

# Carrabassett Valley Selectmen's Meeting

## 4:30 p.m. Tuesday October 11th, 2016 at the Town Office

### Agenda:

Review and sign 2016 Payroll Warrant(s):

Review and sign 2016 Town Expenditure Warrant(s):

1. **MINUTES** of the previous Selectmen's meeting (September 12th, 2016): attached.
2. **OUTDOOR CENTER FIVE-YEAR LEASE:** We are awaiting word from Sugarloaf regarding their acceptance of the latest draft (attached).
3. **POLICE DEPARTMENT PURCHASE OF RADIOS AND FLOORING FOR THE COMMUNICATION CENTER:** The good news is that while we recently lost two police officers to other departments (Farmington and Livermore) we have received \$48,000 total compensation from these two departments for training and associated costs (as per State law). Mark has hired former CV policeman Ben Gaudet to replace one of the officers. He is due to start soon.

We have some needs in the Police Dept. and Communication Center that Mark wishes to expend money now to deal with these issues. He would like to purchase four portable radios (\$535 ea.) to upgrade from the existing radios that do not receive well in certain locations in the Valley (they need these in places like the S-turns when there is no Cell phone reception and they need to be out of their vehicles). The new radios are an upgrade and are more powerful.

Mark also wants to replace the flooring in the Communication Center. We have a quote from Birchwood for \$4,630. Mark and crew have been busy this summer renovating parts of the Communication Center and have completed most of it with their own labor.

In summary, we would like to expend approximately \$6,700 from the anticipated \$48,000 that we have received in compensation revenues.

At a later date (probably December) Mark would like to come into a Selectmen's meeting with a proposal to update the Alarm Monitoring System (including software) at a cost of approximately \$15,000 to \$20,000 (we collect approximately \$250,000/year in monitoring fees that is used to reduce the cost of operation of the Communication System). We propose that this expenditure go through the 2017 Budgeting Process.

- 4. CEMETERY IMPROVEMENT EXPENDITURES:** As per previous Cemetery Committee meeting discussions we have been making some improvements to the cemetery. A contractor has removed some unwanted trees and brush from the entrance area (circle) and a new more attractive cemetery sign has been installed (the MDOT cemetery signs on Rt. 27 should be installed soon). We have been working with one of the Committee members (Sally Allard) and we now wish to have the tree stumps grind out this fall (approximately \$500). We will then move and spread a large pile of loam existing on the lot (hidden in the trees) to the "circle" area and seed and mulch this area in early 2017 (best guess \$500). Further plans are to install a granite bench and small granite markers on the corner lots. Also in 2017 plans are to plant shrubs around the new sign. After paying 2016 mowing bills we anticipate a 2016 balance of approximately \$1,600 from which we would like to spend approximately \$500 at this time to grind the tree stumps out.
- 5. MOUNTAIN BIKE TRAIL DEVELOPMENT: F.Y.I.:** We will present a spreadsheet showing the account balance of existing mountain bike trail accounts and an estimate of year-end 2016 balances. This will also show possible (tentative at this time) budget requests for this program in 2017.
- 6. INFORMATIONAL:**
- The Airport Fuel Farm project is projected to start the week of October 10<sup>th</sup> (the pre-construction meeting was held on Oct. 4<sup>th</sup>).
  - Tentative Date for Airport Committee Meeting to discuss possible 2017 Airport Pavement Crack Sealing and Airport Obstruction Project is 10:00 a.m. October 25<sup>th</sup>.
  - We hope to complete the "guardian rock" project on the Narrow Gauge soon.

**TOWN OF CARRABASSETT VALLEY  
MINUTES OF SELECTMEN'S MEETING  
September 12, 2016**

**Board Members Present:**    **Bob Luce**                      **Jay Reynolds**  
   **Lloyd Cuttler**                **John Beaupre**  
   **Tom Butler**

**Others Present:**                **Dave Cota**                      **Courtney Knapp**  
   **Morgan Spencer**              **Richard Rose**  
   **Dee Menear**                    **Deb Bowker**

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Bob Luce opened the meeting at 4:30 p.m. and welcomed those present.

Payroll warrants # 34, 37 and #39 for \$37,350.12, \$31,684.60 and \$300.88 respectively were reviewed and signed by Selectmen.

Expense warrant #35, 36 and #38 for \$374,744.09, \$4,356.98 and \$95,790.84 respectively were reviewed and signed by Selectmen.

The minutes of the August 15, 2016 Selectmen's Meeting were reviewed. A motion was made by Jay Reynolds to accept the minutes as written. Lloyd Cuttler seconded the motion. Motion approved.

Dave Cota provided the Selectmen with a copy of the Estoppel Agreement from CNL. The Town's attorney has reviewed it and it is ready to sign. This agreement details CNL's asset value with their golf course lease with the Town. These agreements have been signed in the past usually when it had to do with CNL refinancing. Lloyd Cuttler made a motion to authorize Bob Luce to sign the agreement. Jay Reynolds seconded the motion. Motion approved. Richard Rose said that he has been approaching CNL for several years offering to purchase Sugarloaf. He said they have snowballed him, so he is going to go back, since they are in selling mode, and make an offer of 3% over the highest bid.

Deb Bowker was in attendance to present a Donors' Plaque for the new pool. This plaque thanks all of those who donated and volunteered with this new pool project. Several volunteers were present for this presentation.

Morgan Spencer, Administrative Assistant for Greater Franklin County Development Corporation, was in attendance to gather information about available commercial buildings and building sites in Franklin County, which would be included in their website. They would also like to include business opportunities. Their goal is to attract younger business owners and develop a positive reputation for the area for new business. Dave Cota said there are not a lot of commercial vacant buildings for sale in Carrabassett Valley, but he did discuss this with Bill Gilmore and there might be a couple of commercial lots for sale.

Fire Chief Courtney Knapp was in attendance to present the updated Franklin County Hazard Mitigation Plan. This plan needs to be approved in order for all towns in Franklin County to be eligible for approved hazard mitigation funding from FEMA/EMMA in the event of an

emergency. Courtney said the plan was originally adopted in 2011 and needs to be updated every five years. Carrabassett Valley received half a million dollars due to the damage from Hurricane Irene in 2011, so this has been a valuable program for the Town. John Beaupre made a motion to sign the resolution. Tom Butler seconded the motion. Motion approved. Following review of the program, each of the Selectmen signed the resolution.

Dave Cota noted that one of the items on the work plan is to update the Town's emergency plan. Courtney has taken the lead on that project. Related to that, Dave Cota asked where the Town's emergency center should be, and are more generators necessary? There is one at the baselodge at Sugarloaf, but it will only operate about 30% of the building. These are the kinds of questions that ought to be addressed with the update of the emergency plan and will come up as that project is updated over the coming months. Lloyd Cuttler asked if there might be grant money available. Courtney said that FEMA has paid out so much money in recent years, that there does not appear to be money available at this time, but could be in the future.

Dave Cota reported to the Selectmen that, when the Narrow Gauge Pathway was updated after Hurricane Irene, they put "guardian rocks" along the edges of the big drop-offs. He would like to do some additional placements of rocks for safety's sake, which would be done over about a two-year period. He has contacted a couple of contractors, and he believes the cost would be about \$5,000 for the first of a two-year project, which would also include the cost of buying the rocks. He would like to do at least a 250' section to the north, which is very bad. He would like to include more signage. John Beaupre made a motion to authorize up to \$5,000 for this project. Tom Butler seconded the motion. Motion approved.

Dave Cota provided information pertaining to the bids for the snow removal of the Town road and facilities. Based on review of the bids, it was determined that there does not seem to be a huge benefit to any of the three-year bids. Following review of all of the bids, it was decided to accept the low bid for two years on each of the bids. The Transfer Station bid will be awarded to the two-year bidder (Bill Casey of Bigelow Management), since he has experience doing it and he is a taxpayer. The two-year total bid awards were made to: David Deluca for the Information Center (\$1,535), Jordan Excavation for the Town Roads and Parking Lots (\$69,800) and Library/AGC (\$22,300), Foster Robinson for the Airport (\$31,600), J&R Davenport for the Black Fly/Airport Trailhead (\$6,600) and Bill Casey for the Transfer Station (\$19,300). Jay Reynolds made a motion to accept this plan. Tom Butler seconded the motion. Motion approved.

Dave Cota has received requests from Sam Punderson and Libby Collet to be appointed to the Mountain Bike Trail Committee. There are currently seven members on that committee, so this would bring the total to nine. Lloyd Cuttler made a motion to accept these appointments. John Beaupre seconded the motion. Motion approved.

Dave Cota discussed the status of the new five-year lease for the Outdoor Center with Sugarloaf. Two of the Selectmen (Bob Luce and Lloyd Cuttler) and Dave Cota have been involved with the negotiation. This project is getting close, but there is not a final draft available yet. There will be another meeting prior to a final draft of the five-year lease.

Meeting adjourned.  
Respectfully submitted,

Lynn Schnorr

# LEASE/MANAGEMENT AGREEMENT

This agreement dated as of the 1st day of June, 2016, by and between the TOWN OF CARRABASSETT VALLEY, a Maine municipal corporation, (the "Town") and SUGARLOAF MOUNTAIN CORPORATION, a Maine corporation, ("SMC"), of Carrabassett Valley, in the County of Franklin and State of Maine, as follows:

WHEREAS, the Town is the owner of the Town's Public Lots in Carrabassett Valley, and the Sugarloaf Outdoor Center, located thereon, including the associated trail system and appurtenant facilities, (the "Outdoor Center"); and

WHEREAS, SMC has been managing and operating said Outdoor Center with a five-year lease which expires on June 1<sup>st</sup>, 2016; and

WHEREAS, the parties hereto wish to renew this lease under the terms under which SMC will manage and operate the Outdoor Center;

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto covenant and agree as follows:

1. The parties hereto agree to that SMC will be responsible for the following, and that the Town will cooperate with SMC in obtaining any necessary, appropriate or desirable licenses and permits (to be issued in SMC's name) in connection therewith:

A. To manage the Outdoor Center facilities, equipment and programs for a five year period beginning June 1st, 2016 and ending June 1<sup>st</sup>, 2021.

B. To market, advertise and merchandise the Outdoor Center as part of the overall marketing and sales plan of SMC.

C. To operate the Outdoor Center to include: the Outdoor Center Nordic ski trails and buildings, ice skating rink, and associated business services, programs and events including: food and beverage sales, recreational equipment rentals, facility rentals, retail merchandise sales, instructional programs, and special events.

D. To hire and manage the staff associated with the operation of the Outdoor Center.

E. To use the Outdoor Center facilities for meetings, conventions and other special functions deemed necessary for the operation or increased exposure of the Outdoor Center.

F. To maintain the facilities and equipment of the Outdoor Center.

Normal operating expenses to be SMC responsibility  
(See attached Exhibit A 'Lessee's Replacement, Maintenance,  
and Repair Responsibilities')

Capital and Structural improvements to be Town responsibility  
(See attached Exhibit B 'Lessor's Replacement, Maintenance,  
and Repair Responsibilities')

Town and SMC agree to communicate and plan for any repairs or maintenance on building, trails, or ponds prior to repairs or maintenance.

H. Upon the termination of this Agreement to vacate the premises leaving them in good condition, normal wear and tear excepted, including at least the following furniture, fixtures and equipment all in working order:

- cafeteria tables and chairs for at least 100 people

2. In consideration for undertaking the above responsibilities, SMC will establish prices and rates for goods sold and services provided, and charge accordingly for such goods and services.

3. SMC will pay rent to the Town as follows:

On April 30<sup>th</sup> of each lease year, SMC will provide the Town with a net 'Profit and Loss (P&L) Statement' which will not account for "Overhead" costs. (For example, marketing, payroll, HR, accounting, etc.) SMC will pay to the Town 50% of the net profit substantiated on the P&L Statement not to exceed a rent payment of \$10,000 the first year of the lease and shall be increased by \$250 annually thereafter. The Town reserves the right to substantiate and audit the P&L Statement and SMC agrees to allow the Town auditor to perform said audit.

In any year when the net profit is a deficit the Town will not receive a lease payment and the Town is not responsible for paying any portion of the deficit. Lease payments must be paid to the Town no later than June 30<sup>th</sup> of each year.

4. With the prior written (email accepted) consent of SMC (not to be unreasonably withheld, conditioned or delayed), the Town, its residents, taxpayers and local non-profit organizations may use the Outdoor Center Facilities as follows: (Note: taxpayer shall mean current Carrabassett Valley Taxpayer and shall include the taxpayer's spouse and any children. (Note: facility shall mean the lodge (excluding ski and bike shop, storage areas, office and utility areas) the bathrooms, kitchen and deck/porch areas. Use of the Kitchen will be allowed for functions but may be subject to use charges and insurance requirements by SMC).

- A. the Town may use the Outdoor Center Facilities for municipal functions at no charge;
- B. local non-profit corporations and organizations, on a case by case basis (determined by the Town and SMC based on size of the event and other factors), may use the Outdoor Center Facilities for their specific functions. For small functions (to be determined by SMC and the Town) there shall be no charge for the function. For larger functions (also to be determined by the

SMC and the Town) there will be no standard fee for use of the facility. However, cleaning fees and all other optional services requested may be charged by SMC.; and

- C. Town residents, taxpayers and local non-profits and organizations will be allowed to "self-cater" (food and beverage) private and group functions.
- D. For self-catered events under this section there shall be no sale of Alcohol unless the proper State licenses are obtain either through SMC or other State licensed caterers.

All of the foregoing uses will be subject to and conditioned upon the applicable user

- (i) Paying SMC for its standard charges of staffing such functions (including but not limited to pre and post event cleaning and event security staffing ),
  - (ii) Execution of, as applicable, SMC'S standard Site Use Agreement or Group Sales Contract in connection with any such functions, and
  - (iii) Procurement of any insurance and permits reasonably requested by SMC in connection therewith. All uses pursuant to this Section may not be booked more-than 18 months in advance, and-will not be available when the Outdoor Center Facilities are otherwise booked for events. **Taxpayers and residents MUST identify themselves as such at the outset of the booking process in order to receive the discounted rates.**
  - (iiii): Taxpayers and Residents shall receive a 50% discount off the standard facility fee and this shall be listed conspicuously as a check-off in the Facility Use Application. This discount shall not apply to cleaning fees or all optional service fees (such as dance floor, sound system, etc.).
- 5. During the term of this lease, SMC will continue to provide Carrabassett Valley residents and taxpayers discounted rates for Nordic Ski season passes (for the Outdoor Center).
  - 6. Lessee shall not sublet the whole or any part of the leased premises, or assign any of its rights under this Lease, without the prior written consent of the Town (such consent not to be unreasonably withheld, conditioned or delayed. The Town encourages subleasing a portion or all of the facilities in the "offseason" meaning spring, summer and fall months for the purpose of promoting mountain biking, hiking and other like outdoor recreational pursuits. All subleases must be in conformance with all of the provisions and conditions of this agreement. Consent to a sublease shall not be deemed to be a consent to any subsequent sublease.
  - 7. The parties hereto agree that SMC and the Town will work together to provide Town recreational opportunities (skating, etc.) as recommended by the Town Recreation Committee.

8. SMC will hold the Town harmless and indemnified from all injury, loss, claims or damages to any person or property arising out of the use and operation of the Outdoor Center, unless caused by the negligence or default of the Town. SMC will provide and pay for all risk and liability insurance with limits reasonably acceptable to the Town, naming the Town as additional insured.
9. The Town may terminate the participation of SMC set forth in this Agreement if SMC fails to perform its obligations set forth hereunder in any material manner upon written notice to SMC, provided that SMC has thirty (30) days from receipt of said notice to cure such default or such longer period as may be reasonably necessary to cure such default so long as SMC is diligently pursuing a cure.
10. Town or SMC may terminate the participation of SMC set forth in this Agreement, for any reason, upon written notice to the other parties hereto by March 30th of any year of the term of this Agreement, such termination to be effective as of May 1 of the year of such termination. In the event that the Town undertakes a major capital project at the Outdoor Center (major renovation and/or expansion of the Outdoor Center building facilities), the Town reserves the right to renegotiate the terms of this lease. Both parties agree to negotiate in good faith.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be  
Signed and Sealed as of the date set forth above.

WITNESS:

TOWN OF CARRABASSETT  
VALLEY

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Its Selectmen

SUGARLOAF MOUNTAIN  
CORPORATION

\_\_\_\_\_

By: \_\_\_\_\_  
It's: \_\_\_\_\_

# Exhibit A

## SMC's (Lessee's) Replacement, Maintenance, and Repair Responsibilities

Lessee shall have the following replacement, maintenance and repair responsibilities:

1. Maintenance, repairs and improvements to the interior and certain exterior portions of the Touring Center Buildings as specified below:

Installation and repairs to all telephone systems and equipment, security systems and equipment, radio and television broadcast, music sound systems, transmission systems and equipment, and computer systems and equipment.

Painting/Staining, and non-structural repairs and improvements to the Interior of Buildings and to exterior decks.

Cleaning, repair and replacement of all interior carpeting and flooring

Repair of broken window hardware and of broken windows due to SMC negligence or broken during operation of Outdoor Center. (Town shall be responsible for replacement of windows due to infrastructure decisions.)

Annual maintenance and minor repairs to heating and electrical systems, and interior and exterior lighting systems.

Annual maintenance and minor repairs (non-infrastructure) to plumbing and drain systems including blocked drainpipes, repairs of faucets and pipes, repairs and of toilets and fixtures, repair and replacement of hot water heater, interior frozen pipes and associated damage, repair of interior and exterior grease trap systems.

Annual maintenance and minor repairs to the septic system.

Annual maintenance of Chimney (i.e. cleaning, not structural repair)

Purchase, installation and maintenance and repair of all kitchen equipment (including without limitation, all stoves, ovens, vents, grills, refrigerators, freezers, pots and pans, food and beverage preparation equipment and furniture, cooking and serving utensils, glassware, silverware, plates and dishes, all sinks and dishwashing equipment, and anything generally in the nature of food and beverage preparation, storage service and related cleaning equipment and materials).

Purchase, installation and maintenance and repair of all interior and exterior furniture.

Maintenance and repairs to all equipment including the Zamboni (Town responsible for major repairs to Zamboni as described in the Exhibit B).

Town and SMC officials will meet semi-annually in May and October of each year to assess needed repairs, maintenance and replacement. It is anticipated that Town and SMC representatives will work cooperatively to correct facility deficiencies and effectively communicate facility problems and concerns.

## 2. Maintenance, repairs and improvements to the Skating Rink, Trail System, and Grounds:

### **Skating Rink:**

SMC will be responsible for repairs and maintenance for the operation of the skating rink. Town and SMC officials will meet annually in May of each year to assess needed repairs, maintenance and replacement. Needed replacement of all structural components of the skating rink (dasher boards, lighting, etc.) will be the responsibility of the Town. Maintenance and repair will be the responsibility of SMC.

### **Trail System:**

SMC will be responsible for all maintenance of the Nordic ski trail system (clearing of trails, mowing, minor bridge repairs, signage, etc.). Replacement of all major bridges and culverts will be funded and undertaken by the Town. However, SMC will attempt to provide limited participation in the planning and implementation of these and other capital improvement and development projects as approved by the Town and SMC. SMC limited participation will include "men and equipment" (no capital). All major bridges will be identified in a separate 'Touring Center Bridge Inventory'. Town financial participation in major bridge repair and trail development will be contingent upon Town Meeting approval of funds for this purpose. The Town will attempt to upgrade most, if not all, trails up to a standard that will allow for trails to be mowed (due to topography, ledge, wet areas, etc., some trails may not be brought up to such standards). Upon bringing said trails up to an acceptable "mowing standard", SMC will mow nordic trails at least once a year. SMC is responsible for all signage for the cross-country Nordic ski system and the Town is responsible for the signage for the Mountain Bike Trail System which shall be mutually agreed upon. ~~which signage shall be subject to the approval of SMC, in its reasonable discretion, and shall be of type, manner and presentation coordinated with SMC's resort signage. The Town shall consult with SMC to ensure that mountain bike signage is consistent with SMC's resort signage.~~

**Touring Center Grounds and Road:**

SMC will provide on-going maintenance of the Outdoor Center grounds and road consisting of mowing, tree removal and pruning, maintenance of septic system, road grading (grading at least twice a year in the fall and in the spring) and plowing and sanding of the Outdoor Center Road and parking lot. SMC will also mow the roadside of the Outdoor Center Road.