

NAVAJO COUNTY FAIR, Inc. BOARD OF DIRECTORS  
Minutes February 11, 2009

**Board Members in Attendance:** Mike Sample, Rusty DeSpain, Redgie Justman, Kelly Favro, Kenny Larson, Lori Reynolds, Wes DeSpain, Don Fischer, Allen Mitchell, Sara Hansen, Anna Amos, Jimmy Crosby, Wendell DeCross, Tim Kelley, Mike Mellor

**Staff in Attendance:** Mina Henning, Laura Brooks

**Guests:** Linda Kor, Ronnie Braswell, Tom Castillo, Carolyn Castillo

**Excused Board Members:** None

**Unexcused Board Members:** None

1. **Call to Order:** Mike Sample called the meeting to order at 6:59 p.m.
2. **Approval of Minutes** – Regular Meeting December 10, 2008; Special Meeting January 16, 2009 – Don made a motion to approve the minutes of December 10, 2008. Kelly seconded. Motion carried. Mike Mellor made a motion to approve the minutes of January 16, 2009. Sara seconded. Motion carried.
3. **Call to the Public:** None.
4. **Rodeo Queen Update:** Mina reported that everything is going good. The queens are preparing to go to Apache Junction and Buckeye.
5. **President's Report:**
  - a. **Facility Requests:**
    - i. **Tom Castillo** is requesting the use of Martinez Hall on July 4, 2009 for a wedding reception. They are expecting between 200 and 300 people. They would like use of the tables and chairs and alcohol sales. The event will be catered. Carolyn questions were answered. The rental fee is daily; they can come in the day before to decorate; guests should park in the South parking lot, except handicapped; we serve beer and wine, but can obtain special event license if they would like hard liquor; Lori usually gets security personnel but it costs \$50 per person and would need 4. Carolyn stated that they are expecting to start around 4:00 p.m. with dinner. The dance will start around 8 or 9:00 p.m. They expect the event to last until about midnight. They would like alcohol served the whole time. The Castillo's were informed of the restroom situation and the fact that the hot plates for food will need to be plugged in throughout the building so breakers don't blow. Mike Mellor made a motion to accept the request. Tim seconded. Motion carried. The fee will be \$300 with a \$50 cleaning deposit and \$200 security charge.
    - ii. **Nancy Barela** is requesting the use of Martinez Hall on March 21, 2009 for the Holbrook High School Class of 1980 class reunion. They would like the use of the tables and chairs and possibly alcohol sales. They are expecting between 150 and 200 people. They are looking for a caterer. They would like to know about the possibility of using the Cantina. Lori stated that we do not loan out the Cantina. Mike Mellor made a motion to accept the request. Anna seconded. Motion carried. The fee will be \$300 with a \$50 cleaning deposit and \$50 per security person.
    - iii. **Sara Hansen** is requesting the use of the steer barn and wash rack for one day in March or April for a Joseph City 4-H club meeting to go over the daily calf routine. Mike Sample stated that we normally do not charge 4-H groups to hold events at the fairgrounds. Jimmy made a motion to approve the request at no charge. Kenny seconded. Motion carried.
    - iv. **Jimmy Crosby** is requesting the use of the Jr. Livestock area on July 10, 11 and 12, 2009 for a SAILA Jackpot. Jimmy stated they normally do not pay for the use of facilities. They would like the Cantina open and feel that there will be sufficient income from that. There will be four species here (hog, sheep, goats and cattle). They would like 2 show rings in the Jr. Livestock Barn. They will only hold a two day show – Friday night from 6:00 p.m. to

midnight and Saturday. They will provide everything but the show rings. They typically have 50 cattle, 60-80 sheep, 40-50 hogs and 50-60 goats at each event. Wendell made a motion to approve the SAILA Jackpot free of charge. Sara seconded. Motion carried. Jimmy will make sure that we are provided with a copy of their insurance.

- v. **Kenny Larson** is requesting the use of the large arena on June 5, 6 and July 3, 4, 2009 for Sand Drags. He is requesting the use of the water truck and beer sales. This item was tabled at a previous meeting until Kenny could be present. Kenny stated that he has put on sand drags since 1999. They typically have between 50 and 75 racers. Don questioned the date of July 4, since a wedding reception will be held at 4:00 p.m. in Martinez Hall. Mike Sample suggested adding a stipulation to the request that the sand drags be done prior to 4:00 p.m. Tim asked what the stipulations will be. Mike Sample stated that they will be whatever the board decides. Kenny stated that last year the only stipulation was over liquor. Tim was under the impression that everything was supposed to be put back into working order, including the drainage, arena, dirt, etc. Time stated that he repaired the drainage prior to last year's fair. Lori stated that Kenny should be responsible for putting the grounds back the way it belongs and that the Cantina is how the board makes their money, so we should handle it and all alcohol sales. She stated that it cost the county \$4,500 in labor and equipment to fix the grounds, plus the cost of fixing the valve on the water truck. The fair board spent \$2,185 for a grader to repair drainage issues. For the past two years of racing Kenny has traded out about \$2,000 worth of supplies, including PA system, storefront and lights; yet it has cost the fair over \$5,000. Lori recommends having our concession open, handling alcohol sales and Kenny to pay cash up front to cover the arena rental and utilities. Kenny stated that the drainage will never be right due to the fact that the fairgrounds sits lower than the street. Kenny is okay with the fair doing the Cantina and alcohol sales. He was happy with the way Ross handled the liquor issues last year. Lori stated that Kenny will need to pay for security personnel this year. Kenny stated that according to his by-laws, the racers cannot drink and race. He pays all of his help well and has donated many items including the cantina exhaust, swamp coolers and electrical wire and he brings money into this facility. Mike Sample stated that he is currently working with Kenny on a possible trade out for poles. Kenny does not have any issues with the liquor rules being enforced. Lori asked Kenny where all the money went from entry fees, since he states that it costs him money to put on the sand drags. Kenny stated that 50% goes back towards payouts, then there is insurance, employees, fuel, etc. Sara asked if the issue at hand was what Kenny gives or doesn't give or if it is his lack of responsibility. Lori and Tim both stated that it was his lack of responsibility. Kenny stated that Rusty told him not to put the arena back this last year, that Rusty would handle it. Kenny stated that he can pull his request and go elsewhere. Mike Sample asked if he would be okay with the stipulation of putting the arena and drainage back. Kenny does not have a problem. Mike Sample said that the county will be looking at the North parking lot and the possibility of extending it to the east. Kenny stated that it would not interfere with the sand drags. Wendell made a motion to grant the use of the facilities with the understanding the Executive Committee and the applicant (Kenny Larson) meet and agree to all contingencies and stipulations. Anna seconded. Motion passed 12-1 (Lori casted the opposing vote).

Mike stated that him and Lori met with Sentry Fire in regards to the exhaust system in the Cantina. The good news is that we do not have to go through the process with the State Fire Marshall. Sentry Fire submitted a bid for \$2,800 to replace the ansul system. Mike is looking for a second bid and then it will be brought back to the board for approval. Mike met with the county manager and J.R. They discussed the north parking lot. Mina and J.R. discussed holding a luncheon for the supervisors in late March or early April to give them an opportunity to see the fairgrounds and what the budgeted money goes towards. In

May, Mike will be attending the county budget hearings. As of now it looks like the money will stay the same again this year. Mike will be meeting with Dan Hinz to look at the facility and discuss items that need attention. Mike has talked with Carlo about setting up a meeting with the City Council. He will be sending out a letter requesting the meeting.

#### 6. Event Director's Report:

- a. **2009 Entertainment** – Proposal 1: Western Express Railroad (\$5,200), American Hellriders (\$6,000), Showbots (\$6,300), Moonlight Howlers (\$4,800) and Poppin Penelope (\$3,600). Total of \$25,900. Proposal 2: Western Express Railroad (\$5,200), Bubble Show (\$3,200), Joe Gandelman (\$3,000), Showbots (\$6,300); Moonlight Howlers (\$4,800) and Poppin Penelope (\$3,600). Total of \$26,100. Mina stated that the first proposal has a larger event at the south end, with less entertainment on the midway while the second proposal has no large event at the south end and focuses on midway entertainment. Don asked how the climbing wall and NASCAR racing did last year? Mina stated that they were not well attended. Mike Sample stated that if we bring in the American Hellriders, we will locate them right at the light post and place sandwich boards down the midway stating that there is free entertainment. Mike Sample is planning on locating the smaller vendors along the 4-H building and placing the larger ones just south of the south entrance gate. Sara wants to make sure that the sound from American Hellriders does not interfere with the Tractor Pulls. Redgie stated that stage and midway acts are better received than the larger acts. Mina stated that it is mainly a decision of whether the board wants to bring in a large act for the south end or concentrate on stage/midway entertainment. Don made a motion to accept Proposal 2 but would like to find a large event for the south end. Mike Mellor seconded. Motion carried.

#### 7. Secretary/Accountant's:

- a. **Expenditures** – Wendell made a motion to accept the expenditures as presented. Kelly seconded. Motion carried.
  - i. Sara made a motion to pay \$600 in membership dues for the Arizona Counties Racing Association for 2009. Wendell seconded. Motion carried.
  - ii. Don made a motion to pay \$27.50 in membership dues for the Holbrook Chamber of Commerce for 2009-2010. Anna seconded. Motion carried.
  - iii. Wendell made a motion to pay \$175 in membership dues for the IAFE for 2009. Don seconded. Motion carried.
  - iv. Mike Mellor made a motion to not pay dues for the Arizona Licensed Beverage Association. Wes seconded. Motion carried.
  - v. Jimmy made a motion to sign a contract with DAY Wireless Systems for radio rental during the fair, if they can give us some sort of insurance plan. Wes seconded. Motion carried.
  - vi. Don made a motion to pay \$550 for the ShoWorks Service Plan for 2009. Sara seconded. Motion carried. Rusty DeSpain joined the meeting.
  - vii. Mina stated that we order bar napkins every year that advertise the Rodeo and Ranch Rodeo dates. These napkins are delivered to every bar in Pinetop-Lakeside, Show Low, Heber, Snowflake, Taylor, Winslow and Holbrook. They are distributed for two weekends. Eagle Business Products has been our supplier in the past and their quote stayed the same from last year. Allegra's quote came in cheaper but the shipping is more. Rusty stated that he believes this expenditure is a little premature and we should wait for money to pay for them. He believes it can wait until May or June. Mina stated that the reason it is being brought to the board now is because this is the same time it was approved last year. Lori made a motion to postpone this expenditure until May. Mike Mellor seconded. Motion carried. Mike Mellor left the meeting due to prior commitments.

#### 8. New Business

- a. **Ranch Horse Competition** – Ronnie Braswell questioned whether or not the Ranch Horse Competition will be part of the fair again this year. Mike Sample stated that the board has been

planning on it. Ronnie stated that he will start marketing and promoting it. The Braswell family will donate the trophy saddle again this year. He will start selling the buckles. Ronnie is personally guaranteeing that all buckles will be paid for. He will have a few minor rule changes, so he would like to see the 2008 rules removed from the website. He is hoping to have 35 head of horses this year. He would also like to see a larger contribution to the Arizona Cowpunchers Crisis Fund. Mike Sample stated that he should bring the proposal regarding the amount of the contribution to the board like last year for approval.

- b. Lion's Club Agreement** – Mr. Barger's presence was requested. Rusty stated that some items should be settled by the board prior to meeting with Mr. Barger. Mike Sample noted that he had concerns with item numbers 2, 3, 8, 13, 18 and 20. Mike Sample asked the board if they would like to continue the agreement and if so, do any changes need to be made. Mike Sample suggests that they be charged a fee, since Suzie's is charged \$250. Lori stated that \$250 is too steep for the Lion's Club. Rusty stated that the Lion's Club is the last of the original renters. His only disagreement is with the utilities. He recommends staying with the agreement, but they will need to take full responsibility of the utilities, up-keep of the building inside and out and that we provide them the building at no charge. The utilities should be put into their name. Jimmy asked if this was feasible. Yes, it is. Rusty also recommends only going with a one year agreement due to the fact that the county has discussed the demolition of the entire building due to the fact that it is below grade. Rusty would also like to see a stipulation that any changes be brought before the board for approval. Wendell asked if the building was considered theirs. Yes, they lease it from us and they store all their stuff in it year-round. Jimmy made a motion to renew the agreement with the stipulations that they take responsibility for all of the utilities, the upkeep of the building inside and out and any and all changes will be brought before the board for approval; in return the board will give them the building for one year at no charge. Kenny seconded. Motion carried.
- c. Horse Achievement Committee** – Sarah stated that they would like the following dates: Friday, September 11<sup>th</sup> for English; Saturday September 12<sup>th</sup> for Western; and Wednesday, September 16<sup>th</sup> for timed events. They will need both arenas prepped and the sound system. If they could have more speakers for the sound system it would really help. Tim stated that he could get a better system. Sara also requested the use of 2-3 radios. Sara stated that they are looking at spending approximately \$900 this year (\$150 for English/Trail judge, \$150 for rodeo judge, \$300 for western judge and \$300 for ribbons). All prizes and awards will be donated. Redgie made a motion to approve the dates for the Horse Achievement show. Wes seconded. Motion carried.
- d. Open Class Livestock Pee-Wee Division** – Sarah would like to add a pee-wee division under open class livestock to give the 5-8 year olds a chance to compete. She is proposing the replacement of the Jr. Sheep and Jr. Swine classes and the addition of one class. It will add \$60 in premiums. All prizes and buckles will be donated and the Jr. Livestock judge will do the judging for this as well. The exhibitors will be required to pay the same entry fee as all others. Rusty made a motion to approve the addition of the pee-wee division to the open class livestock and to include the rules in the premium book. Jimmy seconded. Motion carried.
- e. Facility Rental Fees** – Mike Sample stated that he is not looking to increase the building fees, just the cleaning deposits. Mike Sample proposes increasing the cleaning deposit on Martinez Hall to \$100 and the Arena to \$200. Kenny stated that we make money on alcohol and are therefore responsible for the trash. Mike Sample stated that we are working on getting more trash barrels. Lori asked about charging a \$50 fee for any band that performs. Tim stated that a band does not pull much electricity at all. A lot of questions were raised on whether or not to increase fees due to the fact that we are now being charged for water, sewer and sanitation by the City of Holbrook. Jimmy made a motion to increase camper hook-ups to \$35 per night. Kelly seconded. Motion carried. Don made a motion to increase the cleaning deposit on Martinez Hall to \$100 and the Arena to \$200. Jimmy seconded. Motion carried. It was determined that we are being charged

\$1.75 for every 1,000 gallons of water. Rusty made a motion to increase monthly stall rental charges by \$5 starting April 1<sup>st</sup>. Kelly seconded. Motion carried. Don made a motion to increase the facility rental fees as follows: Open Class \$250; Martinez Hall \$350; Arena Day \$250; Arena Night \$450; Arena Day & Night \$600. Rusty seconded. Motion carried.

- f. **Vendor Applications** – Mike Sample would like to add a line stating that all vendors are responsible for state and city sales tax. It was also proposed that they should be charged for water. Rusty made a motion to add sales tax wording and a \$10 water charge to the vendor application. Don seconded. Motion carried.
- g. **Fair Book Changes** – Mike questioned whether we should change the pickup time from 2:00 p.m. on Sunday. Board does not want to see that changed. Jr. Livestock rules are not included in the fair book, there is just a reference to where they can be obtained. Rusty suggests meeting with Jr. Livestock regarding the issues prior to adding their rules to the fair book. It was decided that all changes to the fair book will need to be given to Laura prior to March 31<sup>st</sup> so that she can get them to the printer by April 15.
- h. **By-Laws:** Mike Sample stated that Wendell had requested this agenda item. Wendell stated that due to the tie vote at the annual meeting, he spoke with Chief Deputy County Attorney Lance Payette. Lance stated that yes the board should have a policy on how a tie will be broke but does not recommend that it be placed in the by-laws. Rusty apologized to the board for not being present at the annual meeting. Rusty stated that the president is a non-voting member, except for in the case of a tie. Rusty has noticed the lack of inclusion of this in the by-laws and recommends adding it to Article 8 Section 1. Lori made a motion to propose the addition of the following wording to Article VIII, Section 1: “The president is a non-voting member, except in the case of a necessary tie-breaker”. Tim seconded. Motion carried. Tim made a motion to propose the addition of the following wording to Article IV, Section 2: “Directors who are elected at the Annual Meeting shall take office at the first regularly scheduled meeting after the Annual Meeting”. Rusty seconded. Motion carried. Wendell made a motion to propose the addition of the following wording to Article IX, Section 1: “Officers who are elected at the Annual Meeting shall take office at the first regularly scheduled meeting after the Annual Meeting”. Kelly seconded. Motion carried.

9. **Old Business:** None

10. **Executive Session:** None

11. **Post Executive Session:** None

12. **Next Meeting:** March 11, 2009; Once a meeting is scheduled with the City Council, the board will be notified so that they may attend.

13. **Adjournment:** Tim made a motion to adjourn at 10:26 p.m. Kelly seconded. Motion carried.