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**AGENDA COVER MEMO**

AGENDA DATE: June 25, 2008  
Memorandum Date: June 23, 2008

**TO:** LANE COUNTY BOARD OF COMMISSIONERS  
**DEPARTMENT:** LANE COUNTY OFFICE OF LEGAL COUNSEL  
**PRESENTED BY:** Jeff Spartz, County Administrator and  
Teresa J. Wilson, County Counsel



**AGENDA ITEM TITLE:** In the Matter of Designating Management of the Lane County Events Center and Fairgrounds

**I. MOTION:** I move to approve the Order designating management of the Events Center and directing advertising for Fair Board applicants.

**II. AGENDA ITEM SUMMARY:** With the absence of an active Fair Board and the impending retirement of the Fairgrounds Executive Director, the Board directed that an Order be returned to them reflecting a "split" model operation of the Fairgrounds/Events Center in which operational responsibility is vested in a Fair Board for the Fair, and in the County for the remainder of the year. This Order does so, with the interim operational authority being delegated to the County Administrator, and it begins the process of recruitment for applicants for the Fair Board.

**III. BACKGROUND/IMPLICATIONS OF ACTION:**

**A. Board Action and Other History.** Through December, 2006, Lane County had a five member Fair Board. At that point, the terms of two Fair Board members ended; in January, 2007, the Board reduced the Fair Board to three members. The remaining members resigned. The Board discussed the options and future of the Fairgrounds on several occasions in 2007; in March, 2008, it held a worksession and community discussion at the Fairgrounds to gather more information about what citizens see for the future of the facility and operations. On March 24, 2008, the Executive Director announced his retirement, effective June 30. On May 7, 2008, the Board directed the County Administrator review possible options for how to proceed, and on June 3, he presented four options. After discussion and consideration, the Board gave direction to staff to return with an Order implementing the option referred to as the "split" model, similar to what has transpired in Umatilla County.

**B. Policy Issues.** The policy issue presented is whether to proceed with the model which divides control of the use of the Events Center/Fairgrounds, in light of the potential increased costs.

**C. Board Goals.** The approach of dividing the use of the Events Center/Fairgrounds between the Board and the Fair Board is consistent with evaluating reorganization opportunities and assuring accountability to the citizens for substantial infrastructure assets.

**D. Financial and/or Resource Considerations.** We have only conducted a preliminary evaluation of the "worst case" cost implications of bringing the operational responsibility fully within the County. This assumes that, consistent with the Umatilla model, the Fair Board is a policy and planning body and that it utilizes the County staff to produce the annual County fair. We have looked at personnel, information technology, insurance and indirect issues. At

present, the staff at the Fairgrounds has an independent classification/compensation system (which, pursuant to LC 2.225 must comply with the Home Rule Charter). It will take a significant amount of work from Human Resources to do a thorough evaluation in order to more definitively determine the cost implications, in large part because the costs are dependent on how the organization is structured, and which, if any, collective bargaining agreements are applicable. The organizational structure will also impact benefit costs.

It appears that to fully integrate the Fairgrounds with the County information technology, and thus integrate them with the County financial and personnel system may cost as much as \$50,000, with an increase in annual costs that depend in part on their actual usage. It is difficult to quantify that in the abstract. There would be some offset against current costs being paid by contract, potentially around \$20,000.

We are still assessing how to manage insurance issues. The Fair Board has been insured for liability, and their policy comes due July 1. That policy has not yet been evaluated, but the agent has indicated that it is unlikely that insurance could be obtained for just the County fair, so the risk manager and County Counsel will need to determine if a policy with CCIS is feasible. We are also getting workers compensation, property and casualty insurance from the County's insurance agent.

If the Events Center is fully integrated except for the Lane County fair, in two years' time, there will be charges for indirect services attributable to the organizational services they receive. A rough "worst case" indicates this could be as high as \$100,000, although we know there would be some offsets for expenses that would no longer be incurred, such as an audit fee, payroll contractor and outside legal services.

**E. Analysis.** Attached to this cover memo is a proposed agreement between the County Board and the Fair Board, along the lines of what was used between Umatilla County and its Fair Board. If acceptable to both parties, it sets the framework for the division of use and responsibility of the Events Center and Fairgrounds.

The Order directs the County Administrator to begin advertising for a five member Fair Board, and that he make the proposed agreement available to them so potential applicants have a clear picture of the expectations, protocols and relationships. A proposed posting is also attached to this memo.

The Commissioners earlier inquired whether appointees to the Fair Board appointees could serve at the pleasure of the individual appointing Commissioner or the full Board. That would not be consistent with ORS 565.225, which provides as follows:

"A member of a county fair board appointed under ORS 565.210 may be removed by the county court for inefficiency, neglect of duty, misconduct in office, incompetence, incompatibility, dereliction of duty or other good cause, as those terms may be defined by county ordinance. A member of the fair board shall not be removed by the county court until after the member receives a copy of a statement containing the cause for removal and a hearing on the removal is held. The statement shall be given to the member at least 10 days prior to the hearing, at which the member must have an opportunity to be heard in person or by counsel. When the county court removes a member of the fair board, a record of the proceedings, together with the cause for removal and findings thereon, shall be filed in the office of the county clerk."

This statute was enacted in 1999. After it became effective, the Board of Commissioners adopted Lane Code 2.300, providing definition of the terms, as required. A copy of Lane Code 2.300 is also attached to this memo.

Assuming that the Board posts for applicants for Fair Board positions for roughly 30 days, and then considers the candidates, it is feasible to have the appointments begin shortly after the Lane County fair. This timing would permit the new Fair Board members to be appropriately involved in the recruitment process for an Events Center Manager, as well as being consulted on management or organizational issues which the County Administrator identifies during his transition planning (see below).

In the meantime, the Order has the County assume full responsibility for the Events Center June 30 and it delegates administrative authority to the County Administrator. The production of the 2008 Lane County Fair will proceed pursuant to the planning that has already taken place and been substantially implemented by the staff at the Fairgrounds. The delegation of authority to the County Administrator also permits his appointing an interim Events Center Manager, and to begin the recruitment process for a permanent Events Center Manager. Finally, the Order directs that the County Administrator return with a recommendation for an organizational structure by October 1, and a plan for an orderly transition to migrate personnel, financial and other appropriate management activities. This also allows him to conduct a more fully developed analysis of the cost implications and ways to mitigate them.

**F. Alternatives/Options.** The Board could chose to not proceed with the Umatilla model, but return to one of the other options presented in May by the County Administrator.

**IV. TIMING/IMPLEMENTATION:** Timing is discussed above in the body of the analysis. The Order permits stability through the Lane County Fair with relatively few changes until before then, and then provides for a transition plan to help assure smooth service delivery.

**V. RECOMMENDATION:** We recommend adoption of the Order and beginning the process for posting for Fair Board applicants.

**VI. FOLLOW-UP:** The following actions will need to be taken in the future:

1. Order appointing Fair Board members
2. Finalize the agreement between the Board and the Fair Board, and Lane Manual changes (LM 3.160 and 3.558) to reflect the revised Fair Board duties and protocols
3. October 1 report back by the County Administrator on proposed organizational structure.
4. Ordinance to repeal LC 2.225 regarding separate classification/compensation system for Fair Board employees

## **VII. ATTACHMENTS**

Order  
Exhibit A – draft County Board/Fair Board Memorandum of Understanding  
Draft Fair Board posting  
Lane Code 2.300

IN THE BOARD OF COUNTY COMMISSIONERS  
OF LANE COUNTY, OREGON

ORDER NO.08-6-25-14 ) IN THE MATTER OF DESIGNATING  
 ) MANAGEMENT OF THE LANE COUNTY  
 ) EVENTS CENTER AND FAIRGROUNDS

WHEREAS, after Lane County reduced the size of the Fair Board in January, 2007 from 5 members to 3, the remaining members resigned, leaving the County without an active Fair Board, and

WHEREAS, in the interim, the County Administrator and the Fairgrounds Executive Director have been authorized to execute checks and warrants, and

WHEREAS, the Fairgrounds Executive Director is retiring effective June 30, 2008, and

WHEREAS, the Board of Commissioners has evaluated a number of organizational options with respect to the Events Center and Fairgrounds, and has determined that it is in the County's best interests to have a five member Fair Board that is responsible for the production of the annual Lane County Fair, and for the responsibility for the administration and operation of the Events Center and the Fairgrounds other than the Lane County Fair to reside within the control of the Board of Commissioners acting through the County Administrator, and

WHEREAS, in light of the impending retirement, it is incumbent upon the County to vest administrative control for the Events Center and Fairgrounds in the County Administrator effective July 1, and to commence the process for appointing a Fair Board responsible for the annual Fair in due course,

NOW, THEREFORE IT IS HEREBY ORDERED that effective June 30, the Board of Commissioners shall assume full control and authority of the Lane County Events Center and Fairgrounds for all purposes except the planning and production of the annual Lane County Fair, and it is further

ORDERED that the Board vests the administrative responsibility for the Lane County Events Center and Fairgrounds in the County Administrator, and it is further

ORDERED that the Board of Commissioners hereby express its intent to appoint a five member Fair Board with each Commissioner making one appointment, and it is further

ORDERED that the County Administrator prepare an advertisement for applicants for a five-member Fair Board on behalf of Lane County, and make available to the applicants the proposed agreement (attached as Exhibit A) which outlines the duties, responsibilities, and responsibilities for management of the Events Center and

Fairgrounds, and proposed protocols between the Fair Board and the Board of Commissioners, and it is further

ORDERED that the County Administrator report back to the Board by October 1, 2008, with a recommendation on a reasonable organizational structure for the Events Center operation, and a plan for an orderly transition to migrate the personnel, financial and other organizational matters of the Events Center into the County operations, and that in the meantime, he take such administrative and management steps as he deems advisable for the ongoing operations, and it is further

ORDERED that in light of the absence of a present Fair Board, the County Administrator shall provide such direction to the staff at the Fairgrounds as he deems prudent and necessary in order to produce the 2008 Lane County Fair, and it is further

ORDERED that authority to execute checks and warrants for the Lane County Events Center and Fairgrounds is delegated to the County Administrator and the County Treasurer. This includes the authority to execute checks and warrants for the Lane County Fair until such time as a new Fair Board is chosen and has selected its officers.

DATED this 25th day of June, 2008.

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Chair, Lane County Board of  
Commissioners

APPROVED AS TO FORM  
Date 6/23/08 Lane County  
Jerry Whit  
OFFICE OF LEGAL COUNSEL

# DRAFT

Lane County  
Board of County Commissioners  
and  
Fair Board  
Memorandum of Understanding

Parties: Board of Commissioners, elected by the voters of Lane County, hereinafter referred to as "County Board"

Lane County Fair Board, appointed by the Board of Commissioners, hereinafter referred to as "Fair Board"

Definitions: "Fairgrounds" means the Events Center during the time period when it is devoted to the use and production of the Lane County Fair.

"Events Center" means the ground and all other property owned, leased, used or controlled by the County located at 796 W. 13<sup>th</sup> Avenue, Eugene, Oregon, including but not limited to the Convention Center, Administration Building, Auditorium, the Wheeler Pavilion, Exposition Halls, Livestock Building, Lane County Ice, and various other buildings and related structures.

Purpose: Clarify the understanding between the parties regarding: 1) the annual County Fair, 2) the management of the Fairgrounds and Events Center and 3) the protocols between the parties.

## Recitals

A. Both the annual Lane County Fair and the year-round management of the Events Center ultimately are the responsibility of the County Board.

B. The County's powers are exercised by and through the elected County Board, per Home Rule Charter, statute, ordinance and adopted policies.

C. The County Board exercises its powers through delegations of authority and responsibility to various appointed boards, officers, and employees of the County.

D. Regarding the Fairgrounds and the annual Lane 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 Events Center, the Fairgrounds and the production of the annual Lane County Fair.

E. The primary function of the Fair Board should be to oversee the planning, preparation, and production of the Lane County Fair. The County Board 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 Events Center Manager.

F. During the period of the annual Lane County Fair, the Fair Board should have the use and control of the Events Center or such part of it as is needed for Lane County Fair purposes.

G. During the rest of the year, the management of the Events Center should be the responsibility of the Events Center Manager, who will be responsible for the day-to-day management pursuant to the direction of the County Administrator, in accordance with County policies and procedures and subject to the ultimate supervision and control of the County Board.

**Agreement:** NOW THEREFORE, THE PARTIES AGREE TO THE FOLLOWING PROVISIONS, RELATIONSHIPS, PROTOCOLS AND MATTERS SET FORTH BELOW:

1. **Fair Board:** The County Board will appoint a five person Fair Board, with each Commissioner making one appointment. One County Commissioner may serve as a member of the Fair Board in lieu of appointing a lay citizen, with the concurrence of a majority of the County Board.

a. Each Fair Board member must be a resident of the County. The County Board will strive to achieve a balance of skills, interests, diversity and geographic representation, to the extent practicable.

b. Fair Board members will generally serve for staggered terms of three years, with terms being assigned by lot by the County Board as necessary to achieve staggering. Terms will begin in 2008 upon appointment, and will end on December 31 of the assigned year; thereafter terms will be for a term of three years. Fair Board members may serve no more than two complete terms, unless the County Board grants an exception.

c. Pursuant to ORS 565.210(3), each member of the Fair Board is required to furnish a good and sufficient bond or irrevocable letter of credit in favor of the County, conditional upon faithful performance of the duties of the office. The County will provide this bond on behalf of the Fair Board as part of its system-wide insurance.

d. Fair Board members are subject to removal per ORS 565.225 (for inefficiency, neglect of duty, misconduct in office, incompetence, incompatibility, dereliction of duty or other good cause) as those reasons are defined by Lane Code 2.300. Procedures to remove a Fair Board member shall be conducted in accordance with statute.

2. **Officers:** Annually, the Fair Board shall elect a President and Vice-President. Each will perform the duties normally associated with those offices. One officer will be designated as liaison to the County Board.

3. **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 Events Center Manager as the Fair Secretary. The County will provide the Secretary's bond as part of its system-wide insurance. The Fair Secretary will be the official custodian of the Fair Board records and will perform the

duties normally associated with that office, plus such other duties as are assigned by the Fair Board.

4. Procedures:

a. Subject to public meetings law and other applicable statutes and this MOU, the Fair Board may organize itself and adopt bylaws governing its procedures as it deems best in order to discharge its responsibilities. A majority of the members of the Fair Board shall constitute a quorum for the transaction of all business at meetings. Copies of the Fair Board's bylaws, meetings notices, and minutes will be furnished to the County Administrator.

b. The Fair Board shall comply with all applicable state laws and County policies, procedures and collective bargaining agreements in terms of contracts, personnel, budget, and fiscal management.

5. Lane County Fair: The Fair Board is responsible to ensure that a suitable Lane 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:

a. Making rules and regulations for the conduct and management of the Lane County Fair (ORS 565.240(2)).

b. Providing security during the Lane County Fair, including, if necessary, the appointment or approval of marshals or police. (ORS 565.240, 565.640).

c. Setting the dates of the Lane County Fair.

d. The Fair Board shall assure that the Lane County Fair business is conducted in compliance with all applicable statutes and policies and protocols, and that the staff and employees involved with the County Fair are suitably informed and trained. The County Board, Fair Board, County Administrator and Events Center Manager shall consult and collaborate to assure the Fair Board is able to achieve compliance.

e. Annually, the Fair Board will develop or update short and long-term plans for the planning, preparation, development, promotion and production of the annual Lane County Fair. Copies of the business plan and updates will be furnished to the County Board liaison and the County Administrator, and will be reviewed during the annual meeting between the County Board and the Fair Board.

6. Events Center Manager/Personnel/Volunteers: The County will employ an Events Center Manager whose duties shall include management of the Events Center and assisting the Fair Board, as requested, with the production of the annual Lane County Fair.

a. The Events Center Manager will be hired by the County Administrator or his/her designee. The Fair Board shall be consulted on the position description of the Events Center Manager, and the Fair Board President or designee will participate in the selection process for the Events Center Manager.

b. The Events Center Manager will work under the direction and supervision of the County Administrator in connection with the day-to-day and year-round management of the Events Center outside of the annual Lane County Fair. The Events Center Manager will work



under the direction and supervision of the Fair Board in connection with the operational matters relating to the annual Lane County Fair.

c. The Events Center Manager will be evaluated annually by the County Administrator or his/her designee. The Fair Board will be consulted as part of the evaluation.

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

7. Structure/Organization/Liaison:

a. Initially, the Events Center Manager will report to the County Administrator; however, during the first year, the County Administrator will evaluate the appropriate placement of the function within the County organization. In doing so, the County Administrator will seek input from the Fair Board.

b. The County Administrator and the Events Center Manager will insure communication, exchange of information, access to County support services (e.g., fiscal, budget, legal, human resources, etc) and such other coordination with the County Board, Fair Board, and County departments is provided as is useful or necessary.

c. The County Board shall appoint one of its members to serve as liaison with the Fair Board. If a member of the County Board serves on the Fair Board, that person shall also function as the liaison. It shall be the duty of the liaisons to keep their respective board members and each other apprised of all significant activities, events, or issues that may arise, in particular any which would likely impact the other Board. When major actions or projects are contemplated which affect the Events Center or the Lane County Fair, the liaisons shall bring it to the attention of the County Board Chair and the Fair Board President for the purpose of scheduling a joint meeting to discuss and consult regarding the proposed action or project.

8. Business Plan: The Events Center Manager will assist the Fair Board and the County Board to develop suitable business plans for the production of the annual Lane County Fair and for the year-round management of the Events Center, in coordination with the County Administrator. The business plans are to be submitted at least annually to the Fair Board and the County Board at their joint meeting.

9. Budget and Fiscal:

a. The Events Center Manager will provide the fiscal oversight, accountability and reporting for the County regarding the Events Center and for the Fair Board and the County Board regarding the annual Lane County Fair. Both the Events Center and the annual Lane County Fair shall be operated in compliance with all applicable state and County laws, ordinances, rules, policies and procedures relating to budget and fiscal management.

b. The parties, including the County Budget officer, the Events Center Manager, the County Management Services Director and County Counsel will collaborate to maintain the Fair Fund within the budget that satisfies ORS 565.325 and applicable county budget and fiscal policies.

10. County Liability: It is a mutual objective of the County Board and the Fair Board to implement such fiscal, budget, legal and management policies, procedures and practices to limit the exposure and liability of the County, the County Board and the Fair Board.

a. The County will secure insurance or provide self-insurance of the risks associated with the Events Center and the Lane County Fair as it deems reasonable, with charges to be assessed appropriately.

b. The County will provide the bonds described above in Sections 1 and 3.

c. The Fair Board shall consult with County Counsel and the County Risk Manager as it deems advisable to meet this obligation with respect to the Lane County Fair.

11. Annual and Other Meetings:

a. At least annually at a reasonable time after completion of the Lane County Fair, the County Board and Fair Board shall schedule a joint meeting, the purpose of which will be to review the reports described below and to discuss topics of mutual concern. At or prior to the meeting, the Fair Board will furnish the County Board 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.

3. A summary of any significant operational issues or unresolved matters that have arisen since the last joint meeting.

4. An evaluation of the County's administrative support and recommendations for improvement or change.

5. The current business plan.

6. Information describing current and anticipated events, past, current and projected financial condition and such additional information as determined by the Fair Board or requested by the County Board.

b. The County Board and the Fair Board may meet more frequently, as needed or desired. Such meetings shall be coordinated by the County Chair and the Fair Board President.

12. Amendments: This MOU may be amended from time to time as needed, by mutual written agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

Lane County Board of  
Commissioners

Lane County  
Fair Board

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## Lane County COMMITTEE VACANCY NOTICE

**DATE:**

**CONTACT:** Cristina Spear, 682-4203

The Lane County Board of Commissioners is seeking applications from citizens interested in serving on the committee listed below. This committee is charged with the management of the Lane County Fair and serves in an advisory capacity to the Board of Commissioners on a wide variety of topics and issues. Details about the committee, meeting schedule, etc., are listed below.

**LANE COUNTY FAIR BOARD:** This Fair Board is responsible for the planning, production and oversight of the Lane County Fair and for processing of policy or program issues that may arise. It sets the Fair and other admissions, entry fees, rental rates for equipment, rental rates for commercial exhibitors and the negotiation and implementation of contracts; and approves annual Fair budget for submittal to County Board of Commissioners. The Board of Commissioners is responsible for the management and maintenance of the Events Center and fairgrounds throughout the remainder of the year.

**MEETINGS:** As determined by the Fair Board

**TERM:** Three (3) years.

**VACANCIES:** Five (5).

**MEMBERSHIP:** Five (5).

**APPLICATION DEADLINE:** Friday,

Applications are available in the Board of Commissioners' Office located on the Plaza Level of the Public Service Building at 125 East 8th Avenue in Eugene. For additional information, or to request applications, please call 682-4203.

**2.275 Probationary Period.**

Unless otherwise agreed in collective bargaining agreements, probationary periods shall be as set forth in this section.

(1) **Appointment Probationary Period.** The first year following an appointment in the classified service shall be a probationary period, during which time an employee may be dismissed at any time without right of appeal. Employees shall be given permanent appointment upon successful completion of the probationary period.

(2) **Promotional Probationary Period.** The first year following a promotion in the classified service shall be a probationary period, during which time an employee may be demoted to his or her former classification at the discretion of the Appointing Authority. Employees shall be given permanent appointment to the new classification upon successful completion of the probationary period. *(Revised by Ordinance No. 7-74, Effective 7.5.74; 3-82, 1.27.82)*

**2.280 Tenure.**

The tenure of every employee shall be conditional on satisfactory behavior and performance of duties:

(1) Any employee may be dismissed or demoted on the basis of merit and fitness, as set forth in the Lane Manual.

(2) Appointing Authorities may recommend layoff whenever there is a shortage of work or funds or for other reasons which do not reflect discredit on the employee. Layoffs shall be effective only after approval of the County Administrator. *(Revised by Ordinance No. 7-74, Effective 7.5.74; 3-82, 1.27.82)*

**2.285 Suspension.**

Any employee may be suspended without pay by the Appointing Authority for disciplinary reasons but such suspension shall not exceed a total of 30 working days in any calendar year. Such action of the Appointing Authority is subject to the appeal procedures set forth in the Lane Manual. *(Revised by Ordinance No. 7-74, Effective 7.5.74; 3-82, 1.27.82)*

**FAIR BOARD****2.300 Removal of Fair Board Members.**

Under 1999 OR Laws Ch. 681, a member of the Fair Board may be removed from the appointed position by the Board of Commissioners, after a process defined by statute, for inefficiency, neglect of duty, misconduct in office, incompetence, incompatibility, dereliction of duty or other good cause, as those terms may be defined by county ordinance. The Board hereby defines those terms as follows:

(1) All terms shall have their ordinary and common meaning and usage. In addition, the specific terms shall have the meanings described below.

(2) Inefficiency, neglect of duty, incompetence and dereliction of duty are related to deficiencies in the manner of performing the duties of an appointed Fair Board member.

(3) Misconduct in office refers to violation of applicable laws or standards in such a manner that brings disrepute to either the individual or the position of Fair Board member or a violation of a County or Fair Board harassment policy.

(4) Incompatibility refers to a failure to work cooperatively with elected officials, other Fair Board members, staff, or members of the public.

(5) Other good cause refers to matters of other significance as determined by the Board of Commissioners at the time. *(Revised by Ordinance No. 11-99, Effective 4.8.00)*