

**New Mexico State Fair Commission Minutes
Of the Regular Commission Meeting
Monday, November 4, 2019
Expo New Mexico
African American Performing Arts Center
300 San Pedro Dr. NE
Albuquerque, NM 87108
11:00 a.m. – 12:30 p.m.**

Call to Order by Chairman Serna at approximately 11:05 a.m.

Commission Roll Call

Commissioners present:
Chairman Eric Serna
Secretary/Treasurer Benny Roybal
Commissioner Thomas Spindle
Commissioner Trudy Healy
Commissioner Carol Cloer
Commissioner Danielle Lowry
Commissioner Larry Chavez Sr.

Staff Present

Mr. Dan Mourning, General Manager
Ken Salazar, Deputy Manager
Bill Nordin, Chief Financial Officer
Antoinette Kulinna, Procurement Director
Oona Gonzales, Marketing Manager
Beverly Zastrow, Livestock Director
Chris Bellantoni, Social Media
Wyndham Kemsley, Public Information Officer

Pledge of Allegiance

Pledge of Allegiance was led by Commissioner Cloer.

Introduction of Guests

Mr. Mourning introduced Ken Salazar, Bill Nordin, Beverly Zastrow, Oona Gonzales, Antoinette Kulinna, Chris Bellantoni, Albert Chavez, New Mexico State Fair Steer Superintendent, and Wyndham Kemsley.

Action Item: Approval of Agenda

Chairman Serna made a motion for approval of the agenda. The motion was seconded by Commissioner Spindle. Chairman Serna asked if all were in favor of the agenda, and all voted in the affirmative.

Action Item: Approval of Minutes of January 7, 2019 Regular Meeting and August 30, 2019 Special Meeting

Commissioner Healy asked that the August 30, 2019 meeting minutes be amended to reflect that she does not reside in Deming, she resides in Taos. Commissioner Lowry made a motion for approval of the minutes from the January 7, 2019 regular meeting and the August 30, 2019 special meeting as amended.

The motion was seconded by Commissioner Spindle. Chairman Serna asked if all were in favor of the minutes, and all voted in the affirmative.

Public Comment

None at this time.

State Fair Management Report

A. 2019 State Fair:

Mr. Mourning began his report by stating that the 2019 New Mexico State Fair had been a great fair. Mr. Mourning continued by stating that attendance (473,000) at the 2019 Fair was slightly lower than the previous year, and attributed the drop to unusually high temperatures the first weekend and a full day of rain on the closing Sunday. Mr. Mourning added that even though attendance was down from the previous year, overall revenue was up, and spoke specifically of the Junior Livestock auction and the New Mexico State Fair store revenue.

Mr. Mourning then said the Sensory Station was well attended again, with over 4,000 people utilizing the facility during the fair.

Mr. Mourning reported that the School Days program was very successful this year, and drew nearly 18,000 kids from 575 schools from around the state, which was an increase from 2018. Mr. Mourning attributed the success of School Days program to its coordinator, Lisa Sandoval and thanked Commissioner Cloer for her interest and support of this program.

Mr. Mourning then directed his report to the Creative Arts department, stating that entries were up this year and that while the Spam Competition was not hosted at the 2019 State Fair, Hormel has granted the Fair the proper licensing to bring the competition back for next year. Mr. Mourning then added that sales in the Art Galleries were very good, with \$187,000.00 in sales during the 2019 New Mexico State Fair. Mr. Mourning added that the Fair is one of the few places for lesser known artists from around the state to showcase their art.

Mr. Mourning continued his report by reporting that the First Impressions Rodeo Club had hosted the first Youth Rodeo at the 2019 New Mexico State Fair with 500 youth contestants participating and learning about Rodeo. The Fair staff is working with this group to bring this event back next year.

Mr. Mourning stated that the New Mexico State Fair and Coca Cola had partnered on a recycling program. This program was very successful and Fair staff is looking at continuing this effort in 2020.

Mr. Mourning added that the Asbury Café is one of the “must visit” locations each year for the amazing pies that they bake each year. This is a great program run by volunteers with all of the proceeds donated to the community.

Commissioner Spindle asked if the Fair charges this organization a fee for their space. Mr. Mourning stated that yes, the Fair does charge this organization a nominal fee for their space. Mr. Mourning added that the Fair does maintain and has made many upgrades to their building as needed. Mr. Mourning added that the Fair and this organization have a very good working relationship and he looks forward to that partnership continuing for many years.

Commissioner Roybal asked if it was appropriate at this time to ask questions while Mr. Mourning was giving his report. Mr. Mourning indicated that he would be happy to take any questions from the commission.

Commissioner Chavez asked if the Fair got a percentage of sales from the Artists. Mr. Mourning stated that the Fair gets 25% of the sales.

Chairman Serna asked if that percentage was equitable for the artists. Mr. Mourning stated that the Art Department Director, Ramona Vigil has worked with the artist community for many years and feels comfortable that the percentage the State Fair receives from the sales of artwork during the Annual Event is fair and equitable.

Mr. Mourning continued his report by talking about the State Fair Beer, adding that the New Mexico State Fair is the only fair in the country that has its own branded state fair beer. Mr. Mourning stated that this is the fifth year of this partnership and this year the Fair partnered with Canteen brewery who created a Pilsner for the State Fair. Mr. Mourning added that the New Mexico State Fair Pilsner has been entered into the great American beer festival.

Mr. Mourning continued his report by providing the Commissioners with some statistics from the Livestock department. Mr. Mourning stated that there were approximately 2500 entries, with 483 exhibitors. Mr. Mourning added that the new poultry/rabbit building in Dairy Barn, was very well received and popular with this group.

Commissioner Healy asked about additional ventilation for the poultry/rabbit area, Mr. Mourning stated that there is a plan in place to address this issue for Fair 2020.

Commissioner Spindle asked what the previous space for the poultry/rabbit exhibit in the Lujan building was being used for. Mr. Mourning stated that this space was now being filled with vendors through the Concession Department.

Commissioner Chavez asked how the New Mexico State Fair Store did for Fair 2019. Mr. Mourning stated that the store made \$30,000 in revenue which was an increase from the 2018 Fair. Mr. Mourning added that the space had undergone some upgrades which enhanced the store appearance.

Mr. Mourning stated that the Junior Livestock Sale had been exceptional this Fair. Sales were up 3.9% from the 2018 Junior Livestock Sale. The Grand Champion Steer from Curry County, sold for \$30,000 and the Grand Champion Lamb from Torrance County sold for \$15,000. Mr. Mourning thanked the Commissioners for their participation and added that this event was very important to the 4-H and FFA kids who show the animals at the Fair. Mr. Mourning stated that these young people worked hard all year long and deserve the recognition.

Commissioner Healy stated that she buys a lot of animals at the Southern Fair and added that many people have encouraged her to build up the goat program at the New Mexico State Fair. Commissioner Healy asked at this time about the possibility of incorporating more sales slots for goats during the livestock sale in the future. Mr. Mourning recommended that Commissioner Healy speak with the state fair staff in charge of the livestock shows and sale to better understand the process and the possibility of enhancing the goat program.

Commissioner Chavez asked if the Commission was involved in the approval of contracts. Mr. Mourning stated that all contracts are approved by management and all fiscal transactions are the responsibility of himself and his staff. Mr. Mourning added that Expo NM/ the New Mexico State Fair is in the Share Procurement system, which means that as a State agency, purchases and contracts require approval from Santa Fe.

Commissioner Healy asked if the Commission had the responsibility to give input to Mr. Mourning and staff about contracts. Commissioner Healy added that she does have questions on specific contracts such as the stock contractor for the rodeo, and wanted to know about the contract process. Commissioner Healy added that she had also heard that there are exclusive contracts for funnel cakes and Lemonade and would like to have more information about those contracts, stating that she felt that the Fair should not have exclusive contracts on food for the Fair.

Mr. Mourning explained that the Fair does have an exclusive contract with a Lemonade vendor but there is not an exclusive contract for funnel cake. Mr. Mourning added that the contract with the Lemonade vendor provides the Fair with an \$80,000 Sponsorship for the Annual Event. Mr. Mourning added that Raina Bailey, the Concession manager works very hard to provide a variety of food/vendor options.

Mr. Mourning stated that he would be happy to coordinate meetings between the appropriate Fair staff and the Commissioners to provide them information about the contract process and department procedures they may have questions about. Mr. Mourning reassured the commissioners that all contracts must meet all State regulations.

Chairman Serna stated that when the Commission decides on committee assignments each Commissioner who expresses interest in a specific topic can meet with Mr. Mourning and staff to become better educated on their area of interest. Chairman Serna added that the flow of information and the education with one another might be enlightening for everyone and he anticipates that this will help address some of the concerns expressed during this meeting.

Commissioner Roybal asked Mr. Mourning if there was a general counsel on staff. Mr. Mourning stated that there is a position available for a general counsel but all assignments for this position come through the Governor's office, and so far no assignment has been made.

Commissioner Chavez stated that he thinks that the Commission is going to want to become very familiar with the contract process, certainly for the major contracts (Carnival, Rodeo) which are a critical part of the operation of New Mexico State Fair. Commissioner Chavez added that it is likely the Commissioners will want to become very familiar with these contracts and perhaps be a part of the approval process before they are executed. Commissioner Chavez continued by stating that he knew that the contract process was dictated by statute and so forth but thought that there are variables that are significant to the State Fair that the Commission will want to take a look at.

Chairman Serna stated that he heard Commissioner Chavez say that he did not want to be involved in the day to day decisions of managing the State Fair, but when it comes to setting certain policies the commission would like to be involved.

Commissioner Spindle agreed that he thought as Commissioners they should review the major contracts and added that as an example, he has spoken with Southwest Dairy Farmers and had been told that they

never got a contract and so they did not participate in the 2019 Fair. Mr. Mourning stated that Commissioner Spindle had been misinformed, the Fair had worked with Southwest Dairy Farmers on their contract up until a few days before the Fair was to begin and Southwest Dairy Farmers had decided, at the last minute, to not participate in the 2019 New Mexico State Fair. Mr. Mourning added that Southwest Dairy Farmers has been a great partner for many years and he will work with them to bring them back for the 2020 Fair. Mr. Mourning added that the staff processes hundreds of contracts per year and works very hard to ensure each contract is processed in a timely manner.

Commissioner Chavez stated that Mr. Mourning just mentioned that the Fair staff processes hundreds of contracts right before the Fair which included a vendor contract for his company, DreamStyle. Commissioner Chavez added that he did not get that contract until late August for 2019 Fair and stated that this was much later than any other event his company has participated in on Expo NM grounds. Commissioner Chavez suggested that maybe there is something that the Commissioners can suggest to streamline the process.

Mr. Mourning again suggested that the Commissioners meet with staff and get a better understanding of how the contract process works. Commissioner Chavez suggested that he would like to visit with upper management as well. Chairman Serna stated that he felt that the Commissioners just want to get a better understanding.

Commissioner Cloer stated that there is a chain of command at the State Fair with very capable people that the Commission can ask first to get the information. Commission Healy added that she is not here to micro manage and just wants more information.

Commissioner Roybal asked to be provided with a year round schedule of events being held at Expo NM. Mr. Mourning stated that he would be happy to provide that information to the Commissioners and added that the schedule of events is also available on the Expo NM website for their convenience.

Commissioner Lowry stated that she appreciated all of the questions and thought that many of the questions would be answered through the committee assignments as Chairman Serna suggested. Commissioner Lowry also suggested that there may be an opportunity for a training session with the coordination of Mr. Mourning and the staff at Expo NM/State Fair in the near future.

Chairman Serna stated that he didn't think the Commission and State Fair staff were at cross purposes and felt that there was now time to work with staff to set policies that the Commission was charged with and share their expertise.

Commissioner Lowry asked that the Commission allow Mr. Mourning to finish his report at this time.

Mr. Mourning continued his report by talking about the 2019 rodeo/concert series. He commended Doug Mathis and Dustin Murray for their work in making the rodeo a success once again. Mr. Mourning added that the Pepe Aguilar and Clay Walker shows were sold out, with the Aaron Watson and Eli Young concerts coming very close to selling out. Mr. Mourning pointed out that the high level of competition for entertainment in New Mexico for the Fair, as other concert venues are located so close to the fairgrounds, makes scheduling concerts during the Annual Event a challenge. Mr. Mourning added that state fair staff are already in the process of submitting offers for entertainers for the 2020 fair.

Mr. Mourning continued his report by telling the Commission about several new events hosted during the Annual Event this year, including a wine festival and a cider festival, both of which were very successful. Mr. Mourning recognized Chris Goblet for coordinating and executing the two events. The fair also hosted a new beef jerky competition, which was also successful, and brought people to the New Mexico Department of Agriculture's store.

Mr. Mourning acknowledged the many partnerships that make the fair successful each year, including the well-received park and ride system made in partnership with the City of Albuquerque.

Mr. Mourning then spoke about the new ticketing system used by the 2019 fair, explaining how all tickets were made available online via the state fair's website.

Mr. Mourning acknowledged the traffic issues present during the fair, and stated that the fair mitigated some of those issues by coming up with some creative solutions, including rerouting the fair parade to go west instead of east.

Mr. Mourning reported that media coverage of the 2019 New Mexico State Fair was extraordinary. He recognized KOAT for their live reporting from the fairgrounds for the entire day, which has not been done in a very long time.

Mr. Mourning finished his New Mexico State Fair report by restating that the 2019 New Mexico State Fair had been very successful and he and staff are already looking forward to making the 2020 New Mexico State Fair better than ever.

Mr. Mourning briefly discussed the IAFE conference and NFR event taking place later this year in Las Vegas and San Antonio, respectively, which State Fair staff will be attending to learn more about entertainment options for Fair 2020.

Commissioner Healy thanked the staff for the way they put on the 2019 State Fair.

Commissioner Lowry commended the staff for making the 2019 Fair great. Commissioner Lowry added that Social media complaints were low. Commissioner Lowry also stated that the Home Arts area looks very nice and entries are on trend. Commissioner Lowry stated that she felt as though the Livestock and 4H entries were up from several years ago, and that barns are full. Commissioner Lowry added that she thought KOB did great with livestock this year, and showcased all the hard work the kids put into the Fair. Commissioner Lowry added that she would like to discuss opening entries to professionals in places like the flower shows and other home art shows. Commissioner Lowry then recognized Craig Vencill for all of his Main Street Days success, and said that she felt very safe at the fair.

B. Expo NM Report:

Mr. Mourning stated that there have been many events held on the grounds of EXPO NM, such as;

- The for King and Country concert in Tingley Coliseum,
- The annual Christmas Cantata, also in Tingley Coliseum
- The Gathering of Nations- PowWow
- ABQ Pride Fest
- The "Dragons House of Horror" Haunted House

- In the Lujan building there have been many exhibits and shows like the Gem and Mineral show, the Rio Grande Arts and Crafts Show, as well as Roller Derby contests and Legacy Boxing competitions.

Mr. Mourning added that Expo NM is also becoming a popular location for film crews to shoot scenes for movies and TV shows.

Mr. Mourning added that upgrades have been made around the grounds including the installation of new lighting systems at all entrance gates of the fairgrounds as well as some interior areas. Mr. Mourning added that large parts of the flea market/midway areas were repaved in preparation for the 2019 fair and the flea market, which operates year round. Mr. Mourning continued by stating that substantial work was done in the Manual Lujan Complex as well, which is a venue on the fairgrounds that is used heavily all year.

Mr. Mourning stated that Expo NM continues to be busy every weekend and he is looking forward to all of the great events held on the grounds throughout the year.

Commissioner Chavez inquired about the financial reports provided to the Commission. Mr. Bill Nordin stated that he would be available to visit with Commissioner Chavez or any other Commissioner at any time to review the financial statements in more detail. Commissioner Chavez then inquired about when the report from the most recent Audit would be available. Mr. Nordin stated that he did not have an exact date for Commissioner Chavez but will provide a copy of that report to the Commission once it was finalized.

Discussion of Committee Assignments:

Chairman Serna recommended that the following committees be created, with the following Commissioners tasked with leading committee discussion and reports:

- Finance Committee – Commissioner Chavez
- Livestock Committee – Commissioner Spindle
- Arena and Rodeo Committee – Commissioner Healy
- Entertainment Committee – Commissioner Roybal
- Arts Committee – Commissioner Lowry
- Farm and Agriculture Committee – Commissioner Cloer

Commissioner Lowry stated that before she could commit to be the Chair of the Arts Committee, because of her business connections, she wanted to express her concerns regarding a conflict of interest with participation on a committee that would be perceived to benefit a commissioner and her/his family.

Chairman Serna stated that as long as she or any commissioner were transparent about their business or personal connections to a committee then any perceived conflict of interest would be addressed.

Discussion of Meeting Calendar:

Chairman Serna opened the floor to the other Commissioners to discuss the frequency of Commission meetings going forward.

Commissioner Cloer stated that in her experience most organizations did not meet on Mondays. Commissioner Cloer also asked if in place of being in attendance at a commission meeting, is there an option for her to participate via a conference call. Mr. Mourning stated that participating in a

commission meeting via conference call is an option, as long as there is a quorum physically present at the meeting, this could be arranged with advanced notice.

Commissioner Spindle suggested that general meetings of the State Fair Commission be held quarterly, while committee meetings be held as needed.

Commissioner Roybal suggested that general meetings of the New Mexico State Fair Commission be held every other month, and committee meetings be held on the off months.

Commissioner Lowry suggested holding general meetings of the New Mexico State Fair Commission quarterly during the first part of 2020, and adjustments could be made as needed.

Chairman Serna stated that he will defer the discussion of Commission meeting frequency until the January 2020 meeting.

Discussion of agenda items for next meeting:

Chairman Serna stated that if the commissioners had any agenda items that they would like to address at the next commission meeting to please let him know.

Adjournment:

Chairman Serna called for a motion to adjourn. Commissioner Roybal made a motion to adjourn, which was seconded by Commissioner Chavez, with all present voting in favor.

Meeting adjourned at approximately 1:06 p.m.