



CONVENTION AND VISITORS AUTHORITY

REGULAR MEETING OF THE BOARD OF DIRECTORS
OCTOBER 14, 2008
MINUTES

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority was held the 14th day of October 2008 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".

OPENING CEREMONIES

CALL TO ORDER

Chair Oscar Goodman called the meeting to order at 9:00 a.m. A quorum of the members was present at roll call.

Mayor Oscar Goodman, Chair
Mr. Keith Smith, Vice Chair
Mayor James Gibson, Sec./Tr.

Mr. Charles Bowling ..... Absent
Councilman Larry Brown
Commissioner Tom Collins
Mayor Susan Holecheck

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

LVCVA
Executive
Staff in
Attendance

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

INVOCATION
FLAG SALUTE

Father Larry Lentz - Guardian Angel Cathedral, presented the invocation.
The Flag Salute followed the invocation.

APPROVAL OF THE AGENDA / MINUTES

APPROVAL OF
THE AGENDA
and
APPROVAL OF
THE MINUTES

President Rossi Ralenkoter informed the Board that: 1) The October 14, 2008 Agenda was in order for approval with the removal of Item #3 - U.S. Bowling Congress Championships, Item #5 - Nevada Department of Transportation Project Funding, and Item #6 - Nevada Welcome Center (Primm) Tenant Improvements; and 2) The minutes of the September 9, 2008 Regular Meeting of the Board of Directors were in order for approval.

Member Kara Kelley noted that on page five of the minutes, the name 'Myra' Laughlin should be 'Marla' Laughlin.

Member James Gibson moved and it was carried by unanimous vote of the members present to approve the October 14, 2008 Amended Agenda with the removal of Item #3 - U.S. Bowling Congress Championships, Item #5 - Nevada Department of Transportation Project Funding, and Item #6 - Nevada Welcome Center (Primm) Tenant Improvements; and the minutes of the September 9, 2008 Regular Meeting of the Board of Directors with the correction noted.

## **STAFF REPORTS**

### **MARKETING DIVISION**

#### AWARDS

Third Quarter 2008

The Marketing Division gave a brief account of the awards received by the LVCVA in the Third Quarter 2008:

- Meetings & Conventions  
Gold Service Elite Award
- Association Conventions & Facilities Magazine  
Distinctive Achievement Award
- Achievement of Excellence in Procurement Award
- Insurance & Financial Meetings Management  
World Class Award
- Travel Weekly  
Magellan Award
- Adweek  
Best TV Spot "Beauty Shop"
- Corporate & Incentive Magazine  
Award of Excellence
- Government Finance Officers Association  
Award for Outstanding Achievement in Popular Financial Reporting – FY 2007

This is an information item. No Board action required.

#### WORLD TRAVEL MARKET

The World Travel Market ("WTM") is one of the top travel trade shows worldwide and is held annually in London. This event attracts over 48,000 travel professionals representing 197 countries. The Nevada Commission on Tourism and approximately 42 Las Vegas hotels and allied suppliers will exhibit within the LVCVA pavilion.

#### Fiscal Impact:

FY 2009	Estimated expenditures:	\$186,500
	Estimated revenues from partner contributions:	<u>(60,000)</u>
	Estimated net expenditure to the LVCVA	<u>\$126,500</u>

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$186,500 for expenses associated with the Las Vegas Convention and Visitors Authority exhibiting at the World Travel Market, November 10-13, 2008, in London, United Kingdom.**

#### US BOWLING CONGRESS CHAMPIONSHIPS

This item was withdrawn from the agenda.

**MARKETING DIVISION (Continued)**

HELLDORADO DAYS  
LAS VEGAS  
75<sup>th</sup> Anniversary  
(Las Vegas Events)

The Las Vegas Elks Lodge #1468 will present the 75<sup>th</sup> Anniversary Helldorado Days in Downtown Las Vegas, May 14-17, 2009. This event will include a PRCA sanctioned rodeo, carnival and exhibits, a parade and fireworks. Las Vegas has hosted Helldorado Days for the past 75 years and it has become one of the longest running events of its kind in Nevada. Channel 3 has agreed to be the media partner for this year's event.

Fiscal Impact:

FY 2009 Estimated: \$100,000 (Las Vegas Events)

The LVE Board of Directors approved the sponsorship of \$100,000 at their September 2008 meeting.

**Member Tom Collins moved and it was carried by unanimous vote of the members present to approve the distribution of funds to Las Vegas Events in the amount of \$100,000 to fund the 75<sup>th</sup> Anniversary Las Vegas Helldorado Days to be held May 14-17, 2008 in Downtown Las Vegas, Nevada.**

**OPERATIONS DIVISION**

NEVADA  
DEPARTMENT OF  
TRANSPORTATION  
PROJECT FUNDING

This item was withdrawn from the agenda.

NEVADA WELCOME  
CENTER (PRIMM)  
TENANT  
IMPROVEMENTS  
(BID #09-2132)

This item was withdrawn from the agenda.

**[Member Tom Jenkin Entered The Meeting]**

SELECTION OF  
SHORT-LISTED  
FIRMS  
Construction-  
Manager-At-Risk For  
Pre-Construction  
Services For Facility  
Upgrades And  
Renovations

In accordance with the Nevada Revised Statutes, Staff began the Request For Qualifications ("RFQ") process and solicited Statements of Qualifications ("SOQ") to establish a Construction-Manager-At-Risk contract for Pre-Construction Services For The Facility Upgrades And Renovations Project. Eight SOQ were received and accepted in response to the solicitation.

Upon completion of the evaluation process, the evaluation committee ranked all eight firms and provided the rankings to the LVCVA Executive Staff for selection of the Short-List.

The Nevada Revised Statutes allow for 2-5 firms to be short-listed. The President/CEO approved a Short-List consisting of the five top ranked firms. These RFQ rankings do not count toward the Request For Final Proposal ("RFFP") process. All firms start the next step with a clean slate.

Staff is now in the RFFP process and, upon successful negotiations, a recommendation to award a Contract for Pre-Construction Services will be presented to the Board of Directors in November 2008.

This is an information item. No Board action required.

**OPERATIONS DIVISION (Continued)**

MPEP 4C  
Central Hall  
Restrooms / Data  
Command Center  
/ Freight Doors  
(BID #08-2113  
PWP-CL- 2008-412)

The Master Plan Enhancement Program (“MPEP”) Package 4C seeks to construct additional restrooms needed in the Central Halls and to provide infrastructure to accommodate future MPEP projects. The scope of work includes the construction of two additional restroom facilities, two additional food venues, a data command center, a trash compactor enclosure, the addition of one freight door, the replacement of one freight door, and the renovation of one loading dock area with access ramps. The project is anticipated to be completed in October 2009.

A request for bids was advertised and bid submittals were opened in August 2008. In accordance with the Nevada Revised Statute, a bidder may receive preference if the bid is no more than 5% higher than the bid submitted by the lowest responsive and responsible bidder who does not have, at the time of bid, a valid Certificate Of Eligibility to receive preference in bidding on public works. *M&H Enterprises, Inc., Las Vegas, Nevada*’s bid of \$9,017,124 is no more than 5% higher than the lowest bidder (*Whiting-Turner Contracting Company* bid \$8,768,000), and therefore, received the statutorily mandated preference.

Fiscal Impact:

FY 2009 Estimated: \$9,017,124

**Member Tom Collins moved and it was carried by unanimous vote of the members present to: 1) Award Master Plan Enhancement Program Package 4C – Central Hall Restrooms / Data Center / Freight Door, to M&H Enterprises, Inc., Las Vegas, Nevada, in the estimated amount of \$9,017,124; and 2) Authorize the Director of Purchasing to execute the contract documents.**

TRANSFER OF FUNDS  
Nevada  
Department of  
Transportation  
Debt Service Fund

On March 11, 2008, the Board of Directors granted funding for the Interstate-15 Express Lane Project, and authorized funding to be provided from the sale of bonds. The LVCVA sold general obligation bonds in the principal amount of \$26,455,000 on July 29, 2008, to be repaid over 30 years.

Bond covenants require the LVCVA 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 January 1, 2009 and July 1, 2009 totaling \$1,505,554. The fiscal year 2009 budget provides appropriations of \$3,900,000.

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve the transfer of \$1,505,554 from the General Fund to the Nevada Department of Transportation Debt Service Fund for fiscal year 2009 debt service requirement.**

**Board Request**

Vice Chair Keith Smith requested that at the November Board of Directors’ meeting, staff present an update on the funding of the MPEP projects, how the commercial paper is working, and the security of the LVCVA’s investments at various banks.

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 August 31, 2008* was presented to the Board for their review.

This is an information item. No Board action required.

## **EXECUTIVE DIVISION**

### **LONG-TERM DISABILITY AND NON-BARGAINING LIFE INSURANCE**

This item seeks approval of the Application of Group Insurance with *CIGNA Group Insurance* which names *CIGNA* as the new underwriter for the Las Vegas Convention and Visitors Authority's existing Long-Term Disability ("LTD") insurance for all employees, and employer-paid life insurance for Non-Bargaining employees only.

Premiums will be reduced approximately 8% for LTD coverage and approximately 9% for Non-Bargaining life insurance with coverage comparable to previous plans. New carrier rates will be effective January 1, 2009 for LTD and retroactive to September 1, 2008 for Non-Bargaining life insurance. Rates will be guaranteed for three years.

#### Fiscal Impact:

FY 2009 Estimated:       \$64,150.08 for Long-Term Disability  
                                      \$21,563.68 for Non-Bargaining Life Insurance

**Member Mike Pacini moved and it was carried by unanimous vote of the members present to approve the Application for Group Insurance with *CIGNA Group Insurance*.**

### **LEGAL COUNSEL'S REPORT**

Soo Hyun Park  
v.  
LVCVA and  
ARAMARK

Legal Counsel Luke Puschnig reported on the following legal issues:

On July 11, 2008 the LVCVA was sued by Ms. Soo Hyun Park for alleged personal injuries as a result of an electric cart incident on February 27, 2008. Ms. Park sued the LVCVA and *ARAMARK* in California State Court, and the LVCVA was recently served with the lawsuit. This case has been tendered to *ARAMARK*, and *ARAMARK* has accepted the tender of defense in this matter.

Network Visual  
Services  
v.  
LVCVA and  
ARAMARK

On April 25, 2008, Plaintiff *Network Visual Services* filed a complaint in Federal District Court in California against the LVCVA, *ARAMARK* and various other defendants. *Network Visual Services* alleged an anti-trust claim and other claims against the LVCVA. The LVCVA has taken a very aggressive litigation stance in this matter.

On September 18, 2008, the United States District Court Judge George Wu granted the LVCVA's Motion to Dismiss on immunity grounds, but allowed the Plaintiff to be able to file a Second Amended Complaint. Plaintiff did not re-file against the LVCVA, and the LVCVA is now effectively out of the case.

This case was tendered to *ARAMARK*, and *ARAMARK* accepted the tender of defense in this matter. No LVCVA funds were used in this matter.

This is an information item. No Board action required.

LAS VEGAS EVENTS  
Quarterly Report  
First Quarter FY2008

Pat Christenson, President – Las Vegas Events, presented his quarterly report on Las Vegas events that took place during the first quarter of fiscal year 2008, briefly discussing events from June through September 2008. He said they held a Las Vegas Special Events Preview on October 7, 2008 with their hotel partners to discuss how to increase event ticket sales and room bookings. He concluded his report with upcoming events through December 2008, and showed a brief video of and advertising spot for the NFR 50<sup>th</sup> Anniversary.

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**DIRECTORS' COMMENTS**

Chair Oscar Goodman reminded everyone that the November Regular Meeting of the Board of Directors will be held Tuesday, November 18, 2008 at 9:00 a.m. at Cashman Center.

**COMMENTS FROM THE FLOOR BY THE PUBLIC**

Mr. Jon Aster White, President of the *National Las Vegas Entertainment Hall of Fame Association*, updated the Board of Directors on his upcoming television special called 'Vegas Star Awards'.

Mr. Ted Russell, Resident of Las Vegas, gave his opinion on current National political issues, as well as various other topics.

**ADJOURNMENT**

There being no further business to come before the Board of Directors, Chair Oscar Goodman adjourned the meeting at 9:36 a.m.

Respectfully submitted,

Date Approved: November 18, 2008

(s)  
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Carol Fergen  
Executive Assistant to the Board

(s)  
\_\_\_\_\_  
Oscar Goodman  
Chair