



CONVENTION AND VISITORS AUTHORITY

Regular Meeting of the Board of Directors  
Tuesday, June 12, 2007  
Minutes

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority ("LVCVA") was held the 12<sup>th</sup> day of June 2007 at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada. This meeting had been properly noticed and posted in compliance with the "Nevada Open Meeting Law".

---

CALL TO  
ORDER

Chairman Oscar Goodman called the meeting to order at 9:00 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  
Mr. Glenn Christenson  
Commissioner Tom Collins

Ms. Kara Kelley  
Mayor Michael Montandon  
Mayor Bill Nicholes  
Councilman Mike Pacini  
Mr. Andrew Pascal  
Commissioner Rory Reid

Board Members  
Absent at Roll Call:

Mr. Tom Jenkin

---

LVCVA  
Executive  
Staff in  
Attendance

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

---

INVOCATION

Pastor Jesse D. Scott presented the invocation.

FLAG SALUTE

The Flag Salute followed the invocation.

---

APPROVAL OF  
THE AGENDA  
and  
APPROVAL OF  
THE MINUTES

President Rossi Ralenkotter informed the Board that the June 12, 2007 Agenda, and the Minutes of the May 8, 2007 Regular Meeting of the Board of Directors and the May 17, 2007 Public Hearing on the Budget, were in order for Board approval.

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve June 12, 2007 Agenda, and the Minutes of the May 8, 2007 Regular Meeting of the Board of Directors and the May 17, 2007 Public Hearing on the Budget, as presented.**

## **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 LVCVA internal and/or external customers. The Director of Human Resources Debbie Kent presented the **April 2007 MVP Award to Ruth Chan**, and the **May 2007 MVP Award to Joy Holland**.

## **MARKETING DIVISION**

NEVADA COMMISSION  
ON TOURISM (NCOT)  
INTERLOCAL  
AGREEMENT

The Nevada Commission on Tourism (“NCOT”) partners with the Las Vegas Convention and Visitors Authority for representation of the State of Nevada in Japan (*Okada Associates*), United Kingdom (*Cellet Travel Services, Ltd.*), and South Korea (*International Tourism Network*) through the LVCVA’s representative office in those countries. The contracted offices would provide sales and marketing, tradeshow representation, public relations, brochure distribution, website development and advertising to reach the travel trade, travel press and meetings markets. NCOT would contribute revenue to cover these activities performed by the representative offices for fiscal year 2007/2008 as stipulated in the Interlocal Agreement.

Fiscal Impact:

FY 2007/2008 – Estimated Revenue: \$372,250

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve an Interlocal Agreement with Las Vegas Events to provide the Nevada Commission on Tourism with representation in Japan, South Korea, and the United Kingdom, for fiscal year 2007/2008.**

**MARKETING DIVISION (CONTINUED)**

**FOREIGN  
REPRESENTATIVE  
OFFICES  
FY 07/08 CONTRACT  
EXTENSIONS**

International marketing efforts of the LVCVA are focused on the primary markets of Canada, Mexico, Germany, United Kingdom and Japan. In addition, secondary markets of Australia, France, and South Korea continue to present opportunities to grow the market and stimulate new demand. The LVCVA continues to lay the groundwork in emerging markets of China, India, Russia, and Brazil for future growth over the coming decades. The term of the proposed international contracts would be in effect from July 1, 2007 through June 30, 2008. All international offices' administrative fees for FY 07/08 would remain the same as FY 07.

**Fiscal Impact:**

FY 2007/2008 - Estimated Expenditure: \$1,275,200

**Following a brief discussion, Member James Gibson moved and it was carried by unanimous vote of the members present to: 1) Approve an estimated expenditure of \$1,275,200 for a 1-year extension with Las Vegas Convention and Visitors Authority representative offices in Germany/Australia (*The Mangum Group*), Japan (*Okada Associates*), Mexico (*International Destination S.A. De C.v. d.b.a. Travel Pie-Mexico*), South Korea (*International Tourism Network*), and the United Kingdom/France (*Cellet Travel Services, Ltd.*); and, 2) Authorize the President/CEO to execute the contract extensions.**

**CANADIAN  
REPRESENTATIVE  
OFFICE CONTRACT**

Canada represents substantial growth opportunity in the international arena for Las Vegas. Opening an office in Canada to serve this important market would allow the LVCVA to further brand Las Vegas in the Canadian leisure and business markets. Based on increased demand from this market, as well as the significant increases in air service, staff is recommending adding a Canadian representative office to the existing network of international offices to provide sales and marketing, tradeshow representation, public relations, brochure distribution, website development and advertising to reach the travel trade, travel press and meetings market. *VoX International, Inc.* was recommended by staff to represent Las Vegas and the LVCVA in this diverse country.

Vice President of Marketing Terry Jicinsky introduced Ms. Susan Webb, President of *VoX International, Inc.*, who was in attendance at the meeting.

**Fiscal Impact:**

FY 2007/2008 - Estimated Expenditure: \$228,000

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve the selection of *VoX International, Inc.*, in the estimated amount of \$228,000 for the period July 1, 2007 through June 30, 2008, as the Las Vegas Convention and Visitors Authority Foreign Representative Office in Canada.**

**MARKETING DIVISION (CONTINUED)**

**LAS VEGAS EVENTS  
AGREEMENT  
(FY 07/08)**

The destination capitalizes on special events to drive visitor volume, media exposure, extend TV and other media, and provide co-sponsorship and branding for Las Vegas and outlying areas. Mesquite and Laughlin utilize these special events as part of their branding campaigns as well.

The proposed Agreement would provide for the Las Vegas Convention and Visitors Authority to enter into an agreement with Las Vegas Events ("LVE"), a non-profit Nevada corporation, to enable LVE to promote special events within Clark County, Nevada, and authorize the LVCVA to provide LVE with a grant for the funding of certain special events and other expenses. Mesquite and Laughlin utilize these special events as part of their branding campaigns as well.

**Fiscal Impact:**

FY 2007/2008 - Estimated Expenditure: \$8,191,132

**Member Larry Brown moved and it was carried by unanimous vote of the members present to approve an Agreement with Las Vegas Events, Inc. for the period July 1, 2007 through June 30, 2008, and expenditures in the estimated amount of \$8,191,132.**

**OPERATIONS DIVISION**

**ANNUAL OFFICE  
SUPPLIES  
CONTRACT JOINDER  
(FILE #07-1905)**

NRS 332.195.1 states that a governing body may join the contracts of local governments with the authorization of the contracting vendor. The University of Nevada, Las Vegas ("UNLV") currently has a contract with *OfficeMax Enterprise Solutions* with an estimated annual value of \$2,000,000. This contract allows for overall pricing for the LVCVA at 40% off to over 60% off list prices. *OfficeMax Enterprise Solutions* has agreed to extend the UNLV Contract #4044 to the LVCVA.

**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: 1) Approve the contract joinder with the University of Nevada, Las Vegas, Contract #4044, for the Purchase of Annual Office Supplies (File #07-1905) to OfficeMax Enterprise Solutions, Las Vegas, Nevada, in the estimated annual amount of \$125,000 for the period of June 13, 2007 through June 12, 2008; 2) Authorize the Director of Materials Management to execute the contract documents; and, 3) Authorize the Director of Materials Management to execute two (2) additional 1-year contract extensions in accordance with the University of Las Vegas contract document, if mutually agreed.**

---

**OPERATIONS DIVISION (CONTINUED)**

**TELECOMMUNICATIONS  
EQUIPMENT AND  
SERVICES  
CONTRACT EXTENSION  
(RFP #98-18)**

LVCVA staff, along with the Master Plan Enhancement Program team, are finalizing the technology scope of work to be implemented as part of the campus-wide enhancement renovations, which will be based on the current and anticipated technology advances and customer input. The proposed contract extension for telecommunications equipment services with *Smart City Networks, LP* for the period June 15, 2007 through June 14, 2008 will finalize this coordinated effort, and continues revenue commissions at 36% payable to the LVCVA valued at approximately \$2,000,000.

**Fiscal Impact:**

FY 2007/2008 - Estimated Revenue: \$2,000,000

**Following a brief discussion, Member Mike Pacini moved and it was carried by unanimous vote of the members present to: 1) Award a contract extension for RFP #98-18, Telecommunications Equipment and Services, for the period June 15, 2007 through June 14, 2008, to Smart City Networks, LP, Las Vegas, Nevada; and, 2) Authorize the Director of Materials Management to execute the contract documents.**

**ELECTRICAL SERVICES  
RATE STRUCTURE  
(FILE #07-1624)**

The Las Vegas Convention and Visitors Authority permits Nevada C-2 Licenses Electrical Contractors to perform electrical services for convention and trade show events which take place at Cashman Center and the Las Vegas Convention Center.

The current goal is to take the positive aspects of the current agreement, which included the non-exclusive environment that show managers prefer and subsequent competitive pricing they can negotiate, and determine a simplified method of commission calculation of the payment due the LVCVA.

The proposed contract structure meets with LVCVA's intent to promote fair competition among contractors who provide electrical costs and equipment wear and tear and to address LVCVA's customers' desire for competitive, non-exclusive environment for these services.

**Fiscal Impact:**

FY 2007/2008 - Estimated Revenue: \$5,100,000

**Following a brief discussion, Member Keith Smith moved and it was carried by unanimous vote of the members present to approve the proposed rate structure on the Electrical Services Agreement beginning January 1, 2008.**

---

**MARKETING DIVISION (CONTINUED)**

CERTIFICATE OF  
ACHIEVEMENT FOR  
EXCELLENCE IN  
FINANCIAL REPORTING

The *Certificate of Achievement for Excellence in Financial Reporting* has been awarded to the Las Vegas Convention and Visitors Authority for its Comprehensive Annual Financial Report for the year ended June 30, 2006 by the Government Finance Officers Association of the United States and Canada. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The LVCVA has received the Certificate of Achievement for the past 23 consecutive years.

Vice President of Finance Brenda Siddall introduced the LVCVA Finance team that worked on the Comprehensive Annual Financial Report.

This is an information item. No Board action required.

REPORT ON THE 2007  
REFUNDING BONDS

At the April 10, 2007 and May 8, 2007 Board of Directors' meetings, the Board authorized the Las Vegas Convention and Visitors Authority to issue refunding bonds. The Las Vegas Convention and Visitors Authority Refunding Bonds Series 2007 were sold on May 9, 2007 in the par amount of \$38,200,000. The winning bidder was Bank of America Securities.

Fiscal Impact:

Savings of \$5,866,000 over 15 years

This is an information item. No Board action required.

**OPERATIONS DIVISION (CONTINUED)**

TRANSFER OF FUNDS  
Debt Service

Pursuant to the provisions in the 1998A, 11/99, 2005, Master Plan Financing Fund and 2007 bond covenants, the Las Vegas Convention and Visitors Authority is required to transfer from the General Fund to the respective debt retirement funds such amounts necessary to pay the maturing installments of principal and interest. The LVCVA will make such transfers on a quarterly basis. The total annual requirement to fund debt service is as follows:

1998A Series	\$12,411,481.26
11/99 Series	1,905,975.00
2005 Series	6,126,287.50
Master Plan Financing Fund	11,925,000.00
2007 Series	<u>3,733,019.83</u>
	<u>\$36,101,763.59</u>

Fiscal Impact:  
 FY 2007/2008 - \$36,101,763.59

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve the transfer of \$36,101,763.59 from the General Fund to the Debt Retirement Funds for fiscal year 2007/2008 debt service requirements.**

TRANSFER OF FUNDS  
Master Plan Financing Fund

Pursuant to the provisions in the Master Plan Enhancement Program resolution, the Las Vegas Convention and Visitors Authority is required to transfer from the General Fund to the Master Plan Financing Fund such amounts necessary to pay the interest payments due on commercial paper maturing throughout the fiscal year. In November 2006, the Board of Directors approved the transfer of \$1,062,828 from the General Fund to the Master Plan Financing Fund. This additional transfer will align the total fiscal year 2006/2007 Master Plan Fund funding amount with the approved budget for fiscal year 2006/2007.

Initial Approved Amount – November 2006	\$1,062,828.00
Additional Transfer Amount Requested	<u>812,172.00</u>
	<u>\$1,875,000.00</u>

Fiscal Impact:  
 FY 2006/2007 - \$1,875,000

**Member Kara Kelley moved and it was carried by unanimous vote of the members present to approve the transfer of an additional \$812,172 from the General Fund to the Master Plan Financing Fund for fiscal year 2006/2007 commercial paper interest payments.**

---

**OPERATIONS DIVISION (CONTINUED)**

**BUDGET TRANSFERS** NRS 354.598005 provides that budget appropriations may be transferred between functions if the governing body is advised of the action at the next regular meeting. Functions at the Las Vegas Convention and Visitors Authority are defined as General Government, Marketing, Operations and Community Support.

The Operations Division advised the Board of Directors of budget transfers in the amounts of \$100,000 and \$130,000 that were transferred from the Operations Division to the General Government Division and from the Community Support function to the Marketing Division.

This is an information item. No Board action required.

**INTRA-FUND BUDGET TRANSFER**

The salaries and benefits budget for fiscal year 2006/2007 was prepared in January 2006. During fiscal year 2006/2007, a significant number of personnel actions occurred (terminations, new hires, retirements, transfers, promotions, etc.) that resulted in the need for an intra-fund budget transfer in the amount of \$819,000 from the payroll suspense and the payroll retirement accounts to the departmental salaries and benefits accounts.

Fiscal Impact:

FY 2007 - \$819,000. Funds are available in retirement and payroll suspense accounts.

**Member 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 \$819,000 to fund end-of-year revisions in the salaries and benefits budget due to vacancy factors, retirements, position transfers, recently filled positions and reassignments.**

**EXECUTIVE DIVISION**

**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. Vice President of Finance Brenda Siddall reviewed a few key points in the Las Vegas Convention and Visitors Authority Budget and Statistical Report for the period ending April 30, 2007.

This is an information item. No Board action required.

**EXECUTIVE DIVISION (CONTINUED)**

LEGAL COUNSEL'S  
REPORT AND  
RECOMMENDATION(S)

Legal Counsel Luke Puschnig reported that in March 2007, the Board of Directors approved the filing of an opposition in the United States Patent and Trademark Office against *Surreal Games*, who wanted the trademark phrase "Only In Vegas" for their new Las Vegas based video game. The LVCVA demonstrated to *Surreal Games* that they were going to protect the "Only Vegas" trademark. As such, *Surreal Games* voluntarily withdrew their application, and will look for another mark. Mr. Puschnig said *Surreal Games* was very professional throughout this process.

Luke Puschnig said he would like to thank the law firm of Schreck Brignone for their work on this issue.

LAS VEGAS EVENTS'  
REPORT

Pat Christenson, President of Las Vegas Events, presented the statistics of the Monster Jam World Finals, which took place March 24, 2007. He also reminded the Board of the Las Vegas Events upcoming sponsored events for June-July 2007.

This is an information item. No Board action required.

AUDIT COMMITTEE  
REPORT

Audit Committee Chairman Keith Smith reported that the committee met on May 8, 2007 and discussed the following items. Some will require Board action:

Internal Auditors'  
Report

A. Internal Auditors' Report

The committee reviewed various audits that were completed and various audits that are in process. There were no major issues to report to the Board in any of the findings.

This is an information item. No Board action required.

Selection of  
Independent  
Audit Firm

B. Selection of Independent Audit Firm

The committee recommended the Board approve the selection of the certified public accounting firm of *Piercy, Bowler, Taylor & Kern*.

Fiscal Impact:

FY 2007/2008 - Estimated Expenditure: \$33,500

Members Oscar Goodman, Rory Reid and Michael Montandon declared that they would abstain from the vote as they have personal business matters involving the firm of Piercy, Bowler, Taylor & Kern.

(Continued on next page)





DIRECTORS'  
COMMENTS

Chair Oscar Goodman thanked Member Bill Nicholes for his dedicated service to the Board of Directors.

Member Bill Nicholes thanked President/CEO Rossi Ralenkotter and his staff for their professionalism during his term on the Board.

COMMENTS FROM THE  
FLOOR BY THE PUBLIC

Mr. Mike Pergola, a resident of Las Vegas, requested funding to help with projects to raise the water level and for improvements at Lake Mead.

ADJOURNMENT

There being no further business to come before the Board of Directors, Chair Oscar Goodman adjourned the meeting at 10:08 a.m.

Respectfully submitted,

Date Approved: July 10, 2007

(s)  
Carol Fergen  
Executive Assistant to the Board

(s)  
Oscar Goodman  
Chairman