained as long as necessary on site before allowing them to operate on their own; however, the training will not stop there--- contact is made 3-5 times per day to ensure the proper running of all APA facilities.

Part of our company's hiring technique is to find staff members with retail and business management expertise. Our current Florida area supervisor has lived in central Florida all his life and has managed our Orlando park for three years. He has helped us develop a respected organization in the Florida skate scene. Along with Mark Laue, he would be your point of contact with the APA. Several assistant managers would then be hired who would be much more active in the skate community. These are the people that are most likely to really connect with the skaters, and will command their respect as role models and rule enforcers. We have found this hiring formula to meet all of the goals of providing quality skate supervision and running a profitable retail store. Our philosophy of maintaining close relationships with our employees has kept our employee turnover rate under 20% throughout the last 4 years. Of course, all our staff will be First Aid and CPR trained.

Each park will be staffed with a minimum of one trained staff member over the age of eighteen. We will require two qualified staff members to be present during the most popular skating times when there are more than 35 participants in the skating area.

7. Maintenance and Record Keeping

Currently, we keep up-to-the-minute records of all revenue, products sold, kids in the park, injuries and status and maintenance in all our parks – yours would be no exception. We have a detailed maintenance inspection procedure, which includes record-keeping. We also have a well-documented injury procedure. Please see Appendix IC for generic incident and maintenance reports.

8. Terms of Proposal

Action Park Alliance Responsibilities

- Staffing
 - The park will be staffed with a minimum of one management-level employee over the age of eighteen, at all times.



- Additional staff members will be on duty for each session or activity with more than 35 participants. A minimum of one staff person per 35 participants will be on duty at all times.
- CPR Training—all of our employees are CPR and First-Aid certified.
- If there are union requirements, costs may increase.
- APA shall work with El Dorado County volunteers at its various special events. Day-to-day staffing of the skatepark shall be by APA employees and management.

- Maintenance of skatepark
 - Action Park Alliance will conduct daily park inspections; any significant findings, especially those that may present warranty issues, will be promptly reported to El Dorado for further action.
 - Examples of maintenance that will be performed by APA are minor painting, trash removal, minor graffiti removal.
 - All structural, major, or warranty work needed will be reported to El Dorado, who will be responsible for completing the repairs or filing warranty claims with the builder.
 - APA will facilitate and coordinate any necessary warranty filings and procedures.

- Maintenance of pro shop
 - All exterior maintenance of the pro shop building is the responsibility of El Dorado, including major appliances, such as HVAC and electrical.
 - APA will maintain the interior of the pro shop building, including all fixtures provided, and will replace, at its cost, anything under \$500.00.
 - If any warranty service is needed for any appliances or parts of the building, APA will coordinate the service and maintain all appropriate documentation.

- Public restrooms
 - El Dorado shall provide separate public restrooms as part of the pro shop building.
 - APA shall provide janitorial services for the restrooms.

- Insurance/ Liability
 - APA will require all participants to sign a liability waiver, releasing El Dorado and APA of liability. These waivers must be signed by parent or legal guardian for anyone under the age of 18, and identification is required. Final wording of the waiver may be modified by El Dorado's attorney/ risk manager.
 - APA will require safety gear to be worn at all times, in compliance with the laws of the State of California, and will enforce such requirements.
 - APA will maintain a liability policy naming El Dorado (and all related parties), in the amounts of \$1M per occurrence, \$2M aggregate.
 - APA will maintain an accident and excess medical insurance policy to drastically reduce the likelihood of lawsuits and insurance claims, especially for medical and injury reasons.



- Garbage disposal
 - APA shall collect trash in the bins, and take it to the dumpster.
- Record-keeping
 - APA will keep detailed injury reports, maintenance reports, liability waivers, and incident reports, both electronically and physically.
 - APA will complete and submit the required annual reporting and documentation to the State of California, to comply with recreational immunity provisions.
 - Complete financial information including detailed inventory tracking and all accounting.
 - APA shall provide quarterly park usage reporting to El Dorado, and annual recap reporting.
- Taxes
 - APA will be responsible for the collection and payment of all sales taxes on sales of non-exempt items in the pro shop.
 - APA will be responsible for paying business personal property tax for its property within the pro shop building, including any fixtures and inventory. Any property taxes or special assessments for the building or the property shall be the responsibility of El Dorado.
- Concessions services
 - APA will maintain a fully-stocked concession operation, including fountain drinks, water, snack foods, etc.
- Sponsorship
 - APA will work to sell sponsorship for the skatepark, within any guidelines or restrictions from El Dorado.
- Consultation
 - APA will provide consultation regarding the design of the pro shop and skatepark, at no additional charge.

El Dorado Responsibilities

- Skatepark
 - El Dorado shall provide a professionally designed and constructed skatepark (existing).
 - Skatepark shall be in good condition, and meet all ASTM guidelines.
 - Skatepark shall have adequate security measures and access control (fencing, video monitoring, etc.), meeting APA's guidelines.
- Pro shop building
 - El Dorado shall provide a pro shop building of approximately 500 square feet at the skatepark for APA to set up pro shop and concession operations.



- APA will need possession of the completed pro shop building 30 days prior to desired opening of skatepark. Pro shop must have all utilities including phone, internet, HVAC, electrical, etc. in working order prior to APA taking possession.
- Utilities costs
 - El Dorado shall be responsible for paying the electric bill for any outdoor park lighting, and any utility bills associated with the skatepark and pro shop.
- Maintenance
 - El Dorado will be responsible for landscape and general site maintenance, including any repairs needed for lighting.
- Garbage disposal
 - El Dorado shall be responsible for the collection of the trash at the dumpster.
- Taxes
 - Any property taxes or special assessments for the building or the property shall be the responsibility of El Dorado.
- Marketing/ Promotion
 - El Dorado shall include the APA skatepark in its monthly mailers and any other promotional materials it produces.
- Staffing Fees
 - El Dorado's annual staffing fee to APA will be \$150,000, payable in quarterly increments of \$37,500, in advance of each quarter.
 - The first quarter's payments will be due upon the signing of the management agreement.
 - Revenue Sharing—for all cash revenues received by APA at the El Dorado skatepark in excess of \$250,000 annually, inclusive of the staffing fee paid by El Dorado County, APA shall rebate 5% of those gross receipts to El Dorado County.

II. Qualifications

D. References

Parks Currently in Operation:

- City of Grand Prairie, TX
318 W. Main
Grand Prairie, TX 75050
Rick Herold/ rherold@gptx.org



- City of Lake Elsinore, CA
130 S. Main Street
Lake Elsinore, CA 92530
Ray/ 909-674-3124

- City of Glendale, AZ
6829 North 58th Drive, Suite 202
Glendale, AZ 85301-2599
Mike Gregory/ 623-930-2652
Foothills Park

- City of Glendale, AZ
6829 North 58th Drive, Suite 202
Glendale, AZ 85301-2599
Mike Gregory/ 623-930-2652
Western Area Regional Park

- City of Orlando, FL
649 W. Livingston Street
Orlando, FL 32801
Anthony Williams/ 407-246-3729
Anthony.williams@ci.orlando.fl.us

Industry References:

- Skate Park Association, USA
13015 Washington Blvd.
Los Angeles, CA 90066
Heidi Lemmon/ 310-823-9228

- Dewitt Stern Group
10969 Ventura Blvd.
Studio City, CA 91604
Katherine Wong/ 818-623-5428

- Joint Powers Insurance Authority
8081 Moody Street
La Palma, CA 90623
Allan Amico/ 562-467-8700



E. Principles/ Project Team Members

i. Mark Laue – Executive Director

Mark Laue, executive director of the Action Park Alliance, has been a fixture in the action sports professional community for over ten years. Mark brings a plethora of management and marketing skills to the position. In 1998, mark founded the first 30,000 sq. ft. Real Ride Skate Park in Salt Lake City, UT. Currently, he operates Real Ride Skate Park Lake Perris, CA: a 100,000 sq.ft. skating facility – the largest in North America – which includes a café, a full-service skate shop, an arcade, a paintball park, and the only public foam pit on the west coast. The park encompasses four separate courses and allows bikers, skateboarders, in-line skaters and even kids with scooters to ride and play together in the same sessions. Real Ride has hosted several major events, including Tony Hawk’s skate park tour (televised), the ASA amateur in-line skating competition, the ASA Pro Tour (on ESPN), the Dave Mirra Super Tour, the DK Pro dirt circuit (televised), and several BMX stunt shows.

As operator of Real Ride, Mark has managed daily operations, overseen accounting, balanced budgets, directed employees, supervised the opening and running of skate shops, and produced many special events, including concerts and competitions. Through Real Ride, Mark has shown a deep commitment to the community and youth programs. While in still in Salt Lake, Mark developed skating schools and was a mentor in Mayor Deedee Corradini’s “Olympikids” program. In California, Mark has produced and announced for BMX stunt shows that were designed to motivate today’s youth to be goal-oriented, positive young adults. In 2004, he opened Camp Realride, a summer camp program.

In addition to his park management skills, Mark is an accomplished event marketer. While in partnership with Anywhere Sports Productions, Mark announced for the 2005 Core Tour and the National In-line Skate Series. While with Red Square Television, he was assistant producer for Project Detention 2003 in Stockton, CA, and also hosted, produced and announced for the Best of BMX shows. At the world-famous Jack Morton Productions, Mark served as assistant stage manager for the opening and closing ceremonies of the winter Paralympics in 2002.



ii. Kirsten Bradford – CEO and CFO

Kirsten Bradford is Chief Executive Officer & Chief Financial Officer of Action Park Alliance, Inc., a skate park staffing and management company. She also serves in the same capacity for Spohn Ranch Inc., a special event services and skate park manufacturing company. While both companies work with municipal clients, the services are substantially different.

As with most small businesses, the need to wear multiple hats has given Kirsten top-to-bottom experience in everything from logistics and manufacturing to accounting and government contracting. Kirsten is responsible for supervising all projects from inception to completion. Every critical task or decision for both companies is guided by her hand. Her ability to organize and motivate keeps the APA management team on track in spite of the challenges typically faced by family run businesses.

Kirsten has been integrally involved in the action sports industry for the past thirteen years. The breadth of her experience is vast and ranges from the production and management of nationwide tours and televised competitions, to the construction of high-quality permanent facilities, to the operation of retail locations.

She believes that the key to creating successful facilities for today's action sports athletes is to stay in touch with the trends in the sports and to work closely with municipalities to facilitate youth participation in the skate park process. She, along with the rest of the team at the APA and Spohn Ranch, accomplishes this through ongoing relationships with the industry's top organizations and athletes, as well as day-to-day contact with kids participating in these sports at a street level.

Kirsten also has extensive experience with liability issues, and has worked hand-in-hand with insurance brokers and underwriters to develop programs specifically for skate parks. Through a number of municipal projects, Kirsten has become adept at assisting the various city departments in smoothly achieving their goal of developing a successful skate park.

Kirsten's clients include ESPN & the X-Games, Red Bull, City of Los Angeles, Vans Triple Crown, Virgin Airlines, and the Gravity Games.



iii. Aaron Spohn – President

Aaron Spohn, President of Action Park Alliance, is one of the pioneers of the skate park industry, having founded Spohn Ranch in 1992 as the popularity of skateboarding and action sports was beginning to intensify. Since the inception of Spohn Ranch, Aaron has overseen the design and construction of hundreds of wood, steel and concrete skate parks not only across the United States, but also abroad. His unflinching attention to quality and innovation has earned Spohn Ranch numerous accolades, including the Skate Park Association USA award for excellence in skate park construction. Today, Spohn Ranch, proud member of the International Association of Skateboard Companies (IASC), remains an industry leader while setting standards for safety. Aaron's commitment to safety and today's youth has led him to work on a subcommittee of the ASTM, one of the largest voluntary standards development organizations in the world, to develop safety guidelines for the construction of skate parks. Further, having witnessed the failure and closing of many skate parks due to inattention, Aaron aspires not only to build new, quality parks but to see all parks managed and programmed with safety as the number one priority. The result of this concern was the founding of the Action Park Alliance, an organization which partners with cities to provide complete, turn-key management for skate parks.

In addition to designing, building, maintaining and managing skate parks, Spohn Ranch has provided equipment and services for nearly every major action sports property, including Vans Triple Crown, ASA Pro Tour, National Inline Skate Series, X-Trials, Gravity Games, Slam City Jam, Aggressive Skaters Association, International Inline Series, the Core Tour, B3 and Mat Hoffman's CFB Series. Aaron was instrumental in developing the X Games concept with ESPN and conceived and constructed the structures for the inaugural event. Aaron also served as a consultant for a tribute to extreme sports presented at the 1996 Atlanta Olympics.

As an industry expert, Aaron is often a guest speaker at events such as the National Park and Recreation Association Conference, as well as Parks and Recreation conferences in California, Ohio, Pennsylvania, and Connecticut. Additionally, he frequently lends his expertise to the trade magazines, having contributed editorial material to Athletic Business Magazine, Landscape Architect and Specifier News, and the National Park and Recreation Association magazine, among others. He is also credited with editing the 60 Tricks skate magazine, and was a contributing columnist to Inline Magazine.

Aaron is not just a skate park builder, he is also a skater. Since 1972, Aaron has skated in stunt shows with the likes of Mat Hoffman and Tony Hawk, and has performed in numerous commercials, films and television programs. His likeness has been featured on numerous postcards, in books and in magazines. He was even the inspiration for the Skateman comic book character - a hero of the Venice Beach community. Today, Aaron still enjoys skating in and around his Los Angeles community, and he is also actively involved in the sport of Motocross.



iv. Jestin Davis – General Manager

Jestin Davis, current general manager for the Action Park Alliance at the Orlando skate park, has been with the organization for over three years. In this role, Jestin creates and produces special events, maintains the pro shop inventory and acts as community liaison. Jestin also produces the biannual Surf Expo held at the Orlando Convention Center and locally produces and promotes the Mountain Dew Action Sports Tour. Jestin has also been responsible for creating and updating the Orlando Skate Park website, an instrumental tool in the local skate scene.

Jestin has been involved in skating almost as long as he has been walking. At the age of 14, he became a business owner when he opened EL Skate Shop in partnership with his mother. He also successfully lobbied in his city for a local skate park. Jestin came to the APA from the Community Bank of Florida in Bartow, where his title was Personal Banker.



Please feel free to contact us at any time to discuss this proposal, or for further information. We look forward to working with you! Thank you.

Sincerely,

Kirsten Bradford
CEO
Action Park Alliance, Inc.
15131 Clark Avenue
City of Industry, CA 91745
www.actionparkalliance.com



Appendix I C – Generic Incident Report

INCIDENT REPORT FORM

Action Park Alliance, Inc.

Name of Person Filling Out Report:
Position/ Title:
Date of Injury/ Report:
Name of Injured:
Time of Injury:
Place where injury occurred:
Description of Injury:

Is the Injury Serious or Life Threatening?
Injured's Account of How the Injury Occurred:

Paramedics Called?
Actions Taken By Staff and/ or Paramedics:

If paramedics not called, was injured taken to a medical facility?
Name of medical facility:
Treatment administered:

Witness #1 Name and Phone #:
Witness Account of Injury and Events Leading To:

Witness #2 Name and Phone #:
Witness Account of Injury and Events Leading To:

Signed: Date:



Appendix I C – Generic Maintenance Report

<u>Day</u>	<u>Date</u>	<u>Time</u>
<p style="text-align: center;"><u>Drain Covers on and Secure</u></p> <p> <input type="checkbox"/> Area X <input type="checkbox"/> Area X <input type="checkbox"/> Area X <input type="checkbox"/> Area X <input type="checkbox"/> Area X <input type="checkbox"/> Area X </p>		<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>
<p><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OPENING REPORT</p> <p>No</p> <p>If no, explain:</p>		<p><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>
<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>		<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>
<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>		<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>
<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>		<p style="text-align: center;"><< INSERT Area 'X' >></p> <p>Area open and safe for skating? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, explain:</p>
<p style="text-align: center;"><u>Parking Lot & Entrance</u></p> <p> <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory (explain): </p>		<p style="text-align: center;"><u>Inside Building</u></p> <p> <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory (explain): </p>
<p>Additional Comments</p>		
<p>Manager on Duty/Date:</p>		<p>Signature:</p>