



**Regular Meeting of the Board of Directors
July 12, 2022
Minutes**

The Regular Meeting of the Board of Directors (Board) of the Las Vegas Convention and Visitors Authority (LVCVA) was held on July 12, 2022 at the Las Vegas Convention Center, 3150 Paradise Road, Las Vegas, Nevada 89109. This meeting was properly noticed and posted in compliance with the Nevada Open Meeting Law.

Board of Directors (Board)

Present unless otherwise noted

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| Councilman John Marz, Chair <i>absent</i> | Mr. Brian Gullbrants |
| Mr. Anton Nikodemus, Vice Chair | Ms. Jan Jones Blackhurst..... <i>absent</i> |
| Commissioner Jim Gibson, Secretary | Mayor Kiernan McManus |
| Mr. Scott DeAngelo, Treasurer | Commissioner Michael Naft |
| Councilwoman Michele Fiore..... <i>via phone</i> | Ms. Mary Beth Sewald |
| Mayor Carolyn Goodman | Mr. Steve Thompson..... <i>via phone</i> |
| Councilwoman Pamela Goynes-Brown | Councilman Brian Wursten |

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| 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, Senior Vice President of Communications |
| | Kate Wik, Chief Marketing Officer |

OPENING CEREMONIES – CALL TO ORDER

Vice Chair Anton Nikodemus called the meeting to order at 9:01 a.m.

Caroline Bateman, General Counsel, acknowledged that all Board members were present except for Members John Marz, Jan Jones Blackhurst, Carolyn Goodman, Michele Fiore, and Jim Gibson.

The Pledge of Allegiance was performed.

Member Fiore joined the meeting telephonically at 9:00 a.m.

Member Goodman entered the meeting at 9:03 a.m.

Member Gibson entered the meeting at 9:05 a.m.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Ed Uehling commented on Agenda Item 7, and shared thoughts on the LVCVA and Board's performance in bringing visitors to Las Vegas. Mr. Uehling commented on Macau's economy and the Las Vegas home-sharing community.

APPROVAL OF AGENDA AND MINUTES

APPROVAL OF THE AGENDA AND MINUTES

Member Mary Beth Sewald moved, and it was carried by unanimous vote of the voting members, to approve the July 12, 2022, Regular Meeting of the Board of Directors agenda, and to approve the minutes of the June 14, 2022 Regular Meeting of the Board of Directors.

PRESENTATIONS

Presentations by the LVCVA Staff

Lori Nelson-Kraft, Senior Vice President of Communications, shared a video introducing Hospitality Heroes Award recipient Erika Stokely of Resorts World Las Vegas.

Brian Yost, Chief Operating Officer, delivered a PowerPoint and video presentation on building updates including the following past and upcoming events at the Las Vegas Convention Center (LVCC): Ultimate Fighting Championship's (UFC) UFC X event; Amateur Athletic Union (AAU) Jam On It Las Vegas Summer Series; Idea World Convention; and Cosmoprof 2022.

Kate Wik, Chief Marketing Officer, shared updates on the LVCVA's inclusivity campaign including marketing efforts on the "How to be Rainbow in Las Vegas" video series, LBGTQ hub on visitlasvegas.com, Juneteenth, the Historic Westside, and cultural tourism.

Ms. Nelson-Kraft highlighted the attached Quarterly Accomplishments Report.

Steve Hill, Chief Executive Officer (CEO)/President, shared a news clip highlighting the completion of the first connection of The Boring Company's underground people mover from the LVCC to Resorts World and commented on future projected plans for the LVCC and Vegas Loop projects.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

MARKETING DIVISION

ITEM 1. IMEX America – Las Vegas, Nevada – October 10-13, 2022

Fletch Brunelle, Vice President of Marketing, provided information on total estimated expenditures, background, and history on the IMEX America tradeshow, and requested that the Board consider authorizing the CEO/President to: 1) Execute an agreement with the Ice Agency, in the amount of \$270,000, for design and construction of the LVCVA booth at the 2022 IMEX America global meetings and events expo (IMEX America); 2) Execute an agreement with IMEX America Ltd, in the amount of \$283,500, for exhibition booth space at IMEX America; and 3) Authorize any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2023: \$625,000 Expenditure
(\$140,000) (Anticipated Sponsorship Contributions)
\$485,000 Total Anticipated LVCVA Net Expenditure

Vice Chair Nikodemus, and Members Steve Thompson and Brian Gullbrants, provided disclosures, stating that marketing teams of their employers (MGM Resorts International, Boyd Gaming, and Wynn Resorts, respectively) would be utilizing, and directly benefitting from the LVCVA's booth at IMEX America, and that the independence of judgment of a reasonable person in their situation may be materially affected by their employment with the above companies, and as such, would be recusing from deliberating and voting on Agenda Item 1.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members, with the exception of Members Nikodemus, Thompson, and Gullbrants who abstained; to authorize the CEO/President to: 1) Execute an agreement with the Ice Agency, in the amount of \$270,000, for design and construction of the LVCVA booth at 2022 IMEX America; 2) Execute an agreement with IMEX America Ltd, in the amount of \$283,500, for exhibition booth space at IMEX America; and 3) Authorize any residual unexpended balances from this authorization to revert to available general funds.

ITEM 2. **Las Vegas Events – Event Approval - West Coast Conference Basketball Tournaments - Las Vegas, NV – 2023-2025**

Mr. Brunelle detailed the structure of the Tournament games, shared information on the anticipated visitation, economic impact and room nights resulting from the Tournament, and requested that the Board consider: 1) Approving an expenditure in the amount of \$900,000 to Las Vegas Events (LVE) to fund the West Coast Conference Men’s and Women’s Basketball Tournaments, March 2-7, 2023, March 8-12, 2024, and March 7-11, 2025, at the Orleans Arena; and 2) Authorizing any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2023: \$300,000 Expenditure

FY 2024: \$300,000 Expenditure

FY 2025: \$300,000 Expenditure

Member Thompson stated that he is employed by Boyd Gaming, wherein he serves as the Executive Vice President of Operations, and the events referenced in Agenda Item 2 will take place at Orleans Arena, which is owned by Boyd Gaming. As the Orleans Arena directly benefits from the basketball tournaments, the independence of judgment of a reasonable person in his situation may be materially affected by his employment at Boyd Gaming, and will be recusing from deliberating or voting on Agenda Item 2.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members with the exception of Member Thompson who abstained, to: 1) Approve an expenditure in the amount of \$900,000 to LVE to fund the West Coast Conference Men’s and Women’s Basketball Tournaments, March 2-7, 2023, March 8-12, 2024, and March 7-11, 2025, at the Orleans Arena; and 2) Authorize any residual unexpended balances from this authorization to revert to available general funds.

OPERATIONS DIVISION

ITEM 3. **Tourism Intelligence Analyst Cooperative Agreement – Las Vegas Metropolitan Police Department**

Mr. Yost provided background information on the Southern Nevada Counter Terrorism Center and the Tourism Intelligence Analyst position, and requested that the Board consider: 1) Authorizing the CEO/President to execute a one-year cooperative agreement with the Las Vegas Metropolitan Police Department, effective July 1, 2022 to June 30, 2023, with two (2) optional 2-year extensions, in the total amount of \$939,000, to fund the Tourism Intelligence Analyst within the Southern Nevada Counter Terrorism Center; and 2) Authorizing any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2023: \$170,000 Expenditure

FY 2024: \$178,000 Expenditure

FY 2025: \$187,500 Expenditure

FY 2026: \$196,800 Expenditure

FY 2027: \$206,700 Expenditure

Member Michael Naft moved, and it was carried by unanimous vote of the voting members, to: 1) Authorize the CEO/President to execute a one-year cooperative agreement with the Las Vegas Metropolitan Police Department, effective July 1, 2022 to June 30, 2023, with two (2) optional 2-year extensions, in the total amount of \$939,000, to fund the Tourism Intelligence Analyst within the Southern Nevada Counter Terrorism Center; and 2) Authorize any residual unexpended balances from this authorization to revert to available general funds.

GENERAL GOVERNMENT DIVISION

ITEM 4. **Settlement Agreement - P2M Motorsports, LLC Litigation**

Mr. Hill provided information on the status of litigation against P2M Motorsports, LLC (P2M) regarding a confidentiality and non-disclosure agreement (CNDA) dispute. Mr. Hill outlined the major provisions of a proposed settlement agreement that will include the following: P2M's concurrence that the CNDA is void and unenforceable; an agreement by both parties to dismiss the litigation with prejudice; and an agreement by both parties to be responsible for their other costs and fees. Mr. Hill requested that the Board consider authorizing the CEO/President to execute settlement documents resolving the LVCVA's litigation against P2M Motorsports, LLC.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members, to authorize the CEO/President to execute settlement documents resolving the LVCVA's litigation against P2M Motorsports, LLC.

Members Fiore and Thompson clarified their telephonic "aye" vote for Agenda Items 3 and 4.

ITEM 5. **Deferred Compensation 457 Plan Administration – Empower Retirement, LLC.**

Ed Finger, Chief Financial Officer, described the LVCVA's health and benefits programs through Clark County and in partnership with other local government entities, and requested that the Board consider authorizing him to execute a Master Services Agreement with Empower Retirement, LLC, for plan administration services related to the Clark County Deferred Compensation Program.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members, to authorize the Chief Financial Officer to execute a Master Services Agreement with Empower Retirement, LLC, for plan administration services related to the Clark County Deferred Compensation Program.

ITEM 6. **Insurance Policies**

Jennifer Curry-Eke, Senior Director of Risk Management and Purchasing, provided details on the proposed insurance policies, and requested that the Board consider: 1) Authorizing the Chief Financial Officer to execute insurance policies for the policy period from August 1, 2022, through August 1, 2023, as follows: Property Insurance - FM Global in the amount of \$1,019,667; Monorail Excess Liability - Mercer Insurance Group in the amount of \$363,650; and 2) Authorizing any residual unexpended balances from this authorization to revert to available general funds.

Fiscal Impact

FY 2023: \$1,383,317 Expenditure

Secretary Gibson asked for any further comments from the LVCVA's insurance broker, Mr. Kaercher, to which Mr. Kaercher commented on his experience in Las Vegas.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members, to: 1) Authorize the Chief Financial Officer to execute insurance policies for the policy period from August 1, 2022, through August 1, 2023, as follows: Property Insurance - FM Global in the amount of \$1,019,667; Monorail Excess Liability - Mercer Insurance Group in the amount of \$363,650; and 2) Authorize any residual unexpended balances from this authorization to revert to available general funds.

COMMITTEES

ITEM 7. **Compensation Committee Report and Recommendations**

Compensation Committee Chair Nikodemus noted that Agenda Item 8 would be combined with Agenda Item 7 so that the two items could be heard simultaneously.

Mr. Finger outlined Agenda Items 7A and 7B, noting that they were both action items that involve the consideration of merit and bonus increases as well as the approval of fiscal year 2023 goals.

Item A. General Counsel's Performance Evaluation and Review of Fiscal Year 2023 Goals and Objectives

Ms. Bateman described her experience in transitioning from a government attorney to the LVCVA's business-oriented model as it pertains to the Legal Department's goals and thanked her department staff for its tremendous work through the fiscal year.

Ms. Bateman detailed her fiscal year 2022 accomplishments including the following operational and strategic project accomplishments: ensuring the LVCVA's compliance with legal requirements; defending and protecting the interests of the LVCVA and the destination; managing the legal department budget; improving efficiency of department responses; delivering necessary legal support for the LVCVA's strategic goals and initiatives including reviewing: key event agreements, the 10-acre "Riviera" land sale, Monorail and LVCC Loop operations and advertising, and advertising and marketing agency contracts. Ms. Bateman outlined other accomplishments including efforts on the Las Vegas Convention Center renovation project, government affairs, and interlocal and cooperative agreements.

Ms. Bateman discussed her fiscal year 2023 operational and strategic project goals including the following: ensuring legal compliance; improving department efficiency; defending and protecting the interests of the LVCVA and destination; effectively managing the legal department budget; and delivering necessary legal support for the LVCVA's strategic goals and initiatives.

Compensation Committee Chair Nikodemus summarized Mr. Hill's feedback on Ms. Bateman's performance including a recommended total 7% merit increase and 20% bonus for Ms. Bateman. Compensation Committee Chair Nikodemus confirmed that the Compensation Committee unanimously approved the recommendations, as well as approved Ms. Bateman's FY 2023 goals.

Secretary Gibson moved, and it was carried by unanimous vote of the voting members, to: 1) Approve the General Counsel's proposed FY 2023 goals as recommended by the Compensation Committee; and 2) Approve the 7% merit increase and 20% bonus as recommended by the Compensation Committee, based on overall performance, market data, and accomplishment of FY 2022 goals.

Mr. Hill expressed appreciation for Ms. Bateman's quality and quantity of work.

Item B. CEO/President's Annual Performance Evaluation and Review of Fiscal Year 2023 Goals and Objectives

Mr. Hill thanked the Board, other local governments, and LVCVA staff and its customers for the success of Las Vegas during FY 22. Mr. Hill acknowledged Ken McAvoy, President of Informa Markets in the audience.

Mr. Hill summarized FY 22 accomplishments including the following: recovery of visitation in the destination and RevPAR and revenue records; the success of marketing campaigns in generating awareness, favorability, and intent to travel; promotion of extended destinations; online travel agenda (OTA) partnerships; meeting and convention recovery; improvements in sustainability and guest experience; becoming the "greatest arena on Earth" as it relates to sporting events; improving access to and around the destination; creating capacity to resume the LVCC's renovation; and diversity efforts.

Mr. Hill presented his five-years goals including the following: driving domestic and international leisure travel demand; filling 15 million square feet of meeting space across the destination; fully developing sports and events; renovating the LVCC and creating a "West Hall experience" in the North and Central Halls; and improving access to and around the destination.

Member Gullbrants thanked Mr. Hill and the executive team for their leadership.

Member Mary Beth Sewald echoed Member Gullbrants's comments and thanked Mr. Hill on behalf of the business community.

Compensation Committee Chair Nikodemus shared a statement from Chair Marz in his absence, proposing a merit increase and bonus for Mr. Hill, that is beyond the base range, noting that Mr. Hill is currently paid below comparable market averages, and that the last time Mr. Hill received a bonus for his efforts was 2019. Chair Marz's statement recommended a larger than normal merit and bonus reward for Mr. Hill, and for the Board to authorize Mr. Hill to award bonuses for his executive team that are above their current range.

Compensation Committee Chair Nikodemus stated that the Compensation Committee's evaluation of Mr. Hill echoed that of Chair Marz. Compensation Committee Chair Nikodemus cited "extraordinary" performance on Mr. Hill's part, despite challenging circumstances, and recommended a 10% merit increase and a 50% percent bonus for Mr. Hill.

Member Sewald moved, and it was carried by unanimous vote of the voting members, to: 1) Approve the CEO/President's proposed FY 2023 goals as recommended by the Compensation Committee; and 3) Approve a 10% merit increase and 50% bonus, as recommended by the Compensation Committee, based on overall performance, market data, and the accomplishment of the FY 2022 goals.

Item C. Compensation Committee Annual Charter Review and Performance Evaluation

Mr. Finger summarized the Compensation Committee's approval of its fulfillment of duties as prescribed in its Charter, no changes to its Charter, and requested that the Board's approval.

Member Michael Naft moved, and it was carried by unanimous vote of the voting members, to: 1) Approve the annual review of the Compensation Committee Charter and the recommendation of no changes to the Charter by the Committee; and 2) Approve the Compensation Committee's evaluation of its annual performance pursuant to the Committee Charter.

ITEM 8. **Executive Class Bonus Range Modifications**

Compensation Committee Chair Nikodemus described the Board's flexibility in awarding bonuses to its direct reports and recommended extending that flexibility and discretion to the CEO/President, in his awarding of bonuses to his executive class direct reports. Compensation Committee Chair Nikodemus requested that the Board consider approving a one-time modification of up to 125% of the Board-approved target bonus for executive officers who report to the CEO/President for the fiscal year 2022 annual performance evaluations.

Member Sewald recused herself from voting on or discussing the item, noting that she is employed by the Vegas Chamber, wherein she serves as the President & CEO. Agenda Item 8 contemplates modifying the bonus ranges of LVCVA executive officers that report to the CEO/President. The proposed revisions will affect Lori Nelson-Kraft, the LVCVA's Senior Vice President of Communications. Ms. Kraft also serves on the Vegas Chamber Board, and thus exercises a supervisory function over Member Sewald in her official capacity. Member Sewald noted that the independence of judgment of a reasonable person in her situation may be materially affected by her position with the Vegas Chamber, and would be recusing herself from voting on Agenda Item 8.

Member Michael Naft thanked Vice Chair Nikodemus for his leadership of the Compensation Committee.

Member Naft moved, and it was carried by unanimous vote of the voting members with the exception of Member Sewald who abstained, to approve a one-time modification of up to 125% of the Board-approved target bonus for executive officers who report to the CEO/President for the fiscal year 2022 annual performance evaluations.

Compensation Committee Chair Nikodemus proposed the reconsideration of Agenda Item 7A, recommending Ms. Bateman's bonus to be 125% of her target bonus.

Member Sewald moved, and it was carried by unanimous vote of the voting members, to approve Ms. Bateman's bonus to be 125% of her target bonus.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Edwin Thomas (ET) Snell provided his website and YouTube information as well as information on his 501c3 organization. Mr. Snell commented on the dangerous two-lane driving area in the San Bernardino area.

Daniel Braisted provided comments on the following: a buildout from the Monorail to the South Hall; promotion of conventions to local attendees; and subsidizing educational speakers to the Las Vegas events agenda.

ADJOURNMENT

Chair Marz adjourned the meeting at 10:41 a.m.

Respectfully submitted,

Date Approved: August 9, 2022

Silvia Perez
Executive Assistant to the Board

John Marz
Chair