

NEW MEXICO STATE FAIR COMMISSION
MINUTES
OF THE REGULAR COMMISSION MEETING
MONDAY, JANUARY 5, 2015
AFRICAN AMERICAN PERFORMING ARTS CENTER, ROOM 120
300 SAN PEDRO NE
ALBUQUERQUE, NEW MEXICO
CONVENE AT 11:00 A.M.

Call to Order by Chairman Kennedy at approximately 11:00 a.m.

Commission Roll Call – Commissioners present:

Chairman, Larry Kennedy

Secretary-Treasurer, David “Hossie” Sanchez

Commissioner Xavier Jurado

Not present:

Commissioner Charles “Chuck” Brown

Commissioner William “Bill” Lee

Pledge of Allegiance: Led by John Jaramillo

Staff present:

Dan Mourning, General Manager

John Jaramillo, Deputy Manager

Allison Hedgecock, General Counsel

Erin Thompson, Media Director

Bill Nordin, Chief Financial Officer

Ken Salazar, Operations Manager

Oona Gonzales, Media Liaison

Members of the Public Present:

Craig Payne

Rick Richardson

Charles Brunt

Dupuy Bateman

Jose Varela Lopez

Shacey Sullivan

Caren Cowan

Chairman Kennedy started with acknowledgements and introduction of guests.

ACTION ITEM: Chairman Kennedy asked for a motion to approve the current agenda. Commissioner Sanchez made the motion to approve and Commissioner Jurado seconded the motion, which passed unanimously.

ACTION ITEM: Chairman Kennedy asked for a motion to approve the draft minutes of the November 12, 2014 commission meeting. Commissioner Jurado moved to approve the minutes and Commissioner Sanchez seconded the motion with the motion passing unanimously.

Chairman Kennedy advised that there was no one signed up to provide public comment.

ACTION ITEM: Chairman Kennedy advised the next action item on the agenda was for approval of the Open Meetings Resolution. The resolution is the same as was approved last year but the commission is required to approve a resolution every year. Chairman Kennedy asked for motion to approve the resolution. Commissioner Sanchez moved to approve the Open Meetings Resolution and Commissioner Jurado seconded the motion, which was approved unanimously.

Chairman Kennedy advised that it is the duty of commission at first meeting of the year to elect officers including the chair person and secretary/treasurer.

ACTION ITEM: Commissioner Sanchez nominated Larry Kennedy as Chair of the Commission. Chairman Kennedy asked if there were any other nominations. Commissioner Jurado moved to cease nominations and Commissioner Sanchez seconded the motion. Chairman Kennedy asked for a voice vote. Ms. Thompson called the roll with all commissioners present voting in favor of Chairman Kennedy to serve another term as Chair of the commission. Chairman Kennedy thanked the commission and expressed how much he has enjoyed serving as Chair.

ACTION ITEM: Chairman Kennedy asked if there were any nominations for the position of Secretary/Treasurer. Commissioner Jurado nominated Commissioner Sanchez. Chairman Kennedy asked if there were any other nominations. Hearing none Commissioner Sanchez made a motion to close, and Commissioner Jurado seconded the motion. Chairman Kennedy asked for a voice vote. Ms. Thompson called the roll with all commissioners present voting in the affirmative.

Chairman Kennedy advised that the next item on the agenda was Committee reports. He stated that there is one standing committee which is the racing committee. He asked Commissioner Sanchez, who heads that committee, if there was anything to report. Commissioner Sanchez said there was nothing new to discuss although the same few problems exist with the Downs that had been mentioned in previous meetings but that he was hopeful

we will straighten them out for the coming year. He stated that he thinks it will go well with the new racing schedule, moving from a Fall meet to Spring which splits the Downs in spring and fall for the state fair. That is the way it was years ago and works out well. Chairman Kennedy asked if we had the dates for the Spring meet. Mr. Mourning advised that we will get the commission the meet dates. Commissioner Sanchez stated he believes the meets start in April and end in June. Chairman Kennedy asked if there were any suggestions for additional committees and there were none recommended.

Chairman Kennedy stated that the next item was the State Fair Management Report. Mr. Mourning started by congratulating the new officers whose inspiration and leadership have provided him with a wealth of knowledge. He thanked Commissioner Sanchez for taking on the racing committee. He also thanked Commissioner Jurado for great insights after Fair. He acknowledged that the chairman's involvement has been tireless and has been instrumental in working through questions and issues with the EPA and as we look at redevelopment for the future.

Mr. Mourning said his remarks would be brief since we went over the major points relating to Fair at the last commission meeting. He said we are moving forward planning for next Fair which included a recent trip to IAFE which provides very important information and networking which is vital to fair business. That included booking entertainment, the PRCA convention and other information gathering for rodeo. He said the conference is a busy time for the general manager and staff as we are working to ensure rodeo and entertainment for next year. He said the New Mexico State Fair won an award for media for tv commercials in which we placed second place among our peers. He commended the efforts of everyone involved including the media team and our Ad Agency RK Venture. It was a major accomplishment to be recognized by our peers. Staff had good meetings with entertainment and PRCA folks. With the 2015 Fair starting the Thursday after labor day, it poses challenges for routing but we got a lot done and there will be more details to come. We find a lot of our vendors and make critical connections at IAFE and we were pleased to receive lots of inquiries as people noticed how good the Fair was this year. Mr. Mourning went on to say he will be attending the Western Fairs Association conference next week which provides more interaction centralized to western fairs and expositions and is another way to book vendors and get them routed. There are also more national sponsors.

Mr. Mourning confirmed that the Fair will be issuing a Request for Proposals for carnival which will make it very beneficial to the state to have the best carnival possible.

As for the upcoming legislative session, Mr. Mourning indicated we will make a big push for capital outlay funding. We will get the commission a detailed report for capital before session which Mr. Jaramillo is working on as it relates to the 11.5 million dollars we are asking for. It

will be a big challenge considering the current state of oil and gas revenues but that money is important for the future of the Fair. We have provided the commission with the legislative social agenda as well so they can help make those connections.

Mr. Mourning indicated that the Fair has a couple of RFPs going out, the most important of which is the carnival. It has been a long time since it has been put out to bid and we are looking forward to a good response. He said the carnival is a big source of revenue and the Fair wants to make sure going forward that we have the best for the people of New Mexico.

Commissioner Jurado asked if carnival rates are included as part of the criteria and how the various bidders are judged. Mr. Mourning explained that an independent committee will be established to evaluate the bids and the RFP has an enumerated set of criteria such as revenue, safety etc. Revenue will carry a lot of weight. Mr. Mourning explained that Fair staff has done a lot of research and the procurement manager has traveled all over the country to ensure we are asking for the right things to establish the best process. The other invitation to bid is for signage. We currently have digital signs at Louisiana and Lomas and San Pedro and Lomas. Having nice digital boards coincides with the block walls to improve the aesthetics. That RFP will go out the second part of January.

Mr. Mourning provided an update on the Youth Arabian horse show indicating the Fair is working on the 2015 contract and working with the Albuquerque Convention and Visitors Bureau and the city on a 2016 proposal which we have put together and submitted. He advised that we think we have a very good shot and are in a strong position and should know more within the next 30 days.

Mr. Mourning explained changes at the flea market such as issues relating to people crossing Central Avenue creating hazardous a situation. To address the problem, the Fair closed gates off near that location and we are now charging a dollar a head. We also created 300 spots of free parking and those people who utilize the spaces just pay the entrance fee. He said the changes are going well and the numbers are showing an increase. The atmosphere has changed with a greater focus on marketing including trades with AGM radio group which has worked out well and we are looking forward to even more changes to make it a better event.

Mr. Mourning indicated to the commission that we are meeting with the Downs next week to work out some of the concerns talked about in previous meetings. He explained that their attorney was very ill but our attorneys are meeting with them next week.

Mr. Mourning said we have made great improvements with the financials. Whereas in the past we were not able to pay off a Fair until the following Fair, the Fair has now paid off all current bills with the exception of three invoices we are still waiting for. They are small amounts. The vendors appreciate that we are now paying as we go rather than always playing catch up. Mr.

Mourning said the bond we've had since 2002 has been paid off and the money we previously received from casinos now goes to the racing commission for testing for horses. Mr. Mourning went on to say we have almost completed the audit and that is going well.

The chairman stated that he has seen comments through social media about the chain link fence coming down and the new block wall with most comments being positive. Chairman Kennedy said the honey suckle was an eyesore and getting rid of that looks good and is classy. He stated that he is hoping with capital money we can stucco or get some murals. Most comments from Mark Twain are positive so kudos for making things look nicer. Mr. Mourning responded that we are looking forward to bids to make the place look better. It is coming along but will continue to address our number 1 priority which is addressing infrastructure. Mr. Mourning said we recognize it is important to be a good neighbor. We have a painting project on San Pedro as we speak. He said Ken (Salazar) and his folks are doing a good job and we are excited to have Luis (Perchas) on board too.

Commissioner Jurado asked what kind of help the Fair management needed during the legislature and asked if we were pursuing bill sponsors. Mr. Mourning responded that the capital outlay request was already submitted but when voted on it is important that they support the State Fair. There are a billion dollars' worth of requests and we are all competing for 260 million dollars in capital available. We have made great inroads with DFA and LFC and they understand our needs and have been responsive. We have established a good relationship but need our elected officials to support our request. The chairman asked if they will get into specifics on what needs to be done with the funds and what we need, more than want. He said that whatever we can do to alleviate problems with capital money goes a long way. He asked Mr. Mourning to make sure to get the commission specifics about where money would go so that they are well educated to deliver that message. Chairman Kennedy noted that the social calendar is in the folder and he would appreciate if Fair staff would highlight which events they should attend and network. Mr. Mourning advised the commission that Erin will put together talking points as it relates to what we want to do in the next year and five years out. He stated that it is time to look at reinvestment into grounds and we will look for partners including at the city and county level. We have reached out to many of those folks already and received good responses. We need to talk about not only facility condition assessments but also a new master plan for the entire campus. We will put a plan together to help us present ideas for going forward and we look forward to working with the commission.

Chairman Kennedy asked if capital money was earmarked for the plan and Mr. Mourning answered in the affirmative.

Chairman Kennedy asked if there was anything specific to report on financials. Mr. Mourning advised that we haven't closed books out since the last statement and as soon as we close our books we will send it out to the commission.

Mr. Mourning asked to share one last thing and advised that this endeavor is not a one person thing but rather a whole team of folks that make it work and accomplishments are because of a great team effort. He went on to acknowledge Deputy Manager John Jaramillo, Operations Manager Ken Salazar, CFO Bill Nordin, General Counsel Allison Hedgecock, Media Director Erin Thompson and Oona Gonzales of the Media team.

Chairman Kennedy asked if there were any more questions or comments.

Chairman Kennedy introduced a discussion of the meeting calendar, stating we will continue to hold quarterly meetings with the next proposed in April. He said Mondays are tough for some commissioners so proposed Wednesday, April 8 at 11:00 AM. He asked that if commissioners had any items they wanted to see on next agenda, to get them to the chairman.

ACTION ITEM: Commissioner Jurado moved to adjourn which was seconded by Commissioner Sanchez and passed unanimously.

The commission meeting adjourned at approximately 11:30 AM.