



**Regular Meeting of the Board of Directors
January 12, 2021
Minutes**

The Regular Meeting of the Board of Directors (Board) of the Las Vegas Convention and Visitors Authority (LVCVA) was held at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada 89109, and telephonically on January 12, 2021. This meeting was properly noticed and posted in accordance with the State of Nevada Executive Department Declaration of Emergency Directives 006, 016, 018, 021, 026, 029, 033, and 035, dated March 22, 2020, April 29, 2020, May 7, 2020, May 28, 2020, June 29, 2020, July 31, 2020, September 30, 2020, and November 25, 2020, respectively.

Board of Directors (Board)

Present unless otherwise noted

Councilman John Marz, Chair
Ms. Marilyn Spiegel, Vice Chair
Commissioner Jim Gibson, Secretary
Mr. Anton Nikodemus, Treasurer
Mr. Scott DeAngelo
Mayor Pro Tem Michele Fiore
Mayor Carolyn Goodman

Councilwoman Pamela Goynes-Brown
Jan Jones Blackhurst.....*via phone*
Mayor Kiernan McManus
Commissioner Michael Naft
Ms. Mary Beth Sewald
Mr. Steve Thompson

LVCVA Executive Staff present

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
Kate Wik, Chief Marketing Officer
Stana Subaric, Senior Vice President of People & Culture
Constance Brooks, Vice President of Public Affairs and Diversity

OPENING CEREMONIES – CALL TO ORDER

Vice Chair Marilyn Spiegel called the meeting to order at 9:02 a.m.

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

The Pledge of Allegiance was performed.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Daniel Braisted referenced Agenda Item 1, Las Vegas Monorail Operations and Management Agreement, and asked if “they keep all the revenues.”

Ed Uehling congratulated Commissioners Jim Gibson and Michael Naft for their appointments to the LVCVA Board. Mr. Uehling commented on the expenditures associated with Agenda Item 1, Las Vegas Monorail Operations and Management Agreement, and suggested the use of an international bid process.

Aleta Dupree emphasized the importance of Agenda Items 1, 2, and 3, Las Vegas Monorail Operations and Management Agreement, Las Vegas Convention Center Loop Operations and Management Agreement, and Vegas Loop Construction and Management Agreement and Granting of Easement, respectively.

Shaundell Newsome, Owner and Founder of Sumnu Marketing, commented on Agenda Item 4, Turner Martin-Harris Joint Venture Construction Manager at Risk Contract – LVCC Phase 2 Construction Manager at Risk Amendment No. 5. Mr. Newsome described his experience in working with the Turner Martin-Harris team, and expressed appreciation for its inclusion of local and minority small businesses.

Vice Chair Spiegel acknowledged the passing of Sheldon Adelson and recognized his contributions and conducted a moment of silence in his honor.

APPROVAL OF AGENDA AND MINUTES

APPROVAL OF THE AGENDA AND MINUTES

Member Jan Jones Blackhurst moved, and it was carried by unanimous vote of the voting members, to approve the January 12, 2021, Regular Meeting of the Board of Directors agenda, and to approve the minutes of the December 8, 2020, and December 10, 2020 Regular Meetings of the Board of Directors.

BOARD APPOINTMENTS

In accordance with the Nevada Revised Statutes (NRS), the following appointments are made to the LVCVA Board by the County of Clark:

From the Governing Body of Clark County.....NRS 244A.603(1)(a)
Commissioner James Gibson

From the Governing Body of Clark County.....NRS 244A.603(1)(a)
Commissioner Michael Naft

This was an information item and did not require Board action.

Oath of Office was administered to the newly appointed Member of the Board by the Honorable Judge Tierra Jones.

REORGANIZATION OF THE BOARD – ELECTION OF OFFICERS

In accordance with the NRS 244A.605(3) and 244A.611, and LVCVA Board Policy 1.03, during January of each odd-numbered year, the LVCVA must reorganize by electing the officers comprising its Executive Committee. The elected officers of the Executive Committee shall hold office for the ensuing biennium or until their successors are elected and qualified. Board officers may serve for two (2) terms in any specific office of the Executive Committee. The officers shall be comprised of two (2) elected public sector Board members and two (2) appointed business sector Board members.

- Chair
- Vice Chair
- Secretary
- Treasurer

Vice Chair Spiegel detailed the procedures for the election of officers, as prescribed by Nevada Revised Statutes, LVCVA Board Policies, and Robert’s Rules of Order.

Vice Chair Spiegel nominated John Marz for Chair, Jim Gibson for Secretary, and Anton Nikodemus for Treasurer.

Member Jan Jones Blackhurst nominated Marilyn Spiegel for Vice Chair.

Member Kiernan McManus nominated Pamela Goynes-Brown for Chair.

Member Mary Beth Sewald moved, and it was carried by unanimous vote of the voting members, to close nominations for officers of the Board.

Vice Chair Spiegel made a motion for the voting of John Marz as Chair, and it was carried by unanimous vote of the voting members with the exception of Member McManus who opposed, to elect John Marz as Chair.

Ms. Bateman informed Vice Chair Spiegel that since there were no other nominees for the officer positions of Vice Chair, Secretary, and Treasurer, the current nominees would be deemed elected absent objection.

Vice Chair Spiegel moved, and it was carried by unanimous vote of the voting members to elect Marilyn Spiegel as Vice Chair, Jim Gibson as Secretary, and Anton Nikodemus as Treasurer.

Oath of Office was administered to the newly elected Officers of the Board by the Honorable Judge Tierra Jones.

The newly elected officers took their appropriate seating positions, with Member Marz continuing as Chair for the remainder of the meeting.

PRESENTATIONS

Presentations by the LVCVA Staff

Steve Hill, Chief Executive Officer (CEO)/President congratulated the newly elected officers, welcomed the newly appointed members to the Board, and stated the City of Mesquite's representative on the Board is anticipated to be appointed in February. Mr. Hill echoed Vice Chair Spiegel's sentiments regarding Mr. Adelson and his contributions.

Brian Yost, Chief Operating Officer, delivered a PowerPoint presentation on the Las Vegas Convention Center District (LVCCD) Phase Two West Hall expansion project, highlighting a recently received Temporary Certificate of Occupancy, and ongoing work on the final components including electrical vehicle charging station installation, directional signage, flooring, and video wall installation.

Mr. Yost provided an update on The Boring Company Vegas Loop project, highlighting construction progress on its three Las Vegas Convention Center stations.

Kate Wik, Chief Marketing Officer, delivered a PowerPoint and video presentation on the LVCVA's virtual New Year's Eve event including media coverage, event details including the implosion of a 2020 sign and a 2021 countdown, and viewership results.

Ms. Wik provided a status update on the LVCVA's community and back-of-house campaign, "Keep Las Vegas Open," including donated media space, and social and digital efforts.

Ms. Wik provided highlights on the LVCVA's efforts regarding the virtual CES meeting, including a deployment of marquee messaging in coordination with property partners.

Lori Nelson-Kraft, Vice President of Communications, shared detailed information regarding the evolution and expansion of the Hospitality Heroes recognition program.

Mr. Hill shared thoughts on the recovery of Las Vegas from the COVID-19 pandemic, including potentially welcoming the World of Concrete convention in June 2021.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

GENERAL GOVERNMENT DIVISION

- ITEM 1. **Las Vegas Monorail Operations and Management Agreement**
Mr. Hill provided background on the fiscal impact of Agenda Items 1 and 2, stating that the entirety of the authorized amount is not anticipated to be fully expended, and that Monorail revenue amounts are anticipated to exceed operating expenditures. Mr. Hill stated the LVCVA will not be applying fares for the transportation of attendees within the Convention Center Loop.

Ed Finger, Chief Financial Officer, requested that the Board consider authorizing the CEO/President to execute an agreement with Western Management Group for the operations and management of the Las Vegas Monorail System, in an amount not to exceed \$45,000,000, for the period from February 7, 2021 through June 30, 2023.

Mr. Finger provided a PowerPoint presentation related to the expenditures associated with Agenda Item 1, including estimated financial outcomes during the closure and resumption of normal operations, potential operating costs, a history of, and estimates of future Monorail operating costs and revenues. Mr. Finger outlined estimated revenues dependent on ridership, detailed the framework of the proposed contract, and commented on the experience of Western Management Group.

Member Carolyn Goodman reiterated her opposition to the LVCVA's purchase of the Monorail, stated the LVCVA's focus should be on the tourism and convention business, and explained why she would be voting in opposition of Agenda Item 1.

Fiscal Impact

FY 2021: \$ 7,500,000

FY 2022: \$18,750,000

FY 2023: \$18,750,000

Vice Chair Spiegel moved, and it was carried by unanimous vote of the voting members with the exception of Member Goodman who opposed, to authorize the CEO/President to execute an agreement with Western Management Group for the operations and management of the Las Vegas Monorail System, in an amount not to exceed \$45,000,000, for the period from February 7, 2021 through June 30, 2023.

ITEM 2.

Las Vegas Convention Center Loop Operations and Management Agreement

Mr. Finger provided details on the proposed agreement, and requested that the Board consider authorizing the CEO/President to execute an agreement with TBC -The Boring Company, DBA Vegas Loop, for operations and management of the Las Vegas Convention Center Loop, in an amount not to exceed \$6,250,000 for the period beginning February 1, 2021, through June 30, 2022.

Mr. Finger noted that the agreement will be renegotiated before the end of calendar year 2021.

Member Michele Fiore asked for clarification of up to a \$30,000 charge to a vendor, to which Mr. Finger explained this is a payment to a vendor for the operation of the system.

Member Fiore asked if the LVCVA would be responsible for this payment to which Mr. Finger responded yes, clarified it was the LVCVA's original intent to fund the operation of the people mover system, and explained the cost reasons for the RFP selection of an underground system.

Member Fiore asked who would be responsible for costs associated with base operations and maintenance, to which Mr. Finger explained the LVCVA will not charge customers, attendees or shows, and clarified the fee represents a compensation model paid by the LVCVA to the vendor. Member Fiore asked if there was a range, to which Mr. Finger responded the range is \$2M to \$5M, depending on the realization of the convention schedule.

Member Goodman asked if there has been any project completed by The Boring Company besides the one-mile tunnel in Hawthorne, California, to which Mr. Finger responded this will be the first system that provides direct service to customers.

Member Goodman asked if Agenda Item 2 was only in reference to on-campus operation, or if it included the proposed route extensions, to which Mr. Finger confirmed Agenda Item 2 is contained to the system on the LVCC campus in funding and scope.

Member Spiegel asked if there was any discussion with the February 1st date coinciding with convention business, to which Mr. Finger responded the date was intended to be pre-convention operation and explained the construct of management fee versus operational fee contemplates the two alternate scenarios.

Fiscal Impact

FY 2021: \$1,250,000

FY 2022: \$5,000,000

Vice Chair Spiegel moved, and it was carried by unanimous vote of the voting members with the exception of Member Goodman who opposed, to authorize the CEO/President to execute an agreement with TBC -The Boring Company, DBA Vegas Loop, for operations and management of the Las Vegas Convention Center Loop, in an amount not to exceed \$6,250,000 for the period beginning February 1, 2021, through June 30, 2022.

ITEM 3. **Vegas Loop Construction and Management Agreement and Granting of Easement**

Mr. Finger requested that the Board consider authorizing the CEO/President to execute an agreement with TBC - The Boring Company, DBA Vegas Loop, for construction and management of an underground transportation connection between the Encore Resort campus and the Las Vegas Convention Center, and the granting of perpetual easements on and under the LVCC campus for the Project.

Mr. Finger clarified that Agenda Item 3 includes the part of The Boring Company system outside of the LVCC campus and covers the proposed line from the LVCC Silver Lot to the Encore Resort. Mr. Finger pointed out that The Boring Company will be funding the construction and maintenance of this system.

Vice Chair Spiegel stated she would be recusing herself from the vote and any discussion on Agenda Item 3, as she is employed by Wynn Las Vegas and has been involved in contract negotiations with The Boring Company regarding the potential underground transportation connection between Encore and LVCC. Vice Chair Spiegel stated that as the independence of judgement of a reasonable person in her situation may be materially affected by her involvement in the contractual discussions, and to avoid the appearance of impropriety as it relates to the requirements of Nevada's Code of Ethical Standards and LVCVA Board Policies, she will abstain from any deliberation or vote on this matter.

Member Sewald moved, and it was carried by unanimous vote of the voting members, to authorize the CEO/President to execute an agreement with TBC - The Boring Company, DBA Vegas Loop, for construction and management of an underground transportation connection between the Encore Resort campus and the Las Vegas Convention Center, and the granting of perpetual easements on and under the LVCC campus for the Project.

ITEM 4. **Turner Martin-Harris Joint Venture Construction Manager at Risk Contract – LVCC Phase 2 Construction Manager at Risk Amendment No. 5**

Mr. Hill requested that the Board consider authorizing the CEO/President to execute Amendment No. 5 to the Turner Martin-Harris Joint Venture Construction Manager at Risk Contract for the Las Vegas Convention Center Phase 2 project, increasing the total contract price from \$882,326,996 to \$889,076,996, and increasing the total project cost from \$980,326,996 to \$987,076,996.

Mr. Hill clarified that Agenda Item 4 does not contemplate additional COVID-19 related costs and addresses only the costs that would have been incurred regardless of operating in a pandemic environment. Mr. Hill described the change order process and anticipated future cost approvals by the Board and informed the Board of an upcoming mediation with the architect of record, TVS, for the resolution of differences of claims.

Vice Chair Spiegel moved, and it was carried by unanimous vote of the voting members, to authorize the CEO/President to execute Amendment No. 5 to the Turner Martin-Harris Joint Venture Construction Manager at Risk Contract for the Las Vegas Convention Center Phase 2 project, increasing the total contract price from \$882,326,996 to \$889,076,996, and increasing the total project cost from \$980,326,996 to \$987,076,996.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Daniel Braisted provided recommendations of health measures for improvement of the COVID-19 pandemic including water and vitamins to improve the immune system and provided information on the medicine of frequencies.

ADJOURNMENT

Chair Marz discussed the challenges in Las Vegas brought about by the current pandemic and encouraged Board member leadership, communication and participation during this time.

Chair Marz adjourned the meeting at 10:19 a.m.

Respectfully submitted,

Date Approved: February 9, 2021

Silvia Perez
Executive Assistant to the Board

John Marz
Chair