

**Washington County Board of Commissioners
Washington County Fair Board
Joint Meeting Agenda**

February 16, 2016

Lunch – 11:00am

Meeting – 11:30am to 1:30pm

Washington Street Conference Center

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| 1. | Introductions | Chair Duyck |
| 2. | Oral Communication | |
| 3. | County Fair Report | Leah Perkins-Hagele |
| 4. | Business Plan & Financial Condition | Leah Perkins-Hagele
Sia Lindstrom |
| 5. | Facilities Maintenance Plan | Leah Perkins-Hagele
Sia Lindstrom |
| 6. | Fairgrounds Advisory Committee Update &
RV Park Update | Rob Massar |
| 7. | Roles & Responsibilities Follow-Up | Sia Lindstrom |
| 8. | Other Issues | |
| 9. | Oral Communication | |
| 10. | Adjourn | |

Joint Meeting Minutes
Washington County Board of Commissioners and Fair Board
Tuesday, February 16, 2016

Convened: 11:30 am

Fair Board:

Erin Carroll-Absent
Bob Rollinger
David Noyes
Bill Ganger
Gary Seidel -Absent
David Villalpando

Board of Commissioners:

Andy Duyck, Chair and Fair Board Liaison
Dick Schouten
Greg Malinowski
Roy Rogers
Bob Terry

STAFF:

Rob Massar, Assistant County Administrator
Sia Lindstrom, Senior Deputy County Administrator
Brad Anderson, County Counsel
Bob Davis, County Administrator
Phillip Bransford, Communications Officer
Leah Perkins-Hagele, Fairgrounds Manager
Nancy Karnas, Fair Assistant

- 1) **Call to Order-** Washington County Commissioner Chair Andy Duyck called the meeting to order at 11:50 a.m. by stating the meeting is held annually per the MOU between the County and Fair Board to address issues of mutual concern. Chair Duyck asked for introductions of present members, staff and guests in audience.
- 2) **Oral Communication 1- None**
- 3) **County Fair Report-** Fairgrounds Manager Leah Perkins-Hagele narrated a photo presentation of 2015 Fair events to begin the report. Perkins-Hagele provided a recap of the 2015 County Fair stating the weather was extremely hot and attendance was down significantly leading to most revenue showing a decrease from the prior year. She reported the evenings picked up and the concert had four thousand attendees on opening day and no Arena events were scheduled. She stated that the carnival revenue was down 7% on site but the pre-sale was up 24% from 2014. Perkins-Hagele noted that commercial booth sales showed a slight increase over 2014 levels due to the number of spaces available for sale. Perkins-Hagele reported the Livestock events continued to trend down in participation. She stated that the interest seems to be waning in the Livestock as it has shown a consistent drop over the last few years but other areas in 4H and FFA remain consistent. Perkins-Hagele stated the board provided over 700 free breakfast meals to the youth exhibitors during the fair which is sponsored by the Farm Bureau. Fair Board Vice President Ganger stated that the swine show will be terminal again this year and the beef weigh in the past weekend had a significant turnout for participants this year. Chair Duyck added the issue of enteric pathogen risk is high on the boards list of concerns and preventing outbreaks is a high priority. Perkins-Hagele stated that is why the recommendations of the state veterinarian are typically how the Fair determines how to handle the animals exhibiting at the fair.

- 4) **Business Plan & Financial Condition-** Fairgrounds Manager Leah Perkins-Hagele provided an overview to the Business Plan and Financial Condition by reviewing the line items in the Proposed Budget handout. She stated the transient lodging tax continues to trend up which is very helpful to the facility. Perkins-Hagele stated that projections for most revenue line items are higher than 2015 due to adding back Arena events and more concerts. She reported that personnel expenditures will remain consistent to 2015 levels. She stated that due to the aging facility there are significant expenses that occur in rentals and services related to electrical and other basics needed to put the fair on. Commissioner Rogers asked how the fair handles instances where items cost more than is budgeted or revenue isn't as projected. Perkins-Hagele replied there is a contingency reserve in the Fair Complex fund that is used in those cases. Senior Deputy County Administrator Sia Lindstrom clarified the contingency fund also is there to cover maintenance or any other emergency use needed for the facility.
- 5) **Facility Maintenance Plan-** Senior Deputy County Administrator Sia Lindstrom showed the outline of maintenance needs of the fairgrounds facility and the funding required for the projects from the 2015 meeting. Lindstrom stated costing has not yet been done for several of the items. Commissioner Terry commented that the Main Exhibit Hall has been a topic for the past twenty years. Lindstrom replied many of these are ongoing issues. Fairgrounds Manager Perkins-Hagele stated the fairgrounds had been experiencing recent flooding which has been caused the asphalt to deteriorate even further causing an urgent need for repaving. Lindstrom stated piecemeal repairs have been done in the interim as the budget allows. County Counsel Brad Anderson stated that once budget recommendations are brought before the Board of Commissioners there will be notations for discretionary immunity arguments. Discussion ensued regarding the discretionary immunity exceptions and when they apply. Commissioner Rogers stated that for a county of this size with so many resources, he has heard for many years there are a lot of small band aid repairs being done and it seems embarrassing. Chair Duyck agreed and stated there are other counties in similar situations. Commissioner Terry added that the MOU has helped bring to light many of the issues they were not aware of but have been pressed to come up with a plan on how to deal with them. Duyck stated that having a long term vision would help address the issues and hopefully the campground and event center would generate revenue to maintain the grounds.
- 6) **Fairgrounds Advisory Committee Update & RV Park Update-** Assistant County Administrator Rob Massar provided a brief update on the convention center project status and the RV Park that the FAC has been working on the past year. Massar stated a subcommittee was formed and they have been hammering out the details on the scope of the project. He stated funding has been identified at approximately twenty five million from Gain Share, Washington County Visitors Association and a proposed portion of transient tax from their fund but is still short. Massar showed a proposed concept of the Event center and its cost would be about thirty six million today. Discussion ensued on how the center could be configured for use. Massar clarified the cost included the cities initial code requirement of nearly two thousand paved parking spaces. He stated they are still working on bringing those requirements down and possibly downsizing the enclosed space to lower costs. Massar cautioned the consultants suggested limiting modification to the size to keep revenue at projected amounts. Commissioner Rogers asked how much of the construction costs can be recovered by rental revenue. Massar stated the projected revenue is three hundred to six hundred thousand per year. Perkins-Hagele stated that the plan had not been to carry debt service on the project. Rogers suggested amortizing the funding gap with bonds using the projected revenue. Commissioner Malinowski expressed concerned over the parking requirements and drainage issues that could occur. Massar stated they are working on obtaining expert opinions and working with the planning commission on downsizing the code requirement. He stated that may reduce the cost and close the funding gap three to six million dollars. Massar stated there has also been discussion on changes to the transient lodging rates that could add to the budget. Discussion ensued on rates of hotel tax models in the region. Massar reported the RV Park / Ball Field renovation project had entered into an intergovernmental agreement with construction

anticipated in 2017. Massar stated the conceptual design is in for a 45 space state of the art facility with costs coming in slightly higher than the projected two million dollars. He stated they are applying for an Oregon Parks and Recreation grant to close the funding gap.

7) Roles & Responsibilities Follow-up- Senior Deputy County Administrator Sia Lindstrom asked the respective board members to review things that are working well and things that need to change for the MOU as discussed in the prior meetings. Commissioner Terry asked if the MOU was still needed at this time as things are going well. County Counsel Brad Anderson stated that the MOU helped clarify the duties of the Fair Board and allowed the county to manage the facility the remainder of the year. Discussion ensued regarding the MOU and state statues and how they apply to the fairgrounds property. Chair Duyck stated that it is important to remember that the counties own the fairground but the fair boards typically control them and that is why an agreement like this is useful. Lindstrom stated that it appears the documents needs to be adjusted to remove some language that no longer applies and update for current needs. Lindstrom asked for input regarding what should be accomplished at the annual meeting. Commissioner Rogers stated he would like to see a more robust business plan that defines what the facility would like to accomplish in addition to the budget. Commissioner Schouten suggested bringing the strategic plan and long term vision of the Fair Board to the meeting. Commissioner Malinowski stated he would find it helpful to see actual prior fair or year to date financials to compare to the proposed budget. Commissioner Rogers asked why the meeting was held at this time of the year. Lindstrom asked what time of the year would work better for the boards to meet. Rogers suggested that early fall seems to be a better time. Perkins-Hagele stated that some of the data is not ready that early. Schouten suggested the meeting being a time to redline or open the MOU for modification. Lindstrom concluded that she will take all these suggestions for the next meeting.

8) Other Issues- NONE

9) Oral Communication 2-NONE

Adjourned: 1:19 pm

Leah Perkins-Hagele
Recording Secretary

Erin Carroll
Fair Board President