



CONVENTION AND VISITORS AUTHORITY

**REGULAR MEETING OF THE BOARD OF DIRECTORS
TUESDAY, SEPTEMBER 11, 2007
MINUTES**

The Regular Meeting of the Board of Directors of the Las Vegas Convention and Visitors Authority ("LVCVA") was held the 11th day of September 2007 at the Las Vegas Convention Center, Las Vegas, Nevada. This meeting had been properly noticed and posted in compliance with the "Nevada Open Meeting Law".

CALL TO ORDER Chairman Oscar Goodman called the meeting to order at 9:03 a.m. On roll call the following members were present, constituting a quorum thereof.

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|---|-------------------------|
| Mayor Oscar Goodman, Chair | Mr. Tom Jenkin |
| Mr. Keith Smith, Vice Chair | Ms. Kara Kelley |
| Mr. Charles Bowling | Mayor Michael Montandon |
| Councilman Larry Brown Arrived Late | Mr. Scott Nielson |
| Commissioner Tom Collins | Councilman Mike Pacini |
| Ms. Susan Holecheck | Mr. Andrew Pascal |
| Mayor James Gibson, Sec./Tr. ... Absent | Commissioner Rory Reid |

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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MOMENT OF SILENCE Chairman Oscar Goodman called for a moment of silence in honor of those who lost their lives on 9/11.

**INVOCATION
FLAG SALUTE** Pastor Bob Cassels - Shadow Hills Baptist Church presented the invocation. The Flag Salute followed the invocation.

APPROVAL OF THE AGENDA and APPROVAL OF THE MINUTES President Rossi Ralenkotter informed the Board that the September 11, 2007 Agenda had been properly noticed and posted in compliance with the Nevada Open Meeting Law, and the Minutes of the August 14, 2007 Regular Meeting of the Board of Directors were in order for Board approval.

Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to approve the September 11, 2007 Agenda and the Minutes of the August 14, 2007 Regular Meeting of the Board of Directors, as presented.

PRESENTATIONS

MOST VALUABLE PLAYER PROGRAM The Vice President of Human Resources, Mark Olson, presented the **August 2007 MVP Award to Dianne Wright, Management Specialist, Payroll.**

ANNUAL SAFETY AWARD FOR FY 2007 This item was tabled to the October Board of Directors meeting.



MARKETING DIVISION

**LAS VEGAS
CONVENTION AND
VISITORS AUTHORITY
MARKETING PLAN
PRESENTATION**

LVCVA Senior Executive Staff and R&R Partners, Inc. presented a video/verbal overview of the primary marketing initiatives related to the strategic goal of growing the brand. The primary initiatives include: continued, aggressive domestic consumer branding; further development of business meetings segments; and the evolution to customer branding in key international markets.

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

MEMBER LARRY BROWN ENTERED THE MEETING DURING THE MARKETING PLAN PRESENTATION.

OPERATIONS DIVISION

**REAL PROPERTY
ACQUISITION
3380 Swenson St.
and Related
Properties**

One of the recommendations of the Master Plan was to acquire real property that would provide passenger vehicle and truck circulation, additional customer parking, outdoor exhibit space and event attendee access to and from the Las Vegas Convention Center. In addition, the Master Plan recommended that the Las Vegas Convention and Visitors Authority acquire real property for the purpose of future Las Vegas Convention Center expansion. Assessors Parcel Numbers 162-15-501-012, 016, 020 and 024 are immediately south of the Green Parking Lot and would add a total of 8.44 acres of land to that Parking Lot and would provide access from Sierra Vista Road into the Green Parking Lot. The cost to acquire a fee interest in these Parcels would be an estimated expenditure of up to \$49,980,000.

Members Keith Smith and Charles Bowling commented on this and other recent land acquisitions asking about the strategy the LVCVA is using for acquiring these properties, are they key in making the city a major competitor, whether this is this the best method to solve the parking/space problems at the convention center, and will there be more property acquisitions brought before the Board in the future.

President Ralenkotter explained that the acquisition of these properties allow for expansion 5-10 years into the future. This particular property is a large parcel which potentially allows for more outdoor exhibit space, and a possible lay-down location for the construction equipment during the expansion project as well as parking for those employees. He said he believes this is an opportunity to obtain the subject property before the market price goes up.

[Chair Oscar Goodman combined this Real Property Acquisition item and the following Bond Resolution item into one motion.]

(See next page for the motion on this item.)



OPERATIONS DIVISION (CONTINUED)

Note: The Previous Item (Real Property Acquisition - 3380 Swenson St. And Related Properties), And The Following Item (Bond Resolution Authorizing The Sale Of Recreational Facilities Revenue Bonds In The Maximum Principal Amount Of \$50,000,000 - Resolution #2007-32) Were Combined Into One Motion.

BOND RESOLUTION
AUTHORIZING THE
SALE OF
RECREATIONAL
FACILITIES REVENUE
BONDS IN THE
MAXIMUM PRINCIPAL
AMOUNT OF
\$50,000,000
Resolution #2007-32

The Las Vegas Convention and Visitors Authority is proposing to issue revenue bonds for land acquisition adjacent to the Las Vegas Convention Center. Revenue bonds are being proposed in lieu of general obligation bonds because revenue bonds can be sold and closed within a schedule more conducive to the project timelines. Additionally, the general obligation of the county will not be used to support these bonds, thereby eliminating any risk that the taxpayers of the county would be relied upon to pay debt service on the revenue bonds.

Fiscal Impact:

The debt service on the bonds, when issued, would be paid from Las Vegas Convention and Visitors Authority revenues.

Real Property
Acquisition (Item 2)
and
Bond Resolution
#2007-32 (Item 3)

In combining the Real Property Acquisition item and the Bond Resolution item into one motion, Member Tom Collins' "motion to approve" included: 1) Authorizing an estimated expenditure of up to \$49,980,000 to acquire a fee interest in Assessors Parcel Numbers 162-15-501-012, 016, 020 and 024; and, 2) Authorizing the President/CEO to approve the purchase and execute the appropriate documents.

Also in combining The Real Property Acquisition item and Bond Resolution item into one motion, Member Tom Collins' "motion to approve" included adoption of Resolution #2007-32 pertaining to the issuance of Revenue Bonds in an amount not-to-exceed \$50,000,000 by the Las Vegas Convention and Visitors Authority, authorizing the President/CEO or his designee to arrange for the sale of Bonds, and provide other details in connection therewith.

The motion passed by unanimous vote of the members present.



OPERATIONS DIVISION (Continued)

APPOINTMENT OF
FINANCIAL TEAM FOR
PROPOSED
ISSUANCE OF
REVENUE BONDS

In conjunction with the proposed revenue bonds for Series 2007 Bonds, a financing team consisting of both financial and legal professionals has been assembled to assist the Las Vegas Convention and Visitors Authority with Revenue bonds, compliance with federal and state laws, and other matters attendant to the refinancing debt. The proposed financing team of *Hobbs, Ong & Associates, Inc.* and *Public Financial Management, Inc.* (as Financial Advisors) and *Swendseid & Stern*, a member in *Sherman & Howard, L.L.C.* (as Bond/Disclosure Counsel) has extensive national, state and local experience in these areas.

Fiscal Impact:

Estimated \$105,000 for Bond/Disclosure Counsel
Estimated \$61,750 for Financial Advisors
Both will be paid from Bond proceeds.

Member Michael Montandon moved and it was carried by unanimous vote of the members present to: 1) Appoint *Swendseid & Stern*, a member in *Sherman & Howard, L.L.C.* as Bond/Disclosure Counsel, and *Hobbs, Ong & Associates, Inc.* and *Public Financial Management, Inc.* as Financial Advisors, for the proposed Las Vegas Convention and Visitors Authority issuance of Revenue bonds; and, 2) Authorize the President/CEO to execute the agreements.

INTEGRATING
LESSONS LEARNED
INTO PRE-
CONSTRUCTION
PLANNING FOR THE
MASTER PLAN
ENHANCEMENT
PROGRAM

Vice President Operations Division Jim Gans reported that the pre-construction project on the restrooms and the meeting rooms came in under budget, however, it was not completed within the scheduled time allotted. There were several invaluable lessons learned as a result of this project, one being that it does not work to try to schedule these types of projects around the large conventions in the facility.

Secondly, it is important to allow for unforeseen problems. As a result of the unforeseen problems in the walls of the bathrooms, the LVCVA will be using lasers for checking building interiors prior to submitting detailed specifications.

He noted that as a result of this project, it helped to reaffirm that Design-Build and Construction Manager-At-Risk are the best way to proceed with the Master Plan Enhancement Program.

This is an information item. No Board action required.



OPERATIONS DIVISION (Continued)

AUTHORIZATION
FOR SELECTING
PRESENTED-
QUALIFIED FIRMS
TO PROVIDE DESIGN-
BUILD AND
CONSTRUCTION
MANAGER-AT-RISK
SERVICES
(Master Plan
Enhancement
Program)

Projects delivered under the Master Plan Enhancement Program will be awarded to contractors under three statutorily-authorized procurement models: Design-Bid-Build, Design-Build, and Construction Manager-At-Risk, depending upon specific project requirements.

In addition to meeting the Nevada Revised Statutes' minimum criteria, an evaluation team reviews the qualifications of each Design-Build team. Two to four teams scoring the highest in this selection process are short-listed and requested to provide final proposals.

Similar to the Design-Build pre-qualification process, effective October 1, 2007, the Nevada Revised Statutes will provide for selection of short-listed firms for pre-construction services by a Construction Manager-At Risk.

The selection of firms to provide Design-Build services or preconstruction services under the Nevada Revised Statutes involves a two-step process where firms are initially pre-qualified to submit final proposals. Approval of the pre-qualified firms ("short-listed") by the Board of Directors requires a 4-week waiting period. The Program Management Team seeks to expedite the procurement process by granting the President/CEO the authority to approve the list of pre-qualified contractors. Authority granted to the President/CEO under this policy pertains only to those projects which are related to the Master Plan Enhancement Program. The Board of Directors will be informed of the approval of pre-qualified firms at regularly scheduled Board meetings. The Board of Directors will make the final selections of the contractors that will construct each project.

Member Tom Collins moved and it was carried by unanimous vote of the members present to: 1) Authorize the President/CEO to approve the selection of pre-qualified firms ("Short-List"), based on a selection committee's review of Preliminary Proposals for Design-Build services or Requests for Qualifications for preconstruction services by a construction manager-at-risk or a design/builder, as prescribed by the Nevada Revised Statute; and, 2) Authorize the President/CEO to approve a stipend or up to three percent (3%) of construction costs for short-listed teams not selected.



OPERATIONS DIVISION (Continued)

PURCHASE OF
TABLES
CONTRACT JOINDER
(FILE #08-2006)

The current table inventory at the Las Vegas Convention and Visitors Authority consists of approximately 1,012 banquet tables and 2,213 schoolroom tables. Some of the existing tables are beyond their projected 10-year life span. The proposed purchase is for 600 (8'x30") banquet tables at \$146.41 each, and 500 (8'x19") schoolroom tables at \$131.07 each, and is in accordance with the Capital Equipment Replacement Program for tables that are worn and cannot be replaced.

The Las Vegas Convention and Visitors Authority has been using *Mity-Lite, Inc., Orem, Utah*, lightweight tables for the past 16 years. The Nevada Revised Statute states that a governing body may join the contracts of other local governments within or outside the state with the authorization of the contracting vendor. *Mity-Lite* has agreed to extend the State of Utah contract (#PD762) to the LVCVA, and to provide an additional discount of 3% for an order over \$150,000 (an additional savings of \$4,601.43).

Fiscal Impact:

FY 2007/2008 - Estimated Expenditure: \$148,779.57 – Capital Fund

Member Charles Bowling expressed concern that the LVCVA had not looked into other bids. When it comes to government agency bids, he believes that the LVCVA needs to insure that they are getting the best product at the best price, and not rely on another government agencies to make that determination.

Following the brief discussion, Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to: 1) Approve the contract joinder with the State of Utah (Contract Number PD762) for File #08-2006, for the Purchase of Tables, to *Mity-Lite, Inc., Orem, Utah*, in the estimated amount of \$148,779.57; and, 2) Authorize the Director of Purchasing to execute the contract documents.



OPERATIONS DIVISION (Continued)

I-15 CORRIDOR
TRANSPORTATION
AGREEMENT

The Skancke
Company, Ltd.

Issues related to the I-15 Corridor have a direct and indirect economic impact on Clark County and Las Vegas. 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 transportation projects provide the intended benefits.

The proposed Amendment To Transportation Coordination Agreement with the Skancke Company, Ltd, provides for two 1-year renewals in the amount of \$436,908 for the new initial term of the Agreement, \$450,900 for the first extension period of October 1, 2008 through September 30, 2009, and \$465,336 for the second extension period of October 1, 2009 through September 30, 2010.

Fiscal Impact:

\$436,908 - Initial term of the Agreement,
\$450,900 - Term: October 1, 2008 through September 30, 2009
\$465,336 - Term: October 1, 2009 through September 30, 2010

Member Susan Holecheck asked about the Laughlin area, and Mr. Skancke updated her briefly on the transportation-related efforts in the that area.

Following the discussion, Member Larry Brown moved and it was carried by unanimous vote of the members present to approve the First Amendment To Transportation Coordination Agreement with the Skancke Company Ltd., which provides for two 1-year renewals, in the estimated amounts of \$436,908 for the new initial term of the Agreement, \$450,900 for the first extension period of October 1, 2008 through September 30, 2009, and \$465,336 for the second extension period of October 1, 2009 through September 20, 2010.



OPERATIONS DIVISION (Continued)

**DISBURSEMENT
OF ANNUAL
RECREATION
GRANTS**

The distribution of recreation grants commenced in 1965. These grants are discretionary and are brought before the Board for approval on an annual basis. They are restricted to capital improvements of recreational facilities.

The Las Vegas Convention and Visitors Authority has budgeted \$1,000,000 in annual recreation grants for capital improvements for recreation facilities in FY 2008 as follows:

Clark County	\$ 376,942
City of Las Vegas	315,196
City of North Las Vegas	98,798
City of Henderson	134,550
Boulder City	38,938
City of Mesquite	35,576
	<u>\$1,000,000</u>

The allocation to each entity is determined by the following formula: A flat \$30,000 base amount is paid to all entities, and the remaining \$820,000 is allocated based on each entity's respective percentage of the 2000 U.S. census. Per the new guidelines, beginning in fiscal year 2009, the total amount available for distribution will be adjusted by the consumer price index.

Member Kara Kelley inquired about the flexibility of the use of the grant dollars.

Following the brief discussion, Vice Chair Keith Smith moved and it was carried by unanimous vote of the members present to approve and authorize the disbursement of Annual Recreation Grants for FY 2008 in the amount of \$1,000,000 for recreation facility capital improvements.



OPERATIONS DIVISION (Continued)

**TAX COLLECTION
ALLOCATION
AGREEMENT**

The current Tax Collection Allocation agreement was entered into in 1995, and basically provides that the reimbursement would be allocated by way of population. The proposed new Agreement would maintain that reimbursement allocation up to the level as paid in fiscal year 2007 ("Baseline"). Reimbursement for any increase of the Baseline would be paid to the entity that collected the increase. This new reimbursement formula for such increases would be phased-in over the next five years.

All of the cities and the county have approved this Agreement.

Member Oscar Goodman announced that the City of Las Vegas and the Clark County Commission had voted in favor of this, and that he was opposed to it as Mayor. However, as Chairman of the LVCVA Board, he was not trying to persuade the Board, but only to make his position known. He will sign the document, if approved by the Board, but will add an asterisk by his name as Mayor.

Following the discussion, Member Rory Reid moved to approve the Tax Collection Allocation Agreement between the Las Vegas Convention and Visitors Authority, the County of Clark and the cities of Boulder City, Henderson, Las Vegas, Mesquite and North Las Vegas. The motion carried by the following vote:

Charles Bowling	Aye	Michael Montandon	Aye
Larry Brown.....	Aye	Scott Nielson	Aye
Tom Collins	Aye	Mike Pacini	Aye
Susan Holecheck.....	Aye	Andrew Pascal	Aye
Tom Jenkin	Aye	Rory Reid	Aye
Kara Kelley.....	Aye	Keith Smith	Aye
		Oscar Goodman	.Nay
		James Gibson	..Absent

CHAIRMAN OSCAR GOODMAN EXPLAINED THAT HE HAD ANOTHER ENGAGEMENT HE WAS COMMITTED TO AT THIS TIME AND EXCUSED HIMSELF FROM THE MEETING.

VICE CHAIRMAN KEITH SMITH ASSUMED THE CHAIR.

**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 July 31, 2007 had been presented to the Board for their review. There were no questions or comments from the Board members on this item.

This is an information item. No Board action required.



EXECUTIVE DIVISION

**LEGAL COUNSEL'S
REPORT AND
RECOMMENDATION(S)**

There were no new legal issues reported.

**LAS VEGAS EVENTS'
REPORT**

Maryanne Beaman, Las Vegas Events Director of Event Planning, reported that all surveys for the final report for fiscal year 2007 were in and have been reported in the Las Vegas Events back up in the Board books. She noted that in the Las Vegas area, the report reflects 22 events with an increase of 26.8% in attendance. Ms. Beaman then briefly reviewed the upcoming Las Vegas Events sponsored events during September and October 2007.

This is an information item. No Board action required.

**DIRECTORS'
COMMENTS**

There were no additional comments from the Directors.

**COMMENTS
FROM THE
FLOOR BY
THE PUBLIC**

There were no comments from the floor by the public.

ADJOURNMENT

There being no further business to come before the Board of Directors, Vice Chairman Keith Smith adjourned the meeting at 10:27 a.m.

Respectfully submitted,

Date Approved: _____

DRAFT – NOT APPROVED

Carol Fergen
Executive Assistant to the Board

DRAFT – NOT APPROVED

Keith Smith
Vice Chairman