



**Regular Meeting of the Board of Directors
May 8, 2018
Minutes**

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority (LVCVA) was held on May 8, 2018, at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada 89109. This meeting was properly noticed and posted in compliance with the Nevada Open Meeting Law.

Board of Directors

Present unless otherwise noted

Commissioner Lawrence Weekly, Chair	Mayor Pro Tem Peggy Leavitt
Mr. Chuck Bowling, Vice Chair	Mr. Gregory Lee
Mr. Bill Noonan, Secretary	Mayor John Lee
Commissioner Larry Brown, Treasurer	Councilman John Marz..... <i>absent</i>
Councilwoman Michele Fiore	Councilman George Rapson.....via telephone
Mayor Carolyn Goodman	Ms. Mary Beth Sewald
Mr. Tom Jenkin..... <i>absent</i>	Mr. Maurice Wooden

LVCVA Executive Staff in Attendance	Rossi Ralenkotter, Chief Executive Officer
	Steve Hill, President/COO
	Luke Puschnig, Esq., CEM, Legal Counsel
	Ed Finger, Chief Financial Officer
	Jacqueline Peterson, Chief Communications & Public Affairs Officer
	Barbara Bolender, Chief People Officer
	Cathy Tull, Chief Marketing Officer
Terry Jicinsky, Senior Vice President of Operations	

OPENING CEREMONIES – CALL TO ORDER

Chair Lawrence Weekly called the meeting to order at 9:00 a.m.

INVOCATION The invocation was delivered by Reverend Mary Bredlau, Chaplain of the County Coroner’s Office.

FLAG SALUTE The Pledge of Allegiance followed the invocation.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Dale Davidson, President of Las Vegas Tonight Media Group, discussed the international reach of the television program Las Vegas Tonight, his request for sponsorship by the LVCVA, and his disagreement of the denial of the request. Mr. Davidson also complimented the LVCVA on its advertising campaigns.

Member John Lee entered the meeting at 9:03 a.m.

Aleta Dupree expressed her support of item 5, 2018-19 Revenue Bond Resolution, discussed the importance of the expansion of the Las Vegas Convention Center for the community, recognized the necessity of awareness for diversity and disabilities, and noted the growing sports industry in Las Vegas. Ms. Dupree also discussed transportation in Las Vegas.

Chair Lawrence Weekly recognized U.S. Travel Association's National Travel and Tourism Week and applauded the resort partners. Chair Weekly also wished the mothers in the audience a happy Mother's Day.

APPROVAL OF AGENDA AND MINUTES

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Vice Chair Chuck Bowling moved and it was carried by unanimous vote of the voting members present to approve the May 8, 2018, Regular Meeting of the Board of Directors' agenda and the April 10, 2018, Regular Meeting of the Board of Directors' minutes.

PRESENTATIONS – DISCUSSION AND POSSIBLE ACTION

PRESENTED

Presentation by Applied Analysis: Economic Impact Series

Jeremy Aguero, Principal, Applied Analysis, presented an update entitled "The Fiscal Impacts of Tourism."

Chair Lawrence Weekly inquired about the cannabis industry's potential impact on the state revenue. Mr. Aguero noted the industry's relatively small generated revenue, its contribution to education and other state programs, and explained that further analysis of the industry's impact was necessary. Chair Weekly also inquired about the impact of professional sports and entertainment in Las Vegas, to which Mr. Aguero outlined the significant impact on visitation to the destination resulting from the growth of the professional sports industry in Las Vegas.

Member Carolyn Goodman inquired about the allocation of the room tax dollars distributed to education. Mr. Aguero explained that the room tax dollars are utilized for school capital improvement and operation. Member Goodman also asked if Mr. Aguero's presentation considered employee spending, to which Mr. Aguero answered that his report did not include the indirect impact of employee spending and that it was specific to visitor spending. Member Goodman requested Mr. Aguero provide further details pertaining to local employee spending in the destination.

Secretary Bill Noonan asked if the resort industry was paying its fair share in commerce tax. Mr. Aguero requested that he provide such information on a future date to allow for proper analysis of the estimates provided by the Nevada Department of Taxation and stated that "the commerce tax is operating exactly how it was intended to."

Member Gregory Lee requested Mr. Aguero explain the impact of increased online retail outlets in comparison to the taxes generated from traditional retail stores. Mr. Aguero explained the history of taxes generated from retail sales, its progression over time, the online retail industry's role in generating state taxes, as well as the State of Nevada's progressive fiscal policy that aims to "promote economic development and fiscal diversification."

Member John Lee inquired about consolidated tax received by local governments and the assessed value of those taxes, to which Mr. Aguero detailed the calculated tax assessment and distribution or impact to local governments. Member John Lee questioned the accuracy of determined assessment value, to which Mr. Aguero referred Member John Lee to a lawyer who may better analyze the assessment process.

This was an information item. Not an action item.

Presentation of U.S. Travel Association's National Travel and Tourism Week

Jacqueline Peterson, Chief Communications & Public Affairs Officer, presented an update of National Travel and Tourism Week 2018 activities in support of the U.S. Travel Association.

This was an information item. Not an action item.

Presentations by the Las Vegas Convention and Visitors Authority Staff

Barbara Bolender, Chief People Officer, recognized LVCVA ambassadors Julie Childs, Jeremy Handel, Lisa Jacob, and Steve Patterson for receiving the Star of Tourism Award at the International Tourism Security Conference on April 15-18. Ms. Bolender also recognized Hospitality Heroes Stacie Lee Burgess, Administrative Secretary, Corinne Carr, Business Services Specialist, Geno Jahrling, Perimeter Security Supervisor, and Sunshine Smith, Administrative Secretary, for their efforts and contributions to the industry.

Terry Jicinsky, Senior Vice President of Operations, delivered a video presentation on the following operations highlights:

- National Hardware Show - May 8-10
- ICSC RECon - May 20-23

Cathy Tull, Chief Marketing Officer, delivered a video presentation on the following marketing highlights:

- Vegas Uncork'd - May 10-13
- Billboard Music Awards - May 20
- 16th Annual Mesquite Amateur - May 28
- Airline Updates
 - British Airways begins annual three times weekly service from Gatwick Airport in London, United Kingdom, to Las Vegas
 - Southwest Airlines first-of-five prize planes, two-day trip to Las Vegas
- Marketing Initiatives
 - Tokyo activation featuring virtual reality technology
 - Entertainment Tonight Canada coverage of Las Vegas' headliner Gwen Stefani and the 53rd Annual Country Music Awards
 - United Kingdom local newspaper feature of Las Vegas
- LVCVA third quarter awards

Ms. Peterson delivered a PowerPoint presentation on the following public affairs highlights:

- Yucca Mountain legislation and LVCVA opposition lobbying
- April media coverage in print and television
- Global Meetings Industry Day - April 12
- 49th Annual World Trade Centers Association General Assembly - April 22-27

This was an information item. Not an action item.

STAFF REPORTS – DISCUSSION AND POSSIBLE ACTION

MARKETING DIVISION

ITEM 1. **IMEX America - Las Vegas, NV - October 16-18, 2018**

Ms. Tull requested the Board of Directors: 1) Approve an estimated expenditure of \$400,000 to enter into an agreement with IMEX America Ltd. for sponsorship and booth space rental at the IMEX America trade show; 2) Authorize the Chief Executive Officer to sign and execute the contract documents; and 3) Authorize any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2019 \$400,000 Estimated expenditure

Chair Lawrence Weekly encouraged Board participation at the IMEX America trade show.

Vice Chair Bowling moved and it was carried by unanimous vote of the voting members present, including Member George Rapson via telephone, to: 1) Approve an estimated expenditure of \$400,000 to enter into an agreement with IMEX America Ltd. for sponsorship and booth space rental at the IMEX America trade show; 2) Authorize the Chief Executive Officer to sign and execute the contract documents; and 3) Authorize any residual unexpended balances from this authorization to revert to available general funds.

ITEM 2.

International Representative Office Contracts

Ms. Tull requested the Board of Directors: 1) Authorize the LVCVA CEO to execute the attached two-year contracts with a possible two-year extension if mutually agreed beginning July 1, 2018, through June 30, 2020; and 2) Authorize any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2019	\$2,390,000	Estimated expenditure
FY 2020	\$2,390,000	Estimated expenditure

Vice Chair Chuck Bowling discussed the decline in international visitation and suggested utilizing partnerships, such as the U.S. Travel Association, to determine causes and impacts of the decline in international visitation to the destination. Ms. Tull answered that the LVCVA and U.S. Travel Association worked collaboratively to determine that the decline was reflective of the United States overall. Vice Chair Bowling requested a comparison report, to which Rossi Ralenkotter, Chief Executive Officer, discussed the U.S. Travel Association's *Welcome to America* campaign, partnerships with McCarran International Airport to determine ways to increase international visitation, the incorporation of air service initiatives within advertising campaigns, and more advanced analyses of Las Vegas visitors' countries of origin.

Member Maurice Wooden inquired about international seat capacity fluctuations, to which Ms. Tull outlined the percentage increases as well as international consumer advertising efforts.

Member Carolyn Goodman discussed government representative travel to Las Vegas and asked about potential direct flights from Australia and Japan. Mr. Ralenkotter answered that negotiations were underway and noted interest from Europe for nonstop flights to Las Vegas.

Member Michele Fiore inquired about the decline in international visitation, noted potential hospitality necessities for international tourists from China, and asked about the creation of air service partnerships with sister cities. Ms. Tull outlined initiatives aimed to increase the ease of traveling to the United States, including China's visa program, and noted partnerships with hotels in the destination to cater to markets such as China through the China Ready Program. Ms. Tull noted Kevin Bagger, Executive Director of the Research Center, and the research team for their efforts identifying visitor count. Member Fiore suggested working with international college students to provide translation for international guests.

Mr. Ralenkotter commented on the importance of the support for the Open Skies program to increasing the volume of flights to the destination.

Vice Chair Chuck Bowling moved and it was carried by unanimous vote of the voting members present, including Member George Rapson via telephone, to: 1) Authorize the LVCVA CEO to execute the attached two-year contracts with a possible two-year extension if mutually agreed beginning July 1, 2018, through June 30, 2020; and 2) Authorize any residual unexpended balances from this authorization to revert to available general funds.

GENERAL GOVERNMENT DIVISION

ITEM 3. **Quarterly Budget and Statistical Report**

Ed Finger, Chief Financial Officer, presented the LVCVA Budget and Statistical Report for the quarter ending March 31, 2018, to the Board of Directors for their information and review.

This was an information item. Not an action item.

ITEM 4. **Quarterly Collection Allocation**

Mr. Finger notified the Board of Directors that room tax collection allocation amounts for the third quarter of fiscal year 2018 total is \$6,426,082.

Fiscal Impact

FY 2018 \$6,426,082

This was an information item. Not an action item.

ITEM 5. **2018-19 Revenue Bond Resolution**

Mr. Finger requested the Board of Directors: 1) Approve the 2018-19 Bond Resolution authorizing the issuance of the LVCVA, Nevada Convention Center Expansion Revenue Bonds, Series 2018B/C [2019A/B] in the combined maximum principal amount of \$500,000,000; 2) Authorize the Chair of the Board to sign the Resolution; 3) Authorize the Chief Executive Officer or the Chief Financial Officer to arrange for the sale(s) of the bonds and to execute agreements for issuance costs; and 4) Provide for authorization for all other matters relating thereto as defined in the Resolution.

Fiscal Impact

FY 2019 or FY 2020 \$1,750,000 Estimated expenditures for cost of issuance (paid for out of bond proceeds)

Secretary Bill Noonan inquired about the interest rate modeling, to which Mr. Finger explained the municipal bond interest rates.

Secretary Bill Noonan moved and it was carried by unanimous vote of the voting members present, including Member George Rapson via telephone, to: 1) Approve the 2018-19 Bond Resolution authorizing the issuance of the LVCVA, Nevada Convention Center Expansion Revenue Bonds, Series 2018B/C [2019A/B] in the combined maximum principal amount of \$500,000,000; 2) Authorize the Chair of the Board to sign the Resolution; 3) Authorize the Chief Executive Officer or the Chief Financial Officer to arrange for the sale(s) of the bonds and to execute agreements for issuance costs; and 4) Provide for authorization for all other matters relating thereto as defined in the Resolution.

ITEM 6. **Legal Counsel's Report and Recommendation(s)**

Luke Puschnig, Legal Counsel, disclosed that on or about November 12, 2017, the LVCVA was served with a lawsuit filed by California resident Calvin Chen for injuries allegedly sustained at the 2015 Superkarts! USA race. Mr. Chen claimed he was injured at a race. The LVCVA tendered the defense of the action to Superkarts! USA and they accepted the tender. The LVCVA was dismissed from the case on May 4, 2018, without prejudice. Mr. Puschnig noted that the LVCVA did not expend funds on representation in this case and acknowledged the aggressive insurance defense work of attorney James Silvestri.

This was an information item. Not an action item.

COMMITTEES

ITEM 7. **Audit Committee Report**

The Audit Committee met on April 25, 2018, to discuss items A and B.

Committee Chair Bill Noonan presented a report to the Board of Directors for item A and provide a recommendation.

Item A. Staff Travel Policy Review Update - The Audit Committee Chair recommends that the Board of Directors instruct staff to draft and implement staff policies consistent with the recommendations on page 3 of the April 25, 2018, report from Pisanelli Bice and report back to the Audit Committee on such actions.

Todd Bice, Founder/Partner of Pisanelli Bice, summarized the external audit review of LVCVA travel policies and the recommendations of staff.

Vice Chair Chuck Bowling thanked Committee Chair Noonan and the Audit Committee for their review of the policies and stressed the importance of ensuring the following of best practices.

Vice Chair Chuck Bowling moved and it was carried by unanimous vote of the voting members present, including Member George Rapson via telephone, to approve the Audit Committee Chair's recommendation that the Board of Directors instruct staff to draft and implement staff policies consistent with the recommendations on page 3 of the April 25, 2018, report from Pisanelli Bice and report back to the Audit Committee on such actions.

No action required on item B.

Item B. Update on Process of Hiring Vice President of Internal Audit

Committee Chair Noonan requested Ms. Bolender provide an update on the hiring of a Vice President of Internal Audit.

Ms. Bolender announced that Alan Moorhead had been hired as the Vice President of Internal Audit and discussed Mr. Moorhead's experience.

This was an information item. Not an action item.

DIRECTORS' RECOGNITION

Member Michele Fiore recognized the Las Vegas Lights FC soccer season, the Fremont Street Canopy renovation, plans for new Las Vegas signage, the development plans of Derek Stevens, owner of the D Las Vegas Hotel and Casino, for a new downtown casino hotel, development property at Symphony Park, the Downtown Loop, development in the Las Vegas Medical District, and the 2018 Helldorado Days Parade on May 12.

Member Mary Beth Sewald announced the Customer Service Excellence Awards on May 9, the Business Power Luncheon featuring U.S. Senator Dean Heller on May 29, Eggs & Issues featuring U.S. Congresswoman Dina Titus on May 30, and the Las Vegas Metro Chamber of Commerce Washington D.C. Fly-In July 14-20.

Member John Lee left the meeting at 10:42 a.m.

Member Gregory Lee acknowledged the success of the Las Vegas Golden Knights, recognized Owner Bill Foley, and noted the team's impact on community togetherness. Member Lee also recognized Len Jessup, President of the University of Nevada, Las Vegas, for his service to Las Vegas.

Secretary Bill Noonan requested an updated version of the resolution supporting the opposition to the use of Yucca Mountain as a nuclear waste repository, approved by the Board on February 13, 2001, be placed on the agenda for the June 12, 2018, Regular Meeting of the Board of Directors.

Member Sewald left the meeting at 10:46 a.m.

Member Peggy Leavitt noted the success of the Boulder City Spring Jamboree on May 4-5 and delivered a brief PowerPoint presentation recapping Showcase Boulder City on April 20. Member Leavitt discussed the many offerings of Boulder City, thanked Meg McDaniel, LVCVA Senior Manager of Extended Destinations, and Jill Lagan of the Boulder City Chamber of Commerce for their support with the event. Member Leavitt also recognized Hugh Sinnock, LVCVA Vice President of Customer Experience, as the keynote speaker and Former Boulder City Councilman Mike Pacini for his participation in the event.

Member Carolyn Goodman also noted the 2018 Helldorado Days Parade, discussed her lobbying efforts opposing the disposal of nuclear waste at Yucca Mountain, and encouraged the Board and the public to voice their concerns on the issue. Chair Lawrence Weekly encouraged other municipalities and the private sector to also voice their concerns for Yucca Mountain. Member Goodman also discussed the Urban Areas Security Initiative (UASI) funding for Las Vegas.

Vice Chair Chuck Bowling discussed the welcoming of Bill Laimbeer, President of Basketball Operations and Head Coach of the Las Vegas Aces, and the team to Mandalay Bay, A'ja Wilson as the team's draft pick, upgrades to the Mandalay Bay Events Center, as well as events surrounding the team's season, and the team's game schedule. Vice Chair Bowling encouraged the public to support the team by attending a game.

Chair Weekly noted the public service efforts of the Las Vegas Aces players. Chair Weekly also recognized Derek Pinnock, Former LVCVA ambassador, in the audience.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Ms. Dupree encouraged the LVCVA to provide video coverage of the Board meetings, advocated for the Board to be mindful of the needs of diverse convention attendees, and discussed the importance of wayfinding and alternative energy technology.

Kelly Goebel, Security Sergeant, addressed the Board on behalf of the Service Employees International Union (SEIU) regarding the power of perception and the imbalances of LVCVA ambassador compensation.

Bruce Radel, Security Officer, discussed the LVCVA spending on the Las Vegas Ballpark, the importance of ambassador longevity and fair benefits, as well as wage disparities between executive level ambassadors and union ambassadors.

ADJOURNMENT

Chair Lawrence Weekly adjourned the meeting at 11:01 a.m.

Respectfully submitted,

Date Approved: June 12, 2018

Courtney Lipski
Executive Assistant to the Board of Directors

Lawrence Weekly
Chair