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**Reno-Sparks Convention & Visitors Authority
Board of Directors Meeting Minutes
May 23, 2019**

The Regular Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 a.m., May 23, 2019, 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 Lee Dillard

Board Members Present:

Lee Dillard
Councilman Ed Lawson
Commissioner Bob Lucey
Rick Murdock
Mayor Hillary Schieve
Ann Silver
Mark Sterbens
Bill Wood

Board Members Absent:

Nat Carasali

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

Steve Nielsen, Sr. Principle, P-3 Partners introduced himself and P-3 Partners, the company that was selected by the Reno City Council to develop the City Center Plaza project.

Tony Logoteta, COO Reno Air Race Association, thanked Nina Brown, Special Events & Marketing Manager, for all everything she has done for the Reno Air Race Association. He presented Ms. Brown with an award that read "In recognition of your exceptional partnership and support of the National Championship Air Races."

C. APPROVAL OF THE AGENDA

Chairman Bob Lucey requested that Item E4, Visitor Origination Analysis, be moved to the end of the Financial Division presentations.

MOTION: Mayor Hillary Schieve made a motion to approve the May 23, 2019 agenda with the amendments. Seconded by Vice Chairman Ed Lawson. **Motion carried unanimously.**

D. APPROVAL OF MINUTES OF APRIL 25, 2019 REGULAR BOARD MEETING

MOTION: Member Rick Murdock made a motion to approve the Minutes of April 25, 2019, Regular Meeting. Seconded by Member Mark Sterbens. **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 touched on a few bills that could affect the RSCVA including a PTO bill and a Minimum Wage increase bill.

E2. RSCVA Staff Update

Phil DeLone, President & CEO, stated that the majority of the RSCVA staff updates relate to the budget and would be addressed during the RSCVA Annual Plan presentation.

Jennifer Cunningham briefly discussed Miss USA 2019. She stated that the Miss Universe Organization (MUO) has until the first week of July to provide its data. However, the marketing team has put together a preliminary recap. She touched on some of the deliverables that were specified in the contract, along with data from social media. Ms. Cunningham went on to say that the board would receive a full Post-Event Report at the next board meeting.

E3. RSCVA Annual Plan 2019/20 Fiscal Year

Phil DeLone, President/CEO, presented the Annual Plan and Goals for the organization for FY19/20. He discussed the RSCVA Vision and Targets (Average Daily Rate (ADR) increase, a visible sales/marketing presence, and continued community collaboration). Mr. DeLone covered key points and strategic shifts, as well as overall trends and impacts. Mr. DeLone finished by touching on the FY 19/20 goals and initiatives.

Jennifer Cunningham, Executive Vice President, started by discussing the lessons learned this year, which included both wins and challenges. She briefly discussed the decision to focus on advertising and media placement in the Bay Area, LA Basin, and dial back Seattle as decided on by the board at the retreat in December. Ms. Cunningham said that the RSCVA had had great success with national and regional placements with the help from our National PR Agency, Decker Royal, shifting from "Awareness" to "Engagement." She added that a key measurement is Partner Referrals from the website. Ms. Cunningham went on to say that three key trends that include; book vacations straight from social media platforms, like Instagram, Influencers, and Personalization. She stated that the RSCVA marketing team is committed to transparency and keeping track of targeted goals that include destination awareness and engagement, along with market growth, room night growth, and community relations.

Michael Larragueta stated that year-to-date the RSCVA Convention Sales team has booked 208 groups and anticipate another 18 to turn definite by June 30th. Three big wins for were the Department of Education, National Guard Association of the U.S. and National Association of Elevator Contractors. He added that all open Regional Director positions have been filled and new offices were successfully opened in Chicago and Dallas. Mr. Larragueta said that this year's definite room nights through April are at 213,534 room nights and the team is forecasting to meet the annual goal of 280,000 room nights. He added that of that goal, 125,000 room nights are "new business" having never come to the region. Mr. Larragueta touched on important industry trends including; reduction in third-party commissions, demand for "Tier Two" cities, technology, and security. He concluded by saying that based on the RSCVA's overall budget, stakeholders' feedback on their forecasted group room night for calendar year 2020, the Las Vegas effect and expansion and renovations of convention centers in competing cities we are forecasting a modest growth of 3 ½% in group room nights of 290,000 for Fiscal Year 19/20.

Art Jimenez, Executive Director of Tourism Sales, discussed the lessons learned in leisure sales. He stated that the year saw several positives such as destination tourism awareness, increased FAMs, partnership marketing, and the alignment of RTIA and Travel Nevada. Mr. Jimenez reviewed the Tourism Room Night Production numbers from FY 15/16 to FY 18/19 (projected). He finished by talking about the tourism goals and initiatives for FY 19/20.

For possible action.

E4. Visitor Origination Analysis Presentation

Erica Olsen of OnStrategy presented highlights from the 2018 Visitor Origination Analysis (VOA). She discussed the purpose and methodology behind the VOA. She touched on the Metropolitan Statistical Areas (MSA) and the Top Performers for the Nevada, Southern California, Oregon, and Washington markets. Ms. Olsen concluded with the 2015-18 Trend Comparison by city.

F. FINANCE DIVISION

F1. Public Hearing: Review and Adoption of the Reno-Sparks Convention and Visitors Authority 2019-2020 Fiscal Year Budget (Resolution 586)

Robert Chisel, Director of Finance, presented the RSCVA 2019/20 Fiscal Year Budget. He stated that the budget is in line with all of the Strategic Plan goals. Mr. Chisel discussed the FY 2019/20 Revenues and Expenditures. Mr. Chisel turned the budget presentation over to Michael Day to discuss the budget for the RSCVA facilities.

Michael Day, General Manager for SMG Reno, presented a breakdown of the four RSCVA facilities (Reno Event Center, Reno-Sparks Livestock Event Center, Reno-Sparks Convention Center and the National Bowling Stadium). He discussed FY 18/19 and SMG's projections for FY 19/20.

Mr. Rober Chisel, Director fo Finance, concluded by recapping the Tourism Surcharge, Outstanding Debt, and the Capital Fund.

Chairman Lucey opened the meeting for Public Comment. Seeing no public comment, chairman Lucey brought the item back to the board for a motion.

MOTION: Member Lee Dillard made a motion to approve Item F1 Public Hearing: Review and Adoption of the RSCVA 2019/20 Fiscal Year Budget (Resolution 586) as presented. Seconded by Member Rick Murdock. **Motion carried unanimously.**

MOTION: Vice Chairman Ed Lawson made a motion for a Block Vote on Items F2, F3, F4, F5, and F7. Seconded by Member Ann Silver. **Motion carried unanimously.**

F2. Review, discussion and possible approval of an agreement for government affairs representation with Fennemore Craig for a total amount of Eighty Thousand Dollars (\$80,000.00)

Robert Chisel, Director of Finance, stated that RSCVA staff issued a Request for Proposal (RFP) 2018-03 on November 29, 2017, for Government Affairs for the Authority. In January 2018, the Board awarded an agreement to Fennemore Craig for the period of February 1, 2018, through June 30, 2019. Mr. Chisel requested board approval to extend the term of the existing agreement with Fennemore Craig through June 30, 2021, at the same rate and scope as the existing agreement.

Block Vote. Motion carried unanimously.

F3. Board review and possible approval to utilize the U.S. Communities Government Purchasing Alliance contract to purchase Herman Miller furniture from Henriksen Butler Nevada for the Reno-Sparks Convention Center in accordance with NRS 332.195 in an amount not to exceed \$250,837

RSCVA staff requested approval to utilize the National IPA Contract (Omnia Partners) for furniture for the Reno-Sparks Convention Center (RSCC) to purchase Herman Miller furniture from Henriksen

Butler Nevada in accordance with NRS 332.195 in an amount not to exceed \$250,837.

Block Vote. Motion carried unanimously.

F4. Review, discuss and possible approval of a service agreement with Avalon Geothermal Inc for the purchase, delivery, and service of geothermal hot water service for the Reno-Sparks Convention Center

RSCVA staff proposed the approval of the service agreement with Avalon Geothermal for the implementation of geothermal hot water for heating the RSCC.

Block Vote. Motion carried unanimously.

F5. Review and possible approval of the RSCVA Fiscal Year 2019-20 Property, General Liability, Automobile, Umbrella, Workers' Compensation, Public Officials' Liability, Crime and Internet Liability, and associated Insurance Coverage

RSCVA staff is recommended the approval of the following insurance policies: Property, General Liability, Automobile, Umbrella, Workers' Compensation, Public Officials' Liability, Crime and Internet Liability, and associated insurance coverage. The new insurance program recommended premiums are estimated to be \$312,841, an increase of \$43,760.

Block Vote. Motion carried unanimously.

F6. Public Hearing: Review, discussion and possible action regarding the recommendation to the Reno-Sparks Convention and Visitors Authority Board of Directors to adopt proposed amendments to the Authority's Transient Lodging Tax Rules and Regulations

Robert Chisel presented updates and changes to the Transient Lodging Tax Rules and Regulations to address changes in credit card numbers used to determine whether certain fees are exempt for transient lodging tax, as well as additional clean-up and other minor clarifications to meet the Federal Governments rules. Mr. Chisel stated that this is the first of two hearings.

MOTION: Member made a motion to approve Item F6 as presented. Seconded by Member Ann Silver. **Motion carried unanimously.**

F7. Review, discussion and possible action regarding FY 2019/20 proposal for Strategic Performance Management contract with OnStrategy

RSCVA staff sought board approval of the continuance of work provided by OnStrategy for fiscal year 2019/20 in an amount not to exceed: \$148,600, to provide dedicated consulting services to support an effective strategy implementation management process.

Block Vote. Motion carried unanimously.

G. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

No future meeting items were presented.

H. COMMENTS FROM THE FLOOR BY THE PUBLIC

No public comments were presented.

I. ADJOURNMENT

Meeting adjourned at 11:55 a.m.