



CONVENTION AND VISITORS AUTHORITY

Regular Meeting of the Board of Directors
Tuesday, December 13, 2005
Minutes

The regular meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority was held the 13th day of December at the Las Vegas Convention Center at 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 9:02 a.m. On roll call the following Board members were present, constituting a quorum of the members thereof:

- Oscar Goodman, Chair
- Keith Smith, Vice Chair
- Charles Bowling
- Larry Brown
- Glenn Christenson
- Tom Jenkin
- Kara Kelley
- Bill Nicholes
- Mike Pacini

Absent at Roll Call Tom Collins
James Gibson
Yvonne Atkinson Gates Entered the meeting after Roll Call
Kevin Kelley
Michael Montandon

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 and FLAG SALUTE Rabbi Mel Hecht - Temple Beth Am, presented the invocation. The invocation was followed by the flag salute.

APPROVAL OF THE AGENDA and APPROVAL OF THE MINUTES President Rossi Ralenkotter informed the Board that **Item Number 9 (*Chamber of Commerce Grant Program Guidelines*) will be held for presentation at a future meeting**, and with that change, the December 13, 2005 Agenda was in order, as were the Minutes of the November 8, 2005 Regular Meeting of the Board of Directors.

Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to approve the December 13, 2005 Agenda and the minutes of the November 8, 2005 Regular Meeting of the Board of Directors as presented.

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. Vice President of Human Resources Mark Olson introduced **Security Officer Don Fulford** as the MVP for the month of November 2005.

ACHIEVEMENT OF
EXCELLENCE IN
PROCUREMENT
AWARD FROM
THE NATIONAL
PURCHASING
INSTITUTE

Mr. Wayne Casper, a representative from the National Purchasing Institute, presented the **Achievement of Excellence in Procurement Award** to the Las Vegas Convention and Visitors Authority in recognition of achieving excellence in public procurement by demonstrating innovation, professionalism, productivity and leadership in the purchasing and management functions.

MEMBER YVONNE ATKINSON GATES ENTERED THE MEETING

MARKETING DIVISION

INTERNATIONAL
MARKET OVERVIEW

Ms. Cam Usher, Director of International Sales, presented a PowerPoint overview of the Las Vegas Convention and Visitors Authority’s international marketing programs. She discussed the branding initiatives, market development, international visitor volume, homeland security issues, and visitor spending and exchange rates. Ms. Usher reported that air service at McCarran International Airport has increased flights from 46 international flights five years ago to the current 167 international flights.

Ms. Usher introduced representatives from the various LVCVA international offices who were in attendance at this meeting.

LAS VEGAS EVENTS
FUNDING
2006 Mesquite
Couples Golf
Championship

The 2006 Mesquite Couples Golf Championship will be the first tournament of its kind held in Mesquite. This event is expected to draw over 100 teams, and an estimated 180 out-of-town visitors. The uniqueness of this event is expected to grow the tournament to over 250 teams within two years.

Fiscal Impact:
FY 2006 – Estimated \$25,000

Following a brief discussion, Member Tom Jenkin 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 \$25,000 to fund the 2006 Mesquite Couples Golf Championship, which will be held February 6-8, 2006 at the Casablanca and Palms golf courses in Mesquite, Nevada.

OPERATIONS DIVISION

MASTER PLAN PROGRAM UPDATE/FOCUS GROUP SUMMARY

President Rossi Ralenkotter and Project Manager Mike Musgrave updated the Board on the Master Plan Program. Customer Focus Group meetings were held over the past couple of months, and will continue through the design phase of the project. These focus groups included meeting planners and tradeshow executives, stakeholders and other interested parties, and were coordinated with Clark County staff, elected officials and multiple town leaders, Nevada Power and the various utilities. As a result of these meetings, the customers ranked the importance of the major components of the enhancement program to exhibit and host their conventions into the future. They ranked the components relative to the most important and critical issues, as follows:

1. South Hall improvements, including meeting rooms
2. New north/south lobby connector
3. Existing meeting room and public space improvements
4. General session space, as well as additional parking

President Ralenkotter said that the next steps are to prepare the final recommendations of the Master Plan and bring them back to the Board at the February 14, 2006 meeting. The major components of that meeting will be: the Economic Impact Study of the Program's effect on the destination; the LVCVA's Business Plan and the effect the Plan will have on the LVCVA business model as well as the resort industry; the Master Plan Program, Master Schedule and Budget; and, the Financial Plan, which will include the authorization of the Bond sale.

Mr. Musgrave assured the Board that they are committed to continue communication with the customers as the project moves forward with the final development of the Program, as well as with the design and construction phase.

Member Charles Bowling agreed with the importance of customer participation on a project such as this one, and said that the praises of a customer whose input has been heard can often result in the best form of advertising and marketing for the destination.

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

OPERATIONS DIVISION (Continued)

MASTER PLAN
TASK ORDER NO. 2

The Las Vegas Convention and Visitors Authority ("LVCVA") Master Plan was adopted by the Board in March 2005. In June 2005, the Board authorized *MWH Americas, Inc.* ("MWH") to proceed with the development of a Program Master Plan under Task Order No 1, which consisted of the formation of a building program conducting customer focus groups, development of Master Plan alternatives, conceptual budgets and construction phasing schedules, and an existing facilities assessment. Work under Task Order No. 1 will be completed by December 31, 2005.

Task Order No. 2 of the Program Management Contract, in the amount of \$509,780, is for the continuation of Program Management services for the period January 1, 2006 through February 28, 2006 to complete program tasks requested by the LVCVA, and would provide for the continuation of on-site Program Management Support.

Fiscal Impact:

FY 2006 – Estimated \$509,780 (Capital Fund)

Following discussion on this item, Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to approve Task Order No. 2 of the Program Management Contract in the amount of \$509,780, for continuation of Program Management services for the period January 1, 2006 through February 28, 2006, to complete program tasks requested by the Las Vegas Convention and Visitors Authority that are associated with the refinement and approval of the Master Plan for the Las Vegas Convention Center.

TALENT
Modification To
Contracts
(File #01-756)

At the December 9, 2003 Board of Directors' Meeting, the Board approved the award for Talent to various talent agencies in the amount of \$95,000 for the period January 11, 2004 through January 10, 2005, with three 1-year contract extensions, and annual price increases not to exceed five percent (5%) as provided for in the contract documents. Then, at the March 8, 2005 Board of Directors' Meeting, the Board approved an additional estimated expenditure of \$36,000 per year for a total of \$131,000.

At that time, Staff projected that the increase of \$36,000 would be sufficient to handle the increased number of promotional events, sales calls and additional Centennial events. However, through October 20, 2005, approximately \$144,000 had already been spent. Based on the continuous increased marketing efforts, Staff estimates an approximately \$200,000 total expenditure is a more realistic figure, which is an annual increase of \$69,000 for the two 1-year extensions that were previously approved.

OPERATIONS DIVISION (Continued)

TALENT
Modification To
Contracts
(File #01-756)
(Continued)

Fiscal Impact:

FY 2006 - (07/01/05 – 01/10/06) - Estimated \$ 69,000 (General Fund)
FY 2006 - (01/11/06 – 06/30/06) - Estimated \$ 34,500 (General Fund)
FY 2007 - (07/01/06 – 06/30/07) - Estimated \$ 69,000 (General Fund)
FY 2008 - (07/01/07 – 01/10/08) - Estimated \$ 34,500 (General Fund)

Following a brief discussion on this item, Member Tom Jenkin moved and it was carried by unanimous vote of the members present to: 1) Authorize Staff to expend an additional estimated amount of \$69,000 for a total of \$200,000 for File #01-756, Talent, for the period of January 11, 2005 through January 10, 2006; 2) Authorize an estimated annual increase of \$69,000 to \$200,000 for the two (2) one-year extensions (previously approved); and, 3) Authorize the Director of Materials Management to execute the contract documents.

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

In March 1998, the Board of Directors awarded the Telecommunications Equipment and Services contract to *Facilities Communications, International, Ltd.* (now known as *Smart City Networks, L.P.*), and in 2000 a 5-year extension of that contract was approved with a \$1.3 million capital investment by *Smart City Networks, L.P.* of the South Hall expansion.

As the Las Vegas Convention and Visitors Authority enters into the enhancement program, there will be a need to identify the updated technology requirements for the current expansion, and, therefore, a 1-year extension of the telecommunications equipment and services contract with *Smart City Networks, L.P.* is requested, and that the current revenue commission of 36% be continued for the term of the contract extension.

Fiscal Impact:

FY 2007 – Estimated Revenue: \$2,000,000

Member Kara Kelley disclosed that *Smart City Networks, L.P.* is a member of the Chamber of Commerce. She will be voting on this item.

Member Larry Brown moved and it was carried by unanimous vote of the members present to: 1) Award a contract extension for RFP No. 98-18, Telecommunications Equipment and Services, for the period June 15, 2006 through June 14, 2007, to *Smart City Networks, L.P., Las Vegas, Nevada*; and, 2) Authorize the President/CEO to execute the contract documents.

OPERATIONS DIVISION (Continued)

RETROFIT SIEMENS
CONTROLS WITH
AUTOMATED LOGIC®
CONTROLS
(SOLE SOURCE)
FILE #06-1587

The Las Vegas Convention and Visitors Authority ("LVCVA") has a digital automation control system consisting of approximately 90% *Automated Logic*® controls that are critical to the operation of the LVCVA's HVAC systems. These controls were also installed in the South Hall expansion. This purchase is to standardize the remaining controls.

Automated Logic® Corporation has indicated *Bishop Air Service, Henderson, Nevada* as the only authorized dealer of their products in Southern Nevada, therefore, making this a sole source purchase. *Bishop Air Service* personnel are factory trained to handle all aspects of *Automated Logic*® products, including application engineering, software development, project management, system installation, commissioning and service.

Fiscal Impact:

FY 2006 – Estimated \$112,498 (Capital Fund)

Member Kara Kelley moved and it was carried by unanimous vote of the members present to: 1) Award File #06-1587, for the Retrofit of Siemens Controls to Automated Logic® controls, to Bishop Air Service, Henderson, Nevada, in the estimated amount of \$112,498; and, 2) Authorize the Director of Materials Management to execute the contract documents.

REPAINTING OF
EXTERIOR STUCCO
AT CASHMAN CENTER
(Bid #06-1569)

The exterior of Cashman Center is in need of an updated appearance. Approximately 40% of the repainting of the exterior stucco has been completed over the past several months by LVCVA staff. The remaining project requires that a contractor complete the difficult and time-consuming areas.

Member Kara Kelley moved and it was carried by unanimous vote of the members present to: 1) Reject the bids of Hardy Painting & Drywall, Las Vegas, Nevada; Harbor Coatings Corp., San Pedro, California; and Golden West Painting Company, Las Vegas, Nevada as non-responsive for failure to submit bid guarantees; and, 2) Reject the bids of Fix Painting Company, Woodland Hills, California, and Olympus and Associates, Inc., dba Olympus Painting & Sand Blasting, Reno, Nevada, as they exceed the estimate of the project by approximately 95%.

CHAMBER OF
COMMERCE GRANT
PROGRAM
GUIDELINES

The Chamber of Commerce Grant Program has been in existence since 1965. Formal guidelines were adopted by the Board in 1996. Since that time, the Chambers' role in tourism promotion has expanded. Proposed guidelines and application have been developed, not only to strengthen accountability, but also to present additional funding possibilities.

This item was held, and will be presented at a future meeting.

LVCVA BUDGET AND
STATISTICAL REPORT
October 2005

The “**Las Vegas Convention and Visitors Authority Budget and Statistical Report**” for the period ending October 31, 2005 had been delivered to the Board members and included in the public documentation as part of the supporting materials with the public meeting notice.

This is an information item. There were no comments or questions from the Board and no action was required.

EXECUTIVE DIVISION

NATIONAL FINALS
RODEO

Las Vegas has hosted the Professional Rodeo Cowboy’s Association (PRCA) National Finals Rodeo (NFR) for the past 20 years and has enjoyed a beneficial partnership with the PRCA. The NFR has become a cornerstone event for Las Vegas and continues to bolster hotel occupancies in the month of December. The rodeo, attracting an attendance of over 170,000, continues to reinforce Las Vegas as one of the major sports/entertainment destinations in the world. The NFR draws a diverse audience, not only to the event, but also the ancillary offerings such as the Cowboy Christmas Gift Show, country western entertainment, stock auctions and other festivities.

Staff requested the Board approve the Las Vegas Convention and Visitors Authority’s sponsorship agreement with *PRCA Properties*, the marketing subsidiary of the *Professional Rodeo Cowboy’s Association*, for the 2005 through 2014 National Finals Rodeo. The NFR will take place in Las Vegas at the Thomas and Mack Center the first Friday through the second Sunday of December each year of the contract. In addition, Staff requested the Board authorize the expenditure of an estimated \$10 million, and for the President to execute the contract documents.

President Rossi Ralenkotter informed the Board that they had been provided with an updated contract to reflect the following minor changes: 1) Clarification of the categories which the LVCVA will be an exclusive sponsor for the PRCA was added; 2) In paragraph 3, the word “*commercially*” was added before the word “*reasonable*”; and, 3) Clarification was added as to when injunctive relief would apply to either party.

Member Mike Pacini moved and it was carried by unanimous vote of the members present to: 1) Approve the Las Vegas destination’s sponsorship agreement with *PRCA Properties*, the marketing subsidiary of the *Professional Rodeo Cowboy’s Association*, for the 2005 through 2014 National Finals Rodeo; 2) Authorize the expenditure of an estimated \$10 million for this sponsorship; and, 3) Authorize the President/CEO to execute the contract documents.

EXECUTIVE DIVISION (Continued)

REAL PROPERTY
ACQUISITION
454 Sierra Vista Drive

The revised Master Plan that was adopted by the Board on March 8, 2005 recommended that the Las Vegas Convention and Visitors Authority ("LVCVA") acquire real property for future expansion. The property at 454 Sierra Vista Drive (Assessor's Parcel Number 162-15-101-020) is located immediately adjacent to the front entry of the South Hall and contiguous to 486 Sierra Vista Drive, (the property acquired earlier this year by the LVCVA). The property at 454 Sierra Vista Drive could provide much needed parking spaces for the South Hall, as well as a possible location for future expansion.

Fiscal Impact: (From the Capital Reserve Account to the Land Account)
FY 2006 - Estimated \$10,870,000, plus a contingency of \$130,000 for additional expenses.

Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Authorize an estimated expenditure of \$10,870,000, plus a contingency of \$130,000 for additional expenses, to acquire a fee interest in Assessor's Parcel Number 162-15-101-020; 2) Authorize the transfer of up to \$11,000,000 from the Capital Reserve Account to the Land Account; and, 3) Authorize the President/CEO to execute the appropriate documents.

LEGAL COUNSEL'S
REPORT

There were no new legal matters reported at this meeting.

LAS VEGAS EVENTS'
REPORT

The "**Las Vegas Events 2005 Special Events: Fiscal Year, Year-to-Date Summary**" had been delivered to the Board members and included in the public documentation as part of the supporting materials with the public meeting notice.

President of Las Vegas Events Pat Christenson thanked the Board and LVCVA staff for negotiating the Sponsorship Agreement with the PRCA for the 2005 through 2014 National Finals Rodeo being held in Las Vegas. He introduced Mr. Sean Davis, General Manager of the NFR, and Mr. Troy Ellerman, PRCA Commissioner and President – *PRCA Properties, Inc.* Both gentlemen are key figures in the Professional Rodeo Cowboy Association and National Finals Rodeo.

Mr. Christenson presented a summary of the recent events, including the *Las Vegas Bikefest, Craftsman Series (Double Down), ACDelco NHRA Drag Races, Laughlin PBR Invitational, Viva Laughlin, Primm 300 Score Off-Road Race, RE/MAX World Long Drive Championship (Mesquite)* , and *American Sand Drag Association (Mesquite)*. Upcoming events include the *Las Vegas Holiday Classic Invitational, America's PartyNew Year's Eve 2006, Laughlin Winter Break, Laughlin Desert Challenge, and Mesquite Team Roping.*

COMMITTEES

ESTABLISH A COMMITTEE OF THE BOARD - Policy Committee

On October 11, 2005, the Board approved the revised Board Policies, which established an annual review of the policies. In order to facilitate that annual review and any requests for changes/deletions/additions to the Board Policies, the Board Chair requested that a committee be established. Staff presented a draft Policy Committee Charter for the Board's review and possible adoption.

Chair Oscar Goodman said that he had been advised that there could potentially be an ethical issue regarding paragraph two stating that "*the Chair of the Board of Directors shall automatically be the Chair of the Policy Committee*". Therefore, Chair Goodman moved that the Policy Committee Charter be revised to reflect that the Policy Committee will elect their Chair.

Member Charles Bowling recommended that the committee be a balance of public official and private industry representatives from the Board.

Following the discussion on this item, Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to establish a Policy Committee. The Policy Committee Charter and the appointment of Committee members will be placed on the agenda for the January 2006 Regular meeting of the Board of Directors. The Policy Committee will elect their own Chair.

DIRECTORS' RECOGNITION

There were no comments from the Board members.

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 10:05 a.m.

Respectfully submitted,

Date Approved: January 10, 2006

(s)

Carol Fergen
Executive Assistant to the Board

(s)

Oscar Goodman
Chair