

FSMG Meeting Minutes

Tuesday, June 1, 2010

8:05 a.m. - 9:30 a.m.

Events Center Conference Room, Fairgrounds

Attendees: Scott Horenstein, Sharon Crouch, Judy Stanton, Chris Palmer, Mark McCauley, Justin Kobluk, John Morrison, Heidi Wilson, Dana Kelley

Meeting was called to order at 8:05. Mark McCauley opened the meeting by distributing minutes from the May 4th meeting. Minutes were approved subject to several minor edits.

Mark discussed the ATM loan approved last week by the Board of County Commissioners. We had asked for \$250,000 and received good support for a loan of \$200,000. Last year we encountered concern and some resistance to the original \$100,000 loan. Both John Payne and John Ingram realized we had made a good business move to buy the machines, that we would make a profit, and that we paid last year's loan back pretty much on time. They agreed that having more cash would allow us to keep the machines filled maximizing transaction revenue and putting cash in the hands of our patrons---all good for business.

Mark then discussed the languishing 10th Avenue project. He attended the Public Works (PW) Transportation Improvement Program work session last week. The purpose of that meeting was to inform the Board of PW's sad financial state and to confirm some assumptions about Board priorities. Public Works has been hit hard by a number of revenue reductions. The largest of these is the increase in the Traffic Law Enforcement diversion, which takes money from the road fund and puts it in the general fund. This diversion increased from \$1.25 million to \$5 million per year. That's \$7.5 million that could be used to leverage another \$7.5 million in grants. That makes the total hit to the Road Fund about \$15 million this biennium. It looks like the diversion will stay at \$5 million next biennium, which means another \$15 million hit. The one positive in the meeting was that bids for the Salmon Creek Interchange Project (SCIP) may come in under engineering estimates. If they come in low enough we may not need to bond. All three Commissioners seemed to support the idea of using that unused bonding capacity to help get 10th Avenue built. We may know in 12-24 months whether that is a plausible outcome.

Mark moved on to discuss possible funding sources for fairgrounds enhancements (parking and other potential amenities). We are exploring potential grants and loans to allow us to add parking and other amenities to the site and will advise as these efforts proceed.

Fair Manager, John Morrison, provided an update on Fair preparations.

Grandstand Entertainment: The final contracts for the Big Air Motorcycles, Quad Wars and Freestyle shows have been signed and returned. With these completed, all Grandstand entertainment has been set and contracted.

Sponsorships: Dana Kelley, marketing Manager, updated the group on returning and new sponsorship commitments. With the recent addition of the US Army sponsorship, we have \$112,500 confirmed cash sponsor agreements. There are several in-kind sponsorships that were recently concluded that will save the Fair significant money and improve our advertising. There are also three potential cash sponsors remaining for this year that we are continuing discussions with.

Contracts: The last remaining contract for major equipment rentals has been signed. Halton Rentals asked us to review the liability language in the sponsorship agreement we provided them; and we re-worded portions to clarify responsibility for damage to equipment while on loan to the Fair and operated by our personnel. We are also working to conclude the agreement with the Assistant Fair Veterinarian for animal health services. There was a question of his liability which we will address in the agreement

Vendors: Heidi Wilson, Events Manager, updated the group on vendor stats and the Feature Area. Applications for vendor booth space continue to come in. The 4,000 address mail-out to vendors for both the Fair and the events that will be in-house produced did result in some new vendor applications for the Fair. As in the past, the applications for space in South Hall 2 lag other areas and are the last to fill.

Feature Exhibit: Best Buy has agreed to provide the gaming consoles for the feature area. They will serve both the gaming competition as well as be available to the public to try out new equipment. This completes the agreements for the feature area and will be a very positive addition to that display.

Amphitheater Entertainment: Booking of concerts in the Amphitheater is complete, with three dates confirmed. John turned the details of this over to Justin Kobluk to address.

General Fair Preparations: All activities are well ahead of schedule.

Justin took the floor and reported on the following items:

- Fair concerts: The rock group Weezer, formally passed on our bid to play Sunday, August 8 due to their routing. This was our last remaining formal bid, therefore we will roll with the three concerts that are confirmed for the fair.
 - Miranda Lambert, August 6
 - Scorpions, August 7

- Boys Like Girls, August 9

The Scorpions concert is nearly sold out.

We have started a new promotional campaign for Boys Like Girls involving the Westfield Mall where “enter to win” ticket give-aways will be organized in many of their stores. Puyallup is looking to add a Boys Like Girls tour stop which needs our permission due to our protection clause in the contract. This gives us the possibility of renegotiating our artist guarantee to add \$5,000 to \$10,000 into more promotion and advertising for the show.

- FSMG Self-Promotions: Three Exhibition Hall events are currently under production. Event manager, Heidi Wilson, gave a detailed update on these new endeavors:
 - Holiday Gift Fair, November 2010: currently marketing and selling. Have received positive response so far with over 60 booths already committed. We have seen a very positive response from a recent mailer that sent more than 4,000 announcements to industry professionals.
 - Wedding Expo, October, 2010: Marketing materials finalized, sales are commencing and partnerships are being secured. Features of the show will include a consignment and new dress sale, a “man cave” area for the gentlemen and possible hot air balloon rides.
 - Washington State Horse Expo, February 2011: Marketing materials are being finalized. The show program is being put together. We have secured two nationally known horse trainers and are finalizing commitments from the top local trainers as well.
- Exhibition Hall Booking: The Washington State Democratic Convention is scheduled at the end of June. This marks the first time this prestigious event has ever been to SW Washington. It is a heavily detailed logistical event expecting more than 2,000 delegates from all over the state.
- ADA Advisory Committee: We met with the Clark County ADA Advisory Committee and covered many ideas to address the limitations of the aging fairgrounds. A walk-through was performed by Justin and Tim McVicker of the County to identify appropriate signage and other additions and modifications that are needed to direct persons with disabilities to appropriate amenities around the grounds. A plan was put together which in total would cost a little more than \$3,000 for the signage and modifications. The County’s risk management department has agreed to cover these costs for the benefit of all patrons to the fairgrounds.

- Operations: Many operational projects have been or are in the process of being completed around the fairgrounds:
 - Tree removal: A 120' tall dead tree was removed by an arborist approved by the county which was identified as a potential hazard near the equestrian plaza.
 - Exhibition Hall Floor: A vendor at the NW Drag Racing Assn show spilled some chemicals on the floor which caused some significant damage to the floor's finish. Quotes have been received and the repairs will commence in the next two weeks. The promoter of the show will ultimately be responsible for the cost of the repairs.
 - Parking Lot Potholes: The chip-sealed parking lots are developing some significant potholes in various locations. The county is moving forward with the original company who constructed the chip-seal lots to provide patches for approximately 25 potholes and scars that have developed in the lots.
 - Cell tower flag pole: The mechanism to raise and lower the large flag is currently not operational. The cell tower owner has contracted with a Portland metal fabricating firm to organize a fix.
 - Lot striping: The Amphitheater purchased a striping machine and striped individual stalls in B-Lot prior to their WSU graduation. They observed how the individual spaces affected their efficiency in directing traffic and found it significantly saved on the labor necessary to park cars. The remaining hard surface lots are scheduled to be striped by the end of June.
 - Horse Arena Footing: Over years of constant use, the consistency of the footing in the Arena is getting very difficult to maintain. We have added sand and shavings to the footing three times already this year, but the dirt is still extremely quick to pack. Alternate footing options are being pursued, but it is becoming clear that there are no cheap solutions. Next year's budget will reflect complete new footing for the Arena.

- Parking RFP: As our parking contract is due to expire, an RFP for Parking and Traffic services for the Event Center was written and sent public at the start of April. Proposals were due April 30. We received four (4) qualifying proposals which were independently evaluated by Fair Manager, John Morrison, Event Manager, Heidi Wilson, and Executive Director, Justin Kobluk. The incumbent, Coast to Coast Event Services received the highest score from all three evaluators. We are currently in the process of negotiating a new service contract with Coast to Coast. They have been a very good contractor over the past 5 years and have provided excellent service for the fair and other yearly events. We are looking forward to the completion of our negotiations and the commencement of a new contract by the end of June.

Next meeting is scheduled for 8:00 a.m. to 9:30 a.m. on Tuesday, July 6th in the Event Center Conference Room @ the Fairgrounds.

Adjourned.