

NEW MEXICO STATE FAIR COMMISSION
MINUTES
OF THE REGULAR COMMISSION MEETING
OCTOBER 21, 2015
AFRICAN AMERICAN PERFORMING ARTS CENTER
300 SAN PEDRO NE
ALBUQUERQUE, NEW MEXICO
11:00 A.M.

Call to Order by Chairman Kennedy at 11:00 AM.

Commission Roll Call – Commissioners present:

Chairman, Larry Kennedy
Secretary-Treasurer, David “Hossie” Sanchez
Commissioner Charles “Chuck” Brown
Commissioner William “Bill” Lee
Commissioner Xavier Jurado (by phone)

Pledge of Allegiance: Led by Commissioner Lee

Staff present:

Dan Mourning, General Manager
Erin Thompson, Media Director
Bill Nordin, Chief Financial Officer
Sally Mayer, Senior Manager
John D’Amato (counsel)
Candace Sena, Social Media Specialist
Susan Sullivan (Attorney General’s Office, filling in for Rick Word)

Chairman Kennedy started with introductions. He introduced Susan Sullivan, counsel from the Attorney General’s office, who was filling in for Rick Word who wasn’t able to attend the meeting due to a schedule conflict.

Also in the audience were Bill White from Edgewood and Jim Brockway, both in attendance to provide public comment. Rick Nathanson from the Albuquerque Journal was also present.

Action Item: Chairman Kennedy asked if there was a motion to approve the agenda. Commissioner Lee moved to approve the agenda, with Commissioner Sanchez seconding the motion, which passed unanimously.

Action Item: Chairman Kennedy asked if there was a motion to approve the minutes of the July 22, 2015 commission meeting. Commissioner Lee advised that he had a correction on Page 8 of the minutes. He pointed out that in his remarks, the minutes make reference to calculating Walgreens sales

outside of “New Mexico” and that what he stated related to sales outside of “Bernalillo County.” With those changes, Commissioner Brown moved to approve the minutes and Commissioner Sanchez seconded the motion, which passed unanimously.

Public comment:

Mr. Bill White was first in line for public comment. He was told by the chair that there is 2 minutes for public comment, to which he asked for 5 minutes, for which the Chairman agreed.

Mr. White asked how many of the commissioners carried a knife. He stated that as a native New Mexican, he has been coming to the fair all his life. He lived nearby growing up and the only years he missed was during his military service. He loves the fair and loves bringing his family but has decided that he is not coming back. He recognizes that state fair staff works hard to make a good fair. He described how this year he started down the tunnel and a security guard stopped him to say he could not bring in his knife and that he will have to take it back to the car. He asked to talk to a supervisor who gave him the same story. He asked for and received his money back, for which he was glad that the fair provides refunds to dissatisfied customers without question. He asked why there would be such a policy when no law was broken. He pointed out that there is no signage about weapons, knives or guns and no indication on website. There is no mention of people being searched and it seems as though this is just a rule imposed by (Security Director) Larry Trujillo. He expressed that phone calls were never returned though he did talk to several other staff. He said the Chair didn’t call back may have been running his business. Mr. White said all staffers he did talk to were extremely professional but he would have liked a phone call from Larry. He said he was disturbed that someone would arbitrarily decide to exclude knives. He has researched the law in New Mexico which he said is pretty sketchy on knives though fundamentally there is no law against it. He believes the public is generally too scared and too many people are compliant to rule making bureaucrats. He believes we have an obligation in this country and he asked where do we draw the line -- at pencils – they can seriously injure. He stated that people can always find ways to injure and we don’t need more useless rules. He said the people who tamed this land were explorers and warriors but were never victims and they would be ashamed and disappointed. He expressed he was astonished that no one had courtesy to call him which sends a message that you don’t owe accountability.

Mr. White read a poem he wrote to express his disappointment about the situation.

Commissioner Sanchez asked to see knife – he too has been known to carry different knives. Mr. White showed the knife he owns and brought to the fair.

Mr. White acknowledged that his son came another day to the fair and he talked to a supervisor who told him to enter but keep it in his pocket.

Commissioner Sanchez stated that he thinks we (the fair) are negligent in not posting what is prohibited. We will have a mechanism to post notices soon as we are looking to create our own sign shop. He said we will talk about this a bit more and that if it is continued, we will have it posted which is only courtesy. This came up with one of his friends in the past and we need to deal with it.

Chairman Kennedy said he did not get a message to call Mr. White or he absolutely would have returned the call. Mr. White acknowledged that he had no doubt (he would have received a call back) and that he takes the Chairman at his word.

Commissioner Brown asked for Mr. White's cell number and that it be added to public comment sign in sheet.

Commissioner Lee said that while by and large he agrees with what Mr. White says, he has a concealed weapon license and with that comes responsibility. Unfortunately a lot of people don't exercise that responsibility. Commissioner Lee said he doesn't bring the weapon on his person when coming to fair. He said he has past experience in running big events and not every person comes through with good intentions which is why we have to have policies in place. He agrees that notification should have been posted and we will look into policies to create signage and get things posted. Commissioner Lee stated that in future we will make it known and he hopes Mr. White will give us another chance because we have an awesome fair and would like for him to return with his family. He said working with staff we try to address complaints. He thanked Mr. White for making the journey in and said he appreciates his comments.

Mr. White expressed his appreciation for being given time to speak.

Rick Nathanson asked if the fair sells knives. The Chairman said he will allow the issue to be addressed during the management report.

The next person for public comment was Mr. Jim Brockway . Mr. Brockway said his friend came in from out of town and while at the fair, they signed up at the booth just outside the tunnel. This vendor told him he won but he thinks it was a scam. He came to find out that they require you to send in \$139 to get the vacation package. He wonders how many people would fall for that and suggested we should screen people at booths. He said the booth was as you came through the tunnel and to the left hand side where screens were set up and people filled in their information in order to win a trip to the circus, cruise lines etc. Mr. Brockway said you have to pay to get the package if you win. He believes that if you win something you shouldn't have to pay for it and doesn't feel it is correct or right.

Chairman Kennedy advised that the next item was the Chairman's Agenda.

The first item was the committee report from Commissioner Sanchez with regard to horse racing -- Commissioner Sanchez said on the backside we plan to lease stalls to New Mexico Horsemen who will be doing all the legwork and we are just leasing the stalls. He stated that they will collect the money and pay the Downs and if we get 300 or 400 horses, we will do alright. Commissioner Sanchez said that race dates are set with the Downs running April 15 until June 16 and the state fair conducting a split meet running from September 9 to 25. There is a proposal in with the Racing Commission in which the Downs wants to change dates to a continuous meet from June 25 until September, which Commissioner Sanchez says he favors as a continuous meet is better for everyone -- the horsemen, the Downs and ourselves. We lose a lot of people to Hobbs during the down time but if we have a continuous meet they will stay here.

Commissioner Lee asked if a new schedule would eliminate the April dates. Commissioner Sanchez said that yes, we would split dates. He said that we don't give up any.

Chairman Kennedy stated that for what it's worth, a typical race week other than fair is on Friday and Saturday. Commissioner Sanchez said they are all different, lasting 4 days and they can split it as they want but have to run for the 4 days a week. He agreed that the weekend is when you draw the most people.

Chairman Kennedy asked if there were any additional committees the commission would like to consider. None were recommended.

Chairman Kennedy moved onto the State Fair management report.

Mr. Mourning talked about what Commissioner Sanchez said with regard to the race meet and grand stand renovation. He said that if you haven't been by the area at the south side of grand stand, you should check it out. The plan is to renovate and there is lots of demo which will result in an awesome project which will hopefully be complete by April. He said the demolition is ongoing to remove glass and consolidate into open air space. They will develop a better jockey club for a more multipurpose facility. Another reason we support a summer meet is because the Downs has proposed lights for night racing which is more conducive for simulcast and brings a different entertainment capability. He said there are lots of good things happening and folks should go take a look.

Mr. Mourning then shared the fair report, saying it was an unbelievably good fair, with great weather, an amazing venue in the Indian village, etc. He said a look at the numbers is indicative of the health of the business and he reviewed a list of numbers relating to the fair, including:

Attendance numbers over 2,000 more than last year with a day shorter

Revenues of approximately \$ 5.4 million, up 2.5 percent over last year and again, with a day less

New midway and carnival was huge success and was a new, clean warm environment where people felt comfortable and spent money (carnival sales were \$300,000 over previous year which is a great increase and with a day less).

Mr. Mourning explained that staff would be sitting down with the Reithoffers in November to talk about areas for improvement as far as wrist bands and whether there is room to increase their availability.

Walgreens promotion - increased presale over last year. They were sold in 21 cities and communities. It is a fantastic program which went amazingly well and we will continue to do greater for next year.

New this year was our partnership with Brewers Guild for the New Mexico State Fair cream ale brewed by La Cumbre. This was a resounding success which was a great marketing tool and sold through local retailers. We made over \$17,000 as revenue to the fair and having our name on ale developed specifically for the fair, which was good outreach and supported an industry which is big in New Mexico.

All concerts did well and Clay Walker was sold out. Almost 6,000 tickets were sold. For all concerts, we had 1,400 seat upgrades sold on site at Tingley. Free standing concerts (without rodeo) early on also worked well.

Sponsorships were valued at over \$1.2 million, including big new sponsors like Wisepies and Harley Davidson. Mr. Mourning advised that we cannot run the fair without partners.

No better value dollar for dollar for entertainment and you can't get through everything in one day.

We had an untold number of sea lion kisses given out during fair. These are rescue sea lions and the folks who put on the show are doing great things for the environment and recycling. The fair had a guy who set himself on fire jumping into a pool. There is a lot of diversity. Pig races were a huge success. We are looking to bring back duck races as well as street drum corps, which was very impressive with big crowds and a lot of fun. There were 231 contracted performers including New Mexico artists and dancers. The pavilion was turned into a beer garden. The karaoke contest was bigger and better than ever.

Reithoffer Shows brought 47 rides, most of which had never been to New Mexico. There were great rides and good reviews from the public.

Community outreach -- we are unique event bringing together folks from all over the state. Six people became citizens and that's incredible and important. The fair is not just corn dogs and animals but it enriches peoples' lives. UNM/Walgreens administered 1,500 free flu shots. We work hard to have outreach such as with our parade where we had our Grand Marshals APD Officer Lou Golson and Mrs. Benner, widow of the Rio Rancho officer killed in the line of duty. The theme was Great New Mexicans. It is important that we recognize as we go forward that it is about more than entertainment and fun. Four animals found homes through pet adoption.

Public engagement -- True sweepstakes - folks that won were two ladies that have been foster parents for the past 30 years and taken in over 200 kids. We realized they had 12 kids to bring to fair so we brought them in and (KOB) Pay it 4ward was able to give them a better experience. As it relates to our arts program, Ramona does a great job and we appreciate Commissioner Brown's support. For our livestock sales, unfortunately people dropped out at the last minute and fair staff took it on with 6 weeks to go and raised \$360,000. Special kudos to Beverly and Shannon , and D McCall who worked to make it one of the most successful sales ever. We are grateful that Wise Pies bought the champion steer. We are doing good things and helping kids. Commissioner Sanchez and Commissioner Lee went in together on an animal. It is for a good cause and will be even bigger and better next year.

The Queens contest included the finest young women who are intelligent and articulate, said Mr. Mourning. It is not just a beauty contest. Our 2015 Queen Jenna did a great job this year.

Fuddruckers won the green chile cheeseburger contest again with their original burger. Creative Arts included anything from quilting to baking and we can't forget the favorites such as spam and green chile stew contests which were better than ever. Donna (Peck) and Erlinda (Trujillo) did a great job.

School days is an important program. APS isn't able to allow out days for fair anymore and it is challenging with transportation costs and insurance so getting 13,000 kids to the fair is a big deal. It is a learning experience for the kids where they get to learn about sheep to shawl, milking cows etc.

Our rodeo is back on the fast track and one of best attended with best cowboys participating. It is turning out to be something special and we are getting kids who are interested in being rodeo stars.

Radio – our radio partnerships are important to bring lots of folks outside of Bernalillo to the fair, and we have had a lot of folks from out of town attending fair, especially Gallup/ Grants area where Commissioner Lee is from.

We had six restaurants participate in the Chicharron contest. We have local products and ingredients used in contests, such as green chile for which we require it to be local. These things help the Department of Agriculture to get more attendance at Bollack. Secretary Witte and his folks did a great job with happy hours and tastings featuring local wineries and breweries in order to expose fairgoers to local products in our fabulous state.

Commissioner Lee and Chairman Kennedy threw out first pitches in Shoes and Brews. It was a lot of fun and a successful and entertaining event with live bands that the general public really enjoyed.

Once again the fair was clean and safe which is credit to the staff of 140 people cleaning the grounds. We have taken a special interest in keeping it clean. There was once the perception that there is lots of crime but that is no longer the case thanks to security measures, cooperation from law enforcement and especially state police which runs security and does a great job. Thanks to Lieutenant Jeff Rey who coordinated with Albuquerque Police Department and the Bernalillo County Sheriff's Office to ensure patrons are safe. Construction Industries Division ensures the inspection for electrical issues and Regulation and Licensing ensures proper licensure and that insurance is up to date. Pauline from RLD works to ensure the carnival had everything done. This is an enormous undertaking and there are things we are working on for next year. Parking is always an issue. The second Saturday was extremely busy. We have had preliminary talks with the University of New Mexico about a direct park and ride and it looks very favorable that we may have one next year. People like a dedicated Point A to Point B option. We will have more to talk about in future including different ticketing options for next year. We are getting early tickets out to purchase online and tweaking and updating things we need to work on. We are making things different and had a bike valet this year which meant 175 people didn't have to worry about traffic. State police did a great job with traffic control and helped people across the street. They not just directed traffic but were really engaged. We had donated plants thanks to Connie Elmore who is our landscaper for so many years. She heads up blooming gardeners and other outreach programs for folks with special needs. We appreciate her 60 years of service – she can outwork every one of us.

It was a great fair and something to be proud of. We will work with our counsel (John) D'Amato in terms of policies and making sure they are up to date and posted. Our policy is to keep folks safe. In light of recent events locally it is important that we take steps to protect the public from those who would do harm. The numbers speak for themselves as we are the safest event in the state of New Mexico.

Mr. Mourning offered to stand for questions.

Commissioner Lee offered thanks to Dan and the fair staff for their incredible work including prior to and immediately after the fair. He said the dedication of the team during that time included lots of long hours and time spent away from families and their true dedication paid off. He received numerous comments from folks talking about how the fair was cleaner and safer than ever. He said the shows were dynamite and a tremendous success. He appreciates that the fair is always looking for a better way to do things. Commissioner Lee noted that looking down the street on a Saturday, he couldn't believe the number of people. He said thanks to all and especially to Beverly (Zastrow) as (livestock) entries were up overall and he is glad to see the sale coming back and stronger. He acknowledged the fact that they put together the livestock auction in such a short time and expressed major kudos to the manager and staff on a great job.

Chairman Kennedy agreed with everything Commissioner Lee said indicating it was a great fair which was safe, clean and folks had a good time. To see the mass production that happens in the transformation and getting ready to open the gates and the magnitude of what goes into planning and putting it on, it is amazing. He said that Mr. Mourning and his team have done a great job and though there are always glitches here and there, he didn't see how it could be any better. (There was an exchange about the fact that no one sells knives on the fairgrounds). Chairman Kennedy indicated we will also look into Mr. Brockway's concern to see what was going on.

Commissioner Brown said that at Balloon Fiesta it is stunning to see how their mass transit works. He believes we could have had 20,000 more people here on the last Saturday if we'd had a place for them to park. Mr. Mourning responded that for city functions they get to use city transit and they pay for some park and ride as well. We are on our own so we have to pay for park and ride including the location. Mr. Mourning said the good news is we met with UNM and because we are both state agencies, it gives us a bit more latitude to work together. They have no home games during fair time next year which allows us to have options for parking. We will have to secure shuttles and will know by June or July and will look outside for shuttles as well. Mr. Mourning agreed that we need a dedicated park and ride and that we probably could have had 20,000 more people on that particular day if we had one. Commissioner Brown asked if we would look at more campuses in addition to UNM. Mr. Mourning advised that we also have Simon interested in park and ride at Cottonwood Mall and we can look at those options and others on the west side such as Sagebrush Church. He said we are currently working on those details and we are proud to say we can do it and we are moving forward.

Mr. Mourning indicated that he appreciated the comments about staff and that we are only good as our folks who support it. He said more folks are interested in racing as well and that it was a great fair and we will continue to make it better.

Commissioner Brown noted that there wasn't a financial statement but he can conclude that we were weak in other areas that keeps us from showing even greater growth than 2.5%. Something must have been not as strong as it relates to revenue. Mr. Mourning advised that gate numbers (revenue) were down because of more discount days and that it is important to make it affordable and we knew we

would make it up in other areas. Mr. Mourning said we will always revisit to see if we can be more profitable although overall we are happy that more New Mexicans are able to experience the fair. We are also looking at different rates such as for concessions, looking at concert numbers to make sure we are filling seats, and we gave away rodeo on Tuesday which is beneficial to introduce people to rodeo. He said there are a lot of things we can work on and will always look at the numbers. Mr. Mourning indicated that we will have detailed accounting after completion of our audit. Commissioner Brown indicated he is in favor of the discounted days and recognizes they are good for vendors too.

Commissioner Sanchez asked for feedback on signage placed on Interstate 40 prior to the fair. Mr. Mourning said it is an important aspect of what we do and previously we had no sign on the freeway which designated the state fair exit. He expressed thanks to Commissioner Sanchez and Erin (Thompson) for working with the state Department of Transportation to get signs at the Louisiana exit. He said considering we are an emergency evacuation point, it is important to have more than digital boards but fixed signs also. Commissioner Sanchez indicated that the reason he brought it up is because he understands there was a job bid and they will be redoing that intersection and recommended that staff talk to District 3 about new signage there and adding it to the job. He thinks they can add a few signs and tag onto that job so that it doesn't cost more federal money. He suggested we reach out to them now.

Mr. Mourning advised that request for proposals (RFP) will be going out for new digital boards and signage at Louisiana and Lomas and San Pedro and Lomas. We are not only making upgrades inside the fairgrounds but on the exterior too. Mr. Mourning informed the commission that we have a capital hearing on Friday. We are working on redoing fencing, painting, restucco, and placing nice signage to show we are a fairgrounds. We have projects on board at Louisiana too. The fair is working with Dale Dekker for some redesigns at the flea market but also on the exterior of fairgrounds. We need to make positive first impressions and be cognizant of the community around us. An RFP for soft drinks is going out soon also, as well as advertising, liquor concession, stage labor, and convention services.

At the capital hearing on Friday, we are seeking \$11.85 million in requests. Mr. Mourning said this isn't for all the bells and whistles, but rather stuff that has been ignored with regard to infrastructure, electrical, sewer, gas, and water. We have transformers in severe need of upgrading which are from the 1960s era. He advised the poles we have to support electrical are deteriorating and in need of replacement. We need to replace roofs, not just repair or buildings will be ruined. Mr. Mourning advised paving is also important this year. Let's look to the future as it is well chronicled that the National Youth Arabian show is leaving our facilities because we are not competitive for those types of shows. While we are still competitive in other areas (such as attracting UFC who plans to come back) we are still not good enough for the long term. We are looking for money for studies and planning as part of our capital request. He advised that deferred maintenance is something we always want to address.

Commissioner Lee said that while he knows it falls down the chain, he believes we need to look at upgrades to the sound system in the barns. He said that anything we can do to improve the experience of those competing and those in attendance would be useful as now they are straining to hear. Commissioner Lee said he is glad to see we have a list and offered anything they can do to help push

through the requests. He said he has visited with legislators who were here who were impressed and who acknowledged that we need to put money into the place.

Commissioner Jurado thanked Mr. Mourning stating that he enjoyed the fair and folks did a great job. Mr. Mourning responded with thanks stating that he knows it is hard to get here for the out of town commissioners. Commissioner Jurado congratulated Commissioner Sanchez on working with National Geographic (to come up with a "singing road").

Chairman Kennedy said that took care of the legislative update and said if there is anything members can do at the legislative level to let them know. Commissioner Sanchez agreed. Commissioner Lee said he knows it's going to be a tough year with available revenues down to \$72 million from an original \$252 million projected with oil and gas revenues.

Mr. Mourning thanked Commissioner Lee for getting legislators to come to the fair as it is a positive change to hear there are some who want to put money into the place. He expressed kudos to Commissioner Lee for trying to change attitudes toward the fair which allows us to do what we do out here. Mr. Mourning stated that he is honored to work for them and looks forward to great things for fair.

Chairman Kennedy moved to discussion of the meeting calendar. Statute outlines the first Monday of January for the State Fair Commission Meeting which would be January 4. He asked commissioners to please keep that in mind and consider availability. He also asked that we consider taking the meeting outside of Albuquerque such as to Gallup or Las Cruces in the next year. He said we used to meet in other venues. Commissioner Lee said that would help improve outreach and commissioners agreed that it was something to talk about at the next meeting. Chairman Kennedy said to let him know if commissioners have other items to discuss at the next meeting.

Commissioner Sanchez moved to adjourn with Commissioner Brown seconding and all commissioners in favor. The commission meeting adjourned at 12:25 PM.