

**TOWN OF OLD ORCHARD BEACH  
TOWN COUNCIL WORKSHOP  
Thursday, May 24, 2012  
TOWN HALL CHAMBERS  
7:00 p.m.**

**A Town Council Workshop of the Old Orchard Beach Town Council was held on Thursday, May 24, 2012. Chair Quinn opened the meeting at 8:40 p.m.**

**The following were in attendance:**

**Chair Bob Quinn  
Vice Chair Michael Tousignant  
Councilor Sharri MacDonald  
Councilor Robin Dayton  
Councilor Michael Coleman  
Town Manager Mark Pearson  
Assistant Town Manager V. Louise Reid  
Finance Director Catherine Saltz  
Jason Webber – Recreation Director  
Jen DeRice – General Manager – Ballpark  
Members of the Finance Committee  
Members of the Ballpark Commission**

**The Town Manager gave a brief description of the desire of the Chief of Police, Dana Kelly, to receive from the Council a consensus of approval for the early purchase of two police vehicles prior to the approval of the 2013 budget. Chief Kelley requested consensus for the purchase of two, 2013 Ford Explorer Police vehicles that are all wheel-drive SUV's. He selected these because they have been rated highly by the Michigan State Police who test and evaluate all Police vehicles offered. They get better fuel mileage than most vehicles and have a higher weight capacity rating than all other police vehicles currently offered. Ford no longer makes the Crown Victoria Police package that we typically purchase so we are forced to find an alternative vehicle. Quirk Ford in Augusta has the State Police Bid for Police cruisers and we as a municipality are able to purchase vehicles at the State Bid price. The alternative to this vehicle would be a Ford Taurus, a Chevrolet Caprice, a GMC Tahoe, a Dodge Durango, or a Dodge Charger. The Explorer is better suited to our needs. The Council, unable to vote in a Workshop setting did by consensus indicate they agreed with Chief Kelley's assessment but the suggestion was for one vehicle, not two.**

**The Finance Director began the discussion of the Ballpark budget as a presentation of projected expenses that it would cost to run the Ballpark based on certain assumptions that will enable the Council to decide how to proceed forward and is not intended to be an actual recommendation at this time. There are a number of expenses related to staffing that have never been charged to the Ballpark but rather came out of the Recreation Department's budget because of the current General Manager being a member of the Recreation Department's staff. She also indicated there is a reconciliation to the undesignated fund balance and the transfer from the general fund has been removed to show the actual net loss each year. The undesignated fund balance is only positive because of the transfer of funds**

from the general fund. The actual Ballpark operation has not had a profit and there is an accumulated total for the past three years as well. There were also some prior year expenses paid under the general fund likely which could not be identified without going through a great deal of prior year expenses paid. The current year engineering and legal expenses paid appear to be current and paid out of the general fund.

It should be noted that the Finance Director indicated the Minimum Option and the Fully-funded Option as it regards the FY13 Budget is what is being presented this evening. Both Revenues and Expenses were analyzed and discussed in detail by the Council. It was noted that areas of wages, FICA and Medicare, Health and Dental Insurance, IPP Insurance (Employers), and Workers Compensation, were all charged previously to the Recreation Department and was shown as expense for the new budget of the Ballpark. It appeared in the calculation originally before changes were suggested at this Workshop that the loss in funding to the Ballpark in the Minimum Option was approximately \$55,323.19; and in the Fully-Funded approximately \$61,949.51. It was noted that some items would be considered under the CIP Budget. Discussion on whether a full-time General Manager position should be hired; and the need to hire someone temporarily to handle details once the present General Manager leaves June 1<sup>st</sup>. Further discussion in the days ahead would be required as to what investment is the Council desiring to make in the years ahead. The suggestion was made by a Councilor that this should be a referendum item for the citizens of the community to decide. Others in the audience questioned whether baseball can actually be a revenue building option and that plans previously discussed years ago relative to the future of the Ballpark as whole is an area that needs to be reviewed again.

In some of the discussions the calculation of the costs was provided to the Council by the Finance Director including expenses involving cleaning, mowing, fertilizer, pest control, turf seeding, irrigation, and costs relative to porta-potties, recycling, etc. Other expense included projected costs of dues, licensing, membership fees; mileage reimbursement; field maintenance/equipment; Facility Maintenance Improvements; concession supplies; special events; office supplies, phone/internet/cell phone costs; advertising; uniform/clothing; vehicle machine repair; electricity; water bills; and Gas/Propane for the mowers, grills, hot water, etc. in a total amount of approximately \$157,363.

There was discussion of potential revenues including the Raging Tide Lease - \$15,000; Future League's donation including \$5,000 for each of the two years - \$10,000; Men's League Rentals - \$10,000; Tournaments - \$5,000; Field Rentals - \$4,000; Parking- \$2,000; Special Event Rentals/Vendors - \$4,000; Ticket Sales/Gate Receipts - \$2,500; Donations - \$500; Sponsors - \$5,000; Concessions - \$20,000; and Merchandise Sales - \$200; for a total of approximately \$73,200.

The discussion on the Capital Improvements at the Ballpark were discussed as well such as the estimated costs of Clubhouse Plumbing needs at \$7,000; field lights which from game to game continue to burn out and could cost as much as \$125,000; Stadium Cement issues at \$100,000 to \$250,000; Electrical Master Plan and the Electrical Master Plan which need to be estimated; Concession stand repairs and upgrades at \$65,000; skybox repairs to be estimated; Scoreboard at a cost of \$25,000; PA System, Insulation, Exterior Doors, Signage, Vehicles, Elevator/ Handicap Seating, all to be estimated; Vinyl Siding at \$70,000; and other areas for cost to be estimated including Parking Lot, Concourse, Stadium Façade, Fencing, Outfield Fence, Locker Room repairs, Maintenance at the Storage

**Building; Merchandise/Beer Stand, Security System, Community Center Renovation; Public Picnic Shelter; Outdoor Amphitheater, Park/Trail updates; volleyball/basketball courts; and a Go-cart Track. It was noted that just the work on structural requirements are expensive and large in scope including pressuring area of concrete; cleaning out old caulking, recalking joints and waterproofing cement surfaces. This number could be between \$200,000 and \$400,000 (very rough estimates).**

**Discussions include updates on the Collegiate Baseball Team's contract, a baseball team that will participate in the Futures Collegiate Baseball League. Collegiate established Old Orchard Beach, Maine as their home community and entered into a license arrangement with the Town to use the Ballpark as Collegiate's home stadium for the 2012 and 2013 Seasons. It was noted that the terms of the agreement is for two terms, the first term commencing on June 4, 2012 and ending July 31, 2012 and the second term commencing on June 3, 2013 and ending on July 31<sup>st</sup> 2013, the terms accommodating Collegiate's expected 27 regular home games and up to 3 additional and to be determined special events (individually the "2012 Season" and the "2013 Season", as appropriate. The terms may be extended by the Parties or renewed for an additional one year season. The use of the Ballpark by Collegiate during the 2012 and 2013 Season shall not be exclusive as the Town reserves the right, and Collegiate agrees that the Town has the right, to schedule other events at the Ballpark at any time when Collegiate do not have a home game during the 2012 and 2013 Seasons. In addition, the Town reserves the right, and Collegiate acknowledges and approves of the Town's right, to use the Ballpark for the previously scheduled events by other users. For the privilege of using the Ballpark as Collegiate's home stadium for the 2012 and 2013 Season, Collegiate will pay the Town a user fee of \$15,000.00 (the "User Fee") for each Season. For each Season Collegiate will also pay the Town a security deposit (the "Security Deposit") of \$5,000.00. The Security Deposit will be used by the Town to address any damages and the necessary repairs to the Ballpark at the end of the respective Season as are a result of Collegiate's use of the Ballpark, the balance will be refunded to Collegiate after the Town deducts the reasonable costs of repairs for any damages to the Ballpark as may have been caused by the direct activities Collegiate or its team members, normal wear and tear excepted. Payment in the amount of \$10,000.00 of each respective User Fee and the full amount of the Security Deposit for each Season is due and to be paid to the Town on or before February 1<sup>st</sup> of each season. The balance of the User Fee, in the amount of \$5,000.00 is due and to be paid by Collegiate to the Town in full on or before May, 1<sup>st</sup> of each season preceding the commencement of each Season. Collegiate shall be solely responsible for all ticket sales. The ticket sales booth shall also be available and open to the Town for its use during Town sponsored events. In addition to the User Fee, the Town will receive 10% of all season ticket 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 event shall be determined at the entrance gate to the stadium. Collegiate will pay any due Ticket Sales Payment to the Town within a week of the game generating the Ticket Sales Payments as are due. The Town retains the exclusive right to the parking lot and at no time is Collegiate permitted to collect revenue from parking cars at events. The Town will not collect parking fees during Collegiate's events. Collegiate shall be solely responsible to oversee and operate all of the concessions during the 2012 and 2013 Seasons and shall have the sole right of use of the concessions facility during the 2012 and 2013 Seasons. For all Collegiate's events, Collegiate will keep all proceeds from concession sales. For events that the Town sponsors, Collegiate will operate all concessions and the proceeds of concession sales related to the Town event shall**

be divided so that the Town receives 25% of the gross proceeds of all concession sales. Payment of such concession sale proceeds as are due to the Town shall be made by Collegiate within one week following the event. Collegiate agrees to honor all existing or future agreements with the Town's vendors serving the Ballpark. For Town sponsored events, the Town reserves the rights to use the services of any vendors, including vendors other than the vendors used by Collegiate. In securing sponsorships, Collegiate must provide the Ballpark Commission, through its General Manager, Collegiate's marketing and sponsorship plan. Appropriate approaches for soliciting sponsorships, and how to best combine and package advertising and sponsorship benefits (signage, skyboxes, publication advertisements, etc.), shall be agreed to be both groups. Not included in and exempted from the signage areas that may be sold by Collegiate are the signage areas associated with the Ballpark scoreboard which are reserved exclusively to the Town. Other signage currently located or to be located in the Ballpark which acknowledges contributions or contributing parties will be also be operated and maintained by the Town. The Ballpark Commission retains and shall have final determination of the appropriateness of any sponsorship, the duration of the time period during which sponsorship signs may be displayed, the content and message of the signage and the location of display of any sponsorship signage within the Ballpark. The Ballpark Commission will designate a person or persons with authority to make decisions as to appropriateness, duration, content and message of sponsorship signs, subject to review by the Ballpark Commission in the event of a dispute between the Parties. All proceeds from sales of sponsorships and marketing packages as accrue to Collegiate's efforts and as are confirmed in the discussions between Collegiate and the Ballpark Commission shall be the sole property of Collegiate. Discussion during the evening also included the acknowledgement that the Ballpark, though in reasonable repair, is an older facility and that some of the facility's elements may require ongoing maintenance, require replacement or may fail during the term, such as, but not limited to, the Ballpark lighting system and certain stadium elements. Collegiate also recognizes and agrees that the Town may, due to budgetary or other requirements, choose not to repair or replace the lighting or other elements that might become unserviceable during the term. The Ballpark, while currently operable, may therefore not remain at all time serviceable during the terms. Collegiate shall be responsible to maintain and upkeep the fields. This Agreement may be terminated by either Party in the event of a material breach or other reason supporting termination.

One of the issues to be revisited is the employee position at the Ballpark. Previously charged to the Recreation Department were areas such as full time employee, seasonal employees, FICA and Medicare, ICMA 457 – employer share, health insurance – employer, dental insurance – employer, IPP Insurance – employer. This year considerations would include Worker's Compensation, clothing allowance, travel/food/lodging/mileage, dues, memberships and licenses, service contracts, advertising, electricity, water, phone/cellular/paging, heating Fuel Gas/Propane, Building Repairs, operating equipment repairs, administrative and office supplies, other facilities maintenance, legal fees, professional engineering and ballpark improvement – all newly defined in the Ballpark Budget. The Finance Director has also indicated the service contracts including cleaning, mowing, fertilizer, turf seeding, pest control, irrigation and the Blow Brother services. She listed other facilities maintenance including concession repairs, turf repairs, mount clay, field paint, infield mix and miscellaneous equipment.

**REVISIT:**                   The Council indicated that follow up to some of their concern about employment, costs, contracts, future use and projected programming

**of the Ballpark need to be revisited.**

**The Chair thanked everyone for coming and participating in the budget process.**

**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 four (4) pages is a copy of the original Minutes of the Town Council Workshop Meeting of May 24, 2012.**

**V. Louise Reid**