

**Reno-Sparks Convention & Visitors Authority  
Regular Meeting of the Board of Directors  
Meeting Minutes  
December 3, 2020**

The Special Meeting of the Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 am, December 3, 2020, **via teleconference/videoconference only pursuant to NRS 241.023.** The meeting was properly noticed and posted in compliance with the Nevada Open Meeting Law.

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## **A. OPENING CEREMONIES**

### **Call to Order**

Christina Erny, RSCVA Director of Marketing, led the Pledge of Allegiance.

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#### **Board Members Present:**

Andy Chapman  
Daniel Farahi  
Shannon Keel  
Don Kornstein  
Mayor Ed Lawson  
Mayor Hillary Schieve  
Ann Silver  
Mark Sterbens

#### **Board Members Absent:**

Commissioner Bob Lucey

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#### **RSCVA Executive Staff Present:**

Charles Harris, President & CEO  
Jennifer Cunningham, Executive Vice President  
Robert Chisel, Vice President of Finance and Operations  
Michael Larragueta, Vice President of Sales  
Art Jimenez, Executive Director of Tourism Sales  
Christina Erny, Director of Marketing  
Ben McDonald, Director of Communications  
Julie Williams, Human Resources Manager  
Ben Kennedy, Legal Counsel  
Molly Rezac, Legal Counsel

#### **RSCVA Executive Staff Absent:**

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

Pursuant to Section 2 of Directive 006, the public may provide public comment by emailing comments to [boardclerk@renotahoeusa.com](mailto:boardclerk@renotahoeusa.com) or by leaving a voicemail (limited to three minutes) at (775) 827-7602 (note this, not a live call-in line).

## **C. APPROVAL OF THE AGENDA OF DECEMBER 3, 2020 REGULAR MEETING OF THE BOARD OF DIRECTORS**

Chair Schieve stated that Item F4 Reno City Plaza Space Whale was pulled from the agenda and asked for a motion to approve the December 3, 2020 Board Agenda with the amendment.

**MOTION:** Member Shannon Keel made a motion to approve the December 3, 2020 agenda. It was seconded by Ann Silver. **Motion carried unanimously.**

**D. APPROVAL OF MINUTES OF SEPTEMBER 24, 2020 REGULAR MEETING OF THE BOARD OF DIRECTORS**

**MOTION:** Member Mark Sterbens made a motion to approve the August 27, 2020, meeting minutes. It was seconded by member Ann Silver. Member Charlene Bybee was not present for the September 24 Board of Directors Meeting; therefore, she abstained from this vote. **Motion carried unanimously.**

**E. PRESENTATIONS**

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

Mayor Schieve asked to pull this item and bring it forward at the January 28, 2021 Board Meeting. She stated that the Board had asked the NRA to provide an additional name for consideration. She reminded the Board that only the elected officials vote on the appointment. Mayor Schieve said with Commissioner Lucey's absence, she recommends that this item be brought back at the January 28, 2020 meeting.

Ben Kennedy, Legal Counsel, stated that Item E1 would be pulled from the agenda and moved to the January 28, 2020 agenda.

**E2. Destination Marketing Organization (DMO) – Best Practices**

Bill Hanbury, SearchWide Global, and Erica Olsen, OnStrategy presented DMO Best Practices and Key Priorities.

Erica Olsen started by saying that the presentation's point was to revisit the Key Initiatives and Guiding Principles that the Board landed on at the August Board Retreat.

Bill Hanbury walked the Board through the best practices of high performing DMO's. He stated that America's best DMO's position themselves as shared community assets, uplifting the destination's overall economy and quality of life. He added that it is the Board's responsibility to make sure the DMO is relevant and connected to the community. Mr. Hanbury touched on the application of guiding principles and collaboration between the Board and CEO.

Erica Olsen presented the six Board of Directors Guiding Principles and asked the Board members only to take part in a poll to provide their perspective on a three-point scale as to how the Board is doing as a body in regard to these principles.

Charlene Bybee asked to abstain from the poll as it is her first Board of Directors Meeting.

Ann Silver stated that the wording at the top of the slide reads "be honest & critical." She asked if that would be better as "be honest and constructive."

Erica Olsen stated that an overview of the Strategic Plan and Performance Management for the RSCVA is an "agreement" between the Board and staff related to priorities, resources, and qualified results. She added that the Strategic Plan is required by the NRS for surcharge use and sets accountability for performance. Ms. Olsen finished by saying that the information collected today would roll into the updated FY 2021/22 Strategic Plan FY21/22.

Mayor Schieve asked how often the staff proposed bringing this information back to the Board for review.

Ms. Olsen stated that this information is best reviewed once a quarter.

### **E3. Team Reno Tahoe/Big Business**

Chair Hillary Schieve asked Robert Chisel to introduce the RSCVA team member that is making a difference in the organization.

Robert Chisel, Vice President of Finance, introduced Courtney Jaeger, Director of Finance. Courtney comes to the RSCVA from the McCarran Airport in Las Vegas, Nevada. She is a Reno native. Courtney is intelligent, hard-working, and is a great leader here at the RSCVA.

Courtney Jaeger thanked Robert for the kind introduction. She stated that she graduated from UNR and began her public accounting career, obtaining her CPA license and specialized in governmental clients. Ms. Jaeger said that she became the Controller at the McCarran airport in Las Vegas but longed to return to Reno.

### **E4. Reno-Sparks Convention and Visitors Authority Staff Update**

Charles Harris, President/CEO, thanked Mayor Ed Lawson for his service on the Board and welcomed Councilwoman Bybee to the RSCVA Board of Directors. Mr. Harris stated that the RSCVA secured the GBAC certification for multiple properties. The Global Biorisk Advisory Council® (GBAC) helps organizations and businesses prepare for, respond to, and recover from biological threats, biohazard situations, and real-time crises. Mr. Harris touched on air service to the area, including JSX service to Orange County, United's non-stop to Houston, Southwest's non-stop to Dallas, and Allegiant's upcoming service to Orange County. He talked about some of the discussions he has had since joining the RSCVA, including EDAWN, ASM, and one-on-ones with internal staff, board members, and several community leaders. Mr. Harris thanked everyone for the welcome and said that he looks forward to moving forward.

Jennifer Cunningham, Executive Vice President, brought the Board's attention to the board packet's scorecard. She pointed to the graphs that included ADR, Cash Room Nights, Occupancy Rate, and Comp Room Nights, stating that the ADR for August was \$124.31, 41% over the forecast. Ms. Cunningham also discussed FY 20/21 Market Performance, including Air Passengers, Taxable Revenue, and Gaming Win. Finally, she covered the FY 20/21 Marketing and Communications. She pointed out the National Web Visits and commended the marketing team for keeping customers up to date on what is going on in the area, including safety precautions.

Michael Larragueta, Vice President of Sales, gave the Board an update on Group Sales. He shared rebooking statistics specifically for groups that canceled due to COVID and rebooked future dates. He touched on groups that canceled but discussed contracts for future dates and groups that canceled with no plans to rebook with Reno, Sparks, or Tahoe. September contracted group room nights totaled 11,289 with no cancellations. For October, contracted group room nights totaled 3,676 with 9,372 in cancellations. He went on to say that the team had an outstanding November contracting 22,251 room nights with 17,222 cancellations. Mr. Larragueta stated that year to date July through November gross contracted group room nights totaled 59,124. He added that the team would be at 59% to goal through November based on proposed goals. He said after cancellations, the net group number year to date is 13,376. He said that it is essential to note that the 59,124 contracted group room nights are for future dates building a base at our hotel partners, whereas the cancellations represent groups scheduled to meet from July of 2020 through March 2021. Mr. Larragueta shared some highlights that include 11 in-person or virtual site inspections and 100 group leads representing 132,383 room nights for future dates. He gave the Board an update on groups that cancelled due to COVID-19. He said that 104 groups representing 161,052 room nights were canceled due to COVID -19. Of these 104 groups, 67 representing 101,102 room nights have contracted new dates in the future. He added that 26 groups representing 45,270 room nights canceled but are returning to Reno, Sparks, or North Lake Tahoe and are in discussion with the team and our properties in determining new dates in the future. Mr. Larragueta said that 91% of groups that canceled due to COVID -19 have rebooked or are in discussion to rebook their programs on a future date. He finished the COVID-19 replated update by saying that 11 groups representing 14,680 room nights canceled their programs and are not looking to rebook Reno, Sparks, or North Lake Tahoe at this time.

Mr. Larragueta said despite the COVID-19 challenges that the team continues to host unique and fun virtual events. These virtual events have primarily featured local celebrity hosts from David Wise, Chef Marc Estee, Mayor Schieve, Laura Kimpton of Kimpton Hotels. This past Tuesday, Dustin Vice from Dorinda's Chocolates presented at an event featuring chocolate and wine pairing attended by 32 meeting planners, decision-makers, and third-party representatives.

Art Jimenez, Executive Director of Tourism Sales, referred to the scorecard in the board packet. Through October, he stated that Online Travel Agencies (OTA) and Travel Agent Room Nights production represents just over 96% of the third-party tourism sales activity, or approximately 171,000 room nights. As a result, the tourism team will continue to focus efforts on OTA and Travel Agent channels. Mr. Jimenez said that the results of the July-September Priceline program generated over 35,000 room nights compared to 25,000 at the same time last year.

**E5. Legal Counsel Update**

Ben Kennedy, Legal Counsel, stated that the default of the RSCVA committees is that they are advisory only. However, at the onset of the COVID-19 pandemic, the Board of Directors voted to make the Finance and Facilities Committee a binding committee. This enabled the Finance and Facilities Committee to respond to any COVID-19 related issues without coming before the full Board. He added that this designation was made until the end of COVID-19 or until a new CEO's appointment. With Charles Harris's hire as CEO, the Finance and Facilities Committee will go back to an advisory role.

**FINANCE DIVISION**

**F1. Review, discussion, and possible approval of the Opinion and Findings of the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020, containing the Auditor's Required Communications Letter**

Courtney Jaeger, Director of Finance, drew the Board's attention to the board materials' CAFR report. She discussed the CAFR, External Audit Results, Fiscal Year 2020 Financial Summary, and the Popular Annual Financial Report (PAFR).

**MOTION:** Member Andy Chapman made a motion to approve the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2020. Councilwoman Charlene Bybee seconded the motion. **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**

Robert Chisel, Vice President of Finance, stated that staff is recommending approval pertaining to the issuance of general obligation bonds by the Reno-Sparks Convention & Visitors Authority in the name of and on behalf of Washoe County, in the amount of approximately \$85,984,000 plus costs of insurance estimated to be an additional \$1,624,781.40 (both amounts subject to finalization at the time of issuance), to refund certain outstanding bonds previously issued by the RSCVA in the name of and on behalf of the County. He added that the RSCVA is not extending the life of the bonds, just taking advantage of low-interest rates.

**MOTION:** Member Don Kornstein made a motion to approve Resolution 589, the issuance of the "Washoe County, Nevada, Taxable/Tax-Exempt General Obligation (Limited Tax) Reno-Sparks Convention & Visitors Authority Refunding Bonds. Member Andy Chapman seconded the motion. **Motion carried unanimously.**

**F3. Public Hearing Regarding the Approval of Resolution 590 Adopting the Budget Augmentation for the Reno-Sparks Convention and Visitors Authority for Fiscal Year 2020-21**

Robert Chisel, Vice President of Finance, presented the Budget Augmentation for Fiscal Year 2020-21. He discussed the Beginning Fund Balance–Budget vs. Actual, Room Tax Revenues–Budget vs. Actual and Expenditure Augments by Fund (General, Capital Project, and Insurance Funds). Mr. Chisel said that the RSCVA acted quickly when the pandemic hit by cutting expenditures in early March. He said that he was very proud of how staff responded to the COVID-19 crisis by cutting costs throughout the authority. Mr. Chisel also covered the Budget Augmentation Objectives and stated that the majority of the augmentation would go to marketing. He said that additional objectives include the restoration of employee salaries and emphasized that this only to remove the 10-15% pay cut to employee salaries, not to include any retroactive pay, merit or cost of living increase. Mr. Chisel stated that the augmentation would also cover the CEO package as the amount exceeded the original budget, the replacement of some IT equipment and the restoration of some contracts. Mr. Chisel finished by saying that staff recommends that the Board approves this augmentation of the funds as detailed to comply with NRS354 and to implement the objectives presented to include the restoration of employee salaries effective December 6, 2020.

Hillary Schieve stated that she thought there might have been some confusion on Item F4, the Reno City Space Whale. She said that the board materials' staff report was vague and did not state that it was money coming from the city that was dedicated to marketing and tourism dollars. She said that was not coming from the RSCVA; that was money coming over from the City of Reno. She went on to say that she was going to direct that money not come back to the RSCVA.

Mark Sterbens said that there were discussions about lost wages and asked about that amount.

Mr. Chisel said that amount would be \$188,000 (May 1, 2020 – December 5, 2020).

Mr. Sterbens asked if that was the recommendation today.

Mr. Chisel said that was not in the recommendation today.

Councilwoman Charlene Bybee asked if the recommendation was for employee salaries to be reinstated beginning December 6<sup>th</sup> or to include retroactive pay from spring, as was discussed in the pre-board meetings.

Mr. Chisel said that this is not retroactive to next spring. It would mean that the pay rate for those employees that took either a 10% or 15% pay cut would be restored. He added that this does not include any back pay or retroactive pay. Mr. Chisel said that there was a discussion regarding retroactive pay, but the decision has been made not to ask for that at this time.

Councilwoman Bybee asked if the staff is recommending approval of the full \$6.2M.

Mr. Chisel said that staff recommends that the Board approve the full amount and that it would be at the CEO's discretion to spend those resources.

Charles Harris stated that the authority would not allocate the marketing dollars earmarked at this time. He said that until we see the data that people are ready to travel again, the majority of those funds would be held until that data has changed. Mr. Harris said that staff is seeking Board approval now to have the funds ready once travel increases.

Ann Silver asked to revisit the employee's retroactive pay. She said that there were discussions about this item, and if she understands what staff is recommending today, the salaries are reinstated as of December 6, 2020. Still, the recommendation has not been made to make those cuts retroactive. She asked if this is correct.

Robert Chisel stated that is the recommendation at this point.

Andy Chapman stated that RSCVA staff has been ready at the wheel and said that he agreed with Ms. Silver that the retroactive pay is something to look at in the future. He added that he understands that the decision today is to move forward as the staff recommends.

Shannon Keel suggested that staff focus on the Capital Expenditure projects that are necessary at this time. She added that while the authority can't let the facilities fall behind, that we do not know how long this pandemic will last.

**MOTION:** Member Ann Silver made a motion to approve Resolution 590 adopting the Budget Augmentation for the Reno Sparks Visitors Authority as presented by staff. Member Daniel Farahi seconded the motion. **Motion carried unanimously.**

- F4. Reno City Plaza Space Whale – ITEM PULLED FROM THE AGENDA**  
Item pulled from the agenda.

***G BOARD MEMBERS COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS***

None

***H COMMENTS FROM THE FLOOR BY THE PUBLIC***

None

***I ADJOURNMENT***

Meeting adjourned at 10:35 am.