

T. C. A.

## MEMORANDUM

**TO:** The Lane Board of County Commissioners (BCC)  
**FROM:** Jeff Spartz, County Administrator  
**SUBJECT:** Lane County Fairgrounds Management  
**DATE:** May 29, 2008

### Background and Issues

Warren Wong, the Fairgrounds Managing Director, is scheduled to retire on June 30, 2008. A replacement for Mr. Wong is needed to provide continuity of leadership for the staff and the smooth operation of the organization. Because the County currently has no Fair Board, which under Oregon law has the right to appoint the Fairgrounds Managing Director, a permanent replacement cannot be named for Mr. Wong. Without a Fair Board, the best that can be done under the current Fairgrounds governance model is for Mr. Wong to name an interim director who would serve until a permanent successor is identified.

A particular concern expressed by the BCC over the appointment of a new Managing Director is the reality that the Fairgrounds serves as an events center for about 49 weeks of the year and the Fair is now only one of many venues using the Fairgrounds. Any entity providing policy leadership for the Fairgrounds needs to keep this clearly in mind and give appropriate policy direction for the bulk of the revenue producing business while providing for the annual Fair. The BCC is also anxious that the Fairgrounds continues to be self supporting, at least as far as annual operations are concerned. Producing excess operating revenue so that contributions to capital improvements could be made would be highly desirable.

The County Board requested me to examine the issue of Fairgrounds Management and the best approach for the County to take following Mr. Wong's retirement. I have identified several options which will be discussed below.

### Options

Four options are offered for consideration. There are several more possibilities but they seem less plausible than the four offered here:

1. Appoint a new Fair Board and let it name the permanent successor
2. The BCC contracts for services with an experienced manager
3. Bring the Fair employees into the County Human Resources system
4. Use the Umatilla County "Split" model

### **Option 1**

In Option 1 the BCC repopulates the Fair Board and it chooses a new Fairgrounds Managing Director. This would be a continuation of the existing model that, for a variety of reasons, the BCC has not found satisfactory.

#### **Advantages**

- The Managing Director has focused policy leadership from the Fair Board in operating the Fairgrounds and running the County Fair
- The model provides “unity of command” for the Fairgrounds.

#### **Disadvantages**

- The Fair Board make lack appropriate interest in the bulk of the Fairground’s revenue generating venues and pick a Managing Director primarily on skills related to operating a Fair
- The Fair Board comes into conflict with the BCC over strategic goals and direction of the Fairgrounds especially with respect to the non Fair related activities.

### **Option 2**

The BCC contracts for services with an experienced Managing Director. The Managing Director reports to the BCC or County Administration.

#### **Advantages**

- If an experienced entrepreneurial manager can be retained the operations should run smoothly
- The Managing Director can focus on the most important activities at the Fairgrounds during the course of the year.

#### **Disadvantages**

- The BCC may incur problems by not being able to devote enough time to Fairgrounds policy and leadership needs

- Advocates for the Fair may see the arrangement as unsatisfactory and neglectful of the Fair.

### **Option 3**

Bring the Fair employees into the County Human Resources system.

#### **Advantages**

- The system becomes transparent; policy direction and Fairgrounds leadership authority flows from the BCC
- The County can recruit a Managing Director who has the skills for all of the needs of the Fairgrounds and can avoid the risk of getting a Managing Director whose primary focus is the Fair.

#### **Disadvantages**

- Additional employee costs are incurred due to the difference in fringe benefit costs between the current Fairgrounds Human Resources system and the County system
- Advocates for the traditional Fair and Fair Board may be left unsatisfied that their priority is being adequately addressed.

### **Option 4**

Use the Umatilla County “Split” model which has been in use in Umatilla County since 2005. The model divides the use of the Fairgrounds into Fair use and other use. The County appoints the Fairgrounds Managing Director. During the time of the County Fair, the Fair Board assumes control of the Fairgrounds and contracts with the County appointed Managing Director for services. The Fair Board also has the option of hiring its own Director to manage during the duration of the Fair.

#### **Advantages**

- The County is able to recreate a Fair Board populated with individuals who can focus on the Fair and Fair policy
- The County is able to hire a Managing Director whose focus on the overall economic interests of the Fairgrounds can transcend the Fair.

### **Disadvantages**

- The Fair Board many not want to retain the BCC Managing Director to run the Fair
- Traditional Fair supporters may feel that ultimately the Fair will not be given the priority they desire.
- If the Fair Board retains a Fair Managing Director other than the individual retained by the BCC, conflicts become possible.

### **Conclusion and Recommendation**

It appears that the Umatilla “Split” model holds the most promise with the fewest problems. The BCC has the opportunity to direct a Fairgrounds manager in leading the bulk of the portfolio of operations. The Fair Board is recreated with the ability to pay attention to those in the community who are devoted to the County Fair. There are some possible areas of conflict such as the Fair Board declining to use the BCC managing Director to operate the Fair. Even if this were to happen it should be more of an irritation than a fatal flaw. I recommend that the BCC directs County Counsel and County Administration to evaluate the legal and operational issues around the Umatilla “split” model and, if satisfied, prepare a Board Order for the purpose of implementing the Umatilla “split” model of Fairgrounds management for the Lane County Fairgrounds.

In the interim, Mr. Wong is confident that one or more of his current assistants is capable of managing the operation of the Fairgrounds through the 2008 County Fair. He would name that individual to assume his duties as Interim Managing Director beginning July 1, 2008 and continuing until such time as the County would complete the new organization under the Umatilla model.

UMATILLA COUNTY FAIR

MEMORANDUM OF AGREEMENT (MOA)

DATE

1. PARTIES Board of County Commissioners  
Fair Board
2. PURPOSE Clarify the understanding between the parties regarding: (1) the annual County Fair, (2) the management of the Fairgrounds, and (3) the protocols between the parties.
3. PREAMBLE The MOA rests on the principles outlined by the Board of Commissioners in the MEMORANDUM dated October 26, 2005. These principles are summarized as follows:
  - 1) Both the annual County Fair and the year-round management of the County Fairgrounds ultimately are the responsibility of the County.
  - 2) The County's powers are exercised by and through the elected Board of Commissioners, per statute, ordinance, Home Rule Charter, and adopted policies.
  - 3) The Board of Commissioners exercises its powers through delegations of authority and responsibility to various appointed boards, officers and employees of the County.
  - 4) Regarding the County Fairgrounds and annual County Fair, the Fair Board is also empowered by State Statute. It is desirable and in the best interests of all to clarify, by this agreement, the protocols that are to govern the management of the county Fairgrounds and the production of the annual county Fair.
  - 5) The primary function of the Fair Board should be to oversee the planning preparation, and production of the annual County Fair. The County should provide adequate staff assistance to the Fair Board to discharge this responsibility. The use and management of the staff assistance will be an assigned duty of the Fairgrounds Manager.

- 6) During the period of the annual County Fair, the Fair Board should have use and control of the County Fairgrounds or such part as is needed for County Fair purposes.
- 7) During the rest of the year, the management of the County Fairgrounds should be the responsibility of a Fairgrounds Manager, who will be responsible for day-to-day management in coordination with the County's Administrative Services Director, in accordance with approved Business Plans, and subject to overall supervision by the Board of Commissioners.

4. AGREEMENT NOW, THEREFORE, THE PARTIES AGREE TO THE PROVISIONS, RELATIONSHIPS, PROTOCOLS AND MATTERS SET FORTH IN THIS MOA.

5. FAIR BOARD The Board of Commissioners will appoint a five person Fair Board. These provisions apply:

- 1) Each member must be a resident of the county. A balance of interests, skills and geographic representation will be sought, to the extent practicable.
- 2) Members shall be appointed to a numbered position for a term of 3 years. Terms will begin on January 1 and end on December 31. Positions will be rotated so that approximately one-third of the positions end in successive years. Members may serve no more than two complete terms, unless the Board of Commissioners grants an exception to this limitation.
- 3) First term member who desire to serve a second term must so notify in writing the Board of Commissioners by November 1. The Board of Commissioners before December 31 shall either make the reappointment or notify the Fair Board of its intentions.
- 4) At the conclusion of a term, a Fair Board member will "hold over" and continue in that position until one of the following: (1) The Board of Commissioners reappoints that member to another term, (2) The Board of Commissioners appoints another person to that position, (3) the member chooses to not continue and so notifies the Fair Board and the Board of Commissioners, or (4) the Board of Commissioners declares that position vacant.

- 5) In the event of a vacancy before expiration of the appointed term, the Board of Commissioners may appoint to fill the balance of the term, or choose to leave the position vacant. If the appointment is made, the service to fill out that partial term shall not prevent reappointment for two complete terms. In deciding whether or not to fill a vacancy, the Board of Commissioners shall consider: the amount of time left in the term, the current composition of the Fair Board, the business pending before the Fair Board; the desires of the Fair Board, and such other factors as the Board of Commissioners deem relevant.
- 6) By law, ORS 565.210(3), each member is to furnish a bond or irrevocable letter of credit prior to participating in Fair Board business. The County will provide this bond on behalf of the Fair Board as part of its system-wide insurance as required by ORS 565.210(3).
- 7) Members may be removed by the Board of Commissioners for inefficiency, neglect of duty, misconduct in office, incompetence, incompatibility, dereliction of duty, breach of any of the agreements in this MOA, or for other good cause. Procedures to remove a member from office shall be conducted in accordance with ORS 565.225. The County will adopt an ordinance accordingly.

6. OFFICERS

Annually, the Fair Board shall elect a chairperson and vice-chair person. Each will perform the duties normally associated with those offices.

7. SECRETARY

The Fair Board will annually select a Fair Secretary who may be a member of the Fair Board, or the Fair Board may utilize the Fairgrounds Manager as the Fair Secretary. The County will provide the Secretary's bond as part of its system-wide insurance as required by ORS 565.210(3).

The Fair Secretary will be the official custodian of Fair Board records and will perform the duties normally associated with that office, plus such other duties as are assigned by the Fair Board

8. PROCEDURES

Subject to public law and this MOA, the Fair Board may organize itself, and adopt by-laws governing its procedures, as it deems best in order to discharge its responsibilities. Copies of the Fair Board's bylaws, meeting notices, and minutes will be furnished to the County Fair Liaison. (e.g. The Administrative Services Director).

9. COUNTY FAIR

The Fair Board is responsible to ensure that a suitable county fair is planned, prepared and produced each year. To discharge this responsibility the Fair Board shall have and may exercise all related powers, including:

- 1) Making rules and regulations for conduct and management of fairs (ORS 565.240).
- 2) Providing security during the County Fair including, if necessary, the appointment/approval of marshals or police. (ORS 565.240 and 565.640). Contracts for such security shall be consistent with County procedures and will be approved for form by County Counsel.
- 3) Set the dates of the County Fair.
- 4) The Fair Board will develop short and long-term plans for the planning, preparation, development, promotion and production of the annual Umatilla County Fair. These plans shall be updated annually. Copies of the business plan and updates shall be furnished to the County Fair Liaison, and will be reviewed during the annual meeting between the Fair Board and Board of Commissioners.

The Fair Board shall assure that County Fair business is conducted in compliance with County and Fair Board policies, protocols, and requirements; and that County Fair staff/employees are suitably informed and trained. The County Fairgrounds Manager, County Fair Liaison, and Fair Board shall consult and collaborate to assure compliance.

10. FAIR GROUNDS  
MANAGER

The County will employ a Fairgrounds Manager to perform the functions set forth in a Position Description approved by both the Fair Board and the Board of Commissioners. Duties shall include the management of the County Fairgrounds and assisting the Fair Board with the production of the annual County Fair.

The Fairgrounds Manager may be selected by the Board of Commissioners. The Fair Board Chairperson or designee' will participate in the selection process.



The Fairgrounds Manager will work under the supervision of the Fair Board in connection with operational matters relating to the annual County Fair.

The Fairgrounds Manager will work under the supervision of the Administrative Services Director in connection with the day-to-day and year-round management of the County Fairgrounds.

The Fairgrounds Manager will be evaluated annually by the Administrative Services Director. The Fair Board will be consulted as part of this evaluation.

The County may engage other employees to assist the Fairgrounds Manager as resources and circumstances allow. Volunteers are recognized as a source of assistance in connection with both County Fairgrounds and annual County Fair matters.

11. STRUCTURE

Within the County structure, the County Fairgrounds and annual County Fair will be assigned to the Administrative Services Department for administrative and liaison purposes.

The County Fairgrounds Manager and the Administrative Services Department will be Fair Liaison and County Fair Liaison, respectively. They will insure communication, exchange of information, access to essential county support services (e.g. fiscal budget, legal, personnel, etc.,) and such other coordination with County Departments and Board of Commissioners as is useful or necessary.

Further working arrangements may be made through the Liaisons. When advisable, these may be documented as memorandums of understanding or agreement.

12. BUSINESS PLAN

The Fairgrounds Manager will assist the Board of Commissioners and the Fair Board to develop suitable Business Plans for management of the County Fairgrounds and production of the annual County Fair. The Administrative Services Director will coordinate the development of the Business Plan.

When advisable, these must be documented as memorandums of understanding or agreement and be filed with the Board of Commissioners and Fair Board.

The Board of Commissioners and the Fair Board may meet as often as needed, but will conduct at least one annual meeting, as provided in item (16).

13. BUDGET AND FISCAL

The Fairgrounds Manager will provide the fiscal oversight and accountability and reporting for the County regarding the County Fairgrounds, and for the County and the Fair Board as it applies to the annual County Fair.

The parties, including the County Budget Officer, the Finance Director, and County Counsel will collaborate to establish and maintain a "Fair Fund" within the Administrative Service Department budget that satisfies ORS 565.325, county budget and fiscal policies, and any other county ordinances or state laws.

The specific fiscal protocols that the parties will use shall be documented as memorandums of understanding or agreement. Copies will be furnished to the Liaisons.

14. COUNTY LIABILITY

An objective in creating and implementing fiscal, budget and legal Policies is to limit the exposure and liability of the Fair Board and the County.

If the Board of Commissioners deem it advisable, the County and the Fair Board will separately document an agreement pursuant to ORS 565.230(4) on steps, provisions and actions to protect the county and the Board of Commissioners from liability. This agreement could include hold-harmless, indemnity, and other agreed protections from liability for personnel matters, contractual matters, property matters, catastrophic events and all the general risks that are the subject of prudent risk management.

15. ANNUAL MEETING

Annually, in or about late November or early December the Liaisons will schedule a meeting with the Board of Commissioners and the Fair Board. At or prior to the meeting, the Fair Board will furnish the Board of Commissioners with the following (or an appropriate summary):

- 1) The annual report furnished to the County Fair Commission (ORS 565.442)

- 2) The most recent annual County Fair audit pursuant to ORS 565.443 (e.g. fair policies, and compliance relating to animal welfare, environmental issues, participation in professional development activities and compliance with the Americans with Disabilities Act of 1990, as amended).
- 3) A summary of any significant operational issues or unresolved matters that have arisen since the last annual meeting.
- 4) An evaluation of the county's administrative support and recommendations for improvement or change.
- 5) The current Business plan

At the annual meeting, the parties will review the above items, business plan(s) and other matters covered in this MOA; discuss such other matters as are timely or informative to either party; and take such actions as are prudent and desirable for conduct of the affairs of the respective parties.

16. CHANGES

This MOA may be reviewed and/or amended from time to time by mutual agreement.

UMATILLA COUNTY  
BOARD OF COMMISSIONERS

UMATILLA COUNTY  
FAIR BOARD

\_\_\_\_\_  
Emile M. Holeman, Chair

\_\_\_\_\_  
Karla Doutre, Chair

\_\_\_\_\_  
Dennis D. Doherty

\_\_\_\_\_  
Jill Perrine

\_\_\_\_\_  
William S. Hansell

\_\_\_\_\_  
Reinie Fischer

\_\_\_\_\_  
Dan Dorran

finaldraftmoafairboard211/18/05

\_\_\_\_\_  
Don Miller