

# GOVERNANCE COMMITTEE

Monday, January 8, 2024

## MEETING MINUTES

**CALL TO ORDER:** 6:30 PM

**ROLL CALL:** Mike Lyons, Holly Price, Dave Wehner

Also in attendance: Board Chair Anita Gantner, Park Director John Piepsny, Administrative Coordinator Polly Wheeler and about 12 other attendees

### **WORK SESSION:**

#### **1) Oviatt House agreement**

Mr. Lyons mentioned that, in the Oviatt House lease agreement, permission appears to have already been granted by the board for Oviatt House Inc. (OHI) to operate a museum.

Ms. Price asked at what point the board needs to approve OHI's strategic plan. Mr. Lyons asked Mr. Piepsny to discuss this with OHI, referencing the seventh paragraph of the MOU. Ms. Price said that she wants to make sure the board is comfortable with the specific strategic plan.

Ms. Gantner mentioned that OHI has previously submitted plans to the board before moving forward on their projects.

#### **2) Event Planning Services agreement**

Mr. Lyons asked for a discussion of the timing and conditions of payment. He sent the committee a revised version of the proposed agreement for 2024.

Ms. Price said that two versions of the agreement were distributed to the board last year for consideration. The eventual agreement listed the provision that the full booking commission would be paid at the time of booking.

Mr. Lyons said that the board was aware of the difference at the time. Mr. Wehner agreed that the customer's deposit is always greater than the commission paid.

Mr. Lyons asked how bookings should be measured for the tiered commission structure. Mr. Wehner stated that RJRD is a cash basis entity. Mr. Lyons discussed the bookings over the last three-year period as an example.

Ms. Price said that, at the beginning, more work was involved in getting bookings for The Lodge and in advertising the venue. Now it is more work on the day of an event.

Mr. Lyons asked Mr. Piepsny if he has had conversations with Shari, which Mr. Piepsny assured him he had.

Ms. Gantner said that another source says that this payment condition of the contract is not industry standard. Mr. Lyons suggested that perhaps a compromise would be appropriate and would be less of a shock to Ms. Green.

Discussion followed of payment terms, language, and the tiered structure. Ms. Price said that the method of accounting for payments and commissions would have to change. She also mentioned that a two-year contract might be more agreeable to Shari.

Mr. Lyons detailed the next steps and the items that need to be considered.

Mr. Wehner asked for the booking listing by Tuesday, both current and estimated.

Mr. Lyons said that he should have something for the board to consider by the end of January, since the current contract has only been extended for one month at this point.

### **3) Friends MOU**

#### **A) Progress on new agreement**

Mr. Lyons offered that he has reviewed agreements from multiple organizations. Many are simplistic, while others are complicated. Instead of starting over, he reduced the current MOU to clearer items. Mr. Lyons distributed copies to attendees present and reviewed the essential points.

Corey Ringle asked if “Friends” should be used in the document instead of “FoCH”. Mr. Lyons answered that the committee will consider and talk about it.

Ms. Price said that Section 1 should be consistent for both parties regarding General Commitments.

Ms. Price asked for a review of Section I, B, 6 for clarification. Mr. Lyons reviewed it, and Ms. Price asked for a further breakdown of the outline. She said that it could be taken out of this section and put under the accounting section. Mr. Wehner suggested that it should be put under both sections because they serve different purposes.

Regarding Section VII/ O, a discussion followed of the description of accounting for monies separately. This referenced the distinction between funds raised for operations versus those held for the benefit of Richfield Joint Recreation District.

Ms. Price said that there is no mention in the document about grants and asked if these are separate. Mr. Lyons said that grants are different because these are generally governed by a separate agreement. Mr. Wehner commented that a grant becomes a cash asset once the terms of the grant are met.

Mr. Wehner asked what the “WPP” abbreviation is in Section V. It is a Work Project Plan, which is listed in the old agreement. Discussion followed regarding this concept.

Mr. Lyons asked if there are any agreements currently in effect with Friends. Mr. Piepsny said that the Amity agreement expired, but it should be extended since the work is still ongoing.

Mr. Wehner said that some sections can be pared down. Ms. Price said that in Section II, B the decisions do not need to go to the board unless the director is not available. This was written when the park did not have a director.

Ms. Price said that in Section III, B, 2 she is confused by the RJRD designee. She said that it should be rewritten so that the pronoun "it" is not confusing.

Mr. Wehner asked if Section III, A is necessary, suggesting that it may be too restrictive. Ms. Price said that there needs to be an agreement on the purpose of funds. Mr. Lyons said that the concern is that Friends of RHP would represent to the public a message that is not consistent with the approved path by the board. A discussion followed of accountability for Friends' fundraising and specific language for that. Ms. Price said that it must be determined what the agreement is trying to build going forward.

Referring to Section III,B,4 Ms. Price asked if the board requires an audit, or just a review or a compilation, since an audit is expensive. Mr. Wehner said that \$1 million is the threshold. The board should have the discretion to require an audit. Ms. Price said that parts 2 and 3 could be combined.

Ms. Price said that she is confused on the timing of notifications under Section IV, A. Mr. Lyons explained that the annual autorenewal and the termination notice are different circumstances. Ms. Gantner asked about the reason for a 10-year term. Mr. Lyons answered that the agreement does not have to be rewritten after five years if all is going well.

Ms. Price requested versioning on MOU versions going forward. She also said that the key contacts should be non-specific. Mr. Lyons said that they could be eliminated and described in Section II.

The treasurer's signature space will be removed, as it is not necessary.

Other miscellaneous updates were discussed to be incorporated into the next version by the Committee members.

#### B) Notice of Termination of existing agreement

Mr. Lyons asked if board members or park director had any comments. Ms. Gantner mentioned the agenda item listing possible termination of the existing agreement. Mr. Lyons acknowledged the agenda oversight and began the discussion.

Mr. Lyons suggested that triggering the termination would move the process of creating a new agreement along. Ms. Price voiced hesitation that the new agreement would be easily finalized in that period and was unsure of the need to do so.

The agreement terminates on its own at the end of the year. Mr. Lyons asked if the committee should recommend to the board that the agreement should be terminated early. If it is to be terminated, a 180 day notice is required.

**MOTION by:** Mr. Wehner and seconded by Mr. Lyons to recommend the board to initiate termination of the current agreement.

**DISCUSSION:** Mr. Lyons suggested that triggering the termination would move the process of creating a new agreement along. Ms. Price voiced hesitations that the new agreement would be easily finalized in that period and was unsure of the need to do so.

**MOTION PASSED:** Vote taken by roll call: Mr. Lyons (yea); Ms. Price (abstain); Mr. Wehner (yea).

**MOTION by:** Ms. Price and seconded by Mr. Wehner to open the meeting to discussion from the floor.

**DISCUSSION:** None further.

**MOTION PASSED:** Vote taken by roll call: Mr. Lyons (yea); Ms. Price (abstain); Mr. Wehner (yea).

### Comments from the floor

Corey Ringle (Hawthorne Dr) thanked the committee for inviting the Friends to review and comment on the proposed MOU. They will process it as a board. She mentioned that the status of the grant for which the Friends have applied could be complicated if the existing MOU is cancelled. The board would also have to be careful not to represent this to the public as a breach of contract, which would require clear communication.

Mr. Lyons replied that cancelling the MOU would not be an intent to transfer funds to RJRD. Mr. Wehner said that the committee's recommendation could specify that the reason is not for breach of contract, since that would require only 30 days' notice.

Beth Sanderson (Friends member) asked if there might be room for third-party mediation.

Lynn Richardson (Friends member) asked, if the document is reviewed and a sticking point is found, what would happen if the time limit is reached with no agreement in place. She reiterated that this would cause problems with the grant.

Mr. Lyons replied that they do not know the answer to that question, but this is motivation to complete the MOU.

Rob Richardson (Friends treasurer) made three points:

- 1) He pointed out the difference between activity and work. Activity refers to a specific date, whereas work is ongoing.
- 2) He reassured the committee that the Friends do maintain segregated funds for different purposes.
- 3) Mr. Richardson also stated that, while this was a productive meeting and he appreciated, he believes that a discussion among the committee without input from the Friends is not

an efficient way of working. A meeting in conjunction with the Friends would be more beneficial and a forum is needed for this.

Beth Sanderson said that, in the past, Friends of RHP members have served as advisors on park committees. Mr. Lyons replied that this is a negotiation of an agreement between one party and another. It doesn't make sense to have members of one party on the committee of the other party.

Chris Naizer (Friends member) made two points:

- 1) The MOU states in part 1, section A, that the board would recognize Friends of RHP and coordinate with them, but there are no measurable ways listed to demonstrate that.
- 2) In part 3, section C, the monies for the benefit of RJRD could go to anything, not just Richfield Heritage Preserve, if there were additional properties in the district. They should be identified as for the benefit of Richfield Heritage Preserve only. Ideally they would have to be for projects in the historic district.

Corey Ringle asked if the monies for funds for specific projects would be retained for those projects if Friends of RHP dissolved.

Mr. Lyons requested that the Friends have a spokesperson next time they attend a meeting to discuss the MOU, as it would be more efficient. The committee cannot discuss the topic outside of an open meeting.

## **REGULAR MEETING**

### **Approval of Minutes**

The August 23 minutes and November 14 minutes were reviewed by the committee.

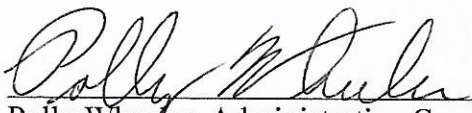
Mr. Wehner moved to approve the minutes as submitted; Ms. Price seconded. The vote was taken by roll call, which was unanimously yea. The minutes were approved as submitted.

### **New Business**

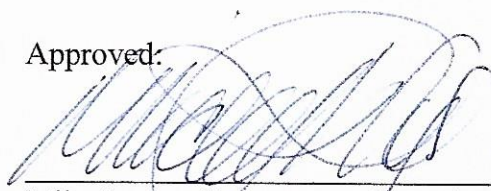
Ms. Price reminded the committee that an outside audit is required this year. Mr. Piepsny responded that fiscal officer Tim Clymer is handling that.

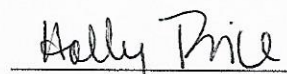
**ADJOURNMENT:** Mr. Wehner moved to adjourn and Ms. Price seconded. Voice vote was unanimously yea. Meeting was adjourned at 8:17 p.m.

Submitted By:

  
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Polly Wheeler, Administrative Coordinator

Approved:

  
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Mike Lyons, Governance Committee chair

  
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Holly Price  
Governance Committee member