

## Agenda Memorandum

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**To:** Honorable Mayor and City Council Members  
**Prepared By:** Paul Belden, Recreation and Parks Director  
**From:** Bryan Cobb, City Manager  
**Date:** August 21, 2023  
**Subject:** **Oviedo Sports Complex and Shane Kelly Park Concessions Operations**

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**Procedure:** Discussion

**Introduction:** This is a request for City Council to provide direction regarding concession stand operations at the Oviedo Sports Complex and Shane Kelly Park.

**Discussion:** In October 2001, the City created a standalone Concessions Division within Recreation & Parks operations. Since then, the City has operated concessions for various programs, special events, concession stands, and facilities.

The City currently operates eight (8) concession stands throughout the parks system: the Gymnasium & Aquatic Facility, Riverside Park, Center Lake Park Cantina, Oviedo Sports Complex (3 stands), Shane Kelly Park, and Long Lake Park. Concession stand operational hours are based on programming and need. Typically, the Gymnasium & Aquatics Facility is open during basketball and volleyball games, during summer camp, and when the Splash Zone is open to the public. The Oviedo sports Complex and Shane Kelly Park concessions are open during weekday evenings and on the weekends, depending on the schedule of activities. Center Lake Park Cantina is open seven (7) days per week with consistent hours of operations. Riverside Park will offer limited hours of operation for the forthcoming Senior Center and in the evenings for skate park users. Long Lake Park serves as a storage facility and is not operational at this time.

The Recreation & Parks Department also coordinates facility usage with various outside youth leagues including Oviedo Babe Ruth, Oviedo Little League, Kraze Krush, and the Blue Dolphins. The City currently enters into annual agreements with the leagues for priority use of fields or facilities. The agreement requires the youth leagues to pay a monthly facility usage fee as mutually agreed upon by the City and the League. The agreement also includes a schedule of hours, liability insurance requirements, maintenance periods, City responsibilities, as well as, league responsibilities. During league activities at the Oviedo Sports Complex or Shane Kelly Park, Staff operates the concession stands based on league scheduling.

Over the past twenty-two (22) years of concession stand operations and youth league partnerships, there have been on and off discussions regarding concession stand operations at the Oviedo Sports Complex. The City is one of a few municipalities in the state of Florida that owns and operates their own concession stands, while many other municipalities outsource the operations to the volunteers of youth leagues or hire outside contractors.

In March of 2022, Oviedo Babe Ruth and the City entered into discussions on the idea of the league taking over concession stand operations. While an agreement could not be made for the

overall operations, it was agreed that the City would allow select fundraising opportunities during the course of the season. In addition, the fundraising opportunities would need to be scheduled to eliminate any potential conflicts with City operations.

During the FY2023-24 budget cycle, Staff performed an extensive review of concession stand operations, including but not limited to, seasonal staffing, cost of food and paper products, as well as, revenue generated. Staff analyzed the budget impacts of outsourcing concession stand operations to the leagues. The analysis identified reductions in expenditures of \$76,873 in temporary salaries and \$60,500 in concession supplies, for a total expenditure savings of \$137,373. Staff also identified the following revenue changes: a reduction in concession revenues of \$62,685 and an increase in lease revenue of \$16,000 from leasing the concession stands to Oviedo Babe Ruth and Kraze Krush. The result is a net revenue reduction of \$46,685. The change in revenues and expenditures, a net revenue reduction of \$46,685 and expenditure savings of \$137,373, will provide for a net budget savings of \$90,688. Please see the detail of the proposed changes illustrated below:

	<b>FY 23-24 Proposed Budget</b>	<b>FY 23-24 Proposed Budget with Changes</b>	<b>FY 2023-24 Budget Change</b>
Concession Revenues	\$ 147,735	\$ 85,050	\$ (62,685)
Concession Stand Leases		16,000	16,000
<b><i>Net change in Revenues</i></b>			<b><i>\$ (46,685)</i></b>
Temporary Salaries	113,123	36,250	76,873
Concession Supplies	100,500	40,000	60,500
<b><i>Net change in Expenditures</i></b>			<b><i>\$137,373</i></b>
<b><i>Net budget savings</i></b>			<b><i>\$90,688</i></b>

If concession stand operations are outsourced to the leagues, Staff is proposing to apply the savings from concession operations towards funding to unfreeze two (2) highly needed Maintenance Worker I FTE's within the Parks Division.

Staff discussed the outsourcing of concession operations with Oviedo Babe Ruth and Kraze Krush, and both leagues are receptive to the opportunity.

Staff is committed to improving recreational access for the community and values the efforts made by volunteers to provide development opportunities for our youth. The City has established community partnerships with the youth leagues and wishes to continue to grow these relationships. Providing a fundraising opportunity for the leagues to operate the concession stands at the Oviedo Sports Complex, and Shane Kelly Park will allow for the allocation of savings into the maintenance of the park system and generate future contributions from the leagues.

Staff recommends amending the existing agreements with the youth leagues to include concession operations at the Oviedo Sports Complex and Shane Kelly Park, and to apply the savings to unfreeze two (2) Maintenance Worker I FTE's.

**Budget Impact:** There are no budget impacts associated with a discussion on concession operations. Any modifications to the existing contracts will require an amendment to the agreements. If it is the direction of City Council to move forward with outsourcing of the Concession Stands, the FY 2023-24 Proposed Budget will be amended as noted in the chart above.

**Strategic Impact:** Continue high levels of customer service, productivity, and efficiency while maintaining fiscal and organizational health.

**Recommendation:** It is recommended that City Council provide direction to Staff regarding the Oviedo Sports Complex and Shane Kelly Park concession operations.

Attachment(s):        1. Concession Stand Performance