

**New Mexico State Fair Commission Minutes
Of the Regular Commission Meeting
Friday, October 21, 2016
Blue Hole Convention Center
1085 Blue Hole Road
Santa Rosa, New Mexico
11:00 a.m. - 12:30 p.m.**

Call to Order by Chairman Kennedy at approximately 11:01 a.m.

Commission Roll Call: Commissioners present:

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

Pledge of Allegiance: led by Commissioner Lee

Introduction of Guests:

Lisa Liegeot
Bill Nordin
Ken Salazar
Erin Thompson
Dan Mourning

Action Item: Approval of Agenda

Commissioner Lee made a motion for approval of the agenda. The motion was seconded by Commissioner Jurado, with all members voting in the affirmative.

Action Item: Approval of Minutes of July 15, 2016 Regular Meeting

Commissioner Lee made a motion to approve the minutes of the July 15, 2016 regular meeting. The motion was seconded by Commissioner Brown. Chairman Kennedy asked if all were in favor of the minutes, all voted in the affirmative.

Public Comment: Leigh Ann Marez- County Extension Agent- New Mexico State University.

Ms. Mares thanked commission for holding the meeting in Santa Rosa and thanked the commission for a great job at the Fair. Ms. Marez added that she had seen the improvements made to the grounds and thanked them for those improvements. Ms. Marez stated that she would like to talk about a few specific areas that she and others had concerns about with regard to the Fair.

- **Junior Livestock Sale:**

Ms. Marez stated that there were a lot of positives at the sale this year, however, there is concern around the state about the dollar amount received for the grand champion. The bid of \$5,700.00 for a grand champion is really off this year. She added that she knows it is a hard component of the Fair to deal with but in the past the Fair and the kids used to work together to get those buyers in their communities to be at the sale. The kids work hard during the year and spend lots of money to be at the Fair and being grand champion at the New Mexico State Fair is bragging rights for kids in their communities. The counties are talking about getting together to support

the grand champion winners and make sure the money better reflects the work put in. The State Fair is a tough show and it is tough to get the grand champion position. She would like to open a discussion with the Fair about how to better support the kids.

- **County Extension offices:**

Each year each New Mexico county is invited to put up a booth in the Bollack building during the Fair to display the best of each county. The booths are a small space and it is hard to put a good display up. In the past the Fair would match the prize money for the winning booth. Ms Marez asked if this could be done again. This would greatly help the counties with the expense of putting up a booth. There were 17 booths this year. Ms. Marez would like to see what can be done to enhance and attract more counties. The booths bring people in to the Fair and are an important opportunity for the counties.

- **Year round events at Expo NM:**

Each year rural communities want to bring their events to the fairgrounds. Ms. Marez asked the commission and management of Expo NM to keep an open mind when talking with these folks about having these events at the fairgrounds. As an example, the 4H Horse School - the fairgrounds is a good place to have this event because it is centrally located. However, it is expensive to bring the kids to Albuquerque and the coordinators of these events are constantly trying to offset the cost of bring the kids to these events. It would be appreciated if the Fair could have an open mind and help the counties get these events and the kids back to the fairgrounds.

Ms. Marez closed by thanking the commission for providing a forum for her to speak and added that the county extension officers are available to the Fair if they need anything. The county extension officers will come and provide their input and help in any way they can.

Chairman's Agenda:

A. Committee Reports

- 1) **Racing Committee Report:** Commissioner Sanchez stated that the State Fair was very successful this year. A big part of that success can be attributed to the prize purses during the State Fair race meet. They were the largest purses we have had over the last forty years. Commissioner Sanchez added that good purses attract good horses, and all in all it was a great meet. He anticipates that the next meet will be even better with the inclusion of night racing at the Downs (at Albuquerque). Great stakes races and everything in the middle was really good. Commissioner Sanchez stated that he did not get many complaints but got a lot of praise for the Downs on how they are handling things.

Commissioner Brown added that he had gotten a lot of compliments on the landscaping on the south part of the grandstand area and asked if there was a plan for additional improvements to be done. Commissioner Lee stated that he thought that the project was complete. Dan Mourning stated that he had met with the owners and they do have plans for additional landscaping improvements on the west side as well, they just ran out of time before Fair. Dan added that he has gotten many compliments on the grandstand, and stated that this project is something to be proud of. This has been a major renovation, the views are unbeatable, night racing is very successful.

Commissioner Lee added that he had the opportunity during the Fair for the first time to see all of the renovations and the entire facility is much improved and much better. He added that it is a great place to go and spend some time.

Commissioner Sanchez added that they have made the space more manageable, and that before the location was so big and now it works very well. Chairman Kennedy added that he has heard nothing but compliments and now it is the place to be if you are going to watch horse racing. The facility looks very nice with the grass on the north side, and all of the work that has been done is a great improvement.

Commissioner Jurado added that he was impressed with the building as well, and financially, because they are able to run night races, the owners are able to allow more gambling, this has been a benefit to them also. Commissioner Sanchez added that the additional gambling contributes to the larger purses. The more people gamble, the bigger purses -- the bigger the purses, the better the horses.

Dan Mourning thanked the commissioners for bringing up the financial aspect and added that it is important to understand that the Downs is contributing 1.1 million dollars each month to the General Fund. The Fair and the whole state benefit from this.

Commissioner Sanchez added that horse racing became lost at the Fair for a while and now it is coming back and has been great. He added that there are a few changes that need to be made to the schedule. The Fair meet overlaps with the Hobbs meet and the Fair meet should stand on its own.

Commissioner Jurado asked if this was resolvable, Commissioner Sanchez answered that yes it is, through the Racing commission.

Chairman Kennedy thanked the commissioners for staying on top of these issues.

- 2) **Arena Committee Report:** Commissioner Lee stated that during the course of the Fair there were visitors (from Populace) on grounds that came to look at this project, gathering information, talking with people. The process is still ongoing and the discussion is on the feasibility of this project. There are still many questions to answer such as, what would the Fair still like to see, what are possible improvements, and, how it would come together. Commissioner Lee added that after talking with Dan Mourning, the next phase would be to take it to the private sector to get their input. Dan Mourning agreed with that statement and added that the Fair should be talking to the public, getting their input and buy in. The material needed is being gathered in preparation for this phase. Dan added that the Fair has gotten some feedback from one of the surveys done during the Fair and the public responded 77% in favor of the 15,000 seat type arena on Fairgrounds. This needs to be a collective community effort and not just from the Albuquerque community but statewide as well. There is a public cry for it, the Fair just needs to get down to the nuts and bolts of what this project would look like. Dan added that the funding is there, the Fair will have to be creative in how it is put together. The Fair is being passed on by events and promoters because we don't have the facilities to maintain the level of entertainment that is coming through the State. We do well with what we have. Tingley even though old, is still good a good facility but not near what is necessary, not just for concerts, but for all different types of entertainment events. Dan added that he hopes to have all information by December.

Commissioner Sanchez asked if the Gathering of Nations could be made bigger if we had this type of facility. Dan Mourning stated that those are the conversations that have been taking place. The Gathering of Nations is a huge deal for Expo NM and Commissioner Sanchez is correct that a new arena would make this an even bigger and better event. Commissioner Lee added that if we succeed in putting in the facility

the bigger/better shows will come to Albuquerque via the routing. Commission Lee added that one of the options discussed was the possibility of incorporating a breezeway between the Racetrack and the Coliseum. The discussion was about looking at ways to tie the whole facility together, creating a multi-use facility. The plans and discussions have to go beyond concerts, they should include improving the rodeos and going after the equestrian events that we miss out on. This would open up a whole new revenue stream that we are currently missing out on simply because we don't have the facility to handle it. This project is still a few years down the road but he is glad we are taking the time to talk about it now. Commissioner Lee is looking forward to the report in December. He added that it is heartening that 77% of New Mexicans (surveyed) are in support of this project.

Chairman Kennedy stated that we would look to the committee to stay with this project. He added that in a conversation with Amy Brown about the possibility of an arena, she asked about the support for this project. Chairman Kennedy stated that this project will fill a need and we are missing out on revenue for the Fair and the opportunities that would fill an arena.

3) Committee suggestions: None

State Fair Management Report:

A. 2016 State Fair/ EXPO NM Report:

Dan Mourning began his report by telling the commission that this had been a great Fair. We had 497,000 visitors for an 11 day period, even with some weather challenges. Expo NM/the Fair has the greatest staff and he would put them up against any other Fair staff around the country, they are second to none. Dan appreciates all of the hard work each and every one of them does. Dan thanked the people of New Mexico for coming out and sharing the Fair with us.

At our Fair, we do some things a little differently than other Fairs, we have agriculture, we have livestock, we have the art, we have the midway, also, people don't realize that the Fair is a great place for the community to come together, to share ideas and find out the new things that are happening and talk about our State.

The Fair by the Numbers:

- ✓ 12 people became US citizens on Hispanic Heritage day
- ✓ 1500 free flu shots were administered to guests, only at the State Fair
- ✓ 12 people donated blood during the Fair
- ✓ 22 colleges, and 4 charter schools participated in our Pathways to College and Careers day
- ✓ 12,000 slices of pie from Asbury pies, this is significant because the money they collect goes to charity
- ✓ 28,000 turkey legs sold
- ✓ 92,000 lemons squeezed for fresh lemonade
- ✓ 2400 state fair beers sold
- ✓ NM Taxation and Revenue department ran 582 names and got \$34,000 in unclaimed properties back to New Mexico taxpayers
- ✓ 73,000 people came to the Dwight Yoakam concert, the concert was sold out for over two weeks before Fair started

- ✓ 56,000 floor upgrades at \$5/each, extra revenue for the Fair
 - ✓ 233 new Facebook fans per day during the Fair, credit goes to Erin Thompson for a job well done
 - ✓ \$300,000 in sales at Junior Livestock sale, almost 2000 livestock exhibits
 - ✓ 9 counties represented in the New Mexico State Fair Queens contestant
 - ✓ 755 people were hired for this year's Fair, we are one of the largest employers in the area
- Groupon- this is a new program for the Fair. Dan stated that this has turned out to be a fantastic program for the Fair and it is here to stay. The Fair made an additional \$77,000 in revenue from this program. The best thing about Groupon is the "breakage" (26%), which means when people purchase the tickets, the Fair gets 75% of proceeds but 26% of Groupon buyers do not redeem their tickets. The Fair ends up getting full price on tickets with "breakage".
 - Sponsorships- cash sponsorships doubled from last year. The significant shift has been in the attitude of the sponsors, they see themselves as investors in the Fair, not just partners. New sponsors include Mattress Firm, Just Squeezed Lemonade, and Coca Cola won the beverage RFP. The business community wants to be a part of the Fair, things are changing, there is a greater awareness of the benefit of being a part of the Fair.
 - Food is the number one reason people come to the Fair. Dan thanked all of the commissioners for participating in the contests and visiting with the Fair visitors.
 - The Midway, Reithhoffer shows has been a great partner. They are the "brightest" midway in the country, putting a million lights into their shows.
 - We had great performers for our Rodeo/concert series. This is due to the assistance of Barbara Hubbard. Dan thanked her for her assistance and stated that she is the best in the industry. The public response to our concerts was great.
 - National recognition, 9th best fair in the country has given us some really great attention. The Travel Channel came to the Fair this year to film a complete episode of their show, Food Paradise, which will air sometime this summer.
 - Art entries were up this year, Dan thanked Commissioner Brown for his support and participation in this program.
 - 241 entries in our State Fair Parade. This is the largest parade in the state. 45,000 people come out to watch the parade. The Fair gives away coins for free child admission to the Fair on parade day. The Parade is an essential part of what the Fair does for the community. We sometimes forget that for some folks the closest they are going to get to the Fair is the parade. We also had some of the paid spectaculars participate in the parade this year for the first time.
 - 13,000 participants in our School Days program. This is an educational opportunities for students to learn more about the state they live in. APS has not gotten back on the bandwagon of giving the kids a day off from school to be able to attend the Fair. We had participants from as far as Bloomfield.
 - Some of the professional cowboys/clowns for our PRCA rodeo and our reigning State Fair Queen went out to local hospitals to visit kids. They all did a great job and got great compliments from facilities they visited.
 - Uber was a new thing for the Fair, no other Fair does this like we do. We set up an Uber Lounge by the bus gates, which provided a nice location for drop off and pick up. A ride with Uber also included admission, and a fast track into the Fair. We are now getting calls from other Fairs to find out how we did this.

- We had several offsite parking spots during the Fair. One of those offsite spots was at San Mateo and Central, which was a drop off and pick up site of our open air tram which we used for the first time this Fair. 65,000 people utilized this tram and the feedback was very positive.
- Safety and security is very important to provide for visitors. We are one of the safest Fairs in the country. Much of the credit goes to our partnerships with local and state law enforcement agencies and the technology we utilized during the Fair. The Dolt Cellular on wheels (COW) allowed the State Police to have instant photographs of the children who participated in the Tag Your Tots program, which allowed the State Police to locate lost children within minutes on the fairgrounds.
- Our Fairgrounds looked fantastic again this year. Dan extended his compliments to the operations/grounds crew for the great job they do. There was a very positive response by the public on the look of the grounds.
- The new digital billboards added to the outside of the Fair at San Pedro and Louisiana and have been well received by the public.
- The renovations to the Beef and Swine barns have had a very good response from 4H kids and others. Those who used the facility have thanked the Fair for paying attention to their needs.
- Customer Satisfaction- Overall what the Fair did this year, pleased people, customer satisfaction last year was 97%, we expect that to be higher this year. Complaints were down from last year.

B. Expo New Mexico:

- Fiber backbone- we have the entire fiber loop completed on the fairgrounds. Fiber was introduced to midway ticket booths this Fair. The ticket booths were able to process transactions very quickly, the Midway was very happy with the upgrades. This will also help with our year round shows and concerts, improving our technology is critical to the year round mission of the Fair.
- New Liquor contractor- 40% increase on take from liquor. This increase is due to good negotiations during the RFP process.
- Soda Distributor- Coca Cola is our new soda distributor. The Fair will see more marketing efforts during year round events.
- Night racing- this is a new addition and people are excited about it. The Downs is a partner of Expo NM now. Dan met with them yesterday to talk about what events we can partner with them on.
- Gathering of Nations- this is scheduled for the last week of April 2017. This is a significant event for the city and the state. It was very important to the Governor and Expo NM to keep this event here in New Mexico. The grounds (campus) has been offered to them. They are not putting on the same show they did at the UNM, they are adding a lot to the show, it will be very exciting and will draw in the public/tourists.
- ART Project- Rapid transit project. Expo NM is working with the City and will see a positive impact from this project. The Fairgrounds will get a turn signal by tower gates (gate one), which will create a new atmosphere in that area. We will also gain approximately 105 additional parking spaces at Gate One. The improvements on the grounds will help with the plan to upgrade/improve the flea market.

Dan thanked the Commission for their support and giving the management and staff the approval to get things done. The staff at Expo NM are the best. Dan asked the Commission to say thank you to the staff when they see them. Dan then opened the floor up to questions:

Questions:

Commissioner Sanchez- asked about a mobile APP for State fair. Why is there not one for the Fair. Commissioner Sanchez thinks this would be a great thing for the Fair. Dan answered that yes a mobile APP for the Fair would be a great idea and Erin had begun work on creating one before the Fair this year but did not have enough time to finish before the fair started. Creating an APP takes a lot of time, and the project will be completed for Fair 2017. A mobile APP will enhance the fair visitors' experience.

Commissioner Jurado- asked if Gathering of Nations was for just one weekend. Dan answered that yes it is for one week in April. The event will take about a week to get set up, this is the largest Pow Wow in the country. This event is the number one thing streaming on Facebook this year.

Commissioner Lee asked what impact the ART project will have on the parade in 2017. Dan answered that the Fair will have to make some adjustments to the route of the parade. This will be an ongoing discussion in preparation for Fair 2017.

Commissioner Lee asked if we have any dates for when the Travel Channel show will air. He suggested that we work with the Tourism department to get the word out. Dan stated that he would appreciate any assistance with getting the word out and would let everyone know when the show will air as soon as he has that information.

Comments:

Commissioner Lee noted that the Gathering was not only going to leave Albuquerque but the state and to have them come to Expo NM is a big feather in our caps and thanked the staff for working so hard on this. Commissioner Lee added that he has been told by many families how safe they feel at the fair and what a great experience it is to go to the Fair. Commissioner Lee thanked Dan and the staff for all of the hard work they do. He shared a story about visitors to the Fair who told him that they came to the Fair during their visit to New Mexico and saw everything at the Fair that is New Mexico and have decided to come back next year for a two week visit.

Commissioner Lee also thanked Dan and the team for working with the Tourism Department on True Fest. This was a first time event and it turned out to be a great event. It was a great warm up to the Fair. He is looking forward to this event continuing year after year.

Commissioner Lee added that the \$300,000.00 made at the Junior Livestock sale was good and he would like to see the momentum continue. Commissioner Lee stated that he would like to issue a challenge to all commissioners to participate as a Commission in the auction next year.

Chairman Kennedy reiterated that many people let him know that they feel that the Fair is safe and good environment for the whole family. Parents feel that their kids are safe on the grounds.

Chairman Kennedy added that this Fair was most enjoyable for himself and his family. There were so many good things to see like the Cavallo show, which was packed every night. Also, the Dock Dogs show was great and attracted a lot of people.

Chairman Kennedy added that it seems we are progressing with the free shows every year. They are great entertainment for the visitors to the Fair.

Chairman Kennedy stated that he agreed that a State Fair mobile APP is a very good idea and it would help visitors find entertainment and get information.

Chairman Kennedy stated the Fair should really get the word out about the Travel Channel show. He stated that whatever can be done to promote this show will be great.

Chairman Kennedy shared with the group a comment made by the reigning Queen, Cami Belcher about her visits to the local hospitals with the Rodeo cowboys and clowns. She said that a little boy told her while they were there that "this is the best day of my life" because he had the Queen there and the cowboys visiting. Chairman Kennedy added that the visits are a great success and should be expanded and anything the commission can do to help, they will do. Dan added that this really is a good outreach program and the cowboys and Queen were amazing.

Chairman Kennedy stated that he wanted to thank Ken for organizing and heading up the New Mexico State Fair Rodeo committee. He thanked Ken for bringing in volunteers interested in helping with the rodeo committee planning.

Chairman Kennedy added that the Rodeo/Concerts were all were great. He had been on hand to witness some of the challenges with the Dwight Yoakam show and saw that those challenges were met by the staff in a professional manner. All of his guests had a great time and it was great to be able to show them all the great things at the Fair.

Chairman Kennedy stated that having the State Police on San Pedro to direct and control the traffic and keep pedestrians safe was great. He heard no complaints during the Fair.

Dan added one more thing regarding law enforcement in general. They are under assault in our country and have a very tough job. The State Police were a great partner with the Fair and he gives much of the credit to Chief Kassetas who took the time to meet with Fair staff before the annual event to go over expectations and challenges. They were so cool this year, five State Police officers got on stage during Karaoke contest and enjoyed being there. They were friendly and engaging with all visitors.

Chairman Kennedy added that the ceremonial events during Military day at the Fair were fantastic. Having the Admiral from the Navy in attendance at the Fair was significant and he felt privileged to be a part of all of these events. We even had the Danish military training in New Mexico, participate in the 9/11 event.

Chairman Kennedy stated that True Fest was a big deal and even though there were some hiccups and there was not a lot of time to advertise the event, it was still a success. There were great crowds and this was an opportunity for many people to be exposed to things that are truly New Mexico products that they may not have known are produced and marketed in New Mexico. This was the 1st annual True Fest, let's do it again. Chairman Kennedy bought wristbands for Midway during True Fest because he and his family don't get to do that during the Fair. The Chairman knows that this event presents some challenges and he thanked Ken and his staff who rose to those challenges to make this event a success.

Chairman Kennedy closed by stating that all-in-all it was a fantastic Fair. This was his sixth Fair as a commissioner and they have gotten better every year. Every year the Fair is cleaner, safer, and a better value. The food is spectacular at the Fair, Commissioner Lee got to participate in the Green Chile Cheeseburger contest this year and broke a sweat. Chairman Kennedy added that he appreciates all the commissioners spending time at the Fair when they were able to. He understands how busy their schedules are. He added that the work that the staff does all year round is amazing. Also, having the Downs as a

partner and not just a tenant now is a huge deal. The Downs is holding up their end of the bargain.

Chairman Kennedy stated that the commissioners had the financial report in their packets and asked if they had any questions. This report covers the financials through the end of August. The numbers for the Fair are not available yet, but will be available soon. The annual Audit is in process now at Expo.

Bill Nordin stated that he would be happy to answer any questions. There were none at this time.

Discussion of meeting calendar:

Chairman Kennedy stated that the next meeting is scheduled to be held the first Monday of January (January 2, 2017). This is a very tough time to have a meeting and the Chairman proposed that the next meeting be moved to week of January 9th instead. Erin Thompson will send out an email to get input from the commissioners on their availability for the January meeting.

Discussion of agenda items for next meeting:

Chairman Kennedy asked that any input from the commissioners on agenda items for next meeting be sent to him. He also thanked the folks in Santa Rosa for welcoming the commission and allowing them to use the facility. He added that the idea of moving the meetings around the state has been a good thing, it has been a good opportunity for folks who may not be able to travel to Albuquerque to share their ideas and feedback with the commission. He looks forward to continuing this practice next year.

Adjournment: Chairman Kennedy asked for a motion to adjourn. Commissioner Lee made a motion to adjourn which was seconded by Commissioner Sanchez with all present voting in favor. Meeting adjourned at approximately 12:24 p.m.