



## Minutes of the Oregon State Fair Council Regular Meeting

July 26, 2018

Oregon State Fair & Exposition Center – Floral Building

Audio Recorded: Yes

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- I. **Call to Order:** The meeting convened at 1:30 p.m. with Chair Jon Chandler presiding.
- II. **Roll Call:** The attendance, both in person and by phone, was recorded as shown below:
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| <b>Present:</b>                            | <b>Non-Present:</b>                        |
| Jon Chandler, Chair                        | Loyal Burns, Council Member                |
| Kevin Cameron, Vice Chair                  | Leah Perkins-Hagele, Council Member        |
| Vicki Berger, Council Member               | George Jennings, Council Member            |
| Gene Derfler, Council Member               | Sen. Arnie Roblan, Advisory Council Member |
| Austin McGuigan, Council Member            | Steve Powers, Advisory Council Member      |
| Craig Smith, Council Member                |  |
| Kerry Tymchuk, Council Member              |  |
| Rep. Mike Nearman, Advisory Council Member |  |
| Mike Paluszak, Director/CEO                |  |
- III. **Pledge of Allegiance:** The Pledge of Allegiance was made by all parties present.
- IV. **Presentations:** None
- V. **Approval of Minutes:** Chair Chandler asked if there were any changes or corrections to the minutes presented for approval. Hearing none, it was moved by Council Member Berger and seconded by Vice Chair Cameron to approve the minutes of the May 24, 2018 Council meeting as presented. The motion carried unanimously.
- VI. **Public Comment on Agenda Items:** None
- VII. **Council Chair's Report:** None
- VIII. **CEO's Report:** Mr. Paluszak began by introducing Jim Hinkle the new Director of Administration and Operations. The new roof on the Jackman Long Building is well underway and will be finished shortly after the fair, weather permitting. Pre-fair plans include some improvements to gates, particularly blue and pink although not as much as we would have liked due to permitting requirements. Improvements are underway to facilitate the move of some attractions to the west lawn of the Pavilion to close the gap between the core fair activities and the Pavilion, including additional walkway access and curb removal. The paving project by Marion County is finished as well as striping of that area. Rent for the 2018 Marion County Fair was the last of the previous trade for work completed in 2015. The trade for the work done this year will begin next year for the 2019, 2020 and 2021 Marion County Fairs with a value of \$120,000. Council Member and Commissioner Cameron reported that the Marion County fair looked good but had disappointing results due to heat and several other events in the area the same weekend. As a result of SB 384 during the 2018 legislative session the Council Members terms are now staggered and Mr. Paluszak distributed the updated Council roster reflecting those terms.
- IX. **Information Items:**
- a. **State Fair Report:** Kim Grewe-Powell reported that the team has worked very hard to plan a great fair and are very excited. On July 12<sup>th</sup> we had a "Flash Fair" in downtown Portland which provided pre-Fair publicity to over eighteen million media viewers, listeners and readers, although the on-site attendance was less than anticipated. In conjunction with that event we sold \$188,000 of admission and carnival ride wristbands in a

twelve hour period. Pairings will be on Friday, August 17<sup>th</sup> hosted for the first time by the Oregon State Fair Foundation. The media and marketing campaign is in full swing with an amazing new television ad. Participating Albertsons and Safeway stores will be selling our presale admission and carnival wristbands beginning August 1st. Sponsorships are up 29% including Columbia Bank as a new sponsor of the LB Day concert series. New attractions include Bugology with a butterfly exhibit, the Crown Royal Room for those 21 and over, lots of new competitions and motorsports is returning in the Pavilion.

**X. Action Items**

**a. State Fair Council**

- i. Financial Statement 1/1/18-6/30/18:** Mr. Paluszak made note of the continued increase in Expo Center activity, most recently the Airstream event that just concluded which generated approximately \$150,000 in gross revenue. A motion was made by Council Member Berger and seconded by Council Member Cameron to accept the financial statement 1/1/18-6/30/18. The motion carried unanimously.
  
- ii. Discussion and Action Regarding Fixed Asset Policy.** Mr. Paluszak reported that Bolt Carlisle + Smith, our outside auditors are currently doing their review of 2017. As a result of legislation that was passed in 2017 we are now able to capitalize our investment in the facilities or equipment, although that will still not be reflected in the 2017 review as the effective date of that legislation is January 1, 2018. Nonetheless it will be discussed in the report again, as it was last year because the bill had passed before the 2016 audit was completed. Consequently, the time has come that we adopt a fixed asset policy for thresholds of items to be capitalized and a schedule for depreciation. With the concurrence of both our internal and external auditors, the policy as proposed is brought to you for action with a recommendation by management for approval.

A motion was made by Council Member Derfler and seconded by Council Member McGuigan to approve the Fixed Asset Policy as presented. The motion carried unanimously.

**b. Oregon State Fair**

- i. Discussion and Action Agreement with Oregon State Police for Law Enforcement Services During the 2018 Oregon State Fair.** Mr. Paluszak began by explaining that because the amount of the annual contract for law enforcement during the State Fair exceeds his delegated authority, it requires Council approval. He explained that this is a flat fee, all-inclusive contract for \$175,000 which represents an increase of approximately \$25,000 compared to 2017 due to hourly wage increases and additional costs associated with lodging and meals. Additionally, OSP brings considerable additional resources as part of the agreement including equipment, and other agencies including the Department of Justice, local gang task forces, etc.

After discussion of increasing cost and alternatives considered by staff, a motion was made by Council Member Berger and seconded by Council Member Cameron to approve the agreement with Oregon State Police for Law Enforcement Services during the 2018 Oregon State Fair as presented. The motion carried unanimously.

**b. Committee Reports and Action Thereon**

- I. **Executive Committee:** Chair Chandler reported that the Executive Committee has met as delegated by the Council regarding the Director/CEO’s performance incentive compensation.
- II. **Governmental Affairs Committee:** There was general discussion regarding the upcoming legislative session. Mr. Paluszak reported that, as the past, a placeholder request has been submitted to DAS for inclusion in their budget on our behalf for deferred maintenance and capital improvements. There don’t appear to be any additional statutory changes needed at this time. We will explore opportunities to make presentations to Legislative Committees to tell of our success.
- III. **Nominating Committee:** None.

XI. **Public Comments on Non-Agenda items:** None

XII. **Council Members’ Comments:** Council Member Tymchuk reported on the “4<sup>th</sup> Annual Portland Celebrity Gerry Frank Chocolate Cake Smackdown” hosted by the Oregon Historical Society on August 20<sup>th</sup> at high noon.

XIII. **Executive Session:**

- a. **Pursuant to ORS 192.660(2)(h) to consult with counsel concerning legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.**

Upon reconvening into public session Chair Chandler reported that the Council received information only and no action was taken.

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

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**Meeting Materials:** Agenda  
Minutes of the May 24, 2018 Council meeting  
Financial Statement 1/1/18 – 6/30/18  
Updated Council Roster  
Fixed Asset Policy  
2018 Oregon State Police Contract