

DRAFT

(updated 8/12/11)
MINUTES
SPECIAL COMMISSION MEETING
JULY 29, 2011
STATE PERSONNEL OFFICE
WILLIE ORTIZ BUILDING
2600 CERRILLOS ROAD – BOARD ROOM
SANTA FE, NEW MEXICO, 87505
10:00 A.M.

10:00 A.M. Call to Order (David “Hossie” Sanchez, Chairman)

Commission Roll Call (Michael Henningsen)

Commissioners present:

Chairman, David “Hossie” Sanchez

Member, Benny Roybal

Member, Ruth Bitsui

Member, Larry Kennedy

Member, Kenneth “Buster” Goff

Member, Kenneth “Twister” Smith

Pledge of Allegiance (led by Commissioner Ruth Bitsui)

Approval Items:

Agenda:

Commissioner Roybal moved for approval of the agenda, Commissioner Goff seconded the motion. All Commissioners present voted in the affirmative.

Introduction of Guests:

Public Present: Charlie Bennett, La Mesa Neighborhood Improvement Association; Val Cole, New Mexico Horse Council; Randy Cole, New Mexico Horse Council; Bob Frost; Charles Brunt, Albuquerque Journal; Josh Anderson, AFSCME; David Lucero, LFC; Di McCall; Del Viccarreal, AFSCME; Mark Shoemith; Maxine Velasquez, AFSCME 1211; Mike Redman; Dupuy Bateman, LFC

Staff Present: Dan Mourning, Interim General Manager; Agnes Maldonado; Human Resources Director; Michael Henningsen, Media Director

Management Report: (Dan Mourning, Interim General Manager)

Interim General Manager Dan Mourning discussed EXPO New Mexico’s general budget shortfall and the various difficulties faced by the agency in these trying economic times. He stated that management and staff have been working hard to cut costs and increase efficiency in an effort to shore up the budget, and acknowledged that the Fair must continue to be nurtured while new business avenues are explored for the year-round operation. Mr. Mourning discussed various ideas currently in motion under his direction to make the 2011 State Fair successful. Among them, he discussed the Monday-Tuesday

closure, discount days, partnerships with the City of ABQ, Downs of ABQ, keeping the Fair safe and clean, communicating and addressing the needs of the surrounding communities and other critical areas which the Fair must address.

Proposed reduction in force plan: Discussed reduction in seasonal temporary employees, said existing staff has stepped up and is doing more than less. Stated he has scrutinized all contracts and has reduced costs by 20-25%. Has worked with Sponsorship to increase cash contributions versus in-kind. In the process of reworking internal accounting procedures so they are more accurate.

Mr. Mourning went on to discuss the then-current Youth National Arabian Show taking place on the grounds and stated that negotiations were underway to secure the larger, more prestigious Arabian Horse show that currently resides in Tulsa, OK in the future if EXPO can cover the Outdoor Horse Arena and make a few other minor improvements. Mr. Mourning said the negotiations are moving in a positive direction and that he is confident EXPO will soon be home to both Arabian shows, which would be an economic boon to the agency.

Mr. Mourning also briefly discussed a retooling of the EXPO Flea Market, saying he has been holding regular meetings with vendors to improve conditions and collect ideas for increasing attendance and revenue. Mr. Mourning stated that, in general, EXPO management and staff have taken a more aggressive approach in securing more year round concerts for Tingley, and are attempting to enter into co-promotions to increase the use of Tingley and other facilities to increase revenue. The ongoing lighting project begun in Tingley in 2010 is now completed, resulting in a high efficiency, state of the art lighting system that eliminates some of the problems that plagued the facility in the past. To that end, Mr. Mourning reported that the Professional Bull Riders Association is booked for the first weekend of the 2011 Fair for the first time since 2008 and in negotiations for another show during the off-season. He said the Tingley HVAC system has also been updated, and that EXPO is now sifting dirt for Tingley on-site, representing a significant cost savings. Mr. Mourning stated that the agency and its employees are working on small things to increase efficiency and revenue, and that the approach is working.

Mr. Mourning stated that EXPO now employs its own on-site certified safety inspector, which has saved the agency significantly. Entries for the 2011 Fair are up 15 percent overall even though livestock entries are down slightly due to the widely publicized statewide drought. He stated that he is working closely with each of New Mexico's 33 counties to bolster the Jr. Livestock Sale, and is allowing 4-H to run the sale for purposes of efficiency and to save money and to create a better show. He reiterated that livestock entries for the show are slightly down to date due to drought and economy, but that staff is rising to the challenge.

Mr. Mourning also stated for the record that Operations Manager Ken Salazar and his team are doing an excellent job with fewer employees getting more work done.

The \$2.5 million renovation to the Indoor Horse Area is complete in plenty of time for Fair—was utilized for the first time by the Youth National Arabians, who were very pleased-- looks fantastic, and is a great addition to EXPO.

Mr. Mourning concluded by announcing the 2011 New Mexico State Fair concert lineup: 9/15 Easton Corbin, 9/16 Craig Morgan, 9/17 Rodney Atkins, 9/22 David Nail, 9/23 Restless Heart, 9/24 Joe Diffie; stated that official announcement would be issued later today (7/29/11) and that ad campaign would begin August 2, 2011. Mr. Mourning stated that he would be remiss if he did not mention the exceptional work Michael Henningsen and LeAnn Lucero of the Media Department did in rebuilding the

website, and that it would aid the agency in promoting not just the Fair but its year-round endeavors as well. Stated he is excited about future opportunities and opened the floor to questions from the Commissioners.

Commissioner Roybal asked when we will start advertising concerts. Mr. Mourning answered we will announce today, July 29, 2011, and begin running ads on August 2, 2011.

Commissioner Roybal asked if there would be an Arts Preview night. Mr. Mourning answered that Arts Preview Night will occur on Thursday before Fair opens and that it is currently in the planning process.

Commissioner Roybal asked if North End will be open on dark days (Mondays and Tuesdays while rest of the Fair is dark). Mr. Mourning answered in the affirmative, saying there would be a variety of horse and livestock events taking place on those days, and that some vendors would be open for business.

Commissioner Roybal asked for clarification on livestock sale. Mr. Mourning answered that the 4-H group hosting sale will be renting the Box Car Stage facility from EXPO and hosting it where it is more prominent and enhanced. Governor Martinez will be present.

Commissioner Roybal asked if Flea Market parking increase is going smoothly. Mr. Mourning answered in the affirmative. Stated he is meeting regularly with Flea Market vendors.

Commissioner Bitsui asked for concert lineup. Mr. Mourning answered with lineup and stated the Fair saved 35 percent in booking fees over last year.

Commissioner Goff asked if there are outside sites that shuttle patrons to the Fair. Mr. Mourning answered in the negative, saying that Park and Ride is traditionally provided by City of ABQ and that the Fair has no control over it or other businesses that charge for parking, which is why it is so important for Fair to have Park and Ride. Commissioner Goff suggested that an independent bus company could provide the service. Mr. Mourning said those avenues had been explored and will continue to be until, hopefully, a suitable alternative is found.

Commissioner Goff asked if the Fair works with county rodeo commissioners in organizing the rodeo. Mr. Mourning answered in the affirmative, saying that he also works with John Holland of the Bernalillo County Sheriff's Posse, and encouraged the State Fair Commission to suggest names of people to work with from their hometowns.

Financial Report: (Agnes Maldonado)

Ms. Maldonado stated she began reviewing financials in May of 2011 and directed Commissioners to the Year-to-Date column of the financial information included in their packets. Last year the agency brought in \$15 million in revenue, while this year the agency brought in \$12.5 million. Last year's expenditures, by comparison, were \$16.2 (a deficit of \$1.9 million). Ms. Maldonado stated that the agency is currently awaiting an audit so that it knows exactly where it stands financially, and announced that there is a new CFO working to straighten the books and prepare for the audit. She stated that the agency is still operating at large deficit, but that measures are being undertaken to correct it.

Ms. Maldonado explained that overtime hours will be cut by up to 50 percent during Fair, and that contract work during Fair will be cut by 5-10 percent. She stated that Management has had to begin to think differently and outside the box about Fair and the year-round operation, such as the

aforementioned cuts and others, such as cutting prize expenditures by 50 percent and utilizing volunteer labor for work the agency used to pay for.

Ms. Maldonado went on to explain that the Sponsorship Department has been tasked with and is working hard to seek sponsorship of prizes and other goods and services for use during the Fair to reduce costs. Ms. Maldonado stated that increasing the efficiency of internal operations and decreasing costs such as labor, overtime and any payment for any goods and services that can be sponsored or provided by other agencies or volunteer organizations are critical to reducing the agency's deficit. Commissioner Goff asked if vendors/sponsors sponsor buckles and prizes. Ms. Maldonado answered in the affirmative; also stated that we are engaging volunteers and similar services to provide things the Fair used to pay outright for in an effort to end the deficit.

Commissioner Bitsui stated she has visited EXPO over the last several months and appreciates that they are doing more with less and is impressed with the dirt situation and the fact that they are pushing to increase cash contributions and raise revenue; complimented website.

Commissioner Bitsui asked if there have been changes in art department/awards. Ms. Maldonado answered in the affirmative, stating that some experts were still required and had been retained. Media Director explained that all Queens awards were had been sponsored for 2011.

Chairman's Agenda:

Explanation of Request for Proposals: Racino Property

[called into Executive Session by Commissioner Roybal pursuant to Section 10-15-1(H)-(8)]

Commissioner Roybal stated: "I move that the commission go into closed executive session to discuss only those matters listed on the agenda as closed, pursuant to section 10-15-1 (H)." Commissioner Bitsui seconded the motion. Chairman Sanchez called for a vote from the Commission: Chairman, David "Hossie" Sanchez voted in the affirmative, Member, Benny Roybal voted in the affirmative, Member, Ruth Bitsui voted in the affirmative Member, Larry Kennedy voted in the affirmative, Member, Kenneth "Buster" Goff voted in the affirmative, Member, Kenneth "Twister" Smith voted in the affirmative.

No action or vote was taken during the closed session of the meeting.

Meeting called back into Open Session at 11:42 a.m. by Commissioner Roybal, who stated: "The Commission is back in open session and I affirm that the Commission discussed only the matters specified in the motion to close the meeting in accordance with section 10-15-1 (J)."

New Business

Approval of "Open Meetings" Resolution

Commissioner Roybal moved for approval of the Open Meetings Resolution, Commissioner Bitsui seconded the motion. All Commissioners present voted in the affirmative. (*Complete text of the Resolution appears at the end of Meeting Minutes.*)

Delegation of Authority

Commissioner Bitsui moved for approval to delegate authority to oversee the daily operations of EXPO New Mexico to Management, Commissioner Kennedy seconded the motion. All Commissioners present voted in the affirmative.

Request for Proposals: Racino Property

Attorney Mark Shoesmith addressed the Commission at the request of Mr. Mourning to explain the details of the recently posted Request for Proposals for A Racetrack and Casino Operation or for Alternative Uses on the 93 acres of the Fairgrounds currently occupied by the Downs at ABQ. Mr. Shoesmith explained that the Downs' current lease expires in January of 2012, and that the RFP seeks offerors who could provide a reliable revenue stream to EXPO of not less than \$2 million annually while enhancing the Fair and its year-round operations. He underscored the ability of offerors to utilize the area for uses other than horseracing and casino operations, and stated that the term of the lease, once a viable offeror was identified, would be 25 years. Mr. Shoesmith also stated that winning proposals would be brought before the Commission for approval.

Mr. Shoesmith clarified this is special meeting not emergency meeting as was mistakenly posted in the Albuquerque Journal on July 27, 2011.

Chairman Sanchez asked for copies of the Open Meetings Resolution to be distributed to each Commissioner.

Adjournment (David "Hossie" Sanchez, Chairman)

Next meeting date is To Be Announced. All items and times are tentative and subject to change.

THE NEW MEXICO STATE FAIR COMMISSION RESOLUTION NO. 01-2011

WHEREAS, the New Mexico State Fair Commission ("Commission") met in special session at the State Personal Office in Santa Fe on July 29, 2011 at 10:00 a.m. as required by law; and

WHEREAS, Section 10-15-1(B) of the Open Meetings Act (NMSA 1978, Sections 10-15-1 to - 4) states that, except as may be otherwise provided in the Constitution or the provisions of the Open Meetings Act, all meetings of a quorum of members of the Commission, held for the purpose of formulating public policy, discussing public business or for the purpose of taking any action within the authority of the Commission, are declared to be public meetings open to the public at all times; and

WHEREAS, any meetings subject to the Open Meetings Act at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs shall be held only after reasonable notice to the public; and

WHEREAS, Section 10-15-1(D) of the Open Meetings Act requires the Commission to determine at least annually what constitutes reasonable notice of its public meetings;

NOW, THEREFORE, BE IT RESOLVED by the Commission that:

1. Notice of any regular meetings will be given ten (10) days in advance of the meeting date. The agenda will be available at least twenty-four (24) hours prior to the meeting from Roberta Simoni, whose office is located in the EXPO New Mexico grounds, administration building. The notice shall indicate how a copy of the agenda may be obtained.

2. Special meetings may be called by Chairman or a majority of the members upon three (3) days notice. The notice shall include an agenda for the meeting or information on how members of the public may obtain a copy of the agenda. The agenda shall be available to the public at least twenty-four (24) hours before any special meeting.
3. Emergency meetings will be called only under unforeseen circumstances that demand immediate action to protect the health, safety and property of citizens or to protect the public body from substantial financial loss. The Commission will avoid emergency meetings whenever possible. Emergency meetings may be called by the Chairman or a majority of the members upon twenty-four (24) hours notice, unless threat of personal injury or property damage requires less notice. The notice for all emergency meetings shall include an agenda for the meeting or information on how the public may obtain a copy of the agenda.
4. For the purposes of regular meetings described in paragraph 1 of this resolution, notice requirements are met if notice of the date, time, place and agenda is posted on the EXPO New Mexico webpage at www.exponm.com. Copies of the written notice shall also be mailed to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
5. For the purposes of special meetings and emergency meetings described in paragraph 2 and 3 of this resolution, notice requirements are met if notice of the date, time, place and agenda is posted on the EXPO New Mexico web page at www.exponm.com. Telephone notice also shall be given to those broadcast stations licensed by the Federal Communications Commission and newspapers of general circulation that have made a written request for notice of public meetings.
6. In addition to the information specified above, all notices shall include the following language:

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact Michael Henningsen at 505-222-9704 at least one (1) week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes, can be provided in various accessible formats. Please contact Michael Henningsen at 505-222-9704 if a summary or other type of accessible format is needed.
7. The Commission may close a meeting to the public only if the subject matter of such discussion or action is excepted from the open meeting requirement under Section 10-15-1(H) of the Open Meetings Act.
 - a) If any meeting is closed during an open meeting, such closure shall be approved by a majority vote of a quorum of the Commission taken during the open meeting. The authority for the closed meeting and the subjects to be discussed shall be stated with

reasonable specificity in the motion to close and the vote of each individual member on the motion to close shall be recorded in the minutes. Only those subjects specified in the motion may be discussed in the closed meeting.

- b) If a closed meeting is conducted when the Commission is not in an open meeting, the closed meeting shall not be held until public notice, appropriate under the circumstances, stating the specific provision of law authorizing the closed meeting and the subjects to be discussed with reasonable specificity is given to the members and to the general public.
- c) Following completion of any closed meeting, the minutes of the open meeting that was closed, or the minutes of the next open meeting if the closed meeting was separately scheduled, shall state whether the matters discussed in the closed meeting were limited only to those specified in the motion of notice for closure.
- d) Except as provided in Section 10-15-1(H) of the Open Meetings Act, any action taken as a result of discussions in a closed meeting shall be made by vote of the Commission in an open public meeting.

Passed by the New Mexico State Fair Commission this 29th day of July 2011.

New Mexico State Fair Commission Chairman