

Minutes: Meeting of the Metropolitan Government Board of Fair Commissioners
Date: October 8, 2019 8:00 a.m.

On the above referenced date the October meeting for the Board of Fair Commissioners was held in Expo 2 at the Fairgrounds. Those in attendance were Chairman Ned Horton, Vice-Chairman Erin McAnally, Commissioner Caleb Hemmer, Commissioner Bonna Johnson and Commissioner Jason Bergeron. Also present were Fairgrounds Executive Director Laura Womack and Finance and Administrative Manager Felicia Bowman. Metro Attorney Susan Jones was also in attendance. Michelle Scopel with Gobbell Hays Partners (GHP) was present as well. Ed Henley and Connell Anderson with Pillars Development were also in attendance, as well as Roxianne Bethune with Alliance Synergy.

Chairman Horton called the meeting to order and the Appeal Announcement was read. Chairman Horton then moved to the approval of the September meeting minutes. Vice-Chairman McAnally made a motion to approve and Commissioner Johnson seconded the motion. All were in favor and the minutes were passed. Since there were no public comments, Chairman Horton moved to the Financial Report.

Ms. Bowman stated that they still did not have the financials since downtown was still having major issues with the new R12 system and that, hopefully, by next month she would be able to give them a report. She did say that there were no major expenses or revenues to report and that the first quarter of the year was right on track. She added that parking for the first Flea Market in the new space was the best it had been in the last 10 months at \$30,000. Chairman Horton then moved to the Executive Director's Report.

Director Womack stated that all went well at the first Flea Market in the new space and that they had their largest customer turn out in some time. She reported that the vendors and customers seemed very pleased with the new space and that overall it was a resounding success. She stated that letting the vendors move in a day early helped with the anxiety of the vendors and added that they would probably do this for the next couple of months. She stated that they had some glitches but that they were working through those. She added that they were working on the cellular reception issue also. Chairman Horton then moved to the Fairgrounds Improvement Project Update item on the agenda under Old Business.

Mr. Henley presented the capital project financials. He added that the Election Commission should be moving out of the building on the Fairgrounds property in mid-December and then they would be able to complete that part of the project. Ms. Scopel went over the finishing touches of the expo project, which were mostly outside. She reported that they should know something about the demolition contracts soon.

Ms. Scopel also reported on the MLS stadium and stated that it was in the design phase and that drawings had been submitted and were being reviewed, along with pricing, etc. There were a couple of questions from the Board about the demolition and the maintenance shed.

Chairman Horton then asked Fair Manager, Scott Jones, if he had anything he wanted to report for the State Fair. Mr. Jones stated that the attendance was up slightly overall (this included the Kroger numbers). He reported that there were no major incidents or ride incidents. He added that they were looking forward to working on next year and that they needed to get together sometime. Chairman Horton then moved to the Contract with Formosa Productions item on the agenda.

Director Womack stated that the Fairgrounds was supposed to receive past due payments by September 12th and that they still had not received anything. Therefore, the Board had several options: 1) status quo or no action 2) amending the contract which would include amending the payment date to the end of the year. 3) full renegotiation of the lease. 4) termination for breach of contract for lack of payment which would require a 30-day notice (which was provided) or a

termination for convenience which would require a 90-day notice (from whenever the letter went out). Commissioner Bergeron wanted to clarify the amount due and Director Womack confirmed that \$127,400 was owed. Metro Attorney Susan Jones stated that they had had trouble getting together with Mr. Formosa's attorney, Jim Roberts, and that he could not be at the meeting today. She stated that she needed some direction from the Board. Director Womack reminded the Board that the All-American 400 race was still to take place in November. There was a brief discussion and some questions and both Tony and Claire Formosa addressed some of the Board's questions. Commissioner Hemmer asked Ms. Formosa when they would be able pay the balance due and she answered that it was their goal to pay by December 31st.

Director Womack stated that there were two issues here: 1) what is the plan for the past due payment. 2) what is the plan for moving forward. Commission Bergeron then made a motion stating, *"I make a motion that we set a special called meeting of the Board around October 17th and between that time with negotiations to occur on the possibility of an amendment to this contract with Formosa Productions to try to determine if a solution is available to resolve the overdue payment and the overall status of the contract"*. Chairman Horton seconded the motion. It was agreed that a decision needed to be made as soon as possible for everyone, so Commissioner Bergeron withdrew his motion. Attorney Susan Jones stated that she hoped to get with Mr. Roberts on the week of October 14th and she then went over the options for the Board again.

Commissioner Hemmer then asked Director Womack to clarify what was due and she stated that June/July/August/September payments were all past due plus 2018 concessions. After some more discussion, Commissioner Bergeron made another motion stating, *"I make a motion that reserving all rights under the current contract and in no way waiving any rights or breaches therein and specifically subject to the ongoing breaches for missed payments that have been discussed today, I would move that the Board would approve an amendment to allow the currently due payments be made by Dec 31, 2019 with the statement that we request **immediate** meetings with Formosa Productions to renegotiate and complete the negotiations for the term of this contract."* Commissioner Hemmer seconded the motion. All were in favor, there were no opposed and the motion was passed.

Commissioner Hemmer then made a motion stating, *"I make a motion for Commissioner Bergeron to be Board Representative with Metro Legal and Fairgrounds Staff for the contract renegotiations."* Vice-Chairman McAnally seconded the motion. All were in favor, there were no opposed and the motion was approved. Chairman Horton then moved to New Business and the Consideration of Establishing A Curfew Policy item on the agenda.

Commissioner Bergeron stated that he had asked for this to be added to the agenda so that the Board could discuss a curfew for concerts at the Fairgrounds to be consistent with the MLS/racing contracts. Vice-Chairman McAnally asked if someone could work on a best practices report about this issue and then added that she would be glad to work on this for the next meeting. There was a short discussion and Commissioner Johnson asked that this report include other things as well, not just curfew.

Commissioner Johnson made a motion to adjourn and Commissioner Bergeron seconded the motion. All were in favor and the meeting was dismissed.

Respectfully Submitted,

Ned Horton, Chairman

Laura Womack, Executive Director