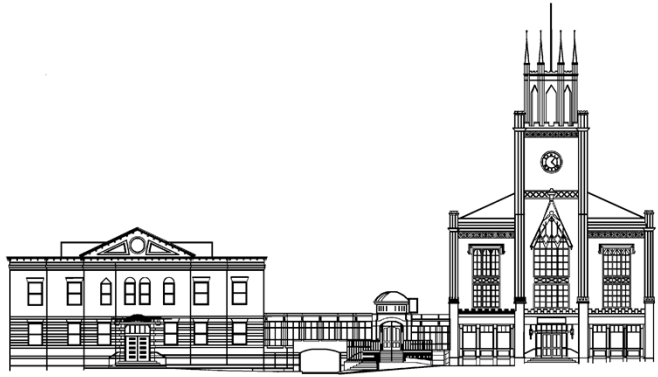




SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES & BASEBALL

**July 6, 2022 at 5:15 PM
Aldermanic Chambers, City Hall (3rd Floor)**

Members: Aldermen Long, A. Sapienza, Barry, E. Sapienza, Trisciani

AGENDA

The Chairman calls the meeting to order.

The Clerk calls the roll.

1. Communication from the NH Fisher Cats Baseball Club regarding proposed changes to Northeast Delta Dental Stadium.
Ladies and Gentlemen, what is your pleasure?

If there is no further business, a motion is in order to adjourn.

To: Members of the Special Committee on Riverfront Activities and Baseball
From: The New Hampshire Fisher Cats Baseball Club
RE: Proposed Upgrades to Northeast Delta Dental Stadium
Date: 27 June 2022

On February 12, 2021, Major League Baseball (“MLB”) announced the 120 minor league baseball clubs that were offered an invitation to become members of MLB’s new Professional Development League (“PDL”). These 120 teams, chosen from the original pool of 162 existing minor league clubs, were selected as MLB’s new partners “to provide the communities and facilities essential to the development of the next generation of big-league stars.” The New Hampshire Fisher Cats were one of the 120 clubs selected, and will remain affiliated at the Double-A level with the Toronto Blue Jays.

Under this new regime, each of MLB’s 30 major league clubs will have four minor league affiliates – one each at the Triple-A, Double-A, High-A and Low-A levels. Each of these 120 minor league clubs received a PDL license from MLB entitling them to operate in MLB’s new Professional Development Leagues. This PDL license establishes a new and consistent set of working conditions across the minor league system, as well as consistent, modernized facility standards and improved stadium amenities benefitting both players and fans.

For much of the past year, the New Hampshire Fisher Cats, represented by partners Tom Silvia and Rick Brenner, President and General Manager Mike Ramshaw, and Outside General Counsel Rob Miller have collaborated in work sessions with Mayor Joyce Craig, Assistant City Solicitor Peter Chiesa, Deputy Public Works Director Tim Clougherty, Finance Director Sharon Wickens, and representatives of Fulcrum Construction (the Construction Manager for the project) on a proposal to bring Northeast Delta Dental Stadium into compliance with MLB’s new facility standards established by the PDL license. This collaboration included extensive discussions between the City of Manchester, the New Hampshire Fisher Cats and representatives of Fulcrum Construction on the language and terms of the construction contracts governing the work.

We are pleased to now present the proposal to your Committee for a vote.

Behind this memo, you will find two documents. The first document is a summary spreadsheet of the project showing a line item description of both (1) the “Proposed Work” to be done to bring the stadium into compliance with the PDL license (with associated line item cost); and (2) line item descriptions of “Future Work” (primarily deferred maintenance) that can be reasonably anticipated needing to be done in the next three to five years. The cost of the “Proposed Work” is **\$5,662,754.00** – which is proposed to be divided 50/50 between the City of Manchester (**\$2,831,377.00**) and the New Hampshire Fisher Cats (**\$2,831,377.00**) as set forth contractually in Section 11 of the 2016 Amendment to the Amended and Restated Management and Operations Agreement. The present-day cost of the “Future Work” is **\$616,300.00**, which is included here for informational purposes only, and does not include going-forward annual costs of the replacement of 10% of the stadium seats as contemplated by the Aramark Report –

which would continue to be a line item in the capital reserve account unless that procedure is ultimately modified by new lease terms (see Provision 5 of Memorandum of Understanding below).

The proposal before you is for the City of Manchester and the New Hampshire Fisher Cats to divide all costs of the project equally, with 50 percent of the costs to be borne by the City of Manchester and 50 percent of the costs to be borne by the New Hampshire Fisher Cats as set forth contractually by Section 11 of the 2016 Amendment to the Amended and Restated Management and Operations Agreement.

If the Committee votes to approve the “Proposed Work” necessary to bring Northeast Delta Dental Stadium into compliance with the Facility Standards contained in the MLB PDL license, the cost to the City of Manchester would be **\$2,831,377.00**.

The anticipated funding mechanism for this work will be private bond financing acquired by the City of Manchester (which is expected to be able obtain more competitive rates and terms) for *its half* of the project (**\$2,831,377.00**). The Fisher Cats will independently finance their half of the project.

The second document in your package is a brief “Memorandum of Understanding” between the City of Manchester and the New Hampshire Fisher Cats that establishes the additional terms agreed upon by the City of Manchester and the New Hampshire Fisher Cats in conjunction with this proposal. The financing terms governing this proposal are to be memorialized in a new Management and Operations Agreement between the City of Manchester and the New Hampshire Fisher Cats to be collaboratively drafted by Assistant City Solicitor Peter Chiesa and Fisher Cats outside General Counsel Rob Miller this summer, for the eventual approval by the City of Manchester Board of Mayor and Aldermen. In addition to memorializing these new financing terms, the new Management and Operations Agreement will consolidate the many amendments to the original 17 year-old agreement into a single new Agreement, eliminate the many dated and no longer relevant references contained in the original 2005 Agreement, and streamline and update all relevant terms into a shorter, indexed, digital and word-searchable document to guide the relationship between the City of Manchester and the New Hampshire Fisher Cats on a going-forward basis.

We look forward to discussing all of this with the Special Committee on Riverfront Activities and Baseball at a special meeting to be scheduled at the Committee’s earliest convenience.

Delta Dental Stadium Improvements 6/24/2022	Current Proposal of work to do	Future Work	Quote Number	Fulcrum vs. Fisher Cats	Change +/- (Delta)	Reason for Change	Notes & Significant Trade amount
Clubhouses	\$926,199.00			Fulcrum			
IT&E	\$192,507.00		Quote 1; 1(a); 1(b)	Fisher Cats/Fulcrum			
Tunnel/Weight Room	\$1,123,195.00			Fulcrum			
Existing Batting Tunnel to storage	\$71,466.00		Quote 21	Fulcrum			
Dugouts	\$21,342.00			Fulcrum			
Field Lighting	\$615,000.00		Quote 2	Fisher Cats	\$20,000.00	Received Updated quote, increased labor cost	
Field grading, Field lps, field improvements	\$110,307.00		Quote 3; 3b	Fisher Cats	\$13,367.00	Received Updated quotes on work, now include	6/16/2022 - UPDATED WITH NEW QUOTE
Specialized mower/turf equipment	\$40,875.00		Quote 3a; 3c	Fisher Cats	-\$71,221.00	Had Second Opinion and service work performed	6/16/22 - "gator/utility" vehicle and growth blanket only
Speakers	\$104,163.00		Quote 8a	Fisher Cats	-\$11,837.00	Received additional quote with better pricing for	
WiFi	\$24,526.00		Quote 9	Fisher Cats	-\$474.00	Matched amount to quote 9	
Netting	\$83,005.00		Quote 10	Fisher Cats			
Design	\$102,140.00			Fisher Cats/Fulcrum			\$63,640 in trade
Fixed General Conditions & Pict. Req.	\$254,272.00			Fulcrum			
Design Contingencies	\$28,360.00			Fulcrum			
Construction contingency	\$170,163.00			Fulcrum			
Escalation Allowance	\$107,134.00			Fulcrum			
Fixed General Liability Insurance	\$34,020.00			Fulcrum			
Performance Bond	\$51,780.00			Fulcrum			
Builders risk Insurance	\$5,783.00			Fulcrum			
CM Fixed fee	\$120,902.00			Fulcrum			
Bullpens	\$275,093.00			Fulcrum			
Seat repair and replacement	\$300,000.00		Quote 11, 12, and 13	Fisher Cats			5/20/22 - Updated quotes coming; replace with new style seating old seats for future repairs, Aramark report calls for continued annual replacement, this should get us through 3-5 years
Office flooring, ceiling tiles and paint vertical walls	\$90,000.00			Fisher Cats			
Suite HVAC	\$40,587.00		Quote 14	Fisher Cats			
HVAC throughout facility	\$379,713.00			Fisher Cats/Fulcrum			
Facility LED lighting (not field lights)	\$170,860.00		Quote 15	Fisher Cats			5/20/22 - Out to bid for new pricing and maximization of potential rebates
Structural painting		\$75,000.00		Fisher Cats			
Fire suppression	\$18,000.00			Fisher Cats			
Concourse/concessions sealing		\$75,000.00		Fisher Cats			
Box Office Speakers	\$5,510.00		Quote 16	Fisher Cats	\$10.00	Matched amount to quote 16	
Elbow Touchless Water Bubblers	\$8,830.00		Quote 17	Fisher Cats			
Suite Level Concourse Flooring, strip/refinish		\$39,000.00		Fisher Cats			
Elevator Mechanical Rooms, spill containment		\$7,800.00	Quote 18	Fisher Cats			
80 Gallon Water Heaters (replace)	\$12,000.00		Quote 18	Fisher Cats			
Food Service Kitchen Floor (strip & epoxy)	\$35,720.00		Quote 19	Fisher Cats			
Painting of Food Service Area and Storage walls		\$20,000.00		Fisher Cats			
Steel Super Structure Column Bases (caulk movement joints)	\$19,500.00		Quote 18	Fisher Cats			
Ceiling Tiles (repaint grid and replace with vinyl covered)		\$73,000.00	Quote 18	Fisher Cats			
Replace/Repair/refinish suite, concourse and field level doors		\$7,500.00	Quote 18	Fisher Cats			
Contingency for Fisher Cats Controlled Work	\$101,803.00				\$101,803.00	5% of total of Fisher Cats-controlled work for increased labor, materials cost - any remainder after project to be contributed to Capital Reserve	
Brewhouse Improvements		\$319,000.00	Quote 18	Fisher Cats			
TOTAL Difference:					\$53,588.00		
Proposed need to do:	\$5,662,754.00						
Can Wait		\$616,800.00					
Total Need and Can Wait			\$6,279,054.00				

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF MANCHESTER, NEW HAMPSHIRE AND
THE NEW HAMPSHIRE FISHER CATS
JUNE 2022

This Memorandum of Understanding is entered into between the City of Manchester, New Hampshire and N.H. Triple Play, LLC d/b/a The New Hampshire Fisher Cats to memorialize several material terms agreed upon between the parties in conjunction with the Fisher Cats' proposal to modernize Northeast Delta Dental Stadium in order to bring the Stadium into compliance with the Facility Standards contained in the new MLB PDL license.

It is hereby agreed between the City of Manchester, New Hampshire and the New Hampshire Fisher Cats that the following shall be conditions of any approval by the Special Committee on Riverfront Activities and Baseball and the Board of Mayor and Aldermen to provide funding for this project:

1. With respect to each line item approved by the Special Committee on Riverfront Activities and Baseball and the Board of Mayor and Aldermen, N.H. Triple Play, LLC, through its Construction Manager Fulcrum Construction, shall fully identify and explain the scope of work to be performed for each value proffered, along with a schedule of values.
2. With respect to each line item approved by the Special Committee on Riverfront Activities and Baseball and the Board of Mayor and Aldermen, N.H. Triple Play, LLC, through its Construction Manager Fulcrum Construction, shall provide proof of competitive procurement for all contracts or materials in excess of \$5,000.00
3. The following process for drawdown and payment from the City of Manchester's half of all project costs shall be followed: N.H. Triple Play, LLC, through its Construction Manager Fulcrum Construction, shall submit invoices, with AIA standard schedule of values, with backup substantiating the costs incurred. The City of Manchester reserves its rights to request additional information to substantiate the costs incurred. The City of Manchester will pay direct costs only, and will not fund labor costs of any Fisher Cats employees. Any documented in-kind trades of Fisher Cats assets used to reduce the costs of the Proposed Work shall, as assets of the Fisher Cats, be credited only against the Fisher Cats' half of the financial obligations hereunder. Any such in-kind arrangements will be documented by the Fisher Cats, and disclosed to and approved by the City of Manchester prior to being credited against the Fisher Cats' half of the financial obligations hereunder.
4. The City of Manchester's obligation under this proposal shall be limited to a guaranteed maximum cost of **\$2,831,377.00** if the Committee and the Board of Mayor and Aldermen votes to complete the "Proposed Work."

5. The City of Manchester and the New Hampshire Fisher Cats will work collaboratively to prepare a new Management and Operations Agreement that will incorporate these new financing terms, and consolidate the many amendments to the original 17 year-old agreement into a single new Agreement, eliminate the many dated and no longer relevant references contained in the original 2005 Agreement, and streamline and update all relevant terms into a shorter, indexed, digital and word-searchable document to guide the relationship between the City of Manchester and the New Hampshire Fisher Cats on a going-forward basis. Among other things, the negotiation of this new Management and Operations Agreement will explore (1) updating various definitions, including “capital expenditures” and “routine maintenance” in the Agreement; (2) clarifying the future division of capital expenditures between the City of Manchester and the Fisher Cats on a going-forward basis; (3) the possibility of extending Major League Baseball’s commitment to the City of Manchester; (4) adjusting various financial terms in the lease; and (5) other potential opportunities for collaboration between the City of Manchester and the Fisher Cats using the stadium and/or stadium infrastructure. Under the new PDLA, all changes to the Management and Operations Agreement are subject to the review and approval of Major League Baseball.

Date

Tom Silvia, MLB PDL Control Person
New Hampshire Fisher Cats
Duly Authorized

Date

Joyce Craig, Mayor
City of Manchester
Duly Authorized