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**Reno-Sparks Convention & Visitors Authority
Board of Directors Meeting Minutes
April 25, 2019**

The Regular Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 a.m., April 25, 2018, at the Reno-Sparks Convention and Visitors Authority, 4001 S. Virginia Street, Reno, NV. The meeting was properly noticed and posted in compliance with the Nevada Open Meeting Law.

A. OPENING CEREMONIES

Call to Order

Chairman Bob Lucey called the meeting to order at 9:00 a.m.

Pledge of Allegiance led by Jonathan Seiden, Miss USA

Board Members Present:

Nat Carasali
Lee Dillard
Councilman Ed Lawson
Commissioner Bob Lucey
Rick Murdock
Mark Sterbens
Bill Wood

Board Members Absent:

Mayor Hillary Schieve

RSCVA Executive Staff Present:

Phil DeLone, President/Chief Executive Officer
Jennifer Cunningham, Executive Vice President
Michael Larragueta, Vice President of Sales
Robert Chisel, Director of Finance
Art Jimenez, Executive Director of Tourism Sales
Esther Isaac, Director of Marketing
Sheri Nill, Director of Human Resources
Ben Kennedy, Legal Counsel
Molly Rezac, Legal Counsel

RSCVA Executive Staff Absent:

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

One public comment submitted through email will be added to the minutes.

C. APPROVAL OF THE AGENDA

MOTION: Member Rick Murdock made a motion to approve the April 25, 2019 agenda. Seconded by Member Bill Wood. **Motion carried unanimously.**

D. APPROVAL OF MINUTES OF MARCH 28, 2019 REGULAR BOARD MEETING

Chairman Lucey made a correction to the March 28, 2019, Meeting Minutes. He requested that the "Public Comment" email from Mr. William Mantle be added to the Board Meeting minutes as discussed at the March 28th Board Meeting.

MOTION: Member Ann Silver made a motion to approve the Minutes of March 28, 2019, Regular Meeting with the addition of the letter from Mr. William Mantle. Seconded by Member Rick Murdock. **Motion carried unanimously.**

E. PRESENTATIONS

E1. Legislative Update

Jesse Wadhams, of Fennemore Craig, provided an update on the Legislative Session and issues of interest to the RSCVA. He made the board aware for a few important dates such as the Economic Forum on May 1st, the second committee passage on May 17th and the final house passage on May 24th.

E2. RSCVA Staff Update

Phil DeLone, President/CEO, stated that the leadership of the United States Bowling Congress, visited the destination to review the construction progress on the National Bowling Stadium. He stated that the USBC anticipates 8,000 or more teams for next years' tournament. Mr. DeLone thanked the Capital Projects Manager, Kerrie Koski, for keeping the project on time and within budget. Mr. DeLone announced that the RSCVA had been nominated as one of Reno Tahoe's "Best Places to Work," as identified by the Northern Nevada Human Resources Association and Reno Gazette-Journal. The dinner and award ceremony will be held tonight at the Silver Legacy Hotel and Casino. Mr. DeLone stated that the RSCVA budget process is nearing completion, and a proposed draft will be presented to the board at the May 23rd Board of Directors meeting. Mr. DeLone finished by saying that the Miss USA pageant kicked off with the opening reception last night at the Nevada Museum of Art. He added that the Miss USA live television finale will take place on Thursday, May 2nd at the Grand Sierra Resort showroom.

Jennifer Cunningham, Executive Vice President, stated that February was a strong month for website visits in comparison to the previous month. She added that Christina Erny, Sr. Digital Marketing and Engagement Manager, will present a more in-depth look at what influences these numbers as well as give an overview of our strategy as it relates to digital marketing. Ms. Cunningham went on to say that there was a dip in occupancy, while the ADR continues to increase. She added that February saw an 8.1% decline in visitation with a \$12.15 increase in the average daily rate. She reminded the board that the region experienced some major snowstorms over the February weekends, which affected the numbers. Ms. Cunningham finished by saying that the Air Passenger numbers continue to increase, and Marily Mora will explain this further in her presentation.

Christina Erny, Sr. Digital Marketing and Engagement Manager, gave the board an update on the website numbers and Influencer program.

Michael Larragueta, Vice President of Sales, introduced Ms. Denise Bosmans, the RSCVA's new Regional Director of Convention Sales for the Northeast territory based in Washington D.C. Before joining the RSCVA on April 22nd Denise held positions with the National Association of State Development Agencies, Council for Community and Economic Research, Senior Sales Manager for the Chesapeake Beach & Resort and Director of Sales for Visit Annapolis and Anne Arundel County. Mr. Larragueta stated that Gross produced room nights for February equaled 9,919 on a goal of 19,139. He added that year to date through February the sales team is pacing at 92% to goal or 59% to goal with the Interbike cancellation. Mr. Larragueta said that March Gross produced room nights equaled 49,539 on a goal of 42,305 and April's numbers have already exceeded the monthly goal. He touched on March site inspections and other activities the sale team took part in.

Chairman Lucey clarified that the reason for the 53% to goal on the scorecard was due to the Interbike cancellation.

Member Ed Lawson asked Mr. Larragueta how the team factors the loss of a piece of business like Interbike.

Mr. Larragueta answered by saying that the RSCVA booked three of the five years with Interbike. He added that sales could take credit for three consecutive years and since one consumed, sales will take the hit for the two remaining years in this fiscal year. He said that the RSCVA took credit for 67,000 Room Nights last year. However, this year will see a hit of approximately 44,00 Room Night.

Chairman Lucey recommended that Mr. DeLone and Mr. Larragueta take a more in-depth look at the current policy and possible options for the future. He stated that he would like to properly agendaize this topic for another board meeting as to not violate Nevada's Open Meeting Law.

Art Jimenez, Executive Director of Tourism Sales, reported on the tourism numbers. He stated that the tourism sector room nights at 49,657, or a decrease of 9,379 from last February. This is 79% of the goal of 62,579 room nights. He added that the YTD room nights are 504,470, which is 32,900 below last year, or 87% of the YTD target of 578,920 room nights and 58% to our annual goal of 863,468 room nights. Mr. Jimenez stated that he believed that there were several factors behind these numbers, such as the California wildfires and the 13 days that the I-80 closed, six of which were over weekends. Mr. Jimenez reported that the tourism team continues to work with Expedia, Hotelbeds, and MailPound. He also discussed several area FAM trips.

Mr. Robert Chisel, Director of Finance, gave the board a brief financial update. He stated that for the month of February 2019, the RSCVA's total room tax collections are at \$23M to a budget of \$23.1M. He added that tourism surcharge is \$3.4M to a budget of \$3.6M. He added that is approximately \$275,000 below budget, but up \$845,000 from last year. Mr. Chisel stated that the RSCVA operating expenditures are \$21M, which is \$1.4M below budget.

E3. SMG Update

Michael Day, General Manager of SMG Reno reported on SMG's activities. He touched on a few of the first quarter facility highlights, including concerts and conventions.

Dante Nicastro, General Manager of SAVOR, discussed the food and beverage for the facilities. Mr. Nicastro stated that gross revenue for the first quarter finished at \$1.6M, which is \$1.1M higher than budget and gross revenue year-to-date for the fiscal year is \$880,000 over budget. Mr. Nicastro said that he is confident that SAVOR will close out the year at \$1M over budget forecast for gross revenues.

Renee McGinnis, Director of Sales and Events at SMG Reno, discussed some of the upcoming events at the four facilities. Ms. McGinnis also stated that between the RSCVA and SMG, there are 20 new events booked in the first quarter. She went on to say that SMG launched a new client survey program, and she shared a few of the results.

Chairman Lucey asked how many customer surveys SMG received back in total.

Ms. McGinnis stated that SMG received eight surveys back out of the thirty sent.

Chairman Lucey asked how SMG is handling comments and concerns reported in the customer surveys.

Michael Day responded by saying that the leadership staff was reaching out to the customers directly.

Todd Martin-Jones, Director of Accounting, gave the board a brief update on the SMG Reno Budget FY Forecast as of March 31, 2019. He discussed the year-to-date numbers, projected numbers, and full year rolling forecast.

Rick Murdock stated that he is interested in hearing more about the SMG pipeline. He said that one of the things that SMG said they were going to bring to the table is convention and entertainment business. Mr. Murdock asked if Mr. Day could speak to that.

Mr. Day stated that his team has a conference call every two weeks with SMG's Senior Vice President of Sports and Entertainment out of Philadelphia. He stated that Mr. McCue has been essential in encouraging shows to stop at the Reno Event Center as they pass through the area. He went on to say that Mr. McCue is responsible for bringing Professional Bull Riding back as well as booking Dierks Bentley and Tim McGraw to the Event Center. Mr. Day added that there is some restriction in capacity at the Event Center, but SMG is continually working to bring more entertainment to the area.

E4. Reno-Tahoe Airport Authority Update

Marilyn Mora, A.A.E., President/CEO delivered an update on the Reno Tahoe Airport Authority (RTAA). Ms. Mora began by again thanking the RSCVA and the board of directors for the continued support and collaboration with the RTAA. She discussed flights to and from Reno-Tahoe International Airport and stated that the airport served 4.2 million passengers in 2018, an increase of 4.8% over 2017. Ms. Mora covered potential growth, domestic target, and international target markets. She talked about the strong partnership with the RSCVA and Regional Air Service Corporation (RASC). Ms. Mora touched on the new master plan charts the future for the airport and asked the board for comments and questions.

F. FINANCE DIVISION

F1. Board review and authorize to join General Services Administration (GSA) contract pursuant to NRS 332.195 to purchase banquet chairs and equipment from Government Sales, LLC in an amount not to exceed \$160,000

The Board of Directors was asked to review, discuss and approve authorization to join General Services Administration (GSA) contract pursuant to NRS 332.195 to purchase equipment from Government Sales, LLC in an amount not to exceed \$160,000.

MOTION: Vice Chairman Ed Lawson made a motion to approve Item F1 as presented. Seconded by Member Rick Murdock. **Motion carried unanimously.**

F2. Review, discussion and possible action to approve a resolution pertaining to the issuance of the "Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds

Mr. Robert Chisel stated that this the seconded reading of the refunding bond resolution authorizing the issuance of the "Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2019A" and the "Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds (Additionally Secured with Pledged Revenues), Series 2019B" in the combined aggregate principal amount not to exceed \$70,000,000 for the purpose of refunding certain outstanding bonds; providing the form, terms and conditions of the bonds and the security therefor; and providing the effective date.

MOTION: Vice Chairman Ed Lawson made a motion to approve that the RSCVA seek refunding of the bonds in an amount not to exceed \$70M. Seconded by Member Ann Silver. **Motion carried unanimously.**

F3. Approval to purchase from Automated Temperature Controls, Inc. a system upgrade to the lighting control system at the Reno-Sparks Convention Center in the amount not to exceed \$499,584

The Board of Directors was asked to review, discuss, and approve an upgrade and replacement of the existing lighting control system and management software at the Reno-Sparks Convention Center. The upgraded equipment would be purchased from Automated Temperature Controls, Inc., at a cost not to exceed \$499,584.

MOTION: Vice Chairman Ed Lawson made a motion to approve Item F3 as presented. Seconded by Member Rick Murdock. **Motion carried unanimously.**

G. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

Vice Chairman Ed Lawson and Chairman Bob Lucey recommended that Mr. DeLone and Mr. Larragueta revisit the RSCVA group cancellation policy and bring it back to the board as an agenda item.

Member Rick Murdock asked if the board could get a Burning Man update at a future board meeting.

H. COMMENTS FROM THE FLOOR BY THE PUBLIC

No public comments were presented.

I. ADJOURNMENT

Meeting adjourned at 11:22 a.m.