



CONVENTION AND VISITORS AUTHORITY

Special Committee Meeting  
October 6, 2005  
Minutes

The Special Committee of the Board of Directors of the Las Vegas Convention and Visitors Authority held a meeting the 6<sup>th</sup> day of October 2005 at the Las Vegas Convention Center in the Board Room 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**

Committee Chair Oscar Goodman called the meeting to order at 9:02 a.m. On roll call the following committee members were present, constituting a quorum of the committee thereof:

Committee Members in Attendance: Oscar Goodman, Committee Chair  
Chuck Bowling  
James Gibson  
Tom Jenkin ..... Arrived after roll call

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  
Mark Olson, Vice President - Human Resources

APPROVAL OF  
AGENDA AND  
APPROVAL OF  
MINUTES

**Committee Member James Gibson moved and it was carried by unanimous vote of the committee members present to approve the October 6, 2005 Agenda, and the Minutes of September 6, 2005 meeting as presented.**

***[Committee Member Chuck Bowling Entered the Meeting]***

DRAFT OF  
BOARD POLICY  
REVISIONS

On September 6, 2005 the Special Committee of the Board of Directors met to discuss and develop recommendations for the Board Policies.

On September 13, 2005 the Board of Directors discussed the Special Committee’s recommendations on the Board Policies, and requested the Policies incorporate the Board’s comments and input as discussed during the Board meeting.

DRAFT OF  
BOARD POLICY  
REVISIONS  
(Continued)

During the October 6, 2005 Special Committee meeting, Mr. Zane Gresham, a partner at the law firm of Morrison & Foerster, presented a PowerPoint overview of the proposed policy revisions. The Committee discussed the Policies, which included: Internal Administration of Board of Directors, Powers and Functions of the President/CEO, Powers and Functions of Legal Counsel, Intellectual Property Management, Acquisition and Disposition of Property, Procurement of Goods and Services, Public Works Projects, and Code of Conduct and Conflicts of Interests Policy.

After conducting a lengthy and detailed review of the Policies, the Committee requested a rewrite and clean-up of the Policies as follows:

Article II - Powers and Functions of the President/CEO

Policy 2.02 - Responsibilities of President/CEO

Section 3: Oversee management and operations of all departments of LVCVA, and make salary adjustments and salary range adjustments for all employees; **provided that, the Board ultimately shall approve the compensation and salary range adjustments of LVCVA's Legal Counsel, after receiving the evaluation and recommendation of the President/CEO and Compensation Committee as provided** in Policy 3.04. The President/CEO shall recommend to the Board for approval all title changes and salary range adjustments for "E" level positions.

Article III - Powers and Functions of Legal Counsel

Policy 3.02 - Responsibilities of Legal Counsel

Section 1: Act as attorney representing the organization, and advise the Board of Directors, the President/CEO and other members of the LVCVA staff regarding legal questions arising in the conduct of LVCVA's operations, **and have primary responsibility for assuring the implementation of an effective legal compliance system under the oversight of the Board of Directors.**

Section 7: Determine, in consultation with **the President/CEO and** professional advisers, as appropriate, when cease and desist letters should be sent, in accordance with Policy 4.04.

DRAFT OF  
BOARD POLICY  
REVISIONS  
(Continued)

Policy 3.03 – Reporting Relationship of Legal Counsel

*The following provisions shall govern the reporting relationship of LVCVA's Legal Counsel:*

- Section 1: On a day-to-day basis, LVCVA's Legal Counsel shall **report to** the President/CEO and **shall** take direction **from the President/CEO** on strategic and business matters within the President/CEO's authority, **consistent with requirements of law, these Policies and the current and future ethical standards of conduct adopted by the Supreme Court of Nevada applicable to lawyers licensed to practice law in Nevada. In order to perform their obligations to LVCVA, Board members shall have complete and open access to LVCVA's Legal Counsel.**
- Section 2: On a quarterly basis, LVCVA's Legal Counsel shall report to the Board Chair regarding any material legal matters relating to LVCVA. These matters shall include, but are not limited to: (a) the status of any material legal proceedings to which LVCVA is a party or in which LVCVA is otherwise involved; (b) any significant issues or concerns relative to compliance with applicable legal requirements, including potential or ongoing material violations of law by, and breaches of fiduciary duty to LVCVA or violations of these Policies by, LVCVA or any of its directors, officers and/or employees; and (c) any matters of a legal nature which could result in a material risk of loss or liability to LVCVA.
- Section 3: In addition to the reporting requirements set forth above in this Policy 3.03 and below in Policy 8.02, if LVCVA's Legal Counsel becomes aware of (a) any material violation of law, breach of fiduciary duty or violation of these Policies or (b) any other legal matter that may present an imminent substantial risk to LVCVA's interests, then LVCVA's Legal Counsel shall report such violation, breach or other matter to the Board Chair as soon as is reasonably practicable.
- Section 4: To assure independence and candor, reporting by LVCVA's Legal Counsel under Items 1, 2, and 3 above shall be protected in accordance with the provisions of Item 12 of Policy 8.01.

DRAFT OF  
BOARD POLICY  
REVISIONS  
(Continued)

Policy 3.04: Compensation and Evaluation of Legal Counsel

The **compensation of LVCVA's Legal Counsel is established by** the Board. **The President/CEO shall perform an** annual evaluation of LVCVA's Legal Counsel, **consistent with LVCVA's executive-level compensation program and practices, and based on such evaluation, the President/CEO shall make a recommendation to the Compensation Committee regarding the compensation of LVCVA's Legal Counsel. The Compensation Committee then shall perform its evaluation and make its recommendation to the Board regarding** the compensation of LVCVA's Legal Counsel. **The Board ultimately shall be responsible for approving the compensation of LVCVA's Legal Counsel after full consideration of such evaluation and recommendation.** The Board may solicit and receive such other information as it deems appropriate for this purpose.

Policy 3.05: Retention of Outside Legal Counsel

LVCVA's Legal Counsel, after consultation with the President/CEO, shall be authorized to retain outside legal counsel, subject to ratification by the Board at its next meeting. At the conclusion of each significant legal action, LVCVA's Legal Counsel shall provide to the Board a summary of the important aspects of the legal action, including a report on the outcome of the legal action. **Engagements of outside counsel to advise the Board, or by a Committee of the Board, for special investigations or independent advice should be made and structured to assure independence and direct reporting to the Board or the Committee.**

Article VI – Procurement of Goods and Services

Policy 6.04 – Sole Source Procurement

Prior Board approval shall be required for any sole source procurement; provided, however, that prior Board approval shall not be required for any sole source procurement involving a budgeted recurring cost of less than \$25,000 annually (*e.g.*, subscriptions to newspapers and magazines), **but any such sole source procurement which does not require approval by the Board shall be reported to the Board at its first meeting after the award or purchase.** In the rare case where such prior approval is impractical, and delay would prejudice LVCVA's interests, the President/CEO, with the concurrence of LVCVA's Legal Counsel, shall be authorized to enter into a sole source procurement involving an amount of less than \$50,000, subject to ratification by the Board at the first Board meeting **after the award or purchase.**

DRAFT OF  
BOARD POLICY  
REVISIONS  
(Continued)

The Committee discussed and determined that the italicized portion of Article VIII, Section 6 (Conflicts of Interests) and Section 11 (Retention of LVCVA Records) will be removed. It was determined that Section 10 was to remain the same, however, without the italic font.

**Member James Gibson moved that the Committee recommend to the full Board the revisions, both as reflected in the written material and as commented orally in this meeting. The motion carried by unanimous vote of the Committee members.**

DIRECTORS'  
COMMENTS

Chair Oscar Goodman thanked the Committee members for their participation in the Special Committee. He said this process has been very worth while for the good of the community and the Las Vegas Convention and Visitors Authority.

COMMENTS  
FROM THE  
FLOOR BY THE  
PUBLIC

There were no comments from the floor by the public.

ADJOURNMENT

Committee Chair Oscar Goodman adjourned the meeting at 9:59 a.m.

Respectfully submitted,

(s)

---

Carol Fergen  
Executive Assistant to the Board

APPROVED: November 2005

(s)

---

Oscar Goodman  
Special Committee Chair