

DRAFT

MINUTES

REGULAR COMMISSION MEETING

JANUARY 7, 2013 10:00 A.M.

AFRICAN AMERICAN PERFORMING ARTS CENTER, ROOM 120

300 SAN PEDRO NE

ALBUQUERQUE, NEW MEXICO

10:00 A.M. Call to Order (Larry Kennedy, Chairman)

Commission Roll Call

Commissioners present:

Member, Chuck Brown

Member, Kenneth "Buster" Goff

Chairman, Larry Kennedy

Member, Charlotte Rode

Member, Matthew Rush

Commissioner David "Hossie" Sanchez

Secretary-Treasurer, Kenneth "Twister" Smith

Commissioners absent: none

Pledge of Allegiance

Public Present: (represents only those officially signed in; spellings are best approximations of written names) Charles Brunt, Albuquerque Journal; Rick Word, State Attorney General's Office; Val Cole, NMHA; Rusty Cook, NMHA; Pete Dinelli, Charlie Bennett, La Mesa Neighborhood Association;

Staff Present: Dan Mourning, General Manager; John C.Jaramillo, Deputy Manager; Sally Mayer, Senior Manager; Bill Nordin, CFO; Sabrina Garza, Sponsorship & Events Director; Beverly Zastrow, Livestock Manager; Michael Henningsen, Media Director; Matt Sena, IT Director

Approval Items:

Agenda: Commissioner Rush introduced a motion to approve, Secretary-Treasurer Smith seconded the motion. The Commission voted unanimously to approve and adopt the January 7 Meeting Agenda.

Minutes: Commissioner Rush introduced a motion to approve the June 4, 2012 Meeting Minutes, Commissioner Sanchez seconded the motion. The Commission voted unanimously to approve and adopt the June 4, 2012 Meeting Minutes.

Action Item

2013 Open Meetings Resolution

Commissioner Sanchez introduced a motion to approve the 2013 Open Meetings Resolution, Commissioner Rush seconded the motion. The Commission voted unanimously to approve and adopt the 2013 Open Meetings Resolution.

Action Item

Election of Officers

Nominations for Chairperson:

Commissioner Rush nominated Chairman Kennedy for a second one-year term, Commissioner Sanchez seconded the nomination; Commissioner Rode nominated Secretary-Treasurer Smith for the position of Chairman, seconded by Commissioner Goff.

Prior to the vote, Commissioner Rode asked Commissioners Rush and Sanchez to explain how Kennedy has provided leadership as Chairman over the last year.

Rush stated that we had an extremely successful Fair, and Chairman Kennedy works well with staff and management.

Commissioner Rode stated that she has received no communication regarding Commission duties over the last year and doesn't feel that the Commission has been involved in or participated in the annual State Fair.

Result of the Roll-Call Vote for 2013 New Mexico State Fair Commission Chairperson: 4-3 for Chairman Larry Kennedy

Commissioner Chuck Brown: **Kennedy**

Commissioner Kenneth "Buster" Goff: **Smith**

Commissioner Larry Kennedy: **Kennedy**

Commissioner Charlotte Rode: **Smith**

Commissioner Matthew Rush: **Kennedy**

Commissioner David "Hossie" Sanchez: **Kennedy**

Commissioner Kenneth "Twister" Smith: **Smith**

Nominations for Secretary-Treasurer:

Commissioner Sanchez nominated Commissioner Rush, Chairman Kennedy seconded the nomination; Commissioner Rode nominated Commissioner Smith for a second one-year term as Secretary-Treasurer, seconded by Commissioner Goff.

Result of the Roll-Call Vote for 2013 New Mexico State Fair Commission Secretary-Treasurer: 4-3 for Secretary-Treasurer Matt Rush

Commissioner Chuck Brown: **Rush**

Commissioner Kenneth "Buster" Goff: **Smith**

Commissioner Larry Kennedy: **Rush**

Commissioner Charlotte Rode: **Smith**

Commissioner Matthew Rush: **Rush**

Commissioner David "Hossie" Sanchez: **Rush**

Commissioner Kenneth "Twister" Smith: **Smith**

Public Comment:

None

Chairman's Agenda

Storm Water Drainage Status Report

Deputy Manager John Jaramillo addressed the Commission, asking them to refer to document titled Commission EPA Notes Regarding EXPO CAFO. Mr. Jaramillo gave an overview of that document (available on the EXPO website under State Fair Commission heading).

Mr. Jaramillo stated that EXPO has constructed a temporary damn on the west side of the property near Gate 6, thus preventing any drainage into the City of ABQ's MS4. He further stated that all drop inlets on the property have been sealed. Mr. Jaramillo explained that the AMAFCA has visited and certified that EXPO is no longer discharging CAFO flows into the MS4.

Mr. Jaramillo explained that EXPO is currently awaiting EPA approval and acceptance of its plan for EPA compliance.

General Manager Dan Mourning stated that he is pleased that EXPO, AMAFCA and the City of ABQ were able to work closely together to devise a solution.

Commissioner Rode asked if AMAFCA and the City of ABQ had separate plans, or if they simply came on board to agree with EXPO's plan.

Mr. Mourning stated that all three entities received their own Administrative Orders, so each developed a plan. However, Mr. Mourning stated that AMAFCA and the City of ABQ were 100 percent in support of EXPO's plan.

Commissioner Goff asked if the plan is not to have to pump from the holding pond.

Mr. Jaramillo confirmed that that is the plan, but the understanding exists that pumping may be necessary. He also stated that the goal is always to make the plan better, so aerators and other proactive solutions may also be in the offing.

Commissioner Rode stated that her understanding is that AMAFCA may have offered to cooperate financially with the separation of EXPO's contaminated water from storm runoff and asked why EXPO did not pursue that plan.

Mr. Jaramillo stated that at no time did AMAFCA offer funding solutions.

Chairman Kennedy stated that EXPO management has been working on the current plan since receiving the first EPA Administrative Order, and that this issue was made public at the Commission's June 4th meeting. He went on to explain several details of the plan, including the introduction of sand between the shed rows (barns) for the filtration of storm and other water.

Chairman Kennedy stated that he believes it has been a commendable effort on the part of management to mitigate this problem despite initial pushback on the part of AMAFCA and the City of ABQ. Much effort was expended in the interest of cooperating with both entities, which was ultimately successful.

Deputy Manager Jaramillo stated that anything that has the opportunity to come in contact with manure has the potential to become process water.

Commissioner Rode when the last meeting with EPA and other stateholders took place.

Mr. Jaramillo stated that his best recollection is that the last presentation was August 10, 2012.

Rodeo Committee Report (Secretary-Treasurer Smith, Chair)

Secretary Smith stated that everyone was happy with last year's rodeo was a success and all the players were happy.

Chairman Kennedy asked Commissioner Smith to continue to lead the Rodeo Committee, to which Commissioner Smith agreed.

Management Report

Mr. Mourning stated that construction on the new casino facility is well underway, and that the latest projections are that it could be open as early as May of 2013. Awaiting more bids on above-ground gas tanks.

Commissioner Rode stated that she is aware that the Downs has not been paying utilities above and beyond the last agreement, and asked if any effort will be made once the new facility is open to collect past amounts.

Mr. Mourning stated that the contract provides a pro-rata plan (\$20,000/month) for utility payments until separate metering of utilities is in place, which the Downs has paid since the new contract went into effect in January of 2012.

Commissioner Rode asked if the Downs has paid more for utilities over and above the \$20,000 per month.

Mr. Mourning stated again that the Downs has been paying the \$20,000 per month as contractually stipulated.

Commissioner Rode asked if the Downs had provided a budget for the 2012 Race Meet prior to that even taking place.

Mr. Mourning stated that the 2012 Race Meet has not yet been completely closed out.

Commissioner Rode stated that in addition to the Downs not paying more in utilities and not providing a budget prior to the Race Meet, it had also not provided a performance bond by the proscribed deadline rather only later, once construction was underway.

Commissioner Smith asked if it was possible to see the plans for the new construction.

Chairman Kennedy stated that the plans are available for viewing in the Operations Office.

Chairman Kennedy asked if the Downs is current on lease and other payments owed EXPO.

Mr. Mourning stated that the Downs is current.

Mr. Mourning then introduced Bill Nordin, Chief Financial Officer. Mr. Mourning stated that Mr. Nordin underwent extensive vetting by the Governor's Office and State Personnel. Mr. Mourning explained that in its effort to comply with all of the recommendations set forth in the LFC Performance Review of October 2011, EXPO is in the process of transitioning to the state's SHARE system.

Mr. Nordin stated that he has worked to make changes with regard to cash handling at EXPO. The result has been that auditors in their most recent report removed "Cash Handling" as an area of concern.

\$12.8 million turned in for 2014 budget. Need to keep expenses under control to mitigate things such as poor weather during Fair and other challenges.

Mr. Nordin stated that the agency is transitioning to the SHARE system. He stated that he is currently working on work-arounds for instances when SHARE breaks down. The main upside to moving to the SHARE system is that it is a more transparent way of accounting.

Commissioner Goff stated that he believes the Commission should receive itemized summaries so they can glean a better understanding of the agency's financial picture.

Secretary-Treasurer Rush stated that while he thinks it's important that the Commission not micromanage the Fair, he agreed that it should receive more in-depth financial reports.

State Fair

Mr. Mourning stated that the 2012 Fair was very successful. It was one of the few fairs in the country with increased attendance (even with a condensed schedule). The 2013 dates were announced earlier than they have been in a decade, which is important because booking of entertainment and spectacles can begin earlier. Earlier booking allows the Fair to lock down better entertainment for less money than if booking is put off until March or April. 2013 dates are September 11-22.

Commissioner Goff asked Livestock Manager Beverly Zastrow if she had reached out to livestock associations to increase involvement in various livestock shows. Ms. Zastrow stated that, being her first year, she had not had the opportunity to perform much outreach, but that she was open to suggestions from the Commission in this regard.

Commissioner Rode asked what the final financial numbers were for the 2012 Fair.

Mr. Mourning stated that the Fair is still awaiting payment from about 5 percent of its vendors, but that as soon as a final accounting has been made he will share Fair financials with the Commission.

Chairman Kennedy stated that he has enjoyed serving as Chairman over the last year, and working closely with the Fair. He pointed out that each other Commissioner has all of his contact information, and encouraged them to use it.

Discussion of Agenda Items for Next Meeting:

Chairman Kennedy suggested that the Commission tentatively schedule its next meeting for the third week of March 2013.

Commissioner Goff asked if the Commission might look into changing the statute that requires it to meet first Monday each January.

Commissioner Sanchez made a motion to adjourn the meeting, Commissioner Rush seconded the motion. Commissioners voted unanimously to adjourn.