



**Public Hearing on the Budget and  
Board of Directors Meeting  
May 22, 2019  
Minutes**

The Public Hearing on the Budget and Board of Directors Meeting of the Las Vegas Convention and Visitors Authority (LVCVA) was held on May 22, 2019, 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**

*Present unless otherwise noted*

<b>Commissioner Larry Brown, Chair</b>	Mr. Tom Jenkin..... <i>via telephone</i>
<b>Mr. Bill Noonan, Vice Chair</b>	Mr. Gregory Lee
<b>Mayor Pro Tem Peggy Leavitt, Secretary</b>	Councilman John Marz
<b>Mr. Chuck Bowling, Treasurer</b>	Councilman George Rapson..... <i>via telephone</i>
Councilwoman Michele Fiore	Ms. Mary Beth Sewald
Mayor Carolyn Goodman	Ms. Marilyn Spiegel
Mayor Pro Tem Pamela Goynes-Brown	Commissioner Lawrence Weekly

LVCVA Executive Staff in Attendance	Steve Hill, CEO/President
	Luke Puschnig, Esq., CEM, Legal Counsel
	Ed Finger, Chief Financial Officer
	Lori Nelson-Kraft, Sr. VP of Communications & Government Affairs
	Brian Yost, Chief Operating Officer
	Barbara Bolender, Chief People Officer
	Terry Jicinsky, Senior Vice President of Operations

**OPENING CEREMONIES – CALL TO ORDER**

Chairman Larry Brown called the meeting to order at 2:00 p.m.

**FLAG SALUTE**    The Pledge of Allegiance was performed.

**COMMENTS FROM THE FLOOR BY THE PUBLIC**

Aleta Dupree provided thoughts on the impacts of agenda item 1, and commented on the importance of the examination of various options regarding agenda item 6.

**APPROVAL OF AGENDA**

**APPROVAL OF THE AGENDA**    **Vice Chairman Bill Noonan moved and it was carried by unanimous vote of the voting members present, including Members George Rapson and Tom Jenkin via telephone, to approve the May 22, 2019, Public Hearing on the Budget and Board of Directors Meeting agenda.**

**PRESENTATIONS – DISCUSSION AND POSSIBLE ACTION**

NO STAFF PRESENTATIONS    **Presentations by the Las Vegas Convention and Visitors Authority Staff**

**STAFF REPORTS – DISCUSSION AND POSSIBLE ACTION**

**GENERAL GOVERNMENT DIVISION**

ITEM 1. **TBC - The Boring Company Contract No. 4570 Las Vegas Convention Center Campus Wide People Mover**

Steve Hill, Chief Executive Officer (CEO)/President, highlighted topics of conversations at the Board level regarding the first four agenda items as they relate to one another, and requested that the Board of Directors consider: 1) Approving Contract No. 4570 in the amount of \$48,675,000 with TBC - The Boring Company (TBC) for the *Las Vegas Convention Center (LVCC) Campus Wide People Mover*; and 2) Authorizing the Chief Executive Officer (CEO)/President to execute the contract documents.

Fiscal Impact

FY 2019:	\$ 1,200,000	Estimated expenditure
FY 2020:	\$15,000,000	Estimated expenditure
FY 2021:	\$32,475,000	Estimated expenditure

Member Carolyn Goodman entered the meeting at 2:03 p.m.

Member Lawrence Weekly asked if Mr. Hill's reference to the first 15 full-facility shows meant the first 15 consecutive shows, or if they would be moved around under unforeseen circumstances, to which Mr. Hill defined a full-facility show being one that has a presence in the West Hall, and two of the halls on the east side of Paradise Road, described the inability to move a show around due to the booking of shows years in advance, and explained how the letter of credit would compensate for the cost of alternative transportation methods.

Member Weekly asked Ed Finger, Chief Financial Officers, if he would expound on the \$52M bond issuance, to which Mr. Finger stated agenda item 4 is necessary to authorize the issuance of bonds, and detailed the issuance is contemplated in the proposed final budget, will be a 20-year bond issuance at about \$3.5M per year in principal and interest, to be issued taxable or tax exempt, and explained the attached handout.

Member Weekly asked if the bonds would be immediately repaid, should there be any savings achieved from this project, to which Mr. Finger clarified the resolution pertaining to the agenda item permits the money from the bond issuance to be used for either the people mover or any other allowable purpose such as capital projects.

Treasurer Chuck Bowling expressed agreement with comments made by Member Goodman at the May 14, 2019, Regular Meeting of the Board of Directors in regard to the vitality of the people mover project to the success of the Las Vegas Convention Center, and the importance of the decision of item 1, and expressed support of the selection of The Boring Company and the approval of the contract, detailing the strong business case, appropriate contract negotiations including financial safeguards, performance metrics, and accountability measures. Treasurer Bowling acknowledged the ability of The Boring Company to complete the project on time and on budget, and the concept's innovation being an attraction in itself.

Vice Chair Noonan echoed Treasurer Bowling's comments thanking Member Goodman for the analysis on the project, and stated the reasons for his support of this project, comparing it to the first-of-its-kind Fremont Street Experience and its impact on the competitiveness of Las Vegas.

Member Michele Fiore referenced the diagram with proposed locations of stations and routes of the tunnel, and asked about the reasoning for the distance of the West Hall station to the Central and North Halls, to which Mr. Hill explained the exhibits are conceptual and the LVCVA will work with its customers to ensure stations are in the most convenient locations.

Member Fiore asked how close the 2019B Bond Issuance would bring the LVCVA to its bonding limit, to which Mr. Hill explained that bond capacity is distant from a bond industry standpoint, but closer from the Board Policy standpoint as it contains a conservative three times coverage for bonds.

Member Fiore thanked Mr. Hill and expressed her support for item 1.

**Vice Chair Noonan moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, with the exception of Member Goodman who opposed, to 1) Approve Contract No. 4570 in the amount of \$48,675,000 with TBC - The Boring Company (TBC) for the Las Vegas Convention Center (LVCC) Campus Wide People Mover; and 2) Authorize the Chief Executive Officer (CEO)/President to execute the contract documents.**

ITEM 2. **Mott MacDonald LLC Professional Service Agreement No. 4590 Las Vegas Convention Center Campus Wide People Mover**

Mr. Hill requested that the Board of Directors consider: 1) Approving Professional Service Agreement No. 4590 in the amount of \$525,500 with Mott MacDonald LLC for third-party review services of the design and construction of the *Las Vegas Convention Center (LVCC) Campus Wide People Mover*; and 2) Authorizing the CEO/President to execute the contract documents.

Fiscal Impact

FY 2019: \$ 50,000 Estimated expenditure  
FY 2020: \$475,500 Estimated expenditure

**Treasurer Bowling moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, to 1) Approve Professional Service Agreement No. 4590 in the amount of \$525,500 with Mott MacDonald LLC for third-party review services of the design and construction of the Las Vegas Convention Center (LVCC) Campus Wide People Mover; and 2) Authorize the CEO/President to execute the contract documents.**

ITEM 3. **Owner's Representative Amendment #5 – Cordell Corporation Contract #4260**

Mr. Hill requested that the Board of Directors consider: 1) Approving Amendment #5 to the Cordell Corporation Owner's Representative Agreement in the amount of \$1,012,000 for Owner Representative services of the design and construction of the *Las Vegas Convention Center (LVCC) Campus Wide People Mover ("CWPM")*; and 2) Authorizing the CEO/President to execute the contract documents.

Fiscal Impact

FY 2019: \$ 63,250 Estimated expenditure  
FY 2020: \$759,000 Estimated expenditure  
FY 2021: \$189,750 Estimated expenditure

**Vice Chair Noonan moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, to 1) Approve Amendment #5 to the Cordell Corporation Owner's Representative Agreement in the amount of \$1,012,000 for Owner Representative services of the design and construction of the Las Vegas Convention Center (LVCC) Campus Wide People Mover ("CWPM"); and 2) Authorize the CEO/President to execute the contract documents.**

ITEM 4. **2019B Bond Sale Resolution**

Mr. Hill requested that the Board of Directors consider: 1) Approval and adoption of the 2019B Bond Resolution (Resolution 2019-03) providing for issuance of LVCVA, Nevada Revenue Bonds, Series 2019B (Bonds) in the maximum principal of \$52,500,000; 2) Approving the Certificate of the CEO allowing for negotiated bond sale as required by Nevada Revised Statutes; 3) Authorizing the Chair of the Board to sign the Resolution; 4) Authorizing the CEO/President or the Chief Financial Officer (CFO) to arrange for the sale of the Bonds and to execute agreements necessary for issuance; and 5) Providing for authorization for all other matters relating thereto as defined in the Resolution.

Fiscal Impact

FY 2020: \$1,000,000 Estimated expenditures for cost of issuance (paid for out of bond proceeds)

**Secretary Leavitt moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, and with the exception of Member Goodman who opposed, to 1) Approve and adopt the 2019B Bond Resolution (Resolution 2019-03) providing for issuance of LVCVA, Nevada Revenue Bonds, Series 2019B (Bonds) in the maximum principal of \$52,500,000; 2) Approve the Certificate of the CEO allowing for negotiated bond sale as required by Nevada Revised Statutes; 3) Authorize the Chair of the Board to sign the Resolution; 4) Authorize the CEO/President or the Chief Financial Officer (CFO) to arrange for the sale of the Bonds and to execute agreements necessary for issuance; and 5) Provide for authorization for all other matters relating thereto as defined in the Resolution.**

ITEM 5. **2019A Bond Sale Resolution**

Mr. Finger requested that the Board of Directors consider: 1) Approval and adoption of the 2019A Bond Resolution (Resolution 2019-02) providing for issuance of LVCVA, Nevada Revenue Refunding Bonds, Series 2019A (Bonds) in the maximum principal of \$33,500,000; 2) Authorizing the Chair of the Board to sign the Resolution; 3) Authorizing the CEO/President or the CFO to accept the best bid for the Bonds and to execute agreements necessary for issuance; and 4) Providing for authorization for all other matters relating thereto as defined in the Resolution.

Fiscal Impact

FY 2019:	\$ 130,000	Estimated expenditures for cost of issuance (paid for out of bond proceeds)
FY 2020:	(\$ 304,874)	Reduced debt service payment
FY 2021:	(\$1,236,348)	Reduced debt service payments
FY 2022:	(\$1,237,207)	Reduced debt service payments
FY 2023-2027:	(\$ 15,498)	Reduced debt service payments

**Vice Chair Noonan moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, to 1) Approve and adopt the 2019A Bond Resolution (Resolution 2019-02) providing for issuance of LVCVA, Nevada Revenue Refunding Bonds, Series 2019A (Bonds) in the maximum principal of \$33,500,000; 2) Authorize the Chair of the Board to sign the Resolution; 3) Authorize the CEO/President or the CFO to accept the best bid for the Bonds and to execute agreements necessary for issuance; and 4) Provide for authorization for all other matters relating thereto as defined in the Resolution.**

- ITEM 6. **Authorization to Enter into Agreement with NV Energy**  
Mr. Hill requested that the Board of Directors consider authorizing the CEO/President to execute an agreement for the LVCVA to remain a customer of Nevada Power d/b/a NV Energy through May 2024.

Fiscal Impact  
TBD

**Treasurer Bowling moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, to authorize the CEO/President to execute an agreement for the LVCVA to remain a customer of Nevada Power d/b/a NV Energy through May 2024.**

### **PUBLIC HEARING ON THE BUDGET**

- ITEM 7. **Conduct a Public Hearing on the Fiscal Year 2020 Budget**  
**Open Public Hearing on the Fiscal Year 2020 Budget**  
Chair Brown opened the public hearing on the LVCVA's Fiscal Year (FY) 2020 Tentative Budget.

There were no comments made by the public.

**Close Public Hearing on the Fiscal Year 2020 Budget**  
Chair Brown closed the public hearing on the Budget.

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

- ITEM 8. **Adopt Budget for Fiscal Year 2020**  
Mr. Finger provided a PowerPoint presentation and requested that the Board of Directors approve and adopt the Fiscal Year 2020 Annual Budget as presented.

**Vice Chair Noonan moved and it was carried by unanimous vote of the voting members present, including Members Rapson and Jenkin via telephone, to approve and adopt the Fiscal Year 2020 Annual Budget as presented.**

### **DIRECTORS' RECOGNITION**

Member Marilyn Spiegel expressed her appreciation to Mr. Finger for reconsidering the NV Energy proposal.

Member Goodman acknowledged the Budget in Brief document, and asked if the LVCVA had any direct inquiry at the legislative session regarding room tax allocation to the school district for capital construction and to the State of Nevada for education and other state programs, to which Mr. Finger deferred the question to Mr. Hill, but first thanked Carrie Webb of the LVCVA for her work on the budget.

Mr. Hill acknowledged the significant contribution of room tax to both education and transportation, and recognized the ongoing conversation with lobbyists at the legislative level regarding the commitment and amount of revenue driven by the industry.

Member Goodman requested Mr. Hill attain transparency on behalf of the Board of Directors regarding education revenues.

Member Weekly provided information regarding the Clark County Commission's budget process and the review of unfunded mandates and issues such as education, homelessness, and unemployment, encouraged the LVCVA Board of Directors to come together to make an impact on the community, provided information on an upcoming "Chat & Chew" open discussion about mental health issues, and referred to the recent passing of Assemblyman Tyrone Thompson.

Vice Chair Noonan thanked Finance staff for their work on the budget, shared his thoughts on the limited use of the High Occupancy Vehicle (HOV) lanes and requested a report from the LVCVA's transportation planner regarding that issue.

Secretary Leavitt congratulated Mr. Finger and his staff on the budget, and expressed appreciation for Member Goodman's information regarding the people mover system.

Treasurer Bowling recognized the Finance Department for their work on the budget, provided information on the upcoming season opener of the Las Vegas Aces and its players, and encouraged the audience to attend a game.

Member Greg Lee acknowledged Assemblyman Tyrone Thompson, and congratulated The Boring Company on their contract.

Member John Marz expressed appreciation for Member Goodman's remarks on education, emphasized the effects the lack of education would have on the Las Vegas community, and provided information on the City of Henderson's commitment to designate one-third of the marijuana tax to Henderson schools.

Member Mary Beth Sewald congratulated and thanked the LVCVA team on both the budget and the people mover, on behalf of the Las Vegas Metro Chamber of Commerce.

Member Fiore echoed Member Noonan's comments on the continued dialogue regarding HOV lanes.

Member Pamela Goynes-Brown thanked LVCVA staff for their work and their briefings, and provided information on Assemblyman Tyrone Thompson's services.

Member Goynes-Brown exited the meeting at 3:03 p.m.

#### **COMMENTS FROM THE FLOOR BY THE PUBLIC**

Aleta Dupree expressed excitement for the people mover system, provided information on solar panels, and commented on the LVCVA expansion and the LVCVA's website.

Members Marz, Weekly, and Goodman exited the meeting at 3:05 p.m.

#### **ADJOURNMENT**

Chair Brown adjourned the meeting at 3:06 p.m.

Respectfully submitted,

Date Approved: June 11, 2019

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Silvia Perez  
Executive Assistant to the Board of Directors

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Larry Brown  
Chair

**CERTIFICATE OF THE CEO PURSUANT TO NRS 350.155**

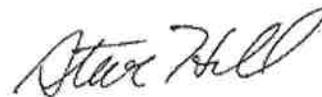
IT IS HEREBY CERTIFIED by the undersigned, CEO, as the chief administrative officer of the Las Vegas Convention and Visitors Authority, Nevada (the "Authority"), in connection with the sale and issuance of the Authority's Revenue Bonds, Series 2019B (the "Bonds"), being issued for the purposes described in the resolution of the Authority adopted on May 22, 2019, authorizing the issuance of the Bonds, that:

1. Pursuant to NRS 350.155(2)(h): (i) the proposed method of financing the Bonds described in the report of JNA Consulting Group LLC and Montague DeRose and Associates, LLC, as financial advisors to the Authority in connection with the Bonds, attached to this certificate and made a part hereof (the "Financial Advisors Report"), is incorporated herein by reference as if set forth in full herein, and (ii) such method of financing has not been used previously by any municipality in this state;

2. Pursuant to NRS 350.155(2)(j) the particular conditions in the market which indicate that a negotiated sale of the Bonds may provide a benefit to the Authority set forth in the Financial Advisors Report and are incorporated herein by reference as if set forth in full herein; and

3. The estimated amount of benefit which will accrue to the Authority described in the Financial Advisors Report is incorporated herein by reference as if set forth in full herein.

WITNESS my hand as of this May 22, 2019.



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CEO  
Las Vegas Convention and Visitors  
Authority, Nevada



# JNA Consulting Group, LLC

**Independent Public Finance Advisors**

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To: Ed Finger, Chief Financial Officer, Las Vegas Convention and Visitors Authority

From: JNA Consulting Group, LLC and Montague DeRose and Associates

Date: May 22, 2019

RE: Proposed Method of Sale for 2019B Revenue Bonds (People Mover Project)

As required under Nevada Revised Statutes, this memo serves as the financial advisor's certification of the need to utilize a negotiated method of sale for the Las Vegas Convention and Visitors Authority, Nevada Revenue Bonds Series 2019B.

The 2019B Bonds are being issued to pay the costs of a People Mover project related to the expansion and renovation of the convention center. NRS 350.155(2)(i) and NRS 350.155(2)(j) provides that under certain market conditions the bonds may be sold at negotiated sale. We believe these statutes apply to the 2019B Bonds for the following reasons:

- The goal in structuring the 2019B Bonds is to minimize debt service impact during the construction window of the convention center project. A negotiated sale allows LVCVA to achieve the desired structure and minimize debt service in early years by using lower coupons on those maturities, where buyers are most willing to accept them unlike a competitive sale where the determination must be made in advance. A bidding parameter requiring lower coupons could be part of a competitive sale. However, limiting the flexibility an underwriter has on a competitive bid will adversely affect the overall interest rate received on the bond issue.
- In order to provide additional cash management opportunities, the Authority may desire to sell a portion of the bonds with more aggressive redemption provisions than are standard at a competitive sale. A negotiated sale allows for the aggressive redemption feature to be placed on the maturity(ies) with the most market acceptance. Selecting those maturities in advance, as would be required in a competitive sale, would likely result in higher interest rates on those maturities. The more aggressive call feature will provide additional financial flexibility for the Authority and could result in saving of millions if the bonds could be paid of five years earlier.
- The terms of the contract(s) with the Boring Company related to the construction and management of the project may require the bonds to be sold on a taxable basis. Utilizing a negotiated sale process allows the Authority more time to evaluate various options as it relates to the tax status of the bonds. This additional time may not provide a quantitative benefit in terms of saved interest costs but could provide substantial benefit in being able to provide funding in a timely manner to meet contract requirements.

We expect that utilizing a negotiated sale for the 2019B Bonds will provide many benefits that cannot be easily quantified like the call feature and timing. However, we estimate that a negotiated sale will provide at least \$125,000 of benefit due to the ability to manage couponing and as much as \$2,000,000 if more aggressive redemption provisions can be achieved.

If you have any questions, please contact Martin Johnson at (702) 294-5100 or Jim Bemis at (805) 496-2211.

**\$50,000,000 (estimated)**  
**Las Vegas Convention and Visitors Authority**  
**Revenue Bonds**  
**Series 2019B**



**Issuance Schedule**

<b>Date</b>	<b>Activity</b>	<b>Participants</b>
Tuesday, 04/23/19	Kickoff call <i>Location: 877-391-8664/0422300# Time: 3:00p.m.</i>	All
Thursday, 04/30/19	Distribute draft legal documents	BC
Tuesday, 04/30/19	Distribute draft Preliminary Official Statement ("POS")	DC
Tuesday, 05/07/19	Document review meeting/call <i>Location: 877-391-8664/0507130# Time: 1:30 p.m.</i>	All
Friday, 05/10/19	Distribute revised draft POS (this version on file for Board approval)	DC
Monday, 05/13/19	Agenda deadline for May 22 <sup>nd</sup> LVCVA meeting	
Tuesday, 05/21/19	Comments due on revised draft POS	All
Wednesday, 05/22/19	Board of Directors adopts Bond Resolution <i>Location: Convention Center Time: 2:00 p.m.</i>	LVCVA, BC, FA
Thursday, 05/23/19	Distribute final draft POS	DC
Tuesday, 05/28/19	Rating agency update conference calls (if necessary) <i>Moody's: Location: 877-391-8664/05281000# Time: 10:00 a.m.</i> <i>S&amp;P: Location: 877-391-8664/05281100# Time: 11:00 a.m.</i>	LVCVA, FA
Tuesday, 06/04/19	Final comments due on POS by noon	All
Wednesday, 06/05/19	Receive ratings	
Thursday, 06/06/19	Due Diligence call <i>Location: Phone Time: TBD</i>	LVCVA, FA
Friday, 06/07/19	Post POS	DC
Wednesday, 06/19/19	Bond Pricing <i>Location: TBD Time: TBD</i>	All
Friday, 06/21/19	Distribute draft Official Statement	DC
Tuesday, 06/25/19	Comments due on draft Official Statement	All
Thursday, 06/27/19	Post Official Statement	DC
Wednesday, 07/10/19	Bond Closing	LVCVA, BC, FA

**Participants**

LVCVA = Las Vegas Convention and Visitor Authority, Issuer  
 BC/DC = Stradling Yocca, Bond and Disclosure Counsel  
 FA = JNA/Montague DeRose, Financial Advisor

