

Oregon Parks and Recreation Commission

July 17, 2013

Agenda Item: 4b

Information

Topic: Legislative Update

Presented by: MG Devereux

The 77th session of the Oregon Legislature has been extremely dynamic. As the session ends Oregon Parks and Recreation Department staff are working to respond to legislative requests and end of session bills. The top OPRD legislative issues have been resolved.

SB 196 – This allows the Agency Director to enter into agreements with not for profit organizations who can provide resources toward park improvement projects. This was successfully passed by both chambers, and signed by the Governor. OPRD staff have started the rule making process to implement this bill

HB 5034 – This is the OPRD budget bill. Two budget notes were added in the Ways and Means process. The first budget note directs the agency to refocus Scenic Waterway efforts. The agency will work on evaluation of three new river segments per biennium. This evaluation will include a public process in the counties that could be affected by scenic waterway designation. The second budget note directs the agency to work with the Association of Oregon Counties in an Oregon Solutions process to identify ways that OPRD and county parks create mutually agreed upon solutions to the funding and deferred maintenance challenges faced by recreation providers throughout the state. These budget notes partially address issues identified in legislation that OPRD was tracking, specifically SB 401 related to scenic river designation, and SB 331 related to the distribution of RV fees between OPRD and County Parks. The overall budget was altered in Ways and Means, a more in depth discussion of these changes is included in the budget update.

SB 7 – OPRD staff worked very closely with Senator Peter Courtney to successfully pass SB 7. This bill will allow the Oregon State Fair and Exposition Center to transform from a State Agency into a public corporation. The transformation will help create the opportunities for a more businesslike approach to the management and operation of the Exposition Center, while preserving the legacy of the Oregon State Fair. A detailed outline of the transition strategy and milestones is included in an additional item.

SB 331 – SB 331 - In January the Association of Oregon Counties (AOC) and the Oregon Parks Association (OPA) gave a presentation to the Commission regarding the deteriorating financial condition of many county park systems. Like OPRD, unstable funding sources have created deferred maintenance challenges for some of these systems. AOC has been working to pass SB 331, changing the allocation of RV fees distributed to the Counties and OPRD to an even 50/50 split from the current 65% OPRD/35% Counties arrangement. OPRD, AOC, and OPA met

several times to identify a compromise that allocated more money to the counties (55% OPRD/45% Counties), but had the smallest possible impact on OPRD. Ultimately, the legislature did not move the compromise approach to SB 331 forward, and adopted a budget note to HB 5034 instead instructing OPRD to use Oregon Solutions for a mediated forum on county park funding. The budget note does not answer many of the County concerns, and it will require an intensive staff effort to meet a January 2014 deadline. OPRD is hopeful that the process will create a pathway forward for identifying better ways to support the recreation providers across the state.

Preparation for 2014 Session

Even though this session has just ended, the dates for the 2014 session have been released with the schedule of interim work days. The interagency team devoted to bill analysis will be conducting a debrief of the session. This debrief will focus on several areas to help prepare for the 2014 session: review of the process used to address legislative issues, rulemaking or other work that may be needed to address new laws, and additional legislative concepts that may be needed in 2014 or 2015.

Dates for Interim Legislative Days

Monday, September 16 – Wednesday, September 18, 2013

Wednesday, November 20 – Friday, November 22, 2013

Wednesday, January 15 – Friday, January 17, 2014

Prior Action by Commission: Approval of OPRD legislative concept August 2012

Action Requested: None

Attachments: None

Prepared by: MG Devereux

Oregon Parks and Recreation Commission

July 17, 2013

Agenda Item: 4c

Information

Topic: 2013 Oregon State Fair Update

Presented by: MG Devereux

The 2013 Oregon State Fair is right around the corner. The event will run from Friday August 23, 2013 through Monday September 2, 2013. Staff at the Oregon State Fair and Exposition Center (OSFEC) is working very hard to prepare the grounds, finalize the competition venues, and make final preparations to welcome visitors.

Events and Attractions

This year the Fair will celebrate the 20th anniversary of the Fair Lift, as well as host a number of exciting concerts and events. Country music artists Brantley Gilbert, Martina McBride, and the Oakridge Boys will be the core of the music concerts. Disney star Bridget Mendler and her special guest Shane Harper will highlight a family and youth concert. The rock and roll bill will be filled by an 80's double header of REO Speedwagon and Loverboy. Other attractions include the comedy of Terry Fator, a Las Vegas headliner who has been featured on America's Got Talent. Terry's act is a hilarious mix of singing, comedy, and impressions. On-line ticket sales for these concerts are moving briskly. The final program of events is being finalized and will be available mid-july.

Creative Living Update

In September of 2012, OPRD staff convened stakeholders to better understand the needs of participants in the Creative Living Competition areas. This was largely in response to feedback that patrons were unhappy with the creative living competitions during the 2012 State Fair. The purpose of the meetings was for staff to listen and learn; to hear how the competitions could be improved to better reflect the passion and pride that goes into the entries. After two facilitated meetings participants self-selected into committees to volunteer to take on various competition areas for the 2013 fair including Quilting, Woodworking, Photography, Fine Art, Calligraphy Poetry, Paper Arts, Creative Living General (preserved foods, baked goods, textiles, etc.) and Farm, Garden & Floral.

Since January, these dedicated volunteers have met monthly and on average spend 20 hours a week organizing the fair competitions. State Fair staff supports each of the committees and is committed to improving the competitions. A June 1, 2013 article in the Statesman Journal is testimony to how far the process has come to rebuild relationships, trust and credibility with these important stakeholders. In conversations with the Statesman, volunteers had high praise for the work that is going into the competitions this year. Improvements include:

- Reliable deadlines and clear entry procedures including a new online registration system.
- Revival of remote drop-off and pick-up locations across the state in Bend, Medford, Eugene and Portland. This was made possible due to a generous donation by Sleep Country who will bring the items to the fair and deliver them back after the fair for pick-up at their store locations.
- Extended drop-off and pick-up dates for entries including weekend and evening hours.
- Improved security for entry items.

These changes have helped rebuild trust with the creative living community, and have returned participation to a critical program area of the Fair.

Transition Management and Continual Improvement

The Oregon State Fair and Exposition Center has made strides in achieving efficiencies in order to maximize the profitability of the Fair and Expo events. Additional efforts will continue to be made in preparation of the transition efforts needed to implement Senate Bill 7. As the planning for the fair continues, the management team will also be evaluating the overall operations in order to support the transition. MG Devereux will serve as the lead in organizing and implementing the transition efforts. This will provide support to the OSFEC and a link to the larger resources of the agency to help maintain an outstanding Oregon State Fair experience during an uncertain time.

Prior Action by Commission: Approval of OPRD legislative concept August 2012

Action Requested: None

Attachments: None

Prepared by: MG Devereux/Andrea Fogue

Oregon Parks and Recreation Commission

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Agenda Item: 4d

Information

Topic: Senate Bill 7 Work Plan

Presented by: MG Devereux

On June 19, 2013 the Oregon House of Representatives unanimously passed Senate Bill 7. This vote signified the end of a legislative journey that has the potential to fundamentally transform the Oregon State Fair and Exposition Center (OSFEC). Governor Kitzhaber signed the bill into law in a ceremony on June 26. Since 2005 the Oregon Parks and Recreation Department (OPRD) has worked to define a successful future for the OSFEC. Ultimately, the department has come to understand that success for the OSFEC is limited as a state agency.

Senator Peter Courtney, the Senate President and long-time Salem resident, has worked with OPRD to craft SB 7. This bill is one of the last possible alternatives for OPRD to pursue that can preserve the heritage of the Oregon State Fair, while closing the gap in the Exposition business model. SB 7 will transition the OSFEC into a public corporation, whose sole function is to implement a successful business plan. This model has the advantage of creating its own operating structure that is independent from most restrictions placed on agency actions.

The new corporation will be able to seek broader business sponsorships, pursue flexible contracting, better cost recovery, and different staffing models. The corporation will however, need time and support to become fully functional. SB 7 defines the large action items that will be necessary to create the corporation and the targets for successful transition.

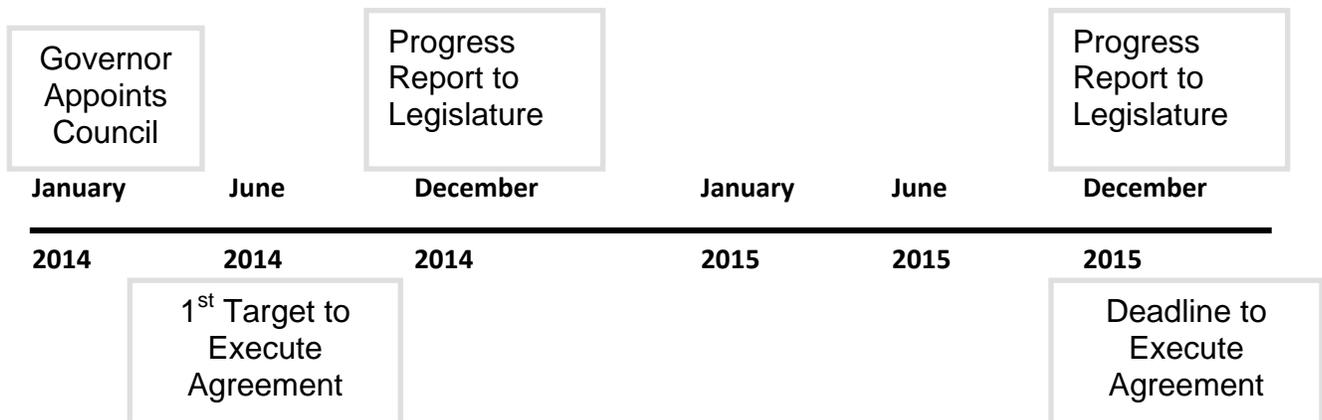
Over the next two years OPRD staff will be working to manage the transition allowed by SB 7. Internally, OPRD will be developing a project plan that gathers and consolidates information about current practices at OSFEC, researches alternatives that are made possible by SB7, and create a series of preferred options for implementation. Externally, OPRD will be working with the Governor and key Legislators to create a State Fair Council that will form the operating board of the new entity. Council members, appointed by the Governor, will focus on bringing local and regional business interests, livestock interests, and fair and carnival interests. SB 7 has an emergency clause that will allow work to begin immediately on identifying council members. SB 7 provides a January 2014 date for creation of the council.

After the Council is formed, members will help refine the preferred alternatives developed by OPRD staff in order to create a business plan and set up operational procedures. However, the Council will not have operational authority until an agreement is in place between the Council and the Department of Administrative Services (DAS). As the overarching state agency DAS has a responsibility to ensure that the transition has safeguards to protect the interests of the State of Oregon. The agreement will need to consider risk management questions, management and lease of state property, and procedures for re-taking possession of the facilities if the Council is not successful. The goal is to have this agreement executed by June of 2014. However, the legislation gives the Council until December of 2015 to fully execute the agreement. During this time status reports must be submitted to the Legislature. OPRD staff will be working closely

with DAS to understand concerns and execute an agreement as soon as possible to give the Council the authority it needs to transition operations at OSFEC.

Progression of SB 7 Actions:

- Governor appoints State Fair Council by January 1, 2014.
- Per an agreement with the Oregon Department of Parks and Recreation Department, Oregon Department of Administrative Services, and SEIU, existing employees of the Oregon State Fair and Exposition Center will retain employment at least until January 1, 2014. After the Council executes the agreement with the Department of Administrative Services employees may choose to apply for employment with the public corporation or they will be transferred to a position within state government that most closely matches their skills. The public corporation will establish its own health care and retirement benefits. Employees of the public corporation will not receive state health care and retirement benefits or be part of a collective bargaining unit.
- State Fair Council and Department of Administrative Services to make a good faith effort to enter into an agreement to lease fairground properties and facilities by July 1, 2014.
- Department of Administrative Services to provide a report to the Legislature no later than October 1, 2014.
- Council and Department of Administrative Services to enter into an agreement to lease fairground properties and facilities no later than December 31, 2015.
- After agreement between the Council and the Department of Administrative Services is executed, the Oregon Parks and Recreation Department Director is required to deliver to the Council all records and property that relate to carrying out fairground business operations.
- Council required to file an annual report with the Governor, Legislature, Legislative Fiscal Office and Department of Administrative Services about the activities of the Council and finances of the fair and exposition center.
- Legislature may terminate the agreement with the Department of Administrative Services if there is a net financial loss in any three out of five consecutive years.



Prior Action by Commission: None

Action Requested: None

Attachments: None

Prepared by: MG Devereux/Andrea Fogue