



Minutes of the Oregon State Fair Council Regular Meeting

May 24, 2018

Oregon State Fair & Exposition Center – Cascade Hall McKenzie Room

Audio Recorded: Yes

I. **Call to Order:** The meeting convened at 1:30 p.m. with Vice Chair Kevin Cameron presiding.

II. **Roll Call:** The attendance, both in person and by phone, was recorded as shown below:

Present:

Jon Chandler, Chair
Kevin Cameron, Vice Chair
Vicki Berger, Council Member
Loyal Burns, Council Member
Gene Derfler, Council Member
George Jennings, Council Member
Austin McGuigan, Council Member
Leah Perkins-Hagele, Council Member
Rep. Mike Nearman, Advisory Council Member
Mike Paluszak, Director/CEO

Non-Present:

Craig Smith, Council Member
Kerry Tymchuk, Council Member
Sen. Arnie Roblan, Advisory Council Member
Steve Powers, Advisory Council Member

III. **Pledge of Allegiance:** The Pledge of Allegiance was made by all parties present.

IV. **Presentations:** None

V. **Approval of Minutes:** Vice Chair Cameron asked if there were any changes or corrections to the minutes presented for approval. Hearing none, it was moved by Council Member Jennings and seconded by Council Member McGuigan to approve the minutes as presented. The motion carried unanimously.

VI. **Public Comment on Agenda Items:** None

VII. **Council Chair's Report:** See X.b.i. Executive Committee Report.

VIII. **CEO's Report:** Mr. Paluszak reported that Travel Salem awarded OSFEC with one of their prestigious annual marketing awards, "The Most Corona Award," in large part due to OSFEC hosting the OMSI event during the eclipse of August 2017 which was attended by approximately 7,000 people the weekend before the State Fair. This was a large undertaking particularly during the time the State Fair is moving in and setting up. He commended the Staff for a "miraculous" job well done. Further the award recognizes OSFEC for the growth that has been accomplished in Expo Center activity and the contribution that makes to the local tourism economy.

Mr. Paluszak also reported that the Council's web site, oregonstatefairconcil.org has been rebuilt to look and act more like our other web sites, oregonstatefair.org and oregonstateexpo.org.

The 2018 budget includes increase in salaries relating to staff restructuring and transition. Mr. Paluszak distributed the organizational chart that reflects these staff changes, including Don Hillman and Katie Cannon being mostly transitioned out in 2018 as has been theirs and the Council's intentions all along, since it was never anticipated that their services would be for the long term. They are transferring their duties and information to others on staff who will take on additional responsibilities. Management level responsibilities going forward will be redistributed to fall under one of three senior level managers or department heads including Kim Grewe-Powell as Director of Marketing and State Fair Programming; Wayne Petersen as Director of Expo Center Events

and State Fair Vendors; and Jim Hinkle, who will join the management team as soon as he relocates from Anchorage Alaska, as the Director of Administration and Operations. He explained how the management team and staff, as restructured, will function both with regard to year-round operations and the State Fair.

Mr. Paluszak gave an overview of projects that are underway in addition to the Bond projects including a large paving project of over \$100,000 by Marion County in trade for three years rental of the fairgrounds for the Marion County Fair, a project that will make significant improvements to the lawn and curb West of the Pavilion, some aesthetic and security enhancements will be done on entrances specifically the pink and blue gates, the company that owns the Fairlift will be painting portions of it this year as required by their contract with additional painting scheduled for 2019, and we are anticipating adding alarms and camera security systems in vulnerable parts of the facility.

Boldt Carlisle + Smith, the Council's auditors, have begun their review of 2017 based on the schedule adopted by the Council of alternating years doing reviews and audits.

We are currently working on standardizing contract templates which will be reviewed by Legal Counsel for legal sufficiency, which will make our contracting process much more efficient.

IX. Information Items:

a. **State Fair Report:** Kim Grewe-Powell reported that all concerts are now on sale and going well, admission and carnival wristbands will go on sale online June 1st, fair layout is complete, GK Machines will be back with motorsports in the Pavilion, Safeway will be doing our presale admission and carnival wristbands. An update on sponsorships will be given at the next Council meeting.

b. **Report by Gruen Gruen + Associates Regarding the Economic and Fiscal Impact of the Oregon State Fair and Exposition Center on the Local and State Economies – April 2018:** Mr. Paluszak introduced the report that was distributed with the meeting materials. This report is based on 2016, or last audited year. The overview of the report includes the following economic and fiscal benefits of OSFEC:

On Marion County:

- 627 total jobs supported.
- \$9.3 million of total annual earnings (i.e., wages, salaries and benefits) to workers holding these jobs.
- \$41.3 million of total annual "economic activity" created.
- \$324,000 of annual Transient Occupancy Tax for local communities.

On the State of Oregon:

- 883 total jobs supported.
- \$15.6 million of total annual earnings to workers holding these jobs.
- \$54.5 million of total annual "economic activity" created.
- \$890,000 of annual state income tax.
- \$69,000 of annual state lodging tax.

X. Action Items

a. **State Fair Council**

- I. **Financial Statement 1/1/18-4/30/18:** A motion was made by Council Member Berger and seconded by Council Member Derfler to accept the financial statement 1/1/18-2/28/18. The motion carried unanimously.
- II. **Discussion and Action Regarding Three-Year Contract with Mid-Valley Excavation, LLC for Manure Hauling Services.** A motion was made by Council Member Jennings and seconded by Council Member McGuigan to approve the contract as presented. The motion carried unanimously.

b. Committee Reports and Action Thereon

- I. **Executive Committee:** Vice Chair Cameron reported that the Executive Committee met to review the Intergovernmental Agreement (IGA) with DAS related to the Bond projects and authorized the Director/CEO to enter into the agreement on behalf of the Council.
- II. **Governmental Affairs Committee:** No Report
- III. **Nominating Committee:** Now that the statute has been revised regarding Council Members staggered terms, the only thing left to do is assigning terms to those positions. Mr. Paluszak remarked that that was done when the Council approved the proposed legislation. The effective date of the legislation is June 2nd and he will be working with the Governor's staff to update the terms accordingly.

XI. Public Comments on Non-Agenda items: None

XII. Council Members' Comments: Council Member Berger commented that the restructuring is what she and the Council envisioned from the beginning.

XIV. Adjourn: There being no further business the meeting was adjourned.

Meeting Materials: Agenda; Financial Statement 1/1/18 – 4/30/18