

**Reno-Sparks Convention & Visitors Authority
Special Meeting of the Board of Directors
Meeting Minutes
Thursday, January 27, 2022**

The Board of Directors of the Reno-Sparks Convention & Visitors Authority met at 9:00 am on Thursday, January 27, 2022. The meeting was properly noticed & posted in compliance with the Nevada Open Meeting Law.

A. OPENING CEREMONIES

A1. Call to Order

Chair Bob Lucey called the meeting to order at 9:05.

A2. Pledge of Allegiance

Chair Bob Lucey asked Stephen Ascuaga, Corp. Dir. of Business Development, Peppermill Resort & Casino

A3. Roll Call

The Clerk of the Board took roll call.

Board Members Present:

Councilwoman Charlene Bybee
Shannon Keel
Commissioner Bob Lucey
Rick Murdock
Jessica Sferrazza
Ann Silver

Board Members Absent:

Andy Chapman
Mayor Hillary Schieve

RSCVA Executive Staff Present:

Charles Harris, President & CEO
Michael Larragueta, Vice President of Sales
Courtney Jaeger, Vice President of Finance (via Zoom)
Christina Erny, Director of Marketing

RSCVA Legal Counsel:

Ben Kennedy, Dickinson Wright
Molly Rezac, Ogletree, Deakins, Nash, Smoak & Stewart

B. COMMENTS FROM THE FLOOR BY THE PUBLIC

None

C. APPROVAL OF THE AGENDA OF THE JANUARY 27, 2022, REGULAR MEETING OF THE BOARD OF DIRECTORS

Motion: Move to approve the January 27, 2022 agenda as presented

Moved by: Member Bybee

Seconded by: Member Silver

Aye: Member Bybee, Keel, Lucey, Murdock, Sferrazza, and Silver

No:

Absent: Mayor Schieve and Member Chapman

Abstain:

Vote: Motion passed unanimously

D. APPROVAL OF MINUTES OF DECEMBER 9, 2021, REGULAR MEETING OF THE BOARD OF DIRECTORS

Motion: Move to approve the minutes of the December 9, 2021, Board of Directors meeting as presented.

Moved by: Member Sferrazza

Seconded by: Member Murdock

Aye: Member Bybee, Keel, Lucey, Murdock, Sferrazza, and Silver

No:

Absent: Mayor Schieve and Member Chapman

Abstain:

Vote: Motion passed unanimously

E. BOARD MATTERS

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

Mr. Ben Kennedy, Legal Counsel, opened item E1. RSCVA Board Appointment of the Nevada Resort Association (NRA) Board of Director's seat pursuant to NRS 244A.601(1)(d)(4). He stated that this is the appointment of the seat previously held by Mr. Mark Sterbens, adding that the seat became vacant on December 31, 2021. He went on to say that the Nevada Resort Association (NRA) nominated Stephen Ascuaga and Pat Flynn for the appointment of the two-year term. Mr. Kennedy said that this item is open for discussion from the entire board but only voted on by the elected officials.

Chair Lucey open the floor for discussion by the board. After some discussion, the following action was taken:

Motion: Move to appoint Mr. Stephen Ascuaga, Corp. Dir. of Business Development at the Peppermill Resort & Casino to the RSCVA Board of Directors effective immediately for a term of two years.

Moved by: Member Bybee

Seconded by: Chair Lucey

Aye: Member Bybee and Lucey

No:

Absent: Mayor Schieve

Abstain:

Vote: Motion passed unanimously

E2. RSCVA Board Appointment of Incline Village Crystal Bay Visitor Bureau (IVCBVB) Board of Director's seat pursuant to NRS 244A.601(1)(d)(3)

Mr. Ben Kennedy, Legal Counsel, opened item E2. RSCVA Board Appointment of the Incline Village Crystal Bay Visitor Bureau (IVCBVB) Board of Director's seat pursuant to NRS 244A.601(1)(d)(3). He stated that this would be a reappointment of the seat by Mr. Chapman, adding that the appointment would be a two-year term. Mr. Kennedy restated that this item is open for discussion from the entire board but only voted on by the elected officials.

Chair Lucey open the floor for discussion by the board. After some discussion, the following action was taken:

Motion: Move to reappoint Mr. Andy Chapman effective immediately for an additional two-year term.

Moved by: Member Bybee

Seconded by: Chair Lucey

Aye: Member Bybee and Lucey

No:

Absent: Mayor Schieve

Abstain:

Vote: Motion passed unanimously

F. PRESENTATIONS

F1. Reno-Sparks Convention and Visitors Authority CEO Update

Charles Harris, President & CEO, presented his CEO update.

Member Rick Murdock asked if the volume or Average Daily Rate (ADR) lifted the revenue.

Mr. Harris stated that ADRs are up \$15.00. He said that the lift in revenue is a combination of higher ADR and what the hotels are yielding.

Jessica Sferrazza asked if the numbers reflect the fact visitors are getting out and traveling once again. She stated that the airport has seen increased visitors and asked if the authority could decipher the convention, events, or leisure business and how the region compares nationally.

Mr. Harris stated that the region is doing better than most of the country. He added that beach destinations and areas with outdoor activities are doing better than most.

Member Sferrazza asked how much the higher ADR has added to the RSCVA bottom line.

Charles Harris stated that the finance committee is meeting on February 11, 2022. The committee will look at the surplus and make a recommendation to the board at the next meeting.

Chair Lucey asked for an update on the operation plan for the facilities transition from ASM.

Mr. Harris stated that staff would present a facilities operations plan at the March board meeting.

F2. Sales Update

Michael Larragueta, Vice President of Sales, presented a sales update.

Chair Lucey asked Mr. Larragueta to break down new leads versus return business.

Mr. Larragueta stated that he would get the board a report on the RSCVA's "new business" versus "reintroduced business."

Rick Murdock asked how the RSCVA handles cancellations and rebooking's.

Mr. Larragueta said that the RSCVA had not experienced any cancellations to date. He added that one hotel partner reported two cancellations; however, both groups rebooked. He said that the team gets credit for the booking once, adding that staff does not get credit if a group cancels and rebooks.

Member Sferrazza congratulated the sales team on March's Davis Cup Qualifier booking. She also asked if there was a plan to bring in specialized personnel to market the facilities.

Mr. Harris answered by saying there is a plan to bring on staff to market the individual facilities, and the team will present a detailed operation plan at the next board meeting.

Art Jimenez, Executive Director of Tourism Sales, presented a tourism sales update.

Chairman Lucey called a non-agendized recess for a briefing from legal counsel at 10:06 am. The Board reconvened at turned to session 10:19 am.

F3. Review and possible action regarding billing dispute between ASM Global/Savor and Airports Council International-North America.

Charles Harris, President/CEO, led a billing dispute discussion between ASM Global/Savor and Airports Council International-North America (ACI).

Mr. Larragueta presented additional details regarding the group and the future business ACI could bring to the region.

Chair Lucey stated that ACI is an important client, and the RSCVA strives to provide first-class service to all clients. He said that the facility management provider, ASM, fell short with this event, and as a result, the clients were disappointed. He suggested that the RSCVA write off 70% of the disputed amount. This would amount to \$147,000 based on the invoice provided to the RSCVA by ASM Global.

Member Sferrazza stated that this is an act of "good faith" on the part of the RSCVA, and the authority is not legally responsible for the amount. She asked for the RSCVA legal counsel to weigh in on this issue.

Ben Kennedy stated that the RSCVA has no legal obligation in this matter. However, he said that there are two options for this agenda item. The first option is that the RSCVA could affirmatively make a payment to ASM on behalf of the clients to cover this amount. This payment would consist of an additional cash transfer to ASM to be used for facility operations, to cover the lost revenues/cash from the event. The other equivalent option is to direct ASM to write off a portion of this bill which would become a loss on ASM's financials that would roll up into the RSCVA's financials, and at the end of the day, the RSCVA would be obligated to cover the bill, with both scenarios having the same outcome of increased losses to the RSCVA.

Member Sferrazza asked legal counsel to explore the authority's recourse in recouping or recovering costs from the service provider for the non-fulfillment of the contract.

Ben Kennedy said he would look into the authority's legal recourse and report back to the board.

Motion: Move to direct ASM, as an agent of the RSCVA, to write off 70% of the outstanding invoice for Airport Council International-North America (ACI).

Moved by: Chairman Bob Lucey

Seconded by: Member Bybee

Aye: Member Ascuaga, Bybee, Keel, Lucey, Murdock, Sferrazza, and Silver

No:

Absent: Mayor Schieve and Andy Chapman

Abstain:

Vote: Motion passed unanimously

F4. Process for selection of RSCVA facility food service provider.

Michael Larragueta, Vice President of Sales, opened this agenda item.

Ben Kennedy stated that the RSCVA would receive the food service provider RFPs in March. He said that it is entirely up to the board on how to proceed, adding that timing is a concern. Mr. Kennedy recommended that the board defer to the RSCVA staff to review the RFP responses and bring a recommendation to the board at the March 24, 2022 Board of Directors meeting. He asked that the Board give direction to staff as to how many responses it wants to see.

Motion: Move to direct RSCVA staff to request the RFP responses as quickly as possible, review the RFP responses, and prepare recommendations of the top two or three candidates at a Special Board meeting in early April.

Moved by: Chairman Bob Lucey

Seconded by: Member Murdock

Aye: Member Ascuaga, Bybee, Keel, Lucey, Murdock, Sferrazza, and Silver

No:

Absent: Mayor Schieve and Andy Chapman

Abstain:

Vote: Motion passed unanimously

F5. Discussion Regarding Special Events Funding

Charles Harris led a presentation/discussion regarding special events funding. He spoke about the RSCVA's past practices regarding special events funding, current funding levels, and trends.

Chair Lucey said the board recommended increasing the special events funding from \$500K to \$1M in November.

Member Sferrazza stated that the decision was made at the November Board Meeting that the increase would be on the December 9, 2022, agenda. She said that several community leaders have reached out requesting special event funding.

Tasha Holloway, Special Events Manager, discussed the selection of special events in detail.

Mr. Harris stated that the RSCVA Finance & Facilities committee meets on February 11, 2022, should the board want to move in that direction.

F6. Discussion Regarding the Strategic Marketing Plan

Chair Bob Lucey led a discussion regarding the RSCVA Strategic Marketing Plan. He asked for board input on the items for the presentation. Mr. Lucey requested that the following items be included in the strategic plan discussion:

- Convention sales goals, initiatives, strategic objectives, and key performance indicators
- Marketing goals, objectives, opportunities, and key performance indicators
- Tourism goals, objectives, opportunities, and key performance indicators
- Facilities Operating Plan
- Transportation (air and ground)
- Special Event Funding

G. FINANCIAL DIVISION

G1. Review, discussion, and possible approval of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021.

Courtney Jaeger, Vice President of Finance, led the discussion of the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021.

Motion: Move to approve the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021.

Moved by: Member Ann Silver

Seconded by: Member Rick Murdock

Aye: Member Ascuaga, Bybee, Keel, Lucey, Murdock, Sferrazza, and Silver

No:

Absent: Mayor Schieve and Andy Chapman

Abstain:

Vote: Motion passed unanimously

G2. Federal Grants Update

Chairman Lucey pulled this agenda item for a future meeting.

H. BOARD MEMBER COMMENTS REGARDING ITEMS FOR FUTURE MEETINGS

Member Sferrazza asked for clarification on the RSCVA process of bringing board member's comments for future meetings to the agenda. She stated that she and other board members had requested items be placed on the agenda, and they have been left off.

Mr. Harris answered by saying that the CEO and board clerk review all comments for future meeting items requested by each board member. From there, a draft agenda is formed, and the CEO reviews that draft with the board chair.

Councilwoman Bybee asked that the Western Heritage Center give a presentation at a future board meeting.

Member Murdock requested that the board hold an offsite meeting at the National Auto Museum.

I. COMMENTS FROM THE FLOOR BY THE PUBLIC

None.

J. ADJOURNMENT

Meeting adjourned at 2:15 pm

To view the full meeting recording, please visit the RSCVA Board of Directors Meeting YouTube page at:
<https://www.youtube.com/watch?v=GvPXMcrCtmU&t=7732s>