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**Reno-Sparks Convention & Visitors Authority
Board of Directors Meeting Minutes
September 26, 2019**

The Regular Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 a.m., September 26, 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

Vice-Chairman Ed Lawson called the meeting to order at 9:00 a.m.

Pledge of Allegiance led by Phil DeLone, President & CEO, RSCVA

Board Members Present:

Nat Carasali
Shannon Keel
Councilman Ed Lawson
Commissioner Bob Lucey (via telephone)
Ann Silver
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
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:

Michael Larragueta, Vice President of Sales

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

None

C. APPROVAL OF THE AGENDA

MOTION: Member Mark Sterbens made a motion to approve the September 26, 2019 agenda with the amendments. Seconded by member Bob Wood. **Motion carried unanimously.**

D. APPROVAL OF MINUTES OF AUGUST 22, 2019 REGULAR BOARD MEETING

MOTION: Member Bill Wood made a motion to approve the Minutes of August 22, 2019, Regular Meeting. Seconded by Member Mark Sterbens. **Motion carried unanimously.**

E. PRESENTATIONS

E1. RSCVA Board Appointment of Nevada Resort Association Board of Directors seat pursuant to NRS 244A.601(1)(d)(4)

Phil DeLone, President/CEO, RSCVA drew the board's attention to the letter contained in the board materials from the Nevada Resort Association (NRA). The NRA nominated Don Kornstein, Board Member at Caesars/Harrah's to serve on the board for the remainder of Mr. Lee Dillard's two-year term. This position will become effective immediately through the end of the term in December 2020.

MOTION: Chairman Bob Lucey made a motion to approve Mr. Don Kornstein, Board Member at Harrah's/Caesars to the RSCVA Board of Directors. Seconded by Vice-Chairman Lawson. **Motion carried unanimously.**

E2. Election of the RSCVA Secretary and Treasurer

Ben Kennedy stated the RSCVA Board of Directors must elect a Secretary and Treasurer from among its members pursuant to NRS 244A.605 to fill the seat vacated by Lee Dillard. He said that the positions of Secretary and Treasurer may be combined if voted on by the board in the form of a motion.

MOTION: Member Mark Sterbens made a motion to combine the position of Secretary and Treasurer on the RSCVA Finance/Facilities committee. Seconded by member Ann Silver. **Motion carried unanimously.**

Chairman Bob Lucey made a motion to nominate Member Bill Wood for the position of Secretary/Treasurer.

Member Bill Wood reminded the board that his term ends in January of 2020.

Member Nat Carasali stated that he would second the nomination realizing that the position would need to be filled at the end of Mr. Wood's term.

MOTION: Chairman Bob Lucey made a motion to nominate Member Bill Wood for the position of Secretary/Treasurer. Seconded by member Nat Carasali. **Motion carried unanimously.**

E3. SMG General Update

Michael Day, General Manager of SMG - Reno, provided an update of the four SMG managed facilities. He began by announcing that SMG and AEG Facilities are combining to create ASM Global. Mr. Day continued with a financial, operation and sales update for July and August. He also included highlights that included confirmed shows at the Reno Event Center, along with event booking at the Livestock Event Center, the Convention Center and the National Bowling Stadium. Mr. Day also discussed the Kingpin Club by Brunswick and the Grand Reopening Gala for the National Bowling Stadium.

This is an information item. Not an action item.

E4. RSCVA Staff Update

Phil DeLone, President/CEO, began by saying that the National Bowling Stadium is nearing the completion of its \$4 million renovations, funded by the downtown \$2.00 fund, and in mid-October will relaunch with a soft opening. New furniture follows in late November and after its receipt, the Stadium will be ready for the USBC and the expected 75,000 room nights the tournament represents. He added that both the RSCVA sales team and SMG have developed sales plans to re-activate the Bowling Stadium with bookings, bowling sweepers, parties, events and more. Mr. DeLone stated that the Kingpin Club will open to the public on a limited weekly schedule next month. Mr. DeLone discussed the Reno Livestock Event Center (RSLEC), saying that work continues with the Armory abatement and demolition and we anticipate the site to be ready, cleared and graded with 100 – 120 days from now. He added that Rhonda Leach, Director of Equestrian & Sports Sales, has booked three new equine events that will be coming to the updated facility including The Ranch Sorting Nat. Championship Western States Finals, The American Heritage West and The Challenge of the Breeds.

Mr. DeLone touched on Convention Sales saying that in the month of July, the department booked 25,012 room nights of future convention business, ahead of their monthly goal of 19,000 room nights. He added that in August, Convention Sales booked 31,646 room nights of future business, ahead of their monthly goal of 23,876. Mr. DeLone said that the RSCVA and our resort partners participated in the American Society of Association Executives (ASAE) annual conference in Columbus, Ohio and IMEX America, one of the largest business to business tourism and convention tradeshow in the world. Mr. DeLone gave the board a brief update on the viability research of the RSCVA constructing offices, rather than renting. He stated that after interviewing firms, the RSCVA has engaged local architecture and engineering company, BJG, to provide a design and estimated building cost for the project. They identified a possible location at the corner of the RSCC's parking lot C and will bring a full scope of the work to the board at a further date. Mr. DeLone touched on the monthly scorecard, saying that cash occupied rooms in Washoe County were 329,772, down 5.1% from the year prior and that Average Daily Rate (ADR) was up by 5.4% from the year prior at \$125.64. He added that the Washoe County Hotel Market Segment, of which 43 properties report statistics, cash occupied room nights were down from the year prior by 6.2% at 273,372 room nights and the ADR of the 43 Hotel Properties was up by 5.3% from the year prior at \$131.25. He finished by saying of the top eleven properties reporting, the market mix in July was 16.9% convention business, 27.8% Tourism driven, 29.7% comp rooms, and 24.8% FIT (Free Independent Traveler).

Jennifer Cunningham, Executive Vice President, stated that with the change in strategy from branding to referrals, overall web sessions were up 19% and partner referrals were up 24%. She discussed the great response from target markets in the Bay Area, Seattle and LA Basin with the change in digital buys and increased the digital spend for July 2019 by 52% over the prior year. Ms. Cunningham stated that the RSCVA is working very closely with our partners at the airport on air service. She said that year-over-year flights for August are up 14.2% and seats are up 16.8%. She added that beginning November 14th, Frontier Airlines will begin non-stop flights between Reno and Vegas four days a week. Ms. Cunningham finished by sharing two mentions in national publications. The first was in the August issue of Men's Journal and the second was an article titled "The Golden Age for Art in the Silver State" in Smart Meetings.

Art Jimenez, Executive Director of Tourism Sales, opened with the July Tourism numbers. He stated that the tourism channel reported were 75,734 room night or a decrease of 481 room nights from last July. Mr. Jimenez went on to say that is just shy of the 97.5% target of 77,739 room nights. Mr. Jimenez reported that the tourism team continues to work with Expedia, MailPound, and GDS Programming with Saber as well as United Airlines Vacations in support of the new air service out of Houston. He finished by sharing a few of the tradeshow the tourism team attended including a Travel Nevada sales mission to Mexico, a new show with Brand USA, a tradeshow in London, and a show in Dallas and Houston. He added that he is proud to report that all client events are sold out.

Esther Isaac, Director of Marketing, stated that the marketing team met with OnStrategy to update the annual marketing plan based on the approved corporate strategic plan. She stated as part of that planning on Sept. 18th, the sales department brought together all of our key vendors for a Marketing Strategy meeting. Ms. Isaac said the RSCVA will hold a marketing committee meeting where we will share the specifics of our annual plan in the near future. She added that Christina Erny, Sr. Digital Marketing and Engagement Manager, will provide a quarterly report on the RSCVA Influencer program at the October board meeting.

Robert Chisel, Director of Finance, brought the board's attention to the July financial found in the board packet. He stated that the RSCVA is on target for the budget. He announced that the RSCVA was awarded the Certificate of Achievement for excellence in financial reporting from the government finance officers association. Mr. Chisel reported that Trent LaFerriere and Jose Martinez have successfully completed the certification as Contract Administrators through the state of Nevada.

This is an information item. Not an action item.

E5. Downtown Reno Partnership Update

Alex Stettinski, Executive Director of the Downtown Reno Partnership (DRP), delivered updates on the Downtown Reno Partnership that included Ambassador highlights, economic & community development, and the Main Street Grant. He also discussed the DRP's current and upcoming marketing campaigns.

This is an information item. Not an action item.

F. FINANCE DIVISION

F1. Review, discussion and possible approval of a wireless network lease with American Tower Corporation for the Reno-Sparks Convention Center

Robert Chisel, Director of Finance, stated that the Board of Directors is being asked to review and approve a Wireless Network Lease for the Reno-Sparks Convention Center (RSCC) for the installation of an indoor distributed antenna system (DAS) for wireless telecommunications and data for ten years with renewal terms.

MOTION: Member Mark Sterbens made a motion to approve a Wireless Network Lease for the Reno-Sparks Convention Center. Seconded by member Ann Silver. **Motion carried unanimously.**

F2. Review, discussion and possible approval of the Reno-Sparks Convention and Visitors Authority's Investment Policy

Robert Chisel, Director of Finance, stated that the Board of Directors is being asked to review and approve the updated Investment Policy for the Reno-Sparks Convention & Visitors Authority.

MOTION: Member Nat Carasali made a motion to approve the updated Investment Policy for the Reno-Sparks Convention and Visitors Authority. Seconded by member Mark Sterbens. **Motion carried unanimously.**

F3. Review, discussion and possible approval of the advance purchase and reimbursement of cost from the City of Reno for carpeting and HVAC for the National Bowling Stadium for an amount not to exceed \$143,573

Robert Chisel, Director of Finance, stated that the Board of Directors is being asked to review and approve the RSCVA purchasing, on behalf of the City of Reno, carpeting for the "Pro Shop" area and the "South Atrium" area of the fourth floor of the National Bowling Stadium for a cost to not exceed \$63,548, and HVAC for the "South Atrium" area for a cost to not exceed \$80,025 (engineers estimate \$72,750 plus 10% contingency of \$7,275), for a total not to exceed \$143,573, subject to reimbursement by the City of Reno as funds become available.

MOTION: Member Nat Carasali made a motion to approve the advance purchase and reimbursement of the cost from the City of Reno for carpeting and HVAC for the National Bowling Stadium. Seconded by member Mark Sterbens. **Motion carried unanimously.**

G. EXECUTIVE/LEGISLATIVE COMMITTEE RECOMMENDATIONS

G1. Phil DeLone, President/CEO Goals & Objectives for FY 2019-2020

Erica Olsen, OnStrategy, presented to the board issues discovered regarding the measurement of room nights relative to Visitation/Destination Awareness and Tourism Sales. In question is **Item #1:** Allowing for flexibility to adjust markets, where the Marketing Department is targeting media, spend; **Item #2:** Adjusting the goal from a year-over-year growth to growth against the overall Washoe County hotel room night market and **Item #3:** Proposed revised goal language. She stated that the Executive/Legislative Committee is recommending modifications to the RSCVA CEO Goal Strategic Priority #1 FY 2019-2020. Ms. Olsen opened the floor for questions.

Nat Carasali, Chairman of the Executive/Legislative, stated that the committee agreed with the information brought forth by OnStrategy to make the changes to the current goals and objectives. Mark Sterbens, a member of the Executive/Legislative Committee, mentioned that the committee

took into consideration how to measure “organic growth or loss” versus the impact of the marketing programs. Based on the suggestion from OnStrategy we thought that this was a fair assessment regarding the question “are the marketing programs creating an impact in the area that we are focusing our marketing dollars.” We as a committee believed that this change needed to be made.

Member Shannon Keel stated that in her experience based on year-over-year performance, that the goals were not typically changed and asked if this kind of change typical?

Jennifer Cunningham answered by saying that Convention Sales is based on year-over-year results. However, Tourism Sales and Marketing are typically measured by activity in most Convention Bureaus. The RSCVA has enlisted the help of OnStrategy come up with a system to measure real data.

Erica Olsen added that said, the goals were set to reflect the organic growth, but also take into consideration external factors that the RSCVA has no control over. The Visitor Origination Analysis (VOA) gives us a quantitative base to provide this measurable outcome. The reason that OnStrategy and the Executive/Legislative Committee is recommending these changes is due to the lack of dynamism in these two goals that allow for the right decision making that Tourism and Marketing teams being asked to carry forward.

MOTION: Member Nat Carasali made a motion to approve the changes to the Visitation/Destination Awareness and Tourism Sales Goal for FY2019/2010. Seconded by member Ann Sliver. **Motion carried unanimously.**

H. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

No items for future meetings.

I. COMMENTS FROM THE FLOOR BY THE PUBLIC

No public comments were presented.

J. ADJOURNMENT

Meeting adjourned at 10:10 a.m.