



**Regular Meeting of the Board of Directors
June 9, 2020
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, with telephonic attendance by some members of the Board of Directors and members of the public, on June 9, 2020. This meeting was properly noticed and posted in accordance with the State of Nevada Executive Department Declaration of Emergency Directives 006, 016, 018, and 021, dated March 22, 2020, April 29, 2020, May 7, 2020, and May 28, 2020, respectively.

Board of Directors (Board)

Present unless otherwise noted

Commissioner Larry Brown, Chair	Mr. Tom Jenkin..... <i>absent</i>
Ms. Marilyn Spiegel, Vice Chair <i>via phone</i>	Mayor Kiernan McManus..... <i>via phone</i>
Councilman John Marz, Secretary	Mr. Anton Nikodemus
Mr. Greg Lee, Treasurer	Councilman George Rapson..... <i>via phone</i>
Mayor Pro Tem Michele Fiore	Ms. Mary Beth Sewald..... <i>via phone</i>
Mayor Carolyn Goodman..... <i>via phone</i>	Mr. Steve Thompson
Councilwoman Pamela Goynes-Brown	Commissioner Lawrence Weekly

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 & Government Affairs
	Kate Wik, Chief Marketing Officer
	Stana Subaric, Senior Vice President of People & Possibilities

OPENING CEREMONIES – CALL TO ORDER

Chair Larry Brown called the meeting to order at 9:03 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

There were no comments from the floor by the public.

APPROVAL OF AGENDA AND MINUTES

APPROVAL OF THE AGENDA AND MINUTES **Member Lawrence Weekly moved, and it was carried by unanimous vote of the voting members, to approve the June 9, 2020, Regular Meeting of the Board of Directors agenda, the May 12, 2020, Regular Meeting of the Board of Directors minutes, and the May 27, 2020, Public Hearing on the Budget minutes.**

PRESENTATIONS

Presentations by the LVCVA Staff

Steve Hill, Chief Executive Officer (CEO)/President introduced the LVCVA's new Chief Marketing Officer (CMO) Kate Wik, described the search process for the CMO, provided information on Ms. Wik's experience, and expressed excitement for the leadership of the Marketing department between Ms. Wik and Fletch Brunelle, Vice President of Marketing.

Mr. Hill described the "challenging and troubled times" taking place, specifically the Covid-19 health crisis, economic crisis, and racial tensions, acknowledged the LVCVA's leadership role and obligation to help the community through difficult times, and discussed the importance of the core Las Vegas value of welcoming and embracing everyone. Mr. Hill expressed sympathy for Officer Mikalonis and his family and expressed support of the Black Lives Matter movement. Mr. Hill thanked the Sheriff and the Las Vegas Metropolitan Police Department, and the Black Lives Matter leadership for their partnership in facilitating peaceful protests. Mr. Hill acknowledged the LVCVA's commitment to put forth a sustained effort and to create results and a lasting difference.

Mr. Hill described the LVCVA's contributions to the safe reopening of Las Vegas and its committed leadership to the industry and the community's recovery.

Member Weekly thanked Mr. Hill for his comments, described his own experience with current conditions, and recognized the LVCVA's role in marketing diversity. Member Weekly summarized his participation in a peaceful protest, and reiterated Mr. Hill's thoughts on Las Vegas being a place to "welcome everybody."

Brian Yost, Chief Operating Officer, delivered a PowerPoint presentation on the Las Vegas Convention Center District (LVCCD) expansion project, Phase Two West Hall development, highlighting installation of metal panels, conduit for street light wiring, HVAC overhead ducting, construction of food court area and restrooms, sidewalk concrete pouring, perimeter tree planting, asphalt paving, moveable partitions, and elevator and escalator installation. Mr. Yost described the progress of work on the project, including man hours and delays due to Covid-19 and stated this does not affect the anticipated completion date.

Mr. Yost provided updates on the construction of the Las Vegas Convention Center Loop, including cosmetic repairs on Tunnel One, Tunnel Two breakthrough, and progress on Stations One, Two, and Three.

Member Weekly asked if anything would be done to the tunnels to provide a "Vegas" experience, to which Mr. Yost responded there will be lighting effects and technology to provide a "Only Vegas" experience.

Ms. Wik provided information on her first two weeks of employment, including working on the reopening of Las Vegas and adapting marketing and communications in a rapidly evolving consumer landscape. Ms. Wik outlined the rollout of the new advertising campaign and provided information on the active leveraging of real-time data to help shape marketing recovery strategies including quantitative research studies, online travel panel, external travel studies, social listening, and partnerships with McCarran International Airport, Google, and Expedia for air travel developments and demand. Ms. Wik described the expansion of feeder markets, insights from resort partners, and an optimistic outlook on consumer sentiment perspective.

Lori Nelson-Kraft, Senior Vice President of Communications and Government Affairs, welcomed Ms. Wik to the LVCVA and shared highlights on participation in numerous travel industry forums on recovery efforts including work with the U.S. Travel Association's Travel America Act and the upcoming Virtual Hill. Ms. Nelson-Kraft described efforts with the World Travel and Tourism Council on new protocols and thanked the [Clark] County for ensuring the LVCVA's participation in County discussions including the Regional Policy Group and Regional Recovery Support.

Ms. Nelson-Kraft provided an update on the recent redesign and upcoming debut of the lvca.com website, and thanked R&R and LVCVA staff for their efforts.

Mr. Hill commented on the progress of Phase Two of the expansion project, and thanked Turner Martin-Harris, its subcontractors, and their staff for their work to keep the project on schedule during a “difficult period.” Mr. Hill discussed difficulties in working through Covid-19-related costs including social distancing protocols, which will impact the current budget.

Mr. Hill thanked John Schreiber, Vice President of Business Sales, and his team, for their work to with building customers to reschedule and reprogram shows. Mr. Hill discussed the anticipation of shows with smaller footprints and decreased attendance.

Mr. Hill provided a PowerPoint presentation on the status of the Vegas Loop project, including a summary of tunnel construction, paths, and stations. Mr. Hill outlined the structure of two point-to-point systems from the Las Vegas Convention Center parking lot to the Encore and to Resorts World, which are anticipated to incorporate the use of a new boring machine.

Mr. Hill detailed the Las Vegas Monorail’s noncompete area, noted the exceptions to the noncompete including point-to-point systems without a stop, and stated conversations are taking place with Monorail staff to preserve its operation.

Presentation by R&R Partners

Billy Vassiliadis, R&R Partners CEO, provided a PowerPoint and video presentation on recent advertising efforts related to the previous “What Happens Here Only Happens Here” campaign, Covid-19 response, reaction, and social initiatives, the “Now Open” campaign and its social and PR coverage and coordination, the “Vegas Smart” campaign, and Las Vegas’s support of social justice concerns. Mr. Vassiliadis outlined next steps regarding advertising and thanked LVCVA staff for their communication and partnership.

Member Michele Fiore commented on recent marketing by Derek Stevens of The D Las Vegas, in which he offered free one-way flights to Las Vegas and asked if the LVCVA could conduct a similar marketing effort, to which Mr. Vassiliadis responded there are partnerships with several properties to offer value packages.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

MARKETING DIVISION

ITEM 1. **Advertising and Marketing Communications Agreement**

Mr. Hill provided background on the current contract, and requested that the Board consider: 1) Approving a one (1) year agreement, with a possible six (6) month extension, in the amount of \$110,000,000 with R&R Partners, Inc. to serve as the LVCVA’s commercial advertising and marketing communications agency; and 2) Authorizing the Chief Executive Officer (CEO)/President to execute the agreement.

Fiscal Impact

(a) FY 2021: \$65,000,000, inclusive of media buy, production, fees, commissions and other advertising costs, subject to Board-approved budgetary adjustment

Agency Service Fee: \$475,000/month

Content Creation: \$600,000/month

Media Commission: 6.5% of gross amount billed

(b) FY 2022**: An amount to be set in the fiscal year 2022 budget

Agency Service Fee: \$475,000/month

Content Creation: \$600,000/month

Media Commission: 6.5% of gross amount billed

**If contract extension is executed

Member Marilyn Spiegel moved, and it was carried by unanimous vote of the voting members, to: 1) Approve a one (1) year agreement, with a possible six (6) month extension, in the amount of \$110,000,000 with R&R Partners, Inc. to serve as the LVCVA's commercial advertising and marketing communications agency; and 2) Authorize the Chief Executive Officer (CEO)/President to execute the agreement.

Mr. Hill recognized Mr. Vassiliadis and R&R Partners staff for their work during the past few months.

ITEM 2. **Las Vegas Events (LVE) Promotion Agreement - July 1, 2020 – June 30, 2021**

Ms. Wik requested that the Board consider: 1) Approving an expenditure in the amount of \$7,804,277 for the Las Vegas Events, Inc. (LVE) Fiscal Year (FY) 2021 events promotion agreement; 2) Authorizing the CEO/President to execute the events promotion agreement; and 3) Authorizing the CEO/President to execute the agreements for Destination events currently budgeted in the FY21 LVE budget.

Fiscal Impact
 FY 2021: \$7,804,277

Member Spiegel moved, and it was carried by unanimous vote of the voting members, to: 1) Approve an expenditure in the amount of \$7,804,277 for the Las Vegas Events, Inc. (LVE) Fiscal Year (FY) 2021 events promotion agreement; 2) Authorize the CEO/President to execute the events promotion agreement; and 3) Authorize the CEO/President to execute the agreements for Destination events currently budgeted in the FY21 LVE budget.

GENERAL GOVERNMENT DIVISION

ITEM 3. **Execution of Sublease Agreement**

Ed Finger, Chief Financial Officer, requested that the Board consider authorizing the CEO/President to execute a sublease agreement for office space at 455 North Cityfront Plaza, NBC Tower, in Chicago, Illinois to WesAmerica Mortgage Corporation.

Fiscal Impact

	<u>Commission</u>	<u>Sublease Rent</u>
FY 2021:	\$47,000	\$59,021
FY 2022:		119,830
FY 2023:		121,618
FY 2024:		123,407
FY 2025:		125,195
FY 2026:		95,238
Total	\$47,000	\$644,309

Member Spiegel moved, and it was carried by unanimous vote of the voting members, to authorize the CEO/President to execute a sublease agreement for office space at 455 North Cityfront Plaza, NBC Tower, in Chicago, Illinois to WesAmerica Mortgage Corporation.

ITEM 4. **Company-Paid Long-Term Disability & Life Insurance**

Stana Subaric, Senior Vice President of People and Possibilities, notified that Board that due to the financial impact of the COVID-19 pandemic, 270 LVCVA ambassadors were placed on unpaid, temporary furlough. Mutual of Omaha, the LVCVA's previous provider of Long-Term Disability (LTD) Insurance and Life Insurance for ambassadors notified the LVCVA staff, on May 31, 2020, of the following: 1) cancellation of LTD coverage for furloughed ambassadors, effective immediately; and 2) cancellation of Life Insurance for furloughed ambassadors, effective July 31, 2020.

Staff expedited quotes from insurance providers for the current LTD and Life Insurance coverage levels. The Standard Company agreed to provide LTD and Life Insurance coverage, equivalent to the previously existing coverage, starting June 1, 2020 with a guaranteed extension for current and furloughed ambassadors through August 31, 2020 for both policies.

Due to the need to procure LTD and Life Insurance coverage in an expedited fashion, as a result of the impact of the COVID-19 pandemic on the work status of the LVCVA's ambassadors, the CEO/President executed an emergency contract pursuant to Board Policy 5.01.

Fiscal Impact

Previously Approved Expenditure (Mutual of Omaha)

FY 2021: \$165,000

FY 2022: \$165,000

New Expenditure (The Standard Company)

FY 2021: \$130,000

FY 2022: \$130,000

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

ITEM 5.

Public Hearing on the Proposed Memorandum of Agreement Modifying the Collective Bargaining Agreement with Service Employees International (SEIU) Local 1107

Ms. Subaric requested that the Board consider, pursuant to NRS 288.153: 1) Conducting a public hearing on a proposed Memorandum of Agreement (MOA) between the LVCVA and SEIU Local 1107 modifying the Collective Bargaining Agreement (CBA); 2) Approving the MOA and authorizing the CEO/President to execute the MOA.

Conduct a Public Hearing on the proposed MOA modifying the CBA between the LVCVA and SEIU Local 1107

[Chair Brown opened the Public Hearing on the proposed MOA modifying the CBA between the LVCVA and SEIU Local 1107.](#)

Bruce Radel, SEIU Local 1107 steward and furloughed LVCVA ambassador, thanked Ms. Subaric and the SEIU for their work on the modification to the MOA, and stated he had SEIU cards for distribution to those interested.

Chair Brown closed the Public Hearing on the proposed MOA modifying the CBA between the LVCVA and SEIU Local 1107

Fiscal Impact

The below breakdown reflects the total cost of the nine (9) ambassadors who will join SEIU Local 1107 as a result of the MOA, per year, from transitioning from non-bargaining to bargaining.

a) FY 2021 \$809,000.00

b) FY 2022 \$811,000.00

c) FY 2023 \$814,000.00

The below breakdown is the reduced cost each year compared to the normal nonbargaining pay practices of the LVCVA.

- a) FY 2021 \$11,000.00
- b) FY 2022 \$13,000.00
- c) FY 2023 \$13,000.00

Member Spiegel moved, and it was carried by unanimous vote of the voting members, to approve the MOA and authorize the CEO/President to execute the MOA.

Mr. Hill acknowledged Member Greg Lee's departure from the Board and presented a video in recognition of Member Lee's eight years of service to the Board.

Member Lee thanked LVCVA staff and Board members and summarized some highlights during his tenure. Member Lee commented on the LVCVA's role in responding to recent global and social challenges.

Chair Brown thanked Member Lee for his contributions to the Board.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Daniel Braisted stated he is seeking a medical opinion on the oral use of diluted salt spray to normalize Covid-19. Mr. Braisted encouraged support of the conventions on the attached document and provided thoughts on virtual meetings.

Ed Uehling expressed his thoughts on the departure of Mr. Greg Lee from the Board, Mr. Hill's comments at the beginning of the meeting, and community involvement in promoting tourism. Mr. Uehling provided visitation statistics and encouraged community involvement in promoting Las Vegas.

Member Mary Beth Sewald expressed appreciation for Mr. Lee's service to the LVCVA Board, to the Vegas Chamber Board of Trustees, and to the community.

Member Weekly thanked Mr. Lee for his service and support.

Shaundell Newsome provided an update on work with minority contractors on public works projects, and thanked Mr. Vassiliadis for his presentation. Mr. Newsome described the LVCVA's leadership role in messaging and proposed exploring messaging on handling racial injustice through celebrating diversity.

ADJOURNMENT

Chair Brown adjourned the meeting at 10:58 a.m.

Respectfully submitted,

Date Approved: July 14, 2020

Silvia Perez
Executive Assistant to the Board

Larry Brown
Chair

List of Las Vegas Conventions Recommended by Vegas Inventors

Licensing Expo Virtual Free Monday June 15- Friday 19, 2020 [Details/Register](#)
www.LicensingExpo.com Great training for all levels of management. Licensing, protecting intellectual property, marketing, etc.

Format: Live Keynote Monday AM then rest of week will be other live talks, past talks from prior conventions ... and rebroadcasts of live presentations that week

Freedom Fest Live and Virtual Monday July 13- Thursday July 16th
www.freedomfest.com Another Convention associated with Las Vegas this year it will be held at Caesars (Prior years it was at the Paris/Ballys Hotel)

Top name speakers and many small discussion classes on Freedom, Money, etc.

Includes a Great Film Fest and Pitch Contest

Being Libertarian, it is liked and disliked by both side of the Aisle

DEFCON.org Virtual Free Thursday Aug 6 thru Sunday Aug 9th

To be held at Caesars. This will be 28th DEFCON, Last year it was held at 7 resort properties around the Paris Hotel. This year it was to be in the new Caesars Facility in the LINQ Parking Lot ... Last year 30,000 folks showed up without preregistering, and paid registration fee \$300 in Cash. Primary topic Hacking. How to and how to protect from it. US Government has had booths in the past to help them recruit hackers and learn themselves. Details DEFCON.org

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As many of you know, Virtual Conventions are trending “WATCH Parties” that pop up or are planned for restaurants, hotels, private homes, company meeting rooms, classrooms, etc.

The LVCVA might consider two publicity meetings a month recapping these Virtual and Live Conventions (and others not listed), being any new attendees, who listen in for free, are great prospects to attend that organization’s live convention in Las Vegas, in 2021.

Hopefully, the county’s 20 to 25 chambers of commerce are promoting these live and virtual events to their members, for the education, to better serve Clark County.

Someday Players Clubs might see the benefit to do likewise.