

**TOWN OF OLD ORCHARD BEACH
SPECIAL TOWN COUNCIL WORKSHOP
Tuesday, September 10, 2013
TOWN HALL CHAMBER
7:45 p.m.**

A Town Council Workshop was held on Tuesday, September 10, 2013 at 7:45 p.m.

The following were in attendance:

**Chair Shawn O'Neill
Vice Chair Bob Quinn
Councilor Roxanne Frenette
Councilor Jay Kelley
Councilor Malorie Pastor
Councilor Joseph Thornton
Interim Town Manager Robert Peabody, Jr.
Assistant Town Manager V. Louise Reid**

Absent: Councilor Kenneth Blow

Also in attendance were members of the Ballpark Commission including Robin Dube and Bob Rings who presented their request for approval of the Agreement to be considered. Also attending were Pam and John Gallo, owners of the Collegiate Baseball Club, LLC.

Discussion around the proposed contract included several dozen points of interest which were to be written into the contract and noted changes that

Staff and the Ballpark Commission have been working with John and Pam Gallo and the Futures Collegiate level baseball team. Staff and the Commission are now advancing a proposal to the Council to consider authorizing the use of the Ballpark, a Town-owned facility. Under the Town's Code of Ordinances, Chapter 2, Article IV, Division 8, the Commission does not have authority to enter into contracts for the use of the Ballpark and the facility use agreement as affecting the disposition of Town-owned property must therefore be authorized by the Town Council. The terms of the proposed agreement and license will authorize the Old Orchard Beach Collegiate Baseball Club to use the Ballpark as its home stadium for the 2014 season.

Use of the Ballpark will be coordinated with other Town authorized activities already or to be scheduled for the upcoming 2014. Revenues from games and sponsorship activities, facility responsibilities and concession operations are addressed in the proposed agreement. The purpose of the meeting this evening is to come to an understanding and an agreement of the Agreement by not only our Town Attorney but by the Town Council as presented by the Ballpark Commission and the Gallos.

The Collegiate Baseball Club, LLC, owns the Raging Tide and has exclusive rights to the Ballpark Facility which included field, stadium with its PA, Press and Skyboxes; Clubhouse with its locker rooms, showers, and four offices; concession stand and restroom as well and the walking mall between the stadium and the other buildings. The Raging Tides source of revenue is ticket sales, sponsor ads and banners, and skyboxes

sponsorship. This is one of the reasons this is being requested to move forward on the September 17th agenda for the Gallo's to obtain sponsors. The Town covers annual maintenance and field game time prep as needed except for when the Raging Tide has games for which it is responsible. The Ballpark Commission is responsible for the upkeep of the permanent structures. Both Facilities and Field Managers and Concessions Managers are on stipends. Support is via volunteers. The Field and Facilities Manager takes care of annual maintenance and the Ballpark staff provides game-time preparations. There is one good size concession stand and a restroom that can serve eleven men and five women at a time. The Raging Tide earns all proceeds from concessions for its events and owns a 75/25% split of concessions proceeds during its season when the Town sponsors an event between June 3rd through July 31st. The Town provides all permanent facilities and equipment whereas the Raging Tide has its equipment for its season. The Tide expects the "Town to accommodate essential facility needs and enhancement particularly benefiting them and their sponsors." It was noted that the purpose of the meetings were to review and discuss issues together and there have been many meetings with the Interim Town Manager, members of the Ballpark Commission and the Gallos.

There was concern by Vice Chair Quinn that there was not a good presentation of the contract giving a side by side view of the changes made. Bob Rings indicated that the whole purpose was not to have the Town rewrite the proposed document prior to the meeting but to be aware of what remains to be discussed. The Town does not need to review the document behind closed doors or in executive session; in fact he was not sure that the Ballpark Commission even has the authority to enter into Executive Session. Concern was also expressed about the monthly statements of the finances of the Ballpark as it is difficult to get a picture of this business enterprise.

BELOW IS A SYNOPSIS PRESENTED TO THE COUNCIL AFTER THIS WORKSHOP AND AT THE REQUEST OF THE COUNCIL.

To: Old Orchard Beach Town Council From: Bob Rings Commissioner 9/12/13

Subject: Summary of Collegiate-Ballpark Facilities Agreement Essentials to the Town

This summary will focus on what is believed to be the most relevant points impacting the Town and The Ballpark's sustainability. The 2012-13 Agreement was negotiated and signed without the Futures Collegiate Baseball League (FCBL) mentioned. Yet the FCBL pledged to contribute \$5,000 for 2012 and again in 2013 – intended for only two years for ballpark improvements at the discretion of The Ballpark. This action was partially an incentive for the original agreement to be signed quickly since this was the first contract and approved on March 3rd, 2012. This gave Collegiate barely enough time to assemble a team and only a few sponsors due to the lateness. They quickly found that they had to solicit potential sponsors as early as September and October for the following year. Thus, our sense of urgency for both Collegiate and The Ballpark for soliciting sponsors. The basic difference is that both parties have had two years of experience and have adjusted working relationships based on more specific mutual expectations within the environments of The Ballpark and the FCBL. The Ballpark, Collegiate, and FCBL are still maturing, and situations are changing. The row numbers correspond to the Agreement's sections.

| 2014 Agreement | 2012-2013 Agreement |
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| 1.& 2 Introduction, and definitions of The Facility and Old Orchard Beach Collegiate Baseball Club, LLC basically the same language. | |

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| <p>3.Term of the Agreement and Event Scheduling: June 1 – August 15, 2014</p> | <p>June 4-July 31, 2012 & June 3-July 31, 2012.</p> |
| <p>4. Non-exclusive Use and Scheduling of the Ballpark: The language is the same as in the previous Agreement except for the 2014 date change.</p> | <p>Although the Collegiate has 27 games and the right to schedule 3 other events, the Town also has the right to schedule its events first according to Schedule A until March 1, 2014. After March 1, Collegiate schedules its ballgames and events and the Town must schedule its events around Collegiate events June 1-August 31, 2014.</p> |
| <p>5A.User Fee: \$17,500 non-refundable. The Ballpark started at \$20,000 which was a deal breaker. Collegiate started at \$15,000. Collegiate had suffered significant losses its first two years and the weather this year cut deeply into the walk-up ticket buyers. No deal would have meant an immediate loss of any fee and a very significant part of our season’s program and visibility for outside money via sponsorships. This would impact the sustainability of Collegiate’s Raging Tide.</p> | <p>\$15,000, non-refundable as written in the 2012-13 (this) Agreement.</p> |
| <p>5B. Security Deposit: Collegiate is given a choice of “A \$5,000 deposit or proof of a minimum \$5,000 damage insurance shall be provided to the Town 30 days prior to start of the Season.” This section’s language is basically the same except for this statement: Collegiate shall be given the opportunity to repair any damages to the Town’s expectation and in a timely manner prior to the Town making repairs. Parties agree on the repair subject to Town approval.</p> | <p>The <u>option</u> for up front security deposit OR proof of a minimum \$5,000 insurance... was not in this Agreement</p> <p style="text-align: center;"><i>Primarily a consideration of cash flow.</i></p> <p>These sentences are not in this Agreement.</p> |
| <p>5C. User Fee and Security Deposit Payment Dates. Built into this Agreement is a payment schedule paced for the cash flow benefit of both parties: 1.) \$5K, March 1st, 2.) \$5K, 15-30 days before the season, and 3.) July 1st, the latter at the The Ballpark’s convenience to start the new Fiscal Year with the balance of \$7,500.</p> | <p>User Fee and Security Deposit was scheduled for February 1st of each year. Due to cash flow concerns the schedule was “unofficially*” more lenient in 2013. *(“Gentlemen’s” agreement)</p> |
| <p>5.D. Ticket Sales and Ticket Sales Payments: The was the same language with the exception of</p> <p>This statement was dropped from this# Agreement. # (2014)</p> | <p>“...In addition, to the User Fee, the Town will receive 10% of all season tickets sales. Season ticket sales will not be counted toward the overall attendance figures. For each full and discounted priced ticket sold over 500 total tickets sold, the Town will receive \$1.00 for each full price ticket and 50 cents for each discount ticket holder in attendance at each game. Attendance numbers for each shall be determined at the entrance gate to the stadium. (In reality this amounted to \$300+/-.)</p> |
| <p>6 & 7. No changes for Insurance and Indemnification.</p> | |
| <p>8. Concessions and Sponsorship: Much of this is the same language with the following exceptions: 8A. Concessions. For events that the Town sponsors, Collegiate will operate all concessions.</p> | <p>Concessions: For events that the Town sponsors, Collegiate will operate all concessions and the</p> |

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| <p>The proceeds of concession sales related to the Town event shall be divided so that the Town receives 25% <u>of the gross proceeds minus the cost of Collegiate employees</u> of all concession sales. The underlined verbiage is the difference. This is only during June-August 15. <u>Otherwise the reverse is true in the event of a Collegiate sponsored event outside of their term. Collegiate receives 25% minus the cost of Town employees...</u> Outside of the Collegiate's term the Town receives 100% of its sales for its own events.</p> <p>8B. Sponsorships. The most important difference is the sharing of Marketing and Sponsorship information has been moved up to "before or on <u>October 1.</u>" For 2014 the parties meet to collaborate on the overall plan and will be open to approaching each other's potential sponsor and explaining the difference between the Raging Tide, the college baseball team, and The Ballpark which renovated the old facility. This distinction is important to make because different businesses may want to only contribute to the Town/The Ballpark or only to Collegiate's Raging Tide. We will work for each other with the preferred benefactor (The Ballpark or Collegiate) carrying through with the contractual paperwork agreement for themselves.</p> | <p>proceeds of concession sales related to the Town event shall be divided so the Town receives 25% of the gross proceeds of all concession sales.</p> <p>Sponsorships: On March 1st of each year, Collegiate and The Ballpark Commission shall meet to discuss and agree on how each sponsor shall be approached for sponsorships and which sponsor shall be approached for sponsorship by Collegiate or the Town... (a split list of sponsors)</p> |
| <p>9. The Condition and Suitability of the Facility for the Purpose of Collegiate. The same language other than: The Town will notify the Collegiate as much in advance as possible in the event of a facility problem that could affect a scheduled home game. The Ballpark and Collegiate will agree upon a time range for the issue to be resolved before Collegiate follows through with officially rescheduling the game elsewhere.</p> | <p>This requirement is not in this Agreement. Problems have occurred once or twice which stimulated this phraseology request by Collegiate.</p> |
| <p>10. Use and Maintenance of the Ballpark Facilities.</p> <p>10A. Use of Designated Facilities: The same verbiage with the exception of one additional office. Appendix D has a diagram which shows the exclusive areas plus shared areas. The shared areas are primarily the Town/The Ballpark's space except that occasionally Collegiate may need these areas for the umpires, two restrooms for their female interns and guests, and the small conference room for official team or staff meetings and baseball game entertainment games preparations. Nothing will be stored in these rooms for Collegiate, and it must keep these rooms clean after Collegiate's functions. Skyboxes or private boxes were written into this contract. Collegiate gains 13 of 15 skyboxes for its</p> | <p>Clubhouse - Four offices, two locker rooms, two showers, and a training room.</p> <p>Appendix D is not in this Agreement.</p> <p>Skyboxes or advertising space was never written into this Agreement. Collegiate took the initiative</p> |

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| <p>fundraising sponsorships. The Town/Ballpark has two immediately to the right of the Press for sponsorships or Town staff and guests. With the permission of Collegiate during its term The Ballpark may use Collegiate's private boxes for concerts or other events and clean them afterwards.</p> | <p>to lease six skyboxes for seasonal sponsorships.</p> <p><i>Unofficially/orally by a "Gentleman's" agreement, the Gallos have said if they do not have all of their skyboxes sold or in use, the Town may utilize any box available.</i></p> |
| <p>10B, C, D. Collegiate Field Maintenance and Responsibility for Cleanliness of Facilities. These stipulations as detailed in Appendices B & C are primarily operational mutual expectations delineated so that everyone understands the division of responsibilities and necessity of maintaining excellent standards for field maintenance and cleanliness for the benefit of all stakeholders.</p> <p>Season Security and Storage: This simply described where Collegiate was to store its materials and "inside type" of equipment in three offices without plumbing so that the Field and Facilities Manager could winterize the Clubhouse. It also noted that all keys were to be submitted to the F& F Manager. In reality Collegiate has taken all items out of the Clubhouse. Keys have been turned-in.</p> | <p>These sections were much less explicit in terms of stipulations and mutual expectations for field maintenance and cleanliness. In fact, on page 6 of this Agreement it says, "Specific details of maintenance and sanitation protocols and standards that Collegiate agrees to follow are set forth in Appendix B." Appendix B existed in title only.</p> <p>There was nothing in this Agreement about season security and storage.</p> |
| <p>11. Utilities and Other Expenses. No change. The Town pays for gas, water, sewer, internet and electricity services.</p> | <p>This is the same as in the 2014 Agreement. Collegiate pays for the propane it uses in concessions.</p> |
| <p>12. A. & B. Broadcast Rights and Surveys. No change from 2012-13.</p> | |
| <p>12. Collegiate's obligations to have a fundraising for the Town was dropped in 2014.</p> | <p>Collegiate was to have a fundraiser for the Town. <i>This never happened. Collegiate had enough of a struggle to raise money for itself.</i></p> |
| <p>12C. Community Involvement/Service. The Ballpark Commission often stressed the need for Collegiate to be more visible in the community through various types of involvement/services. This time it is built into this Agreement.</p> | <p>This is not in this Agreement.</p> |
| <p>13-17. Early Termination, Amendment, Separability, No Transfer, Maine Law</p> | <p>These areas in the 2012-13 Agreement were not changed in the 2014 Agreement.</p> |

After discussions on the various issues and the need indicated to move forward on the September 17th agenda, it was noted that a request would go to the Town Attorney for input on the draft agreement and that the item would be placed on the upcoming agenda for reconsiderations. Other issues discussed were the profitability of the ballpark and the need for more specific funding opportunities.

The Chair appreciated the input of the Gallos and the Ballpark Commission and will move this forward to the September 17th agenda.

Following the Workshop on the Ballpark Agreement was a discussion on Dispatch Operations. Attending were Chief John Glass of the Fire Department and Chief Dana Kelley of the Old Orchard Beach Fire Department. We have had a contract with Sanford for Dispatch Services but they have over the past year had considerable issues to

address including staffing issues and the ability to have enough staff on site for the needs of the communities they serve. The purpose of this meeting with the Council was to ask for approval to just consider other opportunities for dispatch services and also the opportunity to meet with Sanford Dispatch on some of the issues that are causing concern. There was a consensus among the Council that it is a relevant request and for the Fire Chief and Police Chief to take this opportunity to review the ongoing operations and other opportunities available to the Town and return at another Workshop to present their findings.

The Chair expressed to all in attendance his appreciation for their time and their input to the discussions that were held this evening.

Respectfully Submitted,

V. Louise Reid
Town Council Secretary

I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, Maine, do hereby certify that the foregoing document consisting of six (6) pages is a copy of the original Minutes of the Town Council Workshop of September 10, 2013.

V. Louise Reid