



**Regular Meeting of the Board of Directors
April 14, 2020
Minutes**

The Regular Meeting of the Board of Directors (Board) of the Las Vegas Convention and Visitors Authority (LVCVA) was held telephonically on April 14, 2020. This meeting was properly noticed and posted in accordance with the State of Nevada Executive Department Declaration of Emergency Directive 006, dated March 22, 2020.

Board of Directors (Board)

Present telephonically unless otherwise noted

Commissioner Larry Brown, Chair
Ms. Marilyn Spiegel, Vice Chair
Councilman John Marz, Secretary
Mr. Greg Lee, Treasurer
 Mayor Pro Tem Michele Fiore
 Mayor Carolyn Goodman
 Councilwoman Pamela Goynes-Brown

Mr. Tom Jenkin.....absent
 Mr. Anton Nikodemus
 Mayor Kiernan McManus
 Councilman George Rapson
 Ms. Mary Beth Sewald
 Mr. Steve Thompson
 Commissioner Lawrence Weekly

LVCVA Executive Staff present
 telephonically

Steve Hill, CEO/President
 Caroline Bateman, General Counsel
 Ed Finger, Chief Financial Officer
 Brian Yost, Chief Operating Officer
 Lori Nelson-Kraft, Sr. VP of Communications & Government Affairs
 Fletch Brunelle, Vice President of Marketing
 Stana Subaric, Senior Vice President of People & Possibilities

OPENING CEREMONIES – CALL TO ORDER

Chair Larry Brown called the meeting to order at 9:04 a.m.

Caroline Bateman, General Counsel, took roll call of the Board members.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Chuck Benagi asked if the public would have been able to attend the Board meeting at the LVCVA. Chair Brown reminded Mr. Benagi that the first public comment period restricts comments to items on the agenda.

Ms. Bateman informed the Board of a requested correction to the minutes of March 10, 2020 from Daniel Braisted, during his public comment. The correction is on page 16 of the minutes, on two diagrams presented by Mr. Braisted. The left side of the composite included the word “old”, which should have been the word “dry.”

APPROVAL OF AGENDA AND MINUTES

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Vice Chair Marilyn Spiegel moved, and it was carried by unanimous vote of the voting members present, to approve the April 14, 2020, Regular Meeting of the Board of Directors agenda, and the March 10, 2020, Regular Meeting of the Board of Directors revised minutes.

CHIEF EXECUTIVE OFFICER (CEO)/PRESIDENT'S REPORT

Steve Hill, Chief Executive Officer (CEO)/President provided construction updates on the expansion project, and thanked workers on the site for their continued social distancing and sanitation efforts. Mr. Hill provided information on work with Turner Martin-Harris, including the appointment of a Safety Manager and six additional employees responsible for training and enforcing safety measures. Mr. Hill informed the Board there have been no incidents of COVID-19 on the Las Vegas Convention Center (LVCC) construction project.

Mr. Hill detailed The Boring Company's progress on the second underground people mover tunnel and thanked [Clark] County staff for allowing both projects to move forward.

Mr. Hill reported LVCVA ambassadors donated more than \$50,000 in personal contributions to the Nevada Community Foundation COVID-19 relief efforts.

Mr. Hill commented on the impact of the Coronavirus pandemic on Las Vegas and future recovery efforts.

Mr. Hill outlined the past timelines on the LVCVA's budget approval process and informed the Board that the budget will be presented at the May 12, 2020 Regular Meeting of the Board of Directors, followed by the Public Hearing on the Budget on May 27, 2020. Mr. Hill stated that the LVCVA staff is working on a potential video conferencing solution for future Board meetings that may need to be conducted remotely.

Mr. Hill described the work being performed to obtain the clearest projection of the LVCVA's budget and detailed decreases in projected room tax and building revenues, recovery projections, and the monitoring of the local and drive markets. Mr. Hill outlined a plan for "city pairs", the ability to connect to other cities as flights resume and commented on the recovery of visitation from international markets.

Mr. Hill discussed the LVCVA's ending fund balance, reserves, and budget reductions, and addressed the LVCVA's role in the recovery of Las Vegas in terms of appropriate marketing and advertising budgets. Mr. Hill stated the LVCVA will continue making bond payments.

Mr. Hill described the FY 2021 budget as conservative, detailed the LVCVA's reserves, described the costs of the expansion project and the suspension of work on the renovation of the current facility, and commented on the reserves in the construction funds. Mr. Hill stated there are approximately \$135M in reserves.

Mr. Hill provided information on budgeted events and revenue projections, and the "strong emphasis on marketing" in the FY 2021 budget. Mr. Hill described the relationship between operating costs and building revenue, and provided information pertaining to agenda item 1 regarding the approval of a budget reduction to allow for the elimination of approximately 80 positions and furloughs of approximately 270 ambassadors. Mr. Hill stated furloughed ambassadors will be on an unpaid status but will continue receiving healthcare coverage.

Mr. Hill explained the CARES (Coronavirus Aid, Relief, and Economic Security) Act provides a weekly \$600 of unemployment benefit in addition to amounts individuals would receive through the State. Mr. Hill explained the LVCVA self-insures unemployment, and any costs incurred of that unemployment will be taken into consideration when the LVCVA's budget is presented. Mr. Hill provided information on communications with ambassadors and the Service Employees International Union (SEIU) and explained further steps may need to be taken if necessary.

Member Lawrence Weekly asked if the Board could be provided with a weekly update on efforts related to the Coronavirus pandemic, to which Mr. Hill provided information on a link that is available on the LVCVA's websites that includes information from the LVCVA and tourism industry news sources and stated that Lori Nelson-Kraft, Senior Vice President of Communications and Government Affairs would provide Board members with that information following the meeting.

Member Weekly requested an update on the underground people mover tunnel, to which Mr. Hill stated the second tunnel is approximately half complete with an anticipated completion timeframe of mid-May.

Member Greg Lee asked how agency rating is affected by the Coronavirus crisis, to which Mr. Hill responded the Coronavirus has had a “big” effect, but the effect on the LVCVA has not been more detrimental than similarly situated convention centers. Mr. Hill stated the entire convention center industry has been placed on credit watch by the rating agencies and it will take “some measure of recovery” before that changes.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

GENERAL GOVERNMENT DIVISION

- ITEM 1. **Authorization for the CEO/President to Reduce the Fiscal Year 2020 Budget**
Ed Finger, Chief Financial Officer, requested that the Board consider: 1) Approving a reduction to the LVCVA’s General Fund adopted budget for fiscal year (FY) 2020; 2) Authorizing the CEO/President to reduce operating expenditures in response to current economic conditions; and 3) Ratifying any cost-reducing actions taken to date by the CEO/President.

Fiscal Impact

FY 2020: \$79,000,000 reduction budgeted revenues*
\$58,000,000 reduction in budgeted transfers*
\$21,000,000 reduction in budgeted expenditures*

*This action is an administrative budget adjustment, and, in accordance with NRS 354, a new budget will not be filed with the State of Nevada.

Vice Chair Spiegel moved and it was carried by unanimous vote of the voting members present, to: 1) Approve a reduction to the LVCVA’s General Fund adopted budget for fiscal year (FY) 2020; 2) Authorize the CEO/President to reduce operating expenditures in response to current economic conditions; and 3) Ratify any cost-reducing actions taken to date by the CEO/President.

- ITEM 2. **Addendum to Telecommunications Provider License #4116 – Cox Nevada Telcom, LLC**
Mr. Finger requested that the Board consider: 1) Approving an addendum to the Telecommunications Provider License #4116 with Cox Nevada Telcom, LLC to accept a capital contribution in the amount of \$1,352,157 to provide the Las Vegas Convention Center District (LVCCD) Phase Two administrative and building control backbone network infrastructure; 2) Approving the reduction of Cox’s technology fund contribution in the amount of \$1,352,157; and 3) Authorizing the CEO/President to execute the addendum documents.

Fiscal Impact

Proposed contribution from Cox Nevada Telcom, LLC
FY 2020: \$1,352,157 capital contribution amount
\$1,352,157 reduced technology fund contribution amount

Vice Chair Spiegel moved and it was carried by unanimous vote of the voting members present, to: 1) Approve an addendum to the Telecommunications Provider License #4116 with Cox Nevada Telcom, LLC to accept a capital contribution in the amount of \$1,352,157 to provide the LVCCD Phase Two administrative and building control backbone network infrastructure; 2) Approve the reduction of Cox’s technology fund contribution in the amount of \$1,352,157; and 3) Authorizing the CEO/President to execute the addendum documents.

ITEM 3. **Purchase Agreement for Interactive Digital Media Technology - Las Vegas Convention Center Phase Two Expansion**

Mr. Finger requested that the Board consider authorizing the CEO/President to execute an agreement in an amount not to exceed \$5,434,900 to Samsung SDS for the purchase and installation of interactive digital media technology for the Las Vegas Convention Center (LVCC) District Phase Two Expansion project.

Fiscal Impact

FY 2020: \$5,434,900 Expenditure

Vice Chair Spiegel moved, and it was carried by unanimous vote of the voting members present, to authorize the CEO/President to execute an agreement in an amount not to exceed \$5,434,900 to Samsung SDS for the purchase and installation of interactive digital media technology for the LVCC District Phase Two Expansion project.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Aleta Dupree discussed her thoughts on wayfinding, encouraged forward-thinking during this “fluid situation”, and emphasized the importance of “letting the world know that we’re still here.”

Shaundell Newsome expressed the importance of keeping the pledge of allegiance and prayer during public meetings, shared his thoughts on Las Vegas’s position during the Coronavirus pandemic in comparison to other places such as New York, and shared his experiences in the city of Laughlin. Mr. Newsome recommended the creation of a recovery committee comprising of not only large companies, but also small and diverse businesses.

ADJOURNMENT

Chair Brown adjourned the meeting at 10:03 a.m.

Respectfully submitted,

Date Approved: May 12, 2020

Silvia Perez
Executive Assistant to the Board

Larry Brown
Chair