



CONVENTION AND VISITORS AUTHORITY

Regular Meeting of the Board of Directors
Tuesday, August 8, 2006
Minutes

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority (“LVCVA”) was held the 8th day of August 2006 in the Las Vegas Convention Center Board Room, 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 Chair Oscar Goodman called the meeting to order at 9:06 a.m. On roll call the following Board members were present, constituting a quorum of the members thereof:

- | | |
|-----------------------------------|-------------------|
| Oscar Goodman, Chair | Tom Jenkin |
| Keith Smith, Vice Chair | Michael Montandon |
| James Gibson, Secretary/Treasurer | Bill Nicholes |
| Charles Bowling | Mike Pacini |
| Larry Brown | Andrew Pascal |
| Glenn Christenson | |

Absent at Roll Call Tom Collins
Yvonne Atkinson Gates
Kara Kelley

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 Mike Laughrun – Hope Baptist Church, presented the invocation.
FLAG SALUTE The Flag Salute followed the invocation.

APPROVAL OF THE
AGENDA
and
APPROVAL OF THE
MINUTES

President/CEO Rossi Ralenkotter informed the Board that the August 8, 2006 Agenda was in order for Board approval with the withdrawal of Item Number 7 (*Annual Las Vegas Territory Matching Grant Applications - Fiscal Year 2007*) and Item Number 15 (*Workers' Compensation Report - FY 2005/2006*). Additionally, the Minutes of the July 11, 2006 Regular Meeting of the Board of Directors were in order for Board approval as presented.

Member James Gibson moved and it was carried by unanimous vote of the members present to approve the August 8, 2006 Agenda with the withdrawal of Item Number 7 (*Annual Las Vegas Territory Matching Grant Applications - Fiscal Year 2007*) and Item Number 15 (*Workers' Compensation Report - FY 2005/2006*) and the Minutes of the July 11, 2006 Regular Meeting of the Board of Directors 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. Vice President of Human Resources Mark Olson introduced **Ms. Debbie McGrath from the Engineering Department** as the MVP for the month of **June 2006**.

MARKETING DIVISION

2006 GOGO
WORLDWIDE
VACATIONS
LEARNING
CONFERENCE

GOGO Worldwide Vacations (GOGO) is a domestic and international distributor of Las Vegas vacation packages with both a wholesale and a retail distribution channel. Las Vegas has been rated as GOGO's Number 1 selling destination for the last seven years, and generates over 210,000 annual visitors to Las Vegas. Approximately 700 top-producing GOGO travel agents, along with 10-15 Las Vegas hotels, are expected to participate in the October 14, 2006 GOGO Learning Conference. A total estimated expenditure of \$59,000 would include hosting a dinner, and showcasing Las Vegas as the feature destination.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$59,000.

Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$59,000 for expenses to sponsor a dinner with entertainment on October 14, 2006 during GOGO Worldwide Vacations' 2006 GOGO Learning Conference in Aruba.

MARKETING DIVISION (Continued)

FINANCIAL AND
INSURANCE
CONFERENCE
PLANNERS'
ANNUAL
CONFERENCE

The Financial and Insurance Conference Planners (FICP) is the premier association for financial services and insurance conference planners. The November 12-15, 2006 annual conference at Caesars Palace in Las Vegas, Nevada is expected to draw more than 750 attendees. The Las Vegas Convention and Visitors Authority (LVCVA) will exhibit at the FICP MarketPlace Tradeshow, and approximately 15 Las Vegas hotels have requested to participate. The LVCVA will sponsor the final breakfast as well as a Board and Design Team evening event. The estimated expenditure of \$100,000 will include the breakfast sponsorship and entertainment, MarketPlace Tradeshow expenses, Board and Design Team dinner and entertainment, and promotion items.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$100,000

Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$100,000 for the Las Vegas Convention and Visitors Authority to be a sponsor of the Financial and Insurance Conference Planners' Annual Conference to be held at Caesars Palace, November 12-15, 2006, in Las Vegas, Nevada.

EUROPEAN
INCENTIVE,
BUSINESS TRAVEL
AND MEETINGS
EXHIBITION
(EIBTM)

European Incentive, Business Travel and Meetings Exhibition (EIBTM) is a premier gathering of corporate and incentive travel planners and buyers from the European continent. Approximately 3,000 attendees are expected at this year's event. An estimated expenditure of \$51,700 would include Exhibit Space Rental, Exhibit Design/Construction/Installation, and Show Services/Convention Promotion

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$51,700

Member Keith Smith moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$51,700 to exhibit and promote Las Vegas to corporate and incentive meeting planners at the European Incentive, Business Travel and Meetings Exhibition (EIBTM) in Barcelona, Spain, November 28-30, 2006.

MARKETING DIVISION (Continued)

INTERNATIONAL
ASSOCIATION FOR
EXHIBITION
MANAGEMENT
(IAEM) ANNUAL
MEETING AND
EXPO! EXPO! 2006

This year's International Association for Exhibition Management (IAEM) Annual meeting and Expo! Expo! will be held November 28-30, 2006, in San Diego, California. Expo! Expo! has become the premier exposition in the trade show industry, and this year's event is anticipated to attract more than 3,200 attendees from the tradeshow, association and meeting planning community. The estimated expenditure of \$360,450 will include the cost for the LVCVA to exhibit at Expo!Expo!, sponsor the Chairman's Reception, the Southwest IAEM Chapter member reception, a VIP client event hosting our top 100 clients, and hosting the Preview Luncheon to promote Las Vegas as the host city for this event in 2007.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$360,450

Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$360,450 to exhibit at the International Association for Exhibition Management's (IAEM) annual event, Expo! Expo!, November 28-30, 2006 in San Diego, California, and sponsor the Chairman's Reception, the Southwest IAEM Chapter Event, a VIP Client Event and host the 2007 Preview Luncheon.

LAS VEGAS
CONVENTION AND
VISITORS
AUTHORITY
MASTER PLAN
ENHANCEMENT
PROGRAM CLIENT
FOCUS GROUP
MEETING

In an on-going effort to include the LVCVA building customers in the enhancement process of the Las Vegas Convention Center (LVCC), the Marketing Division proposed hosting a focus group meeting in Las Vegas for approximately 60 clients who will be holding shows at the LVCC during the 2007-2010 construction period. This meeting would be scheduled to take place December 11-14, 2006. Clients would be able to become more familiar with the destination for possible future booking dates and would be able to provide counsel and feedback for consideration as the LVCVA moves through the enhancement process. The estimated expenditures of \$122,500 would include Airfare/Transportation, Hotel Accommodations, Food and Beverage, and Entertainment/Education.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$122,500

Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$122,500 to sponsor a client focus group meeting on the Las Vegas Master Plan Enhancement Program, December 11-14, 2006 in Las Vegas, Nevada.

MARKETING DIVISION (Continued)

LAS VEGAS
EVENTS
EVENT FUNDING
Nevada Silverman
Full Distance
Triathlon

The Nevada Silverman Full Distance Triathlon, with a three-day expo, will be a 17-hour endurance race consisting of a 2.4 mile swim, 112-mile bike race and a 26.2-mile run. This is the longest one-day endurance event in the world. The event will take place at the Lake Mead National Park and over 100 miles of city streets in Green Valley and Henderson.

The Las Vegas Events (LVE) Board of Directors approved sponsorship of this event in the amount of \$20,000 at their July 2006 Board meeting.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$20,000

Funds are available in the FY 2006/2007 LVE reserve budget.

Member James Gibson moved and it was carried by unanimous vote of the members present to approve the disbursement of funds to Las Vegas Events in the amount of \$20,000 to fund the Nevada Silverman Full Distance Triathlon, November 11-13, 2006.

ANNUAL
LAS VEGAS
TERRITORY
MATCHING GRANT
APPLICATIONS
- FY 2006/2007

This item was withdrawn from the agenda.

OPERATIONS DIVISION

MASTER PLAN
ENHANCEMENT
PROGRAM
- UPDATE

Mr. Mike Musgrave, MWH Consultant – Project Development, updated the Board of Directors on the progress of the Master Plan Enhancement Program. He presented a PowerPoint overview of the site plan and various proposed floor plans for the Las Vegas Metropolitan Police Station. Mr. Musgrave also discussed the Transportation Focus Group meetings and the key considerations derived from those meetings.

Mr. Musgrave reported on the independent reviews that are being done by the MPEP Program Management/Construction Management Team to insure the project is within budget and on time.

Additionally, Mr. Ralenkotter informed the Board that there have been meetings between the LVCVA and the Taxi Cab Authority, and the taxi cab companies on the ingress and egress of the facility.

Member Glenn Christenson requested that as part of this monthly report on the highlights of the project, that it be stipulated whether the project is on time and on budget.

In response to a question by Chair Goodman, Mr. Musgrave assured him that the architecture of all of the surrounding buildings that are part of the MPEP will be compatible with the architecture of the main facility.

This is an information item. No Board action is required.

OPERATIONS DIVISION (Continued)

RESOLUTION BY
THE BOARD OF
DIRECTORS
PURSUANT TO
NRS 277.050
Lease For
Clark County
Fire Department
Resolution 2006-24

Pursuant to Nevada Revised Statute 277.050 regarding the sale, lease or exchange of real property by a public agency, the LVCVA is required to first present a Resolution to the Board of Directors declaring its intention to lease a parcel of land to another public agency. Upon adoption of the proposed said resolution, a date may then be set to publicly discuss the potential lease of real property.

In this particular case, the LVCVA has been discussing a 30-year lease of vacant LVCVA owned property with the County of Clark, Clark County Fire Department (CCFD) to build a new fire station.

The property in consideration is approximately 1.57 acres and located at 901 East Desert Inn Road. During construction, the CCFD may use the piece of property located approximately 50 feet to the East.

As owner and operator of the Las Vegas Convention Center (LVCC), the LVCVA is responsible to provide optimum safety and security for conventions, tradeshows and all who visit and do business with LVCC. A fire station with a 1-minute response time would enhance the LVCVA's ability to provide this coverage.

Consistent with Homeland Defense, the LVCVA has negotiated with the CCFD to initially house two specialized response vehicles at this particular fire station: CBRNE Fire Engine and ARMOR Vehicle. The first vehicle is known as a Chemical, Biological, Radiological, Nuclear and Explosive detection device vehicle and will be one of four in the country. The second vehicle is an All hazards, Regional, Multi-agency, Operations and Response vehicle primarily used for bomb response and detection. These enhanced fire services will be available for not only the LVCC, but for the tourism corridor and the entire Las Vegas Valley.

Upon approval of the Resolution by the Board of Directors, the Lease will be considered by the Board of Directors on September 12, 2006, at which time opposing comments may be made to the LVCVA Lease.

The Resolution reads:

RESOLUTION NO. 2006-24

A RESOLUTION PURSUANT TO NEVADA REVISED STATUTE 277.050 DECLARING THE INTENTION TO LEASE CERTAIN REAL PROPERTY TO THE COUNTY OF CLARK, CLARK COUNTY FIRE DEPARTMENT.

Following a brief discussion, Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to adopt Resolution Number 2006-24 pursuant to Nevada Revised Statute 277.050 declaring the intention to lease of certain real property to the County of Clark, Clark County Fire Department. Upon approval of the Resolution by the Board of Directors, the Lease will be considered by the Board of Directors on September 12, 2006, at which time opposing comments to the Las Vegas Convention and Visitors Authority Lease may be made.

OPERATIONS DIVISION (Continued)

VISITOR MOBILITY
STUDY
PROFESSIONAL
SERVICE
AGREEMENT

The LVCVA recognizes the importance of the transportation issues affecting the tourism industry in the Las Vegas Valley. In order to properly address the tourism corridor as a whole, Staff requested that a Visitor Mobility Strategy be established with the primary focus on examining tourist access and movement within a forty square mile study corridor. This corridor would be generally bounded by St. Rose Parkway to the south, U.S. 95 to the north, Maryland Parkway to the east and Decatur to the west. The Strategy would be based on the Visitor Mobility Study to include tasks set forth by Staff, which are scheduled to be completed in approximately six months.

During the discussion, Staff explained that they have met with the Regional Transportation Commission, the Monorail and McCarran International Airport personnel and they are in support of this project, and there is a commitment by them to review the plans, suggestions, and strategies, and possibly include those into their future Capital Improvement Programs.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$329,362

Following the conversation, Member Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Approve the Visitor Mobility Study Professional Service Agreement with HNTB Nevada, Inc. in the estimated amount of \$329,362; and, 2) Authorize the President/CEO to execute the contract documents.

OPERATIONS DIVISION (Continued)

RESOLUTION
PROVIDING FOR
THE ISSUANCE OF
REVENUE
COMMERCIAL
PAPER NOTES
Resolution 2006-23

At the February 14, 2006 Board of Directors' meeting, the Board authorized the LVCVA to issue refunding bonds. This adoption of the resolution is the final step by the Board of Directors in issuing the sale of commercial paper. The resolution authorizes the issuance of "Las Vegas Convention and Visitors Authority Commercial Paper Notes" and provides the form, terms and conditions of the bonds, the manner and terms of their issuance, the manner of their execution, the method of paying them and the security therefore, and other details in connection therewith.

It is anticipated that the financing procedures will be finalized this month, along with the first draw-down on the notes.

The Resolution reads:

RESOLUTION NO. 2006-23

A RESOLUTION PROVIDING FOR THE ISSUANCE OF THE AUTHORITY'S REVENUE COMMERCIAL PAPER NOTES, SERIES 2006A AND SERIES 2006B IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$680,000,000.

Fiscal Impact:

The debt service on the commercial paper has been budgeted for and approved in the fiscal year 2006/2007 budget

Vice Chairman Keith Smith requested that the Master Plan Summary be revised to include tracking the borrowing and spending that takes place on a monthly basis relative to the MPEP.

Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to approve, adopt and authorize the Chair to sign the Resolution providing for the issuance of two revenue commercial paper notes (Series 2006A and 2006B) in the aggregate principal amount of \$680,000,000 by the Las Vegas Convention and Visitors Authority, authorizing the President/CEO, or his designee, to arrange for the issuance of commercial paper notes, and provide other details in connection therewith.

OPERATIONS DIVISION (Continued)

DISTRIBUTION OF
 TAX COLLECTION
 ALLOCATION
Fourth Quarter
FY 2005/2006

Clark County and the cities of Las Vegas, North Las Vegas, Henderson, Boulder City, and Mesquite all levy certain taxes on gaming and/or hotel and motel rooms and have pledged the revenues to the Las Vegas Convention and Visitors Authority (“LVCVA”). NRS 244A.645 provides that the LVCVA may reimburse the entity up to 10% of the gross revenues collected to defray the reasonable costs of collection of such taxes. The statute also allows the entities in a county to share the collection fee on any basis they deem reasonable.

By agreement dated December 5, 1995, the above-mentioned cities and Clark County agreed with the LVCVA to split the 10% collection fee by a formula based on the population of each entity. Population figures are certified by the Governor each year, with adjustments made with due regard to the cities of Mesquite and Boulder City.

In comparison, tax collection allocation paid in the fourth quarter of fiscal year 2004/2005 was \$5,229,952.87, an increase in fiscal year 2005/2006 of 9.99%.

Tax collection allocation payments for the fourth quarter of fiscal year 2005/2006 as provided for in the agreement between the County and Cities are as follows:

	<u>FY 06</u> <u>Rate %</u>	<u>FY 06 Fourth</u> <u>Quarter Amount</u>	<u>FY 05 Fourth</u> <u>Quarter Amount</u>	<u>%</u> <u>Change</u>
Clark County	41.20	\$ 2,370,013.39	\$ 2,156,832.57	9.88
City of Las Vegas	30.60	1,760,252.67	1,629,130.32	8.05
City of North Las Vegas	9.19	528,651.04	449,775.94	17.54
City of Henderson	12.81	736,890.09	669,956.97	9.99
Boulder City	2.20	126,554.12	115,058.96	9.99
City of Mesquite	4.00	<u>230,098.39</u>	<u>209,198.11</u>	<u>9.99</u>
		\$ <u>5,752,459.70</u>	\$ <u>5,229,952.87</u>	<u>9.99</u>

Member Michael Montandon moved and it was carried by unanimous vote of the members present to approve the payment of tax collection allocation for the fourth quarter of fiscal year 2005/2006 in the amount of \$5,752,459.70.

LVCVA BUDGET
 AND STATISTICAL
 REPORT

The “Las Vegas Convention and Visitors Authority Budget and Statistical Report” for the period ending June 30, 2006 was presented to the Board of Directors for their information and review. There were no questions or concerns by the Board regarding this report.

This is an information item. No Board action required.

EXECUTIVE DIVISION

THE SKANCKE
COMPANY, LTD.
I-15 Corridor
Transportation
Agreement

The Skancke Company, LTD. is, among other things, responsible for creating long term transportation strategies and identifying opportunities that will enhance the movement of goods and services and tourism to and from the Las Vegas valley. *The Skancke Company, LTD.* also tracks road and transportation improvement projects and proposals. Specifically, they have been tracking CANAMEX Corridor developments, the Boulder City By-Pass, I-215 and I-15 Interchange, and the E-220 through the High Desert Corridor Coalition. They have also been tracking rail transportation proposals by attending California High Speed Rail Commission meetings and California/Nevada Super Speed Train Commission meetings, along with monitoring the Cajon Northbound Truck Weigh Station Project.

The initial one 1-year term of the *I-15 Corridor Transportation Agreement* with *The Skancke Company, LTD.*, that was Board approved on September 14, 2004, in which the LVCVA paid *The Skancke Company, LTD.* a total of \$384,000 for the period of October 1, 2004 through September 30, 2005, expired on September 30, 2005. A 1-year extension was Board approved on October 11, 2005 for the period of October 1, 2005 through September 30, 2006 with an estimated total of \$403,200.

It is recognized that a variety of issues related to the I-15 Corridor will have a direct effect and indirect economic impact on Clark County and Las Vegas. Approval of the second extension to the *I-15 Corridor Transportation Agreement* with *The Skancke Company, LTD.* in the amount of \$423,360 for the period of October 1, 2006 through September 30, 2007 is necessary to provide representation-related activities. It is essential that the LVCVA be properly represented and kept informed of all activities to identify, promote and fund future projects, to monitor project schedules, and to ensure that the projects provide the intended benefits.

Fiscal Impact:

FY 2006/2007 - Estimated: \$317,520 – General Fund

FY 2006/2007 – Estimated \$105,840 – General Fund

Following a brief discussion, Member James Gibson moved and it was carried by unanimous vote of the members present to: 1) Approve an extension with *The Skancke Company, LTD.* in the estimated amount of \$423,360 to represent the Las Vegas Convention and Visitors Authority in transportation-related activities for the period of October 1, 2006 through September 30, 2007; and, 2) Authorize the President/CEO to execute the extension document.

EXECUTIVE DIVISION (Continued)

WORKERS'
COMPENSATION
REPORT

This item was withdrawn from the agenda.

LEGAL COUNSEL'S
REPORT
Regarding:
Yarbrough Case
Settlement

Legal Counsel Luke Puschnig reported that on or about November 3, 2005 the Las Vegas Convention and Visitors Authority was served with a complaint seeking damages from a person who allegedly was injured at the 2003 MAGIC tradeshow. The Yarbrough litigation has been settled by the insurance company for the LVCVA's co-defendant Smart City Networks. Mr. Yarbrough was allegedly injured when he was hit by a Smart City-owned cart on August 26, 2003. Smart City's insurance company accepted the tender of defense from the Las Vegas Convention and Visitors Authority near the start of the litigation. Smart City's insurance company settled the case, and the LVCVA did not have to expend any funds.

Member Mike Pacini moved and it was carried by unanimous vote of the members present to accept Legal Counsel's report.

LEGAL COUNSEL'S
REPORT
Regarding:
Possible Objection
To Samaritan
Pharmaceuticals
Application For
Trademark

Chairman Oscar Goodman declared that he may have a conflict of interest with this item and he would abstain from the conversation and any Board action.

Oscar Goodman turned the Chair's seat over to Vice Chairman Keith Smith.

Legal Counsel Luke Puschnig explained that pursuant to Board Policy 4.05, Staff is required to seek Board approval prior to considering legal action to enforce LVCVA's intellectual rights. The LVCVA is the exclusive licensee of the trademark "What Happens Here, Stays Here".

Staff has conducted the research as to Samaritan Pharmaceuticals, Inc. and their past and future use of the potential trademark phrase "What Happens In Vegas, Does Not Always Stay In Vegas". Samaritan stated that they have not defined a specific use of the trademark for future marketing activities. Additionally, Samaritan stated that they had no intention to withdraw their application with the United States Patent and Trademark Office.

Staff believes that any use by Samaritan of the trademark phrase materially and detrimentally overexposes the brand and is detrimental to the brand image. Therefore, Staff recommended the Board authorize Legal Counsel to file the opposition in the United States Patent and Trademark Office and prosecute this action in defense of the LVCVA's trademark.

(Continued)

EXECUTIVE DIVISION (Continued)

LEGAL COUNSEL'S
REPORT

Regarding:
Possible Objection
To Samaritan
Pharmaceuticals
Application For
Trademark

(Continued)

Member James Gibson asked if anyone from Samaritan was in attendance at the meeting.

No one came forward from the public.

President Rossi Ralenkotter informed the Board that Staff had met with Samaritan to discuss potential resolutions to this matter, and based on those conversations, that was part of the analysis to go forward with their recommendation to the Board.

Member Charles Bowling stated that he appreciated the detailed information provided to the Board on this item, and said that it would be helpful in the future to have the same type of information on all legal items presented to the Board.

Member James Gibson moved and it was carried by unanimous vote of the members present to follow Staff's recommendation to authorize Legal Counsel to file the opposition in the United States Patent and Trademark Office and prosecute this action in defense of the LVCVA's trademark.

Oscar Goodman resumed his position as Chair.

LAS VEGAS
EVENTS'
REPORT

Mr. Pat Christenson, President of Las Vegas Events, reported on the results of their research on the May 6, 2006 AMA SuperCross Series Finals, and the USA Basketball Exhibition in August. Mr. Christenson noted the success of "putting Las Vegas on the Basketball map in all facets of basketball" through this exhibition.

Mr. Christenson listed upcoming events for August/September 2006.

President Rossi Ralenkotter commented on the positive media the USA Basketball Exhibition received, both in *USA Today* as well as nationally. He commended Pat Christenson and his staff for their work on this event.

This is an information item. No Board action was required.

EXECUTIVE DIVISION (Continued)

COMMITTEE
REPORTS
- Compensation
Committee

*President's Annual
Evaluation*

*Legal Counsel's
Annual Evaluation*

The Compensation Committee met on June 13, 2006 to review the President/CEO's Fiscal Year 2005/2006 goals and objectives and his goals and objectives for Fiscal Year 2006/2007.

Additionally, in accordance with the new Board Policy, the Committee reviewed Legal Counsel's Fiscal Year 2005/2006 goals and objectives and his goals and objectives for Fiscal Year 2006/2007, as well as President Rossi Ralenkotter's evaluation and recommendations for Legal Counsel's compensation.

This item was withdrawn from the July 11, 2006 Board of Directors' meeting agenda, and tabled to the August meeting.

Committee Chair James Gibson presented a verbal report regarding the discussions by the Committee and their recommendations for the Board's consideration and possible action.

Member James Gibson then made a motion and it was carried by unanimous vote of the Board members present to: 1) Approve a merit increase of 5% to base salary, and an incentive bonus of \$60,000 for the President/CEO; 2) Approve the President/CEO's Fiscal Year 2006/2007 Goals and Objectives; 3) Approve a merit increase of 5% to base salary, and an incentive bonus of 13% for Legal Counsel; 4) Approve Legal Counsel's Fiscal Year 2006/2007 Goals and Objectives; and, 5) Approve the President/CEO's and Legal Counsel's compensation retroactive to July 2, 2006.

***MEMBER BILL NICHOLAS LEFT THE MEETING FOR A FEW MINUTES, THEN RETURNED.
(NO BOARD ACTION TAKEN DURING HIS ABSENCE)***

COMMITTEE
REPORTS
- Policy Committee

The Policy Committee met on June 29, 2006 to discuss the following policies:

- A. Recreational Facility Capital Improvement Grant Policy
- B. Chamber of Commerce Grant Program Policy
- C. Annual Recreation Grant Policy
- D. Matching Grant Program Policy
- E. Responsibilities of Board Members; Board Committees (Policy 1.04)
- F. President/CEO's Approval Authority (Policies: 2.02(13), 2.02(22)(I), 2.02(22)(P), 5.01, 5.02, 6.01, 6.02, 6.04, 6.05, 7.01)
- G. Legal Counsel's Report Regarding Trademarks and Intellectual Property Management and change to Policy 4.03 to allow the President to approve licenses for "integrated promotions". (Policies 4.01-4.05)

This item was withdrawn from the July 11, 2006 Board of Directors' meeting agenda, and tabled to the August meeting.

(Continued)

EXECUTIVE DIVISION (Continued)

COMMITTEE
REPORTS
- Policy Committee
(Continued)

Committee Chair Charles Bowling presented a verbal report to the Board on the issues discussed by the Policy Committee at their meeting. He said that Committee Meeting Item F and Item G are submitted for consideration and possible action by the Board of Directors.

He explained that Item F is an increase to the President's expenditure authority from \$50,000 to \$100,000, including sole source, to apply to public works projects and professional services agreements. The President/CEO would be required to provide the Board with a quarterly report regarding all expenditures between \$50,000 and \$100,000.

Item G is an exception to Policy 4.03 to allow the President/CEO the authority to execute limited licenses of LVCVA owned intellectual property in conjunction with an integrated promotion. An integrated promotion is where a third party seeks to utilize the LVCVA trademark in their television/media and/or advertising campaign.

Following his report, Member Charles Bowling moved and it was carried by unanimous vote of the members present to: 1) Approve the change to various policies to increase the President/CEO's expenditure authority from \$50,000 to \$100,000; and 2) Approve a change to Policy 4.03 in order to allow the President/CEO to execute limited licenses for the use of LVCVA intellectual property in "integrated promotions."

COMMITTEE
REPORTS
- Audit Committee

The Audit Committee met on July 11, 2006 to discuss the following items:

- A. The Internal Auditor's Report.
- B. Approval of the internal Audit Plan.
- C. Engage Kafoury, Armstrong & Company to perform accounting work outside of audit responsibilities.
- D. Investment Policies and Procedures.
- E. Request for Proposals regarding construction auditors for the Master Plan Enhancement Program.

Committee Chair Keith Smith reported that the Committee discussed LVCVA internal audits, the Audit Plan and the possible hiring of an additional internal auditor, the engagement of the LVCVA outside auditing firm of *Kafoury, Armstrong & Company* to evaluate alternative solutions for internal control over the LVCVA's blank check stock, and an analysis of the Investment Policy to compare it to government investment policies and the LVCVA investment policy.

There were no Committee items that required Board action at this time.

DIRECTORS' RECOGNITION

Member Mike Pacini endorsed the LVCVA's Internship Program, and introduced Sabrina Garba and William Flangas, who are currently participating in this program.

Oscar Goodman expressed his excitement about the NBA kick-off and the wrapping of the Monorail train car.

COMMENTS FROM THE FLOOR BY THE PUBLIC

There were no comments from the floor by the public.

ADJOURNMENT

The meeting was adjourned by Chair Oscar Goodman at 10:18 a.m.

Respectfully submitted,

Date Approved: September 12, 2006

(s)

Carol Fergen
Executive Assistant to the Board

(s)

Oscar Goodman
Chair of the Board of Directors