



**Regular Meeting of the Board of Directors
March 14, 2023
Minutes**

The Regular Meeting of the Board of Directors (Board) of the Las Vegas Convention and Visitors Authority (LVCVA) was held on March 14, 2023 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

Commissioner Jim Gibson, Chair	Ms. Jan Jones Blackhurst..... <i>absent</i>
Mr. Anton Nikodemus, Vice Chair	Commissioner Michael Naft
Mayor Pamela Goynes-Brown, Secretary	Mayor Michelle Romero
Mr. Scott DeAngelo, Treasurer	Ms. Mary Beth Sewald..... <i>virtual</i>
Councilman Cedric Crear	Mr. Steve Thompson
Mayor Carolyn Goodman..... <i>virtual</i>	Councilman Steve Walton
Mr. Brian Gullbrants	Councilman Brian Wursten..... <i>absent</i>

LVCVA Executive Staff present	Steve Hill, CEO/President
	Caroline Bateman, General Counsel
	Ed Finger, Chief Financial Officer
	Brian Yost, Chief Operating Officer
	Kate Wik, Chief Marketing Officer
	Lisa Messina, Chief Sales Officer
	Lori Nelson-Kraft, Senior Vice President of Communications
	Nadine Jones, Senior Vice President of People & Culture

OPENING CEREMONIES – CALL TO ORDER

Chair Jim Gibson called the meeting to order at 9:09 a.m.

Caroline Bateman, General Counsel, acknowledged that all Board members were present, except for Members Jan Jones Blackhurst, Anton Nikodemus, Michelle Romero, and Brian Wursten.

Member Nikodemus entered the meeting at 9:10 a.m.

The Pledge of Allegiance was performed.

Member Romero entered the meeting at 9:12 a.m.

COMMENTS FROM THE FLOOR BY THE PUBLIC

Ed Uehling thanked Staff for including him on a parking list and referenced Agenda Item 2, Sale of Ten-Acre Parcel on Las Vegas Boulevard to 65SLVB LLC and shared his thoughts about the LVCVA’s need of the additional space. Mr. Uehling commented on a previous deal between the [Allegiant] Stadium and the LVCVA, stating his thoughts that more money should have gone to the [Las Vegas] Convention Center.

APPROVAL OF AGENDA AND MINUTES

APPROVAL OF THE AGENDA AND MINUTES

Vice Chair Nikodemus moved, and it was carried by unanimous vote of the voting members, to approve the March 14, 2023 Regular Meeting of the Board of Directors agenda, and to approve the minutes of the February 14, 2023 Regular Meeting of the Board of Directors.

COMMITTEE APPOINTMENTS

Chair Gibson stated that pursuant to the Charter of the Policy Committee, the Chairman is automatically a member of the Committee.

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

PRESENTATIONS

Presentations by the LVCVA Staff

Brian Yost, Chief Operating Officer, delivered a PowerPoint and video presentation on building updates for the Las Vegas Convention Center (LVCC) including the following: CONEXPO/CON-AGG; Food & Beverage Industry Week which includes SIAL America, Bar and Restaurant Expo, World Tea Conference and Expo, and the Pizza Expo; and International Wireless Communications Expo.

Lisa Messina, Chief Sales Officer, provided an update on efforts of the Destination Sales team including the conversion of nine new contracts into the destination which represent more than 63,000 hotel room nights, the addition of 60 leads into the destination, and the securing of an NAACP event.

Ms. Messina provided information on the efforts of the LVCC Sales team including the execution of 23 repeat B2B or Business to Business shows, welcoming the upcoming Society of Independent Show Organizers (SISO) CEO Summit and securing new trade shows including TwitchCon, Advanced Clean Transportation (ACT) Expo, and a major worldwide corporate franchisee meeting.

Kate Wik, Chief Marketing Officer, highlighted a recent social media series featuring restaurants and chefs across Las Vegas, and commented on its views and engagements.

Ms. Wik updated the Board on the LVCVA's focus on inclusivity, highlighting the Black History Month Cultural Foodie series, and shared interview-style videos showcasing two culturally inspired Las Vegas restaurants. Ms. Wik highlighted historical and current talent with roots in Las Vegas in celebration of culture and music related to Black History Month. Ms. Wik also provided information on the LVCVA's web hub featuring black-owned businesses, cultural sites, and event listings in celebration of Black History Month and shared *USA Today's* "Ten Best" article that featured Las Vegas's Historic West Side's experiences, attractions, and historical resources.

Ms. Wik provided information on the recent Rock 'n' Roll Las Vegas Marathon including participants and branded messaging during the event.

Ms. Wik noted the Arizona Wildcats' recent victory during the Pac-12 Tournament in Las Vegas.

Ms. Wik shared clips from Extra TV segments featuring Las Vegas's Valentine's Day restaurant offerings, venues to watch The Big Game, artist residencies, spring break, and the opening of pool season.

Ms. Wik highlighted an added-value promotion from the LVCVA's brand partnership with Expedia that resulted in 350,000 bookings.

Ms. Wik provided a summary of LVCVA Staff's recent travel to the ITB Berlin tradeshow, the leading trade show for the global travel industry. She reported that along with representatives from several Las Vegas destination partners, Staff engaged in one-on-one appointments and media meetings.

Ed Finger, Chief Financial Officer, recognized the welcoming of the millionth passenger of The Boring Company's Vegas Loop, Mr. Dave McPhee, and provided an update on the Las Vegas Loop system's developing route.

Steve Hill, Chief Executive Officer (CEO)/President, provided an update regarding negotiations between Sodexo and the Culinary Workers Union Local 226 and expressed appreciation to those involved in reaching an agreement.

Mr. Hill provided an update on the initiation of conversations between the LVCVA and Service Employees International Union Local 1107 regarding the upcoming expiration of the current contract.

Mr. Hill provided an update on the LVCVA's Phase 3 Renovation project including a recent decision to reduce the footprint of office space due to the work from home status of many LVCVA employees.

Mr. Hill informed the Board about the commencement of its budget process, highlighting the significance of special events including the Super Bowl and Formula 1 Las Vegas Grand Prix in the budget process. Mr. Hill commented on an anticipated surplus for the following fiscal year as compared to the originally budgeted revenue. Mr. Hill stated that March 2023 would potentially be the highest revenue month in the history of Las Vegas due to events including CONEXPO/CON-AGG.

Mr. Hill stated that the LVCVA anticipates receiving a cost estimate from Hunt-Penta soon, for the renovation of the South Hall entrance, which is the largest portion of the Phase 3 Renovation Project.

Mr. Hill outlined the timeline for the LVCVA's fiscal year 2024 budget activities including submission to the State of Nevada, presentation to the Board, and Public Hearing on the Budget.

LVCVA STAFF REPORTS AND REQUESTED ACTIONS

ITEM 1. Special Events Update

Mr. Yost stated informed the Board that this item requires no action and will be a recurring Board agenda item with representatives from the Super Bowl Host Committee and Formula 1 (F1) Las Vegas Grand Prix invited to provide updates.

Terry Miller, Principal at Miller Project Management, delivered a PowerPoint presentation on the track paving timeline and Paddock Building components of the F1 Las Vegas Grand Prix.

Mr. Hill asked Mr. Miller if the southbound side of Las Vegas Boulevard would be completely shut down during paving, or if it would be a lane or two at a time, to which Mr. Miller confirmed it would be a lane or two at a time.

Chair Gibson asked if the entirety of Koval Lane would be raceway, to which Mr. Miller confirmed the entire width of Koval Lane, Sands Avenue and Harmon Avenue would be paved.

Member Cedric Crear asked if the median of Las Vegas Boulevard would be removed, to which Mr. Miller responded no. Member Crear asked for clarification of the plans for Las Vegas Boulevard, to which Mr. Miller explained that the track would be on the southbound side of Las Vegas Boulevard and some of the southbound lanes would be moved to the northbound lanes during the paving of the southbound lanes. Mr. Miller clarified that the medians would be removed from Koval Lane and Sands and Harmon Avenues, in preparation for the curvature of the track. Mr. Miller stated that all grandstands would be located on private property, and not on the [Clark] County right-of-way.

Member Crear clarified that the median on Las Vegas Boulevard would remain intact, to which Mr. Miller replied it would, with the exception of the portion where turns will be made from Sands Avenue to Las Vegas Boulevard and from Harmon Avenue to Las Vegas Boulevard, where pieces of the ends of the medians at those locations would be removed.

Member Crear clarified that the grandstands on Las Vegas Boulevard would be on the west side of Las Vegas Boulevard, to which Mr. Miller confirmed.

Myisha Boyce, Chief Community Engagement Officer of the Las Vegas Super Bowl Host Committee (Host Committee) described the purpose, composition, and efforts of the Host Committee's Community Affairs Subcommittee. Ms. Boyce provided an update on the Community Affairs Committee's current initiatives including the National Football League's (NFL) Business Connect, Legacy, and Green Programs as they relate to the Las Vegas 2024 Super Bowl event.

Ms. Boyce detailed the activities of the NFL Business Connect Program including registration efforts, qualifications for diverse suppliers, informational sessions, and future vendor events.

Member Crear referenced Allegiant Stadium's community outreach program and inquired on the actual participation of minority/women/disadvantaged (MBE/WBE/DBE) business vendors, to which Ms. Boyce clarified that Allegiant Stadium's Community Benefits Plan was not applicable to Host Committee activities. Ms. Boyce indicated that the Host Committee is working in conjunction with the Las Vegas Raiders and Allegiant Stadium to ensure that interested vendors have the chance to participate in Super Bowl-related opportunities.

Member Crear asked if there were any goals set in relation to community impact, to which Ms. Boyce confirmed there are, but they are not mandated by the same Community Benefits Plan as Allegiant Stadium.

Member Crear inquired about community impact goals related to F1 and expressed desire to be informed about the outcome of community-related business efforts for both the Super Bowl and F1 events.

Mr. Yost confirmed that F1 Las Vegas Grand Prix does have a program in place to engage MBE/WBE/DBE vendors during the build-up and activation of its events, and that he would research that program and report back.

Member Crear asked to be informed on what the goals are in relation to MBE/WBE/DBE business, and if they are ultimately met, as well as information on the distribution of revenue amongst those vendors.

ITEM 2.

Sale of Ten-Acre Parcel on Las Vegas Boulevard to 65SLVB LLC

Mr. Hill congratulated Mr. Finger and Ms. Bateman for their efforts on the potential land sale transaction and provided information on the potential buyer, Mr. Bret Torino. Mr. Hill provided details on the land sale agreement including the price, due-diligence period, deposit, and closing timeline. Mr. Hill described Mr. Torino and his partner's site plans and the LVCVA's agreement related to use restrictions. Mr. Hill provided historical information on the purchase of the parcel and its original design plans and requested that the Board consider authorizing him to: 1) Execute a Purchase and Sale Agreement, Declaration of Restrictive Covenants, License Agreement, Access Agreement, and associated closing documents with 65SLVB LLC (Buyer) for the sale and licensed use of ten acres of land at Las Vegas Boulevard and Elvis Presley Boulevard (Parcel) in the amount of \$125,000,000; 2) Execute any necessary amendments to easement agreements currently existing on the Parcel; and 3) Expend up to \$2,000,000 for license fees, closing costs, and other contractual requirements to complete the Parcel sale.

Chair Gibson referenced section three of Agenda Item 2, “expend up to \$2,000,000 for license fees” and asked what the license fees were, to which Mr. Finger responded the license fee is \$1, and the rest of the money is for provisions in the contract for buyer’s rights if the LVCVA fails to honor its covenants.

Chair Gibson asked how the sale would impact future expansion needs, to which Mr. Hill responded that the LVCVA would be able to purchase other land once available, at a lower cost than that of Las Vegas Boulevard frontage.

Fiscal Impact

FY 2024: Revenue: \$125,000,000 of sale proceeds

FY 2024 and after - Expenditure: \$2,000,000 of license fees, closing costs and other contractual requirements.

Vice Chair Anton Nikodemus moved, and it was carried by unanimous vote of the voting members to authorizing the Chief Executive Officer (CEO)/President to: 1) Execute a Purchase and Sale Agreement, Declaration of Restrictive Covenants, License Agreement, Access Agreement, and associated closing documents with 65SLVB LLC (Buyer) for the sale and licensed use of ten acres of land at Las Vegas Boulevard and Elvis Presley Boulevard (Parcel) in the amount of \$125,000,000; 2) Execute any necessary amendments to easement agreements currently existing on the Parcel; and 3) Expend up to \$2,000,000 for license fees, closing costs, and other contractual requirements to complete the Parcel sale.

ITEM 3.

Purchase of 2023 Formula 1 Las Vegas Grand Prix Event Packages

Mr. Hill explained that the requested purchase of tickets would be partly for the LVCVA’s use, and partly to effectuate purchases from Las Vegas hotel partners. Mr. Hill provided information on the planned use of the purchased tickets as it relates to the LVCVA’s mission statement of promoting visitation to Las Vegas. Mr. Hill described the LVCVA’s marketing and sales efforts to travel organizers, meeting organizers, and meeting intermediaries, and the resulting room nights attained from those efforts. Mr. Hill highlighted the week of the Formula 1 Las Vegas Grand Prix as an optimal time to invite potential clients to experience Las Vegas. Mr. Hill emphasized the importance of the investment of the ticket purchase, assured the Board that the tickets would be used solely for business purposes, and requested that the Board consider authorizing him to purchase up to \$7,000,000 of race and hospitality tickets for the November 2023 Formula 1 Las Vegas Grand Prix for customers and destination partners.

Fiscal Impact

FY 2024: Expenditures: \$ 7,000,000

Revenues: 2,800,000

Net outlay: \$ 4,200,000

Member Steve Thompson disclosed that he is employed by Boyd Gaming as its Executive Vice President of Operations and that Agenda Item 3 proposes the purchase of Formula 1 race and hospitality tickets. Member Thompson stated that Boyd Gaming would be purchasing resale tickets from the LVCVA at full cost, and the independence of judgment of a reasonable person in his situation would not be materially affected by his employment at Boyd Gaming, and he would be voting on Agenda Item 3.

Treasurer DeAngelo moved, and it was carried by unanimous vote of the voting members to authorize the CEO/President to purchase up to \$7,000,000 of race and hospitality tickets for the November 2023 Formula 1 Las Vegas Grand Prix for customers and destination partners.

ITEM 4. **Las Vegas Visitor Profile Study Presentation**

Kevin Bagger, Vice President of LVCVA Research Center, delivered a PowerPoint presentation on the 2022 Las Vegas Visitor Profile Highlights including the following: blended methodologies; average age of visitors; generational ethnicity; traveling to Las Vegas with someone under 21; larger travel parties; time spent gambling and gambling budget; show and paid attraction attendance; growing role of sports; Las Vegas' influence on convention attendance; visitor satisfaction; and likelihood to recommend Las Vegas to others.

Treasurer Scott DeAngelo inquired on data regarding domestic versus international visitation, to which Mr. Bagger stated that about three percent of visitation to Las Vegas came from international travelers in 2021, and an estimated nine percent in 2022. Mr. Bagger commented that the pre-COVID average was 16-18%.

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

ITEM 5. **Audit Committee Report and Recommendations**

Audit Committee Chair Naft presented a report from the March 13, 2023 Audit Committee Meeting.

Item A. Appointment of External Audit Firm

Audit Committee Chair Naft described Nevada Revised Statutes requirements regarding the designation of the LVCVA's audit firm and stated that the Audit Committee recommends the appointment of Eide Bailey, LLP as the LVCVA's fiscal year 2023 external audit firm, exercising the second-year option of the Board-approved five-year RFP award. Audit Committee Chair Naft requested that the Board consider: 1) Reappointment of Eide Bailly as the independent audit firm for the fiscal year ending June 30, 2023, in the amount of \$62,000; 2) Reappointment of Eide Bailly to conduct the annual third-party audit on the receipt and use of lodging tax revenues for the Las Vegas Convention Center District (LVCCD) expansion and renovation as imposed by the Southern Nevada Tourism Improvements Act, in the amount of \$8,000; 3) Appointment of Eide Bailly for the audit of federal grant proceeds in the amount of \$10,000; 4) Authorizing the Chief Financial Officer to execute the agreements; and 5) Authorizing any residual unexpended balances from this approved expenditure to revert to available general funds.

Fiscal Impact

FY 2024: \$80,000 Expenditure

Audit Committee Chair Naft moved, and it was carried by unanimous vote of the voting members to: 1) Reappoint Eide Bailly as the independent audit firm for the fiscal year ending June 30, 2023, in the amount of \$62,000; 2) Reappoint Eide Bailly to conduct the annual third-party audit on the receipt and use of lodging tax revenues for the LVCCD expansion and renovation as imposed by the Southern Nevada Tourism Improvements Act, in the amount of \$8,000; 3) Appoint Eide Bailly for the audit of federal grant proceeds in the amount of \$10,000; 4) Authorize the Chief Financial Officer to execute the agreements; and 5) Authorize any residual unexpended balances from this approved expenditure to revert to available general funds.

Chair Gibson requested that the record reflect an "aye" vote on the part of Member Pamela Goynes-Brown, as her vote didn't register in the voting system.

Item B. Audit Services Staffing and Organizational Structure

Audit Committee Chair Naft outlined the LVCVA's internal audit strategy and described the benefits of the creation of a management position to directly oversee the LVCVA's third-party audit efforts. Audit Committee Chair Naft described the reporting structure of the potential position, confirmed that it is within the Board-approved 2023 staffing levels, and stated that the Audit Committee recommends approval of a staffing change to the LVCVA's Audit Services function to add a Senior Director of Audit Services.

Fiscal Impact

This position was included in the Board-approved fiscal year 2023 budget.

Audit Committee Chair Naft moved, and it was carried by unanimous vote of the voting members to approve a staffing change to the LVCVA's Audit Services function to add a Senior Director of Audit Services.

Item C. Internal Audit Reports

Mr. Finger provided a summary of BDO, USA LLP's report on its audit of LVCVA purchasing processes including requisitioning, sole source procurement, RFQs, RFPs, competitive bids, vendor set-up, and purchase orders. Mr. Finger confirmed there were no findings of non-conformance with state purchasing laws but that the auditors did have six observations for improvement in purchasing process with recommendations to implement the following: more comprehensive application of conflict-of-interest forms; competitive procurement policies regarding professional services; and different tracking of contract end dates and cumulative spending. Mr. Finger stated that management accepted all recommendations and Audit Committee Chair Naft directed a reporting back to the Audit Committee of actual changes to the purchasing policies that come from this internal audit.

Mr. Finger provided a report on the completion of a review conducted by third-party firm Lea+Elliott, of maintenance of the Las Vegas Monorail system. Mr. Finger stated that Lea+Elliott found that Western Managements Group's (WMG) operation and maintenance of the Monorail is professional and consistent with contractual expectations, and that WMG staff training and testing, policies, procedures, manuals, and maintenance instructions are all technically sound. Mr. Finger discussed the efforts to manage known issues that result from the age of the system, as noted by Lea+Elliott.

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

COMMENTS FROM THE FLOOR BY THE PUBLIC

Daniel Braisted referenced the attached list of books and electronic media on financial education, provided information on a recent expo he attended, discussed the lack of promotion of upcoming tradeshow, and encouraged entrepreneurship training within the library system.

Michael Garwood expressed concerns on the prices of table games in Las Vegas, encouraged value pricing in Las Vegas, and referenced the creator of AriZona Beverages and his pricing strategy.

Mr. Uehling provided thoughts on the destruction of the Las Vegas Community due to the imposing of a law which will eliminate 11,000 small businesses in Las Vegas. Mr. Uehling referenced the LVCVA's mission statement and referenced a report regarding the Super Bowl. Mr. Uehling described his experiences in Macau as compared to Las Vegas as they relate to hotel revenue contributions to the community. Mr. Uehling shared thoughts regarding greed and violation of the constitution within high-ranking individuals in Las Vegas.

ADJOURNMENT

Chair Gibson adjourned the meeting at 10:51 a.m.

Respectfully submitted,

Date Approved: April 11, 2023

Silvia Perez
Executive Assistant to the Board

Jim Gibson
Chair