



MARION COUNTY BOARD OF COMMISSIONERS

Board Session Agenda Review Form

Meeting date: 9/27/17

Department: Community Services Agenda Planning Date: 9/21/17 Time required: 5 min.

Audio/Visual aids

Contact: Denise Clark Phone: x4308

Department Head Signature: [Signature] Digitally signed by Tamra Goettsch

TITLE Revisions to the Fair Management Agreement between Marion County Fair Board and Marion County

Issue, Description & Background The Marion County Fair Board operates the Marion County Fair in accord with three directives- Oregon Revised Statutes, Fair Board Bylaws, and the Fair Management Agreement between Marion County Fair Board and Marion County. The original Fair Management Agreement was signed by Marion County Fair Board members and Marion County in June 27, 2001. The purpose of the document is to establish protocols and responsibilities of each party for managing the annual county fair. The document contained a directive to review the agreement every five years. The document was last reviewed September of 2012. After recently reviewing the Fair Management Agreement, the Fair Board found the document needed minimal changes, these included: 1. #16 regarding annual plans- replacing the word "business" with "strategic" as the Fair Board no longer maintains a Business Plan; it has been replaced with a Strategic Plan. 2. Updating the date in which the plan is reviewed and signed by the Board of Commissioners. (Legal Counsel has reviewed the document and is in agreement that the document can be moved forward with the recommended revisions.)

Financial Impacts: None

Impacts to Department & External Agencies None

Options for Consideration: 1. Accept the review findings and minor revisions to the Fair Management Agreement between Marion County Fair Board and Marion County. 2. Do not accept the review findings and minor revisions to the Fair Management Agreement between Marion County Fair Board and Marion County.

Recommendation: 1. Accept the review findings and minor revisions to the Fair Management Agreement between Marion County Fair Board and Marion County.

List of attachments: Fair Management Agreement between Marion County Fair Board and Marion County.



MARION COUNTY BOARD OF COMMISSIONERS

## Board Session Agenda Review Form

Presenter:

Tamra Goettsch

*Copies of completed paperwork sent to the following: (Include names and e-mail addresses.)*

Copies to:

Denise Clark, declark@co.marion.or.us

FAIR MANAGEMENT AGREEMENT  
BETWEEN  
MARION COUNTY FAIR BOARD  
AND  
MARION COUNTY, OREGON

This agreement is between the Marion County Fair Board, an agency of Marion County, hereafter called the Fair Board and Marion County, a political subdivision of the State of Oregon, hereafter called County.

1. PURPOSE

The purpose of this agreement is to define the management of the Marion County Fair and facilities by the Marion County Fair Board, and establish a method of determining compensation for County services provided. The parties enter this agreement pursuant to ORS 565.230(4) and ORS 203.035. This Fair Management agreement supersedes all Fair Management Agreements previously executed by the parties.

2. GENERAL

The duties and responsibilities of the Fair Board are currently defined in ORS 565.210 through 565.330 and 565.610 through 565.650. Under ORS 565.230 the Fair Board has exclusive management authority over the county fair property and is entrusted and charged with the entire business management, financial and other affairs of the County Fair. The Fair Board is an agency of the county and it is subject to most laws applicable to public bodies.

3. THE FAIR BOARD

- A. The Fair Board shall consist of three to seven members appointed by the Board of Commissioners to staggered three-year terms pursuant to ORS 565.210(2). One Fair Board position can be filled by a County Commissioner. Members of the Fair Board may be removed from office by the Board of Commissioners as provided in ORS 565.210(5) and 565.225.
- B. Pursuant to ORS 565.210(3), each member of the Fair Board is required to furnish a good and sufficient bond in favor of the County, conditional upon faithful performance of the duties of the office. The bond for each member shall be in a sum of \$50,000 per county board standards. The bond when approved by the Board of Commissioners shall be filed with the County's Risk Management. The premium on the bond shall be paid for by the Fair Board as an expense.
- C. Pursuant to ORS 565.220, the members of the Fair Board shall, as soon as their bonds have been filed and approved, meet and organize by electing a chair. A majority of the members of the Fair Board shall constitute a quorum for the transaction of all business at meetings. In the absence of the chair another member of the Fair Board shall perform the duties of the chair.

- D. The Fair Board is a public body subject to requirements of the public meetings laws of the state as provided in ORS 192.610 through 192.710 and Fair Board members are public officials subject to the government standards and practices provisions of ORS Chapter 244.
- E. The Fair Board is subject to the public records laws of the state as set forth in ORS Chapter 192.

4. PERSONNEL

- A. Employees working at the fair are employees of Marion County and are subject to applicable bargaining unit agreements, state laws, county personnel policies and the budget. They receive salary and benefits as defined in those agreements or policies.
- B. The Marion County Chief Administrative Officer shall determine fair staff and supervision, subject to review by Marion County Human Resources. County staff will involve Fair Board members in staff recruitment and performance evaluations.
- C. County employees (Risk Manager and Staff) shall see that a bond or an irrevocable letter of credit is established, as required of Fair Board members in section 3 above.
- D. As long as employees are county employees, human resources and payroll services will remain with the county. Nothing in this agreement prohibits the Fair Board from contracting for services to manage the fair and Fair Board activities, when done in conformance with applicable laws and policies.
- E. For County employees to volunteer at the fair, under the Fair Labor Standards Act, the employees must do jobs other than those they normally perform; they cannot volunteer to do their own job.

5. MANAGEMENT SERVICES

The Fair Board may contract with the County for management services, accounting, bookkeeping, payroll services and legal services. If the Fair Board elects to perform these services itself or to contract for these services elsewhere, the County Financial Department may review and make recommendations to the Fair Board regarding its accounting, bookkeeping, and payroll systems for conformance with minimum standards prior to implementation.

6. BUDGET

- A. The county is required to maintain a fair fund to record revenues and expenses of the fair and to use the funds to promote and operate the fair, ORS 565.325. The fund is subject to the Local Budget Law (ORS Chapter 294). The fair fund is part of the regular county budget, and is subject to all county fiscal policies, procedures and auditing.

- B. The Board of Commissioners annually appropriates funding for the fair fund. The Fair Board acknowledges it must comply with Oregon budget laws and annual appropriation limits established by the Board of Commissioners for the fair fund. Furthermore, under ORS 565.325, all receipts from fairground activities must be deposited into the fair fund.
- C. The Fair Board agrees to continue using the County financial and budget systems, policies and procedures through the end of each fiscal year.
- D. General fund financial support of the fair fund, if any, is limited to the amount appropriated by the Board of Commissioners and is subject to annual review by the Budget Committee and Board of Commissioners. Except for the annual appropriation from the general fund, the fair will operate on self-generated revenues. Should additional appropriations be required, the Fair Board will do so through the County's supplemental budget process.
- E. The Fair staff responsible for the budget will follow normal budget processes established by the County Budget Officer. The Fair Board should review the budget before it is submitted to the County.
- F. Capital improvement projects will be addressed as part of the County's Capital Improvement Plan (CIP) process.
- G. The Fair Board will operate on the same fiscal year as the County, July 1 to June 30.

## 7. FINANCE

- A. The County will provide the level of fiscal services necessary to maintain proper records of the Fair Board. The Fair Board will provide and assume responsibility for the accuracy of all financial activities and accounts which the Board of Commissioners has the responsibility for including in the County accounting and auditing reports. The Fair Board acknowledges and agrees that it is solely and exclusively responsible for the accuracy of all information provided to the County for inclusion in the final auditing and accounting reports.
- B. In the exercise of its management authority and in accordance with ORS 565.315, the Fair Board has authority to execute contracts, subject to budget approval and in accordance with Marion County contracting procedures.
- C. The Fair Board has authority to make expenditures from the Fair Board budget in accordance with ORS 565.315. The Fair Board shall comply with public purchasing laws and county rules. The Fair Board may contract with the County for central purchasing services.
- D. Pursuant to ORS 565.315, the Fair Board shall, once each year, file with the county clerk a complete financial statement showing all funds received and disbursed. The Fair Board may include in the report such suggestions and recommendations as in its

opinion would make for the improvement and advancement of agricultural and related industries of the fair.

- E. The Fair Board may establish and operate a petty cash account that is consistent with county petty cash policies and procedures. The Fair Board chair or chair's designees who have been approved by the Fair Board may authorize expenditures from the petty cash account.
- F. The Fair Board chair or chair's designee who has been approved by the Fair Board, or county staff, will have authority to sign county purchase orders for approved expenditures.

## 8. CONTRACTING

The Board of Commissioners has delegated County department heads authority to sign contracts up to \$50,000, subject to county contracting and purchasing rules and budget limitations, including but not limited to Ordinance No.1211 and the procurement services policy. The Fair Board chair or chair's designee approved by the Fair Board will have the same authority for contracts that have been approved by the Fair Board. The Fair Board must follow public contracting laws as set forth in Section 7 above. The Fair Board agrees to use standard County contract forms and processes.

## 9. OPERATION OF FAIR

- A. All fair equipment and facilities are the property of Marion County. The Fair Board may contract with county or private contractors for maintenance or repair of vehicles, power equipment or facilities in accordance with Marion County contracting procedures.
- B. Source, scheduling and method of replacing equipment is a management decision of the Fair Board. Equipment originally purchased by the Fair Board can be disposed of as surplus and assets retained in the fair fund.
- C. The Fair Board shall operate and otherwise manage the Fair. The Fair Board is responsible for recruiting bookings, scheduling, establishing rental fees, general promotion, recruitment of Event/Marketing Coordinators, recruitment of a security company, food service, concessions, maintenance and all other related operational activities.
- D. Pursuant to ORS 565.240, the Fair Board shall make and enforce all rules and regulations necessary for the proper conduct and management of the fairs and all activities conducted at the fairs.

## 10. FEE SETTING

Fair Board Management Agreement

Page - 4

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The Fair Board will set prices of admission, licenses and all other fees as provided by ORS 565.230 and 565.630. The Fair Board is not defined as the governing body for purposes of ORS 203.115 and, accordingly, it may adjust fees as it chooses.

11. INSURANCE AND BONDING

- A. The county currently pays all costs of property and liability insurance in a blanket policy. The costs of this blanket policy are prorated to departments and funds through a cost allocation plan. Each department or fund pays its share of the cost through this allocation system.
- B. To the extent that insurance premiums can be directly attributed to the Fair Board, costs will be budgeted and paid accordingly. All administrative costs will be allocated through the cost allocation plan.
- C. The Fair Board shall defend and indemnify the Board of Commissioners and the county from liability arising out of personnel or contractual matters occurring under the Fair Board's direction, management or authority, to the extent permitted by law.

12. LAW ENFORCEMENT

- A. ORS 565.240 permits the Fair Board to appoint marshals or police to keep order and preserve the peace during the fair and at any other time the Fair Board deems such appointment necessary. The Fair Board, pursuant to the terms of this agreement agrees not to exercise this authority.
- B. If necessary, the Fair Board will request the presence of Marion County deputy sheriffs and reserve deputies, Oregon State Patrol officers, or Salem Police Department officers on the grounds during major events and pay the costs. The Fair Board can also contract with private firms for security services during fairs and major events.

13. PLANNING

- A. The Fair Board will complete its annual strategic plan for the fair and submit it to the Board of Commissioners for review. The plan will describe current and anticipated events and the current and projected financial condition of the fair and additional information, including reports submitted to the Oregon County Fairs Commission, as determined by the Fair Board.
- B. The Fair Board shall submit the strategic plan to the Board of Commissioners on or before December 31<sup>st</sup> each year.
- C. The Fair Board shall conduct a thorough review of the strategic plan prior to each fair and make revisions as it deems appropriate.

14. CHARGES FOR SERVICES

The county and Fair Board agree on compensation for services provided under the following principles:

1. Overhead costs will be determined and applied, to the Fair Board budget, at the same rate and in the same manner as the County shall apply the costs to County departments.
2. Fair Board may negotiate a change in proposed administrative cost rates by demonstrating the service will be provided by alternative means consistent with other provisions of this agreement.
3. The Fair Board may comment on proposals to change administrative charges and review of the annual overhead cost allocation plan.

Direct and overhead costs are determined as described below.

Users are assessed direct or overhead charges to pay for the cost of internally provided administrative services. Direct costs are at predetermined rates calculated to cover the cost of service, or when costs are identified specifically within an organizational unit. Fair Board will continue to pay direct costs as billed, or it may seek alternative vendors. Current direct bill services include but are not limited to:

- Telephone (voice mail, local and long distance calling)
- Onsite internet services
- Motor Pool (vehicles, vehicle maintenance, and certain power equipment)
- Facilities
- Certain insurance and performance bonds
- PC Maintenance and Replacement

Overhead costs are for services where annual cost is established based on proportionate use. Services allocated in this manner include:

- Human Resources (Recruitment, benefits, labor relations)
- Finance (accounting, auditing, payroll, contracting, purchasing, accounts payable)
- Budget (financial & capital improvement planning and budgeting)
- IT Services
- US Postal and inter-departmental mail
- Property/liability insurance
- Business Services Department Administration
- Risk Management
- Legal Counsel
- Board of Commissioners

15. The parties agree that this agreement can be modified, amended or repealed by the mutual written agreement of the parties.
16. This agreement will be reviewed by the parties every five (5) years. At the time for submitting the strategic plan each year, as set forth in section 13 (B), either party has the opportunity to



request a review of this agreement. The parties will negotiate in good faith whenever they review this agreement or seek to renew it for additional five (5) year periods.

IN WITNESS THEREOF, the parties have executed this agreement in duplicate as of the \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Marion County Fair Board Chair

Marion County Board of Commissioners

\_\_\_\_\_

Chair

\_\_\_\_\_

Commissioner

\_\_\_\_\_

Commissioner

Approved as to form:

\_\_\_\_\_

Contracts Coordinator

\_\_\_\_\_

Marion County Counsel