



CONVENTION AND VISITORS AUTHORITY

Regular Meeting of the Board of Directors  
Tuesday, July 11, 2006  
Minutes

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority (“LVCVA”) was held the 11<sup>th</sup> day of July 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”.

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CALL TO ORDER	Chair Oscar Goodman called the meeting to order at 9:00 a.m. On roll call the following Board members were present, constituting a quorum of the members thereof:														
	<table border="0"> <tr> <td>Oscar Goodman, Chair</td> <td>Tom Jenkin</td> </tr> <tr> <td>Keith Smith, Vice Chair</td> <td>Kara Kelley</td> </tr> <tr> <td>James Gibson, Secretary/Treasurer</td> <td>Bill Nicholes</td> </tr> <tr> <td>Charles Bowling</td> <td>Mike Pacini</td> </tr> <tr> <td>Larry Brown</td> <td>Andrew Pascal.....New Board Member</td> </tr> <tr> <td>Glenn Christenson</td> <td></td> </tr> <tr> <td>Tom Collins</td> <td></td> </tr> </table>	Oscar Goodman, Chair	Tom Jenkin	Keith Smith, Vice Chair	Kara Kelley	James Gibson, Secretary/Treasurer	Bill Nicholes	Charles Bowling	Mike Pacini	Larry Brown	Andrew Pascal.....New Board Member	Glenn Christenson		Tom Collins	
Oscar Goodman, Chair	Tom Jenkin														
Keith Smith, Vice Chair	Kara Kelley														
James Gibson, Secretary/Treasurer	Bill Nicholes														
Charles Bowling	Mike Pacini														
Larry Brown	Andrew Pascal.....New Board Member														
Glenn Christenson															
Tom Collins															
Absent at Roll Call	Yvonne Atkinson Gates .....Entered after roll call Michael Montandon														

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

*Chairman Oscar Goodman reminded everyone of the fine work Manuel J. Cortez did for the Las Vegas destination and the LVCVA, and asked for a moment of silence in his honor.*

*Chair Goodman asked Staff to compile ideas on how to preserve the memory of Mr. Cortez and bring their suggestions back to the Board.*

NOMINATIONS  
TO THE BOARD  
OF DIRECTORS

*Andrew Pascal*  
*Keith Smith*

The following nominees to the LVCVA Board of Directors were submitted for approval:

From the Chamber of Commerce ..... NRS 244A.603(1)(g)(1)(i)  
- Andrew Pascal - Wynn Las Vegas

From the Nevada Resort Association .....NRS 244A.603(1)(g)(2)  
- Keith Smith – Boyd Gaming Corporation

Per the Nevada Revised Statutes, only elected officials on the Board may vote on these nominees.

**Member James Gibson moved to approve the nomination of Mr. Andrew Pascal from the Las Vegas Chamber of Commerce, and Mr. Keith Smith from the Nevada Resort Association, to serve on the Board of Directors for the term of July 11, 2006 through June 30, 2008. The motion carried by the following vote of the elected officials on the Board:**

Larry Brown .....	Aye	Yvonne Atkinson Gates .....	Absent
Tom Collins .....	Aye	Michael Montandon .....	Absent
James Gibson .....	Aye		
Oscar Goodman .....	Aye		
Bill Nicholes.....	Aye		
Mike Pacini .....	Aye		

Members Andrew Pascal and Keith Smith were sworn-in by the Honorable Michael Cherry, and assumed their seats on the Board of Directors.

**MEMBER YVONNE ATKINSON GATES ENTERED THE MEETING**

APPROVAL OF THE  
AGENDA  
and  
APPROVAL OF THE  
MINUTES

President/CEO Rossi Ralenkotter informed the Board that the July 11, 2006 Agenda, and the Minutes of the June 13, 2006 Regular Meeting of the Board of Directors, were in order for Board approval.

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve the July 11, 2006 Agenda and the Minutes of the June 13, 2006 Regular Meeting of the Board of Directors as presented.**

**PRESENTATIONS**

MOST VALUABLE  
PLAYER PROGRAM

The Most Valuable Player (“MVP”) program award was tabled to the August meeting.

### **PRESENTATIONS (Continued)**

- Annual Safety Award* Vice President of Human Resources Mark Olson presented the Annual Safety Award for fiscal year 2005/2006 to the Communications Department. He said this is the sixth consecutive year that the Communications Department has received this award, and they have received it 13 of the past 14 years. Mr. James Abram accepted the award on behalf of the Communications Department.
- Recognition of James Abram (Retirement)* Mr. Olson informed the Board that Mr. Abram will be retiring next month after 30 years at the LVCVA.

### **MARKETING DIVISION**

- Special Introduction* Terry Jicinsky, Senior Vice President of Marketing introduced Mr. Craig Erlanger, who is a new Sales Executive in the Marketing Department.
- Reminder Las Vegas Culinary and Wine Festival* Mr. Jicinsky reminded the Board of Directors about the May 17-20, 2007 "Las Vegas Culinary Wine Festival", and discussed the importance of this event. He invited all the Board members to attend.

#### LAS VEGAS CONVENTION AND VISITORS AUTHORITY AWARDS Second Quarter 2006

The following awards were received by the Las Vegas Convention and Visitors Authority during the Second Quarter 2006:

#### American Advertising Federation/District/Regional ADDY

8: Gold Awards

3: Silver Awards

#### Association Meetings Magazine

Inner Circle Award

#### Southern Nevada Human Resources Association

Best Place to Work Award – LVCVA 2<sup>nd</sup> Place

#### Telly Awards

3: Silver Awards

3: Bronze Awards

#### 2006 American In-house Design Award

2 Awards

#### 2006 Mercury Award

Gold – \*WHHSH Television Campaign

#### 2006 Astrid Award

\*WHHSH III Television Campaign

#### Employee Services Management Association

Employer of the Year Award (Rossi Ralenkotter)

#### TravelAge West Magazine

Wave (Western Agents Voting for Excellence) Award

\*WHHSH: "What Happens Here, Stays Here"

**MARKETING DIVISION (Continued)**

HOUSING  
SERVICES  
SOFTWARE  
AGREEMENT  
(FILE #06-1705)

The current software used by the LVCVA Housing Services no longer meets the industry standard. The cost to restructure the current software would require a substantial financial investment and extensive reprogramming. Staff researched alternative housing software programs and concluded that *Passkey International Inc.* would provide the best software to accommodate the needs of the LVCVA.

The LVCVA receives revenue in the form of reservation fees from the hotels servicing the room blocks. The estimated reservation fees result in the following estimated revenue: \$350,000 in fiscal year 2007; \$400,000 in fiscal year 2008; and, \$450,000 in fiscal year 2009.

Fiscal Impact:

FY 2006/2007: Estimated \$173,700 – General Fund

FY 2007/2008: Estimated \$201,000 – General Fund

FY 2008.2009: Estimated \$218,000 – General Fund

**Member Yvonne Atkinson Gates moved and it was carried by unanimous vote of the members present to: 1) Award File #06-1705, to *Passkey International, Inc., Quincy, Massachusetts*, in the estimated amount of \$592,700 for the period of July 12, 2006 through July 11, 2009; 2) Authorize the Director of Materials Management to execute the contract documents; and 3) Authorize the Director of Materials Management to execute one (1) additional three-year contract extension with price increases not to exceed 3% per year over the three year extension.**

LA CUMBRE

La Cumbre is the premier travel industry conference for travel to the United States from Latin America and the Caribbean. This event features an appointment based tradeshow enabling wholesale buyers of travel and travel products to meet with destination hotels and attractions.

With Las Vegas the host city of this year's event, the LVCVA is responsible for the opening night function, which will be held at the Fashion Show Mall for approximately 1,200 people, and will feature performers from various Las Vegas shows. Also, a public relations event for 100 journalists will be held. The tradeshow will be held at the Las Vegas Convention Center. Twenty-two Las Vegas hotels are anticipated to participate in this year's event.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$300,000

**Member Yvonne Atkinson Gates moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$300,000 for expenses required to host La Cumbre, September 6-8, 2006, to be held in Las Vegas.**

**MARKETING DIVISION (Continued)**

INCENTIVE TRAVEL  
& MEETING  
EXECUTIVES SHOW  
(IT&ME)

The Incentive Travel and Meeting Executives Show (IT&ME) is the premier gathering of corporate and incentive travel planners and buyers from throughout North America. This year's event will be held September 26-28, 2006 at McCormick Place in Chicago, Illinois. The LVCVA will also produce an invitation-only client event on September 27, 2006 at Crobar, a high-end Chicago event venue, targeting the corporate and incentive client base. The LVCVA receives revenue contributions from Las Vegas resort industry partners who exhibit within the LVCVA's tradeshow pavilion. This year's revenue is estimated to be \$51,500.

Fiscal Impact:

FY 2006/2007	Estimated expenditure:	\$485,000
	Estimated Revenue:	( \$51,000 )
	Potential net expenditure:	\$433,500

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$485,000 for the LVCVA to participate at the Incentive Travel and Meeting Executives Show September 26-28, 2006 and to an invitation-only client networking event, to be held September 27, 2006, in Chicago, Illinois.**

MLT UNIVERSITY  
TRAVEL AGENT  
EDUCATIONAL  
SPONSORSHIP

Three-day Travel agent seminars will be held at the MLT University in St. Paul, Minnesota, October 9-11, 2006, for 1,600 qualified travel agents. Twenty-five hotels and area attractions scheduled to participate in this sales program with the LVCVA.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$90,000

**Following a very brief discussion, Member Yvonne Atkinson Gates moved and it was carried by unanimous vote of the members present to: 1) Approve an estimated expenditure of \$90,000 for expenses associated with sponsoring an all-day travel agent educational seminars at the MLT University in St. Paul, Minnesota October 9-11, 2006; and, 2) Authorize the President/CEO to execute the contract documents.**

**MARKETING DIVISION (Continued)**

LAS VEGAS MOTOR  
SPEEDWAY SUITE  
RENTAL

The Las Vegas Motor Speedway hosts several major automobile races throughout the year. The lease of a private spectator hospitality suite for the period August 1, 2006 through July 31, 2007 could be utilized by the LVCVA to host its VIP clients and invited guests during the racing season. The proposed Agreement in the estimated amount of \$70,660 would provide for 60 VIP suite tickets, and 30 VIP parking passes per event day.

Fiscal Impact:  
FY 2006/2007 - Estimated Expenditure: \$70,660

Member Charles Bowling requested that Staff provide the Board with a list of the clients the LVCVA will be entertaining in the suite.

**Member James Gibson moved and it was carried by unanimous vote of the members present to approve an estimated expenditure of \$70,660 to enter into an Agreement with the Las Vegas Motor Speedway to lease a private spectator hospitality suite for the period August 1, 2006 through July 21, 2007, for VIP guests of the LVCVA.**

EVENT FUNDING  
Las Vegas Events

Las Vegas Events requested Board approval of the disbursement of funds in the total amount of \$302,000 to fund the following events:

SCORE International Off Road Race.....	\$ 7,000
Nevada Senior Olympics.....	\$ 10,000
Far West Regional Soccer Championships .....	\$ 35,000
Las Vegas Marathon .....	\$ 250,000

Member Kara Kelley requested that the Policy Committee consider including some of the lesser dollar amount requests from Las Vegas Events be included within the President/CEO's approval authority.

Member James Gibson noted that the Policy Committee needs to consider the context of the public awareness and public notice of the things that happen at this Board level with respect to Las Vegas Events. He said that in the past they have avoided granting blanket authority at any level over Las Vegas Events, and requested that the Policy Committee keep that in mind when they entertain this discussion.

Member Yvonne Atkinson Gates said she would be concerned in reference as to what is classified as a lesser amount, and that she believes the Policy Committee needs to have a discussion in reference to that as well.

**Following the discussion, Member Yvonne Atkinson Gates moved and it was carried by unanimous vote of the members present to approve the disbursement of funds in the total amount of \$302,000 to fund: SCORE International Off Road Race (\$7,000); Nevada Senior Olympics (\$10,000); Far West Regional Soccer Championships (\$35,000); and the Las Vegas Marathon (\$250,000).**

**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 discussed the various concepts for the meeting room renovations, and the progress of the proposed Las Vegas Metropolitan Police Station.

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

Member Charles Bowling noted that he has received positive feedback from LVCVA customers about their being invited to participate in the process. He encouraged Staff to continue including them in the process in the future as well.

SERVICE AWARDS  
RFP #06-1646

Service Awards are provided to all full-time and part-time employees for recognition of completed years of service in five-year increments. The Service Award Program provides a selection of items from a catalog for each five years of service.

Invitations to submit proposals were sent to 15 companies, and they were contacted by telephone to remind them of the meeting. Four companies were present at the pre-proposal meeting, of which two submitted proposals. Based on criteria as set forth in the Request for Proposal, *C.A. Short Company, Shelby, North Carolina* earned the highest total ratings from the Service Awards Evaluation Committee members.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$33,000 – General Fund

FY 2007/2008 - Estimated Expenditure: \$21,000 – General Fund

FY 2008/2009 - Estimated Expenditure: \$31,000 – General Fund

**Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Award RFP #06-1646, for Service Awards to C.A. Short Company, Shelby, North Carolina, in the estimated amount of \$85,000 for the period of June 13, 2006 through June 12, 2009; 2) Authorize the Director of Materials Management to execute the contract documents; and, 3) Authorize the Director of Materials Management to execute one additional two-year contract extension with price increases/decreases not to exceed 5% each year.**

**OPERATIONS DIVISION (Continued)**

FURNISH AND  
INSTALL AIR  
FILTERS  
BID #06-1687

There are approximately 4,900 air filters at the Las Vegas Convention and Visitors Authority which are changed on a monthly, quarterly, semi-annual or annual basis. This annual air filter contract is to furnish and install the air filters which will service the air handler units and air conditioning systems for the Las Vegas Convention Center and Cashman Center locations.

Based on specifications provided by the Operations Division, two bids were received, with Air Filter Sales & Service, Las Vegas, Nevada being the lowest bidder at \$115,761.10.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$115,761.10

**Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Award Bid #06-1687, to Furnish and Install Air Filters to Air Filter Sales & Service, Las Vegas, Nevada, in the estimated annual amount of \$115,761.10 for the period of July 11, 2006 through July 10, 2007; 2) Authorize the Director of Materials Management to execute the contract documents; and, 3) Authorize the Director of Materials Management to execute three (3) additional one-year contract extensions with price increases not to exceed 5% each year.**

NURSING  
SERVICES  
RFP #06-1634

First Aid rooms located throughout the Las Vegas Convention Center (LVCC) are staffed with Registered Nurses (RNs), licensed with the State of Nevada. RNs are present during convention show dates, and their service is offered to Show Management at no additional cost. Upon Show Management's request, this service may also be scheduled as-needed during move-in and move-out. Additionally, medical attention is available to employees and individuals who are on LVCC property when RNs are on duty.

Fiscal Impact:

FY 2007 – (July 11, 2006 through June 30, 2007) – Estimated \$223,650 – General Fund

FY 2008 – (July 01, 2007 through June 30, 2008) – Estimated \$258,450 – General Fund

FY 2009 – (July 01, 2008 through June 30, 2009) – Estimated \$295,625 – General Fund

Member Kara Kelley inquired as to possibly charging the tradeshow customers for these services.

Member James Gibson asked if other competitors in the industry offer the same kind of service.

Following a discussion on possible options, it was concluded that it would not be cost-effective for the LVCVA to bill-back for these services, and although there are varying degrees of this service offered at similar facilities in the industry, offering this service at no charge to the LVCVA customer is selling tool that should continue.

(Continued)

**OPERATIONS DIVISION (Continued)**

NURSING  
SERVICES  
RFP #06-1634  
(Continued)

**Following the discussion, Member Yvonne Atkinson Gates moved and it was carried by unanimous vote of the members present to: 1) Award RFP #06-1634, for Nursing Services to *University Medical Center of Southern Nevada, Las Vegas, Nevada*, in the estimated amount of \$777,725 for the three-year period of July 11, 2006 through June 30, 2009; 2) Authorize the Director of Materials Management to execute the contract documents; and, 3) Authorize the Director of Materials Management to execute one additional three-year contract extension with price increases not to exceed 5% each year.**

LVCVA BUDGET  
AND STATISTICAL  
REPORT

The “**Las Vegas Convention and Visitors Authority Budget and Statistical Report**” for the period ending May 31, 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**

NEVADA POWER  
COMPANY  
Three Easements  
for  
Swenson Substation  
Distribution Conduit  
Project

The Nevada Power Company plans to construct two (2) distribution conduit power capacitors and one (1) underground vault on LVCVA property generally located in the Green Parking Lot near Desert Inn Road and on the corner of Desert Inn Road and Swenson Street. Nevada Power Company needs these non-exclusive easements in order to effectively construct an electrical distribution network for that area after they construct the new Swenson Substation on the north side of Desert Inn Road.

Nevada Power Company had the property appraised and the appraisals indicate that the LVCVA should receive \$75,330 for these easements.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$75,330

**Member James Gibson moved and it was carried by unanimous vote of the members present to authorize the President/CEO to execute the proposed Easements in favor of Nevada Power Company to construct distribution conduits on Las Vegas Convention and Visitors Authority property.**

**EXECUTIVE DIVISION (Continued)**

REAL PROPERTY  
ACQUISITION  
3260 Joe W. Brown  
Drive

As part of the Master Plan Enhancement Program, Staff is required to find temporary office space. The property located at 3260 Joe W. Brown Drive, approximately .47 acres, is in close proximity to the Las Vegas Convention Center, and could be utilized by the LVCVA Administrative Staff during the enhancement project. In addition, the acquisition of this property would allow the LVCVA to make full use of the vacant parking lot acquired in November 2005. Moreover, the property would enhance the entry into Central Halls C-4 and C-5.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$3,650,000

**Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Authorize an estimated expenditure of \$3,650,000 to acquire a fee interest in Assessors Parcel Number 162-10-802-001; 2) Authorize the transfer of \$3,650,000 from the capital reserve account to the land account; and, 3) Authorize the President/CEO to execute the appropriate documents.**

INSURANCE  
COVERAGE AND  
PREMIUM  
FY 2006/2007

On March 8, 2005, the Board of Directors appointed the firm of Kaercher Campbell & Associates ("Kaercher") as the LVCVA's broker of record for liability and property insurance. For the last two months, Kaercher has negotiated with various insurance companies to obtain the best insurance for the minimum premium. During fiscal year 2005-2006, Staff hired Public Agency Risk Management Services, Inc. (PARMS) to perform a policy and coverage review. Kaercher has worked with the various insurance companies to obtain some of the coverage changes indicated in PARMS' report.

Fiscal Impact:

FY 2006/2007 - Estimated Expenditure: \$1,233,430.20

**Following a brief discussion, Vice Chairman Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Approve the expenditure of an estimated amount of \$1,233,430.20 for various insurance coverages for the fiscal year 2006/2007; and, 2) Authorize the President/CEO to execute the appropriate documents.**

**EXECUTIVE DIVISION (Continued)**

LEGAL COUNSEL'S  
REPORT

In October of 2005, the Legal Counsel's office was charged with the responsibility to manage all intellectual property owned by the LVCVA. After substantial discussions and adjustments in the internal policy, an internal policy was adopted wherein the LVCVA would protect its trademarks when the third party use was materially detrimental to the destination or to the LVCVA's advertising campaign. Pursuant to that internal policy, Staff determined that there are two possible applications for trademark that may fall under the policy. The first one is an application filed by a company named Samaritan Pharmaceuticals. They seek to use the mark "What Happens in Vegas, Does Not Always Stay in Vegas", to market their drug lines, which includes immune AIDS drugs. And the second one is an application by a T-shirt company that wants to market T-shirts that have "What Happens in blank, Stays in blank". The blanks are then filled-in by the T-shirt company with names of destinations that are currently in competition with Las Vegas and Clark County. Mr. Puschnig said that this is not litigation. It is an opposition in the United States Patent and Trademark Office that will be determined in administrative proceeding before the United States Patent and Trademark Office personnel. He believes that there is a potential for significant costs related to opposing these applications. Mr. Puschnig said this is an information item, and Staff is informing the Board to get their opinion and/or their direction on this matter.

Chairman Oscar Goodman declared that he may have a conflict of interest with this item, and in order to avoid any appearance of impropriety, he would abstain from the conversation. He turned the Chair's seat over to Vice Chairman Keith Smith.

There were mixed opinions among the Board members on this matter, and following considerable discussion, the Board directed LVCVA Legal Counsel to contact Samaritan Pharmaceuticals and Bighorn Shirt Works and get more information regarding their intended use of the slogan, and bring the information back to the Board at the August 8, 2006 regularly scheduled meeting for further discussion and a possible decision.

Oscar Goodman resumed his position as Chair.

Comment  
- Video Game

Chairman Oscar Goodman informed the Board of Directors and LVCVA Staff that it had come to his attention that there is a video game being released to the public in November that depicts terrorist attacks on various Las Vegas properties. He expressed his concern about the video game and the possible ramifications not only to the reputation of Las Vegas, but the possibility of implanting ideas in someone's mind.

No action can be taken on this item at this meeting.

**EXECUTIVE DIVISION (Continued)**

LAS VEGAS  
EVENTS'  
REPORT

Mr. Pat Christenson, President of Las Vegas Events, reported on the results of their research on events in March/April 2006, and summarized upcoming events for July/August 2006.  
This is an information item. No Board action was required.

COMMITTEE  
REPORTS  
- Compensation  
Committee  
- Policy Committee

This item was tabled to a future meeting.

**DIRECTORS' RECOGNITION**

Chairman Oscar Goodman stated, for the record, that he had a prior conversation with President Rossi Ralenkotter regarding the construction work on Interstate-15, and its effect on the people from Southern California traveling to Las Vegas.

President Rossi Ralenkotter informed the Board about he has had numerous discussions with CALTRANS and Mr. Thomas Skancke on this matter. The LVCVA is awaiting a Closure Schedule from CALTRANS relative to the construction of the Interstate. Staff will provide the Board with the schedule as soon as it is available, and will keep the Board updated on this matter as information is received.

**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: August 8, 2006

(s)  
\_\_\_\_\_  
Carol Fergen  
Executive Assistant to the Board

(s)  
\_\_\_\_\_  
Oscar Goodman  
Chair of the Board of Directors