



CONVENTION AND VISITORS AUTHORITY

**REGULAR MEETING OF THE BOARD OF DIRECTORS
JANUARY 8, 2008
MINUTES**

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority was held the 8th day of January 2008 at Cashman Center, 850 Las Vegas Boulevard North, Las Vegas, Nevada. This meeting had been properly noticed and posted in compliance with the "Nevada Open Meeting Law".

I. OPENING CEREMONIES

CALL TO ORDER

Chairman Oscar Goodman called the meeting to order at 9:02 a.m. On roll call the following members were present, constituting a quorum thereof.

Mayor Oscar Goodman, Chair
Mr. Keith Smith, Vice Chair
Mayor James Gibson, Sec./Tr.
Mr. Charles Bowling
Councilman Larry Brown
Commissioner Tom Collins
Mayor Susan Holecheck

Mr. Tom Jenkin
Ms. Kara Kelley
Mayor Michael Montandon
Mr. Scott Nielson
Councilman Mike Pacini
Mr. Andrew Pascal
Commissioner Rory Reid Entered after roll call

LVCVA
Executive
Staff in
Attendance

Rossi Ralenkotter, President/CEO
Terry Jicinsky, Senior Vice President – Marketing Division
E. James Gans, Senior Vice President – Operations Division
Luke Puschnig, Legal Counsel

INVOCATION
FLAG SALUTE

Reverend Jesse D. Scott presented the invocation.
The Flag Salute followed the invocation.

MEMBER RORY REID ENTERED THE MEETING.

II. APPROVAL OF THE AGENDA / MINUTES

APPROVAL OF THE AGENDA and APPROVAL OF THE MINUTES

President Rossi Ralenkotter informed the Board that the January 8, 2008 Agenda was in order *with the withdrawal of Item Number 6 (Rate Increase at Cashman Center)*, and that the Minutes of the December 11, 2007 Regular Meeting of the Board of Directors were in order for approval.

Member Mike Pacini moved and it was carried by unanimous vote of the members present to approve the January 8, 2008 Agenda with the withdrawal of Item Number 6 (Rate Increase at Cashman Center), and the Minutes of the December 11, 2007 Board of Directors Meeting as presented.

III. PRESENTATIONS

MOST VALUABLE PLAYER PROGRAM

The Most Valuable Player (“MVP”) program recognizes and rewards excellence in delivering on the Mission and the Brand promise, exemplifying the core values and/or providing above and beyond service to Las Vegas Convention and Visitors Authority internal and/or external customers. The Vice President of Human Resources, Mark Olson, presented the December 2007 MVP Award to **Jill Englestead**, Administrative Secretary, Internet Marketing & Research.

IV. STAFF REPORTS

MARKETING DIVISION

LVCVA RECEIVES ACCREDITATION IN DESTINATION MARKETING

The Las Vegas Convention and Visitors Authority recently became an accredited Destination Marketing Organization through the Destination Marketing Association International (DMAI). The LVCVA joins an elite group of five percent of DMAI member convention and visitor bureaus/destination marketing organizations who have received this distinction.

Vice President of Marketing Terry Jicinsky acknowledged and thanked the LVCVA Committee Staff for going above and beyond their normal workload in order to complete the application.

This is an information item. No Board action required.

MARKETING DIVISION (Continued)

LVCVA
CONSTRUCTION
SCHEDULE CLIENT
MEETING
(MPEP)

In an on-going effort to include the Las Vegas Convention and Visitors Authority's building customers in the enhancement process of the Las Vegas Convention Center, the Marketing Division proposed a series of small group and one-on-one meetings June 9-11, 2008 in Las Vegas, Nevada. Attendance would include approximately 60 clients who have confirmed shows at the Las Vegas Convention Center during the 2008-2010 construction timeframe. This would be the sixth meeting in a continuing series to educate and update the LVCVA building clients on the enhancement project.

Fiscal Impact:
FY 2007/2008 Estimated Expenditure: \$125,000

Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$125,000 to sponsor a Las Vegas Convention and Visitors Authority Master Plan Enhancement Program Construction Schedule Client Meeting in Las Vegas, Nevada, June 9-11, 2008.

OPERATIONS DIVISION

CUSTOMER
SERVICE
EXCELLENCE
SPONSORSHIP

The Customer Service Excellence campaign is a key component in promoting excellence in service to the visitors of Clark County by recognizing and rewarding those who provide the highest level of customer service throughout the community. The Las Vegas Convention and Visitors Authority has provided an annual sponsorship to the Las Vegas Chamber of Commerce for funding this program since 1991.

Ms. Summer Collins, Customer Service Excellence Coordinator, presented a PowerPoint overview of the purpose of the awards, the different levels that can be achieved, the success and growth of the program, who the other sponsors are, and the program's goals for 2008.

Mr. Robert Heidt, Director of Membership, Las Vegas Chamber of Commerce, assisted in answering a couple of questions from the Board.

Fiscal Impact:
FY 2007/2008 Estimated Expenditure: \$100,000 (Budgeted)

Chairman Oscar Goodman and Member Charles Bowling stated their support for this program.

Member Kara Kelley disclosed that she will be abstaining from the vote on this item because the Chamber of Commerce is directly involved in with Customer Service Excellence program.

Following a brief discussion, Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to approve a \$100,000 sponsorship disbursement to the Las Vegas Chamber of Commerce for funding the 2008 Customer Service Excellence Program.

OPERATIONS DIVISION (Continued)

ELEVATOR/
ESCALATOR
MAINTENANCE
AND STANDBY
SERVICE
(Bid #08-2051)

The Las Vegas Convention and Visitors Authority currently has 27 elevators and 20 escalators, of which some were installed in 1975. This item is a request for maintenance and standby service for the escalators/escalators throughout the LVCVA properties, which would include two of the buildings recently purchased; the property located at 3260 Joe W. Brown Drive and the building at 3333 Cambridge.

Based on the specifications provided by the Facilities Department, of the nine firms contacted, three responded, with the lowest responsive and responsible bidder being *Kone, Inc., Las Vegas, Nevada*.

Fiscal Impact:

FY 2008/2009 Estimated Expenditure: \$183,970 (General Fund)

Member James Gibson moved and it was carried by unanimous vote of the members present to: 1) Award the Bid for Elevator/ Escalator Maintenance and Standby service to *Kone, Inc., Las Vegas, Nevada*, in the estimated amount of \$183,970 for the period February 1, 2008 through January 31, 2009; 2) Authorize the Director of Purchasing to execute the contract documents; and, 3) Authorize the Director of Purchasing to execute three additional 1-year contract extensions according to the bid documents, if mutually agreed.

REMOVE AND
REPLACE
CASHMAN CENTER
COOLING TOWERS
(BID #08-2059,
PWP-CL-2008-148)

The cooling of all meeting rooms, convention halls and administrative offices at Cashman Center is currently handled by two 450-ton cooling towers, which have been in service for 20 years. The performance of this equipment has greatly decreased over time. In addition, the cooling fan motors are of lower efficiency and cannot be retrofitted to operate with energy saving variable speed drives.

Based on the specifications provided by the Facilities Department, bids were received from four companies, with *U.S. Mechanical, LLC, Pleasant Grove, Utah* being the lowest responsive and responsible bidder.

Staff explained to the Board that although the main office for *U.S. Mechanical, LLC* is located in Utah, they have an office in Las Vegas, are properly licensed in Nevada, and have a Preference Eligibility Certificate from the Nevada State Contractor's Board.

Fiscal Impact:

FY 2007/2008 Estimated Expenditure: \$270,259 (Capital Fund)

Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Award Bid #08-2059 to Remove and Replace Cashman Center Cooling Towers to *U.S. Mechanical, LLC, Pleasant Grove, Utah* in the estimated amount of \$270,259; and, 2) Authorize the Director of Purchasing to execute the contract documents.

OPERATIONS DIVISION (Continued)

RATE INCREASE
AT CASHMAN
CENTER

This item was withdrawn from the agenda.

PROJECT LABOR
AGREEMENT(S)
(MPEP)

On October 9, 2007, the Las Vegas Convention and Visitors Authority Board of Directors approved two coordinated Project Labor Agreements ("PLAs"). The first Project Labor Agreement was with the Southern Nevada Buildings Trades Council and their affiliated unions ("SNBTC"). The second Project Labor Agreement was with the Carpenters and Laborers Unions. Both parties agreed to the respective language which coordinates the two Project Labor Agreements together.

Since the approval of those PLAs, members of the SNBTC decided that they do not want to coordinate the PLAs, and approached Staff with an alternative Project Labor Agreement ("*New PLA*") to replace the PLAs that were agreed to on October 9, 2007. The *New PLA* provides for the same strike and labor action protection, however, the language in the *New PLA* will preclude participation by the Carpenters Union.

If the LVCVA enters into the *New PLA* and the Carpenters do not participate, the Carpenters could dispute actions taken consistent with the *New PLA* and possibly strike the construction project. On the other hand, the *New PLA* provides strike and labor action protection of the construction of the Master Plan Enhancement Program from the other 17 building trades unions.

Staff's recommendation was to follow the Board of Directors approval on October 9, 2007 to enter into the coordinated Project Labor Agreements.

There was considerable discussion on this item by members of the Board of Directors, LVCVA Executive Staff, the Secretary/Treasurer of the Southern Nevada Building and Trades Council Mr. Steve Ross, Mr. Warren Hardy representing the Associated Builders and Contractors of Las Vegas, Southwest Regional Council of Carpenters Mr. Jim Sala, who spoke on behalf of Mr. Mark Furman, and the President of Painters and Allied Trades District Council 15 Mr. Jack Mallory.

During the discussion, the union representatives who spoke to the Board of Directors during this meeting in favor of the *New PLA* are the same who spoke in favor of the coordinated PLAs that were approved at the October 9, 2007 Board of Directors' Meeting, and therefore, some of the Board members expressed their concern about honoring the word of these representatives.

OPERATIONS DIVISION (Continued)

**PROJECT LABOR
 AGREEMENT
 (MPEP)**

Following an extensive dialog on this item, Chairman Oscar Goodman made a motion to move forward with coordinated Project Labor Agreements that were approved on October 9, 2007, and that all required signatories must sign by January 18, 2008 or the Las Vegas Convention and Visitors Authority will proceed with the Master Plan Enhancement Program without any Project Labor Agreements.

Member Tom Collins and Member Rory Reid stated that they do not support the motion.

The motion carried by the following vote:

Charles Bowling.....Aye	Tom CollinsNay
Larry Brown.....Aye	Rory ReidNay
Scott NielsonAye	
James GibsonAye	
Oscar GoodmanAye	
Susan HolecheckAye	
Tom JenkinAye	
Kara KelleyAye	
Michael MontandonAye	
Mike PaciniAye	
Andrew PascalAye	
Keith SmithAye	

**SELECTION OF
 SHORT-LISTED
 FIRMS**

New Grand
 Concourse and
 Desert Inn
 Meeting Room
 Projects
 Construction
 Manager at Risk
 Projects

In accordance with the Nevada Revised Statutes, Statements of Qualifications (“SOQ”) were received in November 2007 in response to Requests for Qualifications for the New Grand Concourse and Desert Inn Rooms Construction Manager at Risk projects. SOQs were received for each project from: *Hunt Construction Group, Inc. dba Hunt Group, Inc., Turner Construction Company, and PCL Construction Services, Inc.*

An Evaluation Team consisting of representatives from the Las Vegas Convention and Visitors Authority Management and Executive staff, the Master Architect (*HNTB*), Program Management (*MWH*) and an outside government agency evaluated the SOQs and recommended short-listing all three firms for both projects.

In accordance with the Nevada Revised Statutes, the Requests for Final Proposals were solicited in December 2007, and will open and be evaluated by the same Evaluation Team in January 2008 and early February 2008. A contract for projects will be submitted for consideration at a future Board of Directors’ meeting in early 2008.

This is an information item. No Board action required.

OPERATIONS DIVISION (Continued)

TRANSFER OF FUNDS
12/2007 Debt Service Fund

On December 5, 2007, the Las Vegas Convention and Visitors Authority issued \$50 million in bonds for the purpose of acquiring land adjacent to the Las Vegas Convention Center. Pursuant to the provisions in the 12/2007 bond covenants, the Las Vegas Convention and Visitors Authority is required to transfer from the General Fund to the Debt Service Fund such amounts necessary to pay the maturing installment of principal and interest due on July 1, 2008.

Fiscal Impact:
FY 2007/2008 \$2,076,599.47

Member James Gibson moved and it was carried by unanimous vote of the members present to approve the transfer of \$2,076,599.47 from the General Fund to the 12/2007 Debt Service Fund for the fiscal year 2007/2008 debt service requirement.

INTRA-FUND BUDGET TRANSFER

The salaries and benefits budget for fiscal year 2008 was prepared in January 2007. Several personnel changes have taken place since that time, including retirements, vacancies, transfers, and an additional 37 new positions were approved during the 2008 budget process. Funding for these positions is placed in Payroll Suspense instead of in the departmental budgets. Surpluses and shortages are transferred between the departments.

Fiscal Impact:
FY 2007/2008 \$714,100 (Payroll Suspense and the Retirement Accounts.)

Following a brief discussion, Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to approve an Intra-Fund Budget Transfer in the amount of \$714,100 to fund mid-year revisions in the salaries and benefits budget due to vacancy factors, retirements, position transfers, recently filled positions and reassignments.

LVCVA BUDGET AND STATISTICAL REPORT

Internal policies require that interim financial reports, which permit comparison of recorded transactions and account balances with the approved budget be prepared and distributed to the Board of Directors on a monthly basis. The Las Vegas Convention and Visitors Authority Budget and Statistical Report for the period ending November 30, 2007 was presented to the Board for their review. There were no areas of concern or special interest reported.

This is an information item. No Board action required.

EXECUTIVE DIVISION

LEGAL COUNSEL'S REPORT

There were no new legal issues reported.

LAS VEGAS EVENTS' REPORT

President of *Las Vegas Events* Pat Christenson discussed the success of Las Vegas' New Year's Eve celebration "*America's Party*". He acknowledged those who helped make it a success, including *Gucci Fireworks*, Clark County Fire Department, Metro Police Department, and the various hotel partners who shot-off the fireworks.

Mr. Christenson briefly reviewed the events survey results for "*Vegoose*" which was held October 26-31, 2007, and listed upcoming events to be held in January 2008.

This is an information item. No Board action required.

V. COMMITTEE REPORTS

There were no committee meetings to report.

VI. DIRECTORS' COMMENTS

Member Charles Bowling requested Staff present a formal report to the Board that validates the return on investment for the MPEP to secure the extension of contracts committed to it, to identify a potential second group of customers that may be available in the future, and what happens beyond the next ten years to help report back to the community that this \$800 million investment has an absolute return.

VII. COMMENTS FROM THE FLOOR BY THE PUBLIC

Mr. Ted Russell, a resident of Las Vegas, congratulated those involved in the production of the New Year's Eve *AMERICA'S PARTY* in Las Vegas, and briefly expressed his opinion on what he referred to as "new economic reality".

VIII. ADJOURNMENT

There being no further business to come before the Board of Directors, Chairman Oscar Goodman adjourned the meeting at 10:17 a.m.

Respectfully submitted,

Date Approved: February 12, 2008

(s)

Carol Fergen
Executive Assistant to the Board

(s)

Oscar Goodman
Chairman