

MINUTES of the NEVADA COMMISSION ON TOURISM
December 14, 2016

The Nevada Commission on Tourism held a Commission meeting at 1:00 p.m. on December 14, 2016, by phone conference and at 401 N. Carson St. Carson City, NV 89703.

Call to Order

Vice Chair Carano called the meeting to order at 1:02 p.m.

Commissioners Present:

Cindy Carano, Vice Chair
Ryan Sheltra
Jennifer Cunningham
Don Newman
Herb Santos, Jr.
John Wagnon
Julia Arger

Commissioners who are absent/excused:

Lieutenant Governor Mark A. Hutchison, Chair
Richard Arnold
Rossi Ralenkotter
Bob Stoldal
Mike Vaswani
Dallas Haun

Staff present:

Claudia Vecchio, Director
Sarah Bradley, DAG

Roll Call and Determination of Quorum

CARANO: Good afternoon. This is Cindy Carano. I am calling to order the Nevada Commission on Tourism and Department of Cultural Affairs meeting for December 14th, 2016. This is a tele-conference meeting and I have been insured that all proper postings have been made.

VECCHIO: Yes.

CARANO: I would like to call role. Lieutenant Governor Hutchinson is unable to attend. Bob Morse?

MORSE: Here.

CARANO: Jennifer Cunningham?

CUNNINGHAM: Here.

CARANO: Cindy Carano. Dallas Haun has resigned from the Commission and he has taken position with the Las Vegas Stadium Authority Board. We wish him well and thank him very much for his service. Don Newman?

NEWMAN: Here.

CARANO: Rossi Ralenkotter is unable to attend, but I believe Kevin Bagger may be on the phone?

BAGGER: Yes. Kevin is here.

CARANO: Thank you. Herb Santos?

SANTOS: Present.

CARANO: Ryan Sheltra?

SHELTRA: Present.

CARANO: Mike Vaswani? Expected to attend. John Wagnon?

WAGNON: Here.

CARANO: Julie Arger?

ARGER: Here.

CARANO: Richard Arnold, unable to attend. Bob Stoldal? He will call in a little bit later. Then we have Claudia Vecchio and Sara Bradley on the phone. We do have a quorum. There you go.

Public Comment

CARANO: I would like to open up to public comment. Is there anyone that would like to make a public comment? Hearing none.

Approval of Minutes

CARANO: We have minutes to approve for the September 21st Commission Meeting. Do I have any motions?

CUNNINGHAM: This is Jennifer. I move that we approve the minutes from the last meeting.

CARANO: September 21st.

CUNNINGHAM: Thank you. September 21st meeting.

SHELTRA: Ryan Sheltra. I will second.

CARANO: Okay. Any discussions? All in favor?

GROUP: Aye.

CARANO: Any opposed? Motion passes. I would like to call for approval of the minutes for October 11th. Calling for a motion?

CUNNINGHAM: I move that we approve the minutes from the October 11th Commission Meeting. Jennifer Cunningham.

NEWMAN: Don Newman. I will second that.

CARANO: Thank you. Any discussion? Hearing none, all those in favor?

GROUP: Aye.

CARANO: Any opposed? Motion passes. There we go.

7 Magic Mountains

CARANO: On to Item No. 4 for possible action. We have additional funding for the 7 Magic Mountains Art Installation outside of Jean, Nevada. I'm sure we've all read the report in our packets. They are requesting \$150,000 additional and I think we may

have some discussion. I would like to open this up for discussion. Is anybody here from the Museum on the phone?

VECCHIO: Cindy, they were supposed to be in person here in Carson City and they have not arrived. If it's possible, can we table that discussion and deal with it when they arrive or we get confirmation that they are on the phone?

CARANO: Yes. I think that is good.

CLAUDIA: Okay. They just arrived. If we can just give them a second?

HORN: I'm sorry.

VECCHIO: It's all right. We're on your section.

HORN: Oh. Just in time. We went to the wrong building.

VECCHIO: We now have David Walker and Amanda Horn from the Nevada Museum of Art. Cindy, if you want to give them a moment to walk through the presentation they put into this packet. It's a follow-up to the last meeting. Do you want to provide an overview of where you are?

HORN: Yes. Absolutely.

CARANO: Great. I would be happy to hear from the Nevada Museum of Art when they're ready.

WALKER: Hi there. This is David Walker, Executive Director of the Nevada Museum of Art. Thank you for hearing from us again. We gave, I think, a pretty comprehensive overview of the success of Seven Magic Mountains at the last hearing we were invited to present to. I think we have demonstrated that the success of the project has had incredible impact on tourism and visitation in the State of Nevada, and it continues to do so. Amanda Horn who is our Director of Communications, who has been the point person for the project for the last two years, provided a nice summary of the publicity to date.

We have a \$3.5M budget for the project. We are about \$350K shy of closing the gap on the cost. Many of those costs were related to safety concerns. We worked with Las Vegas Paving Corporation to build a left hand turn lane per Steve Sisolak's suggestion, actually, requirement. We created a big parking lot next to the project, and we are coming back to the Nevada Commission on Tourism to see if we can't see a \$150K grant from you to help us close the gap on the cost of the project.

Seven Magic Mountains will be up through May of 2018, and we're seeing up to 1,000 people a day who are visiting it. It's been extremely popular and I think we've already done this report once before. If Amanda Horn wants to jump in and provide further information, here she is.

HORN: This is Amanda Horn, Director of Communications for the Nevada Museum of Art and also point person for 7 Magic Mountains. When we last presented, when we gave the media report, we asked the NCOT Agency to do an evaluation for publicity value. Since that time, which is only a couple of months ago, it has already increased by another \$700,385. Now the total publicity value update is almost \$6.5M and it continues to increase. We actually have a photo shoot scheduled with *Vogue* Magazine. They are doing a major editorial layout in January, so that will be another big hit for a summer feature.

WALKER: Eight pages?

HORN: Yes. Eight pages of layout that they are doing. Right now we are securing the permits for that shoot. It continues to be incredibly popular. Right after we last met with you, the CBS Sunday Morning segment aired, which was incredibly powerful to see that much airtime, almost six minutes of airtime on national television. People around the country could see it and then we have gotten more hits online. Actually, when I looked at how they had posted on their Facebook—because we were in the same show as Phil Collins, the popstar, and we had more shares on our story than the Phil Collins story did, which was something like 8,000. It was pretty cool. Little anecdotes like that always make you feel really positive about what you do.

Another exciting thing that's happened since the last we met is, I was in attendance in Art Basel Miami this year just a couple of weeks ago. It's the largest art fair in the United States. There is a single mountain the artist produced called, Miami Mountain. It's only one sculpture of seven—we have seven here—and it's just a single stack. It's in a park outside of what's known as the Bass Museum, which is a contemporary art museum in Miami Beach. What was really incredible about that, it was directly inspired by Seven Magic Mountains. They saw it there and came out to the opening and they said, we want to have one of these for Miami. It's made from Nevada limestone from the same quarry that made Seven Magic Mountains. The press attention Miami has received has also now continued to increase our publicity value because every time somebody talks about Miami Mountain, they reference the Seven Magic Mountains project. They mention the Nevada Museum of Art, they go into great detail because ours is a much bigger story that you can't get away from that, even when you're talking about other things that this has inspired.

We continue to leverage that, and in Miami you had a 1,000 art journalists who were all there talking about it; I got to interface with many of them, and also talking to preeminent people in the art world who are now seeing this and now are also going to come out to see it in the desert. It really just continues to build momentum and success the longer that it's up and we couldn't be happier about the continued success that we're receiving.

CARANO: Are you finished with your presentation?

HORN: I think so. As I mentioned, the future marketing and PR plans, one other thing that I will mention is that we are in the process of planning a one-year anniversary event in the desert in Las Vegas with the artists. That will create another opportunity to bolster more press attention and have more eyes focused on Las Vegas again.

What's been great is that we've had some of these waves and pulses. You have the incredible wave from the opening, then we had a big story like the CBS Sunday Morning that got more attention, you have Miami, and now you're going to follow up in May with another big event out there and bringing the artist out to speak. We look for these ways to continue to get more eyes on it and leverage more of the media success. Of course, social media continues to grow exceptionally each day. The last report that we gave you, Instagram was over 500K likes.

I have already had more weddings happen out there since last time we spoke, it's become very popular. I let people know, as long as they are not planning a big event and they just want to have a simple ceremony with a handful of guests then that's perfectly fine. It's just really cool to see that so many people are specifically making Seven Magic Mountains a destination. That's really awesome for Nevada, to continue to be looked at as a cultural destination, on top of everything else that is so wonderful about this State.

WALKER: This is David again. If I could just add something that we discussed at the last meeting, which is that the museum is the only art museum in the State of Nevada. We are working throughout the State on a variety of initiatives and programs, but Las Vegas is a big focus of ours.

During the two-year run of Seven Magic Mountains, while it's up, we have a variety of exhibitions, and public programs and education programs with the Clark County School District currently underway. We have many STEAM Education programs related to Seven Magic Mountains with the Clark County School District. We will be opening "Tilting the Basin," the big state-wide contemporary art exhibition which features our very best artists throughout the State of Nevada, will be opening in

mid-march at a big 14,000 square foot warehouse in downtown Las Vegas. Edward Burtynsky, our photograph collection is now on view at UNLV.

The programming that is going alongside Seven Magic Mountains is significant in terms of engaging the Las Vegas community in a variety of educational cultural programming that we hope will, at some point, lead to a more formal relationship of our museum and Las Vegas.

CARANO: Okay.

HORN: If I could just close with one additional anecdote because I can't really underscore enough how incredible this project has been to really open up attention toward this State, and toward what we're doing out here. Again, when I was in Miami, every single conversation I had with anyone I met from a collector, from a Museum Director, a journalist, or other, every single person that I mentioned, I'm with the Nevada Museum of Art we produced Seven Magic Mountains, everybody knew. They said, oh my gosh, I've heard so much about it, I can't wait to go see it. And, what are you guys doing next, you guys are doing really cool stuff out there in Nevada.

It was just so amazing to be able to have doors that we have been knocking on for a long time have just burst open. The potential of what we have going forward, again, as a State and getting people excited and getting on the radar that we haven't really been on yet, is really phenomenal. I'm excited about the future.

CARANO: Thank you Amanda. Thank you, David. This is Cindy Carano. The point of this today is that the Nevada Museum of Art is requesting an additional \$150,000 sponsorship. The Commission on Tourism sponsored this initially with a \$100,000 sponsorship in 2015, and we are being asked for an additional \$150,000. Do we have any comments from the Commission?

SANTOS: This is Herb Santos. I have a question if I could?

CARANO: Yes, Sir.

SANTOS: There was a comment that the increase in cost of safety increased their project cost. Can I get an understanding as to what that additional cost from our concerns with safety did to the overall project cost?

WALKER: Yes. It increased the overall cost by about \$450,000.

SANTOS: Okay.

WALKER: By the way, we have had zero incidents in connection with safety. It's been a very orderly affair. We had an initial and one-time graffiti incident about three weeks after opening. We have had great cooperation with the police authorities and with Nevada Highway Patrol, who now make it part of their routine to get off the highway on to the old Las Vegas Boulevard and make an appearance on an hourly/every other hour basis in the parking lots. It's been really great.

SANTOS: That's good. It sounds like our money was well spent then.

CUNNINGHAM: This is Jennifer Cunningham for the record. I just would like to comment that I am 100% behind this expense. We've all talked about it at the last meeting, but it's such a great way to further the position of our State. I applaud David and the whole team at the museum for pulling this project off with such polished professionalism. You did a great job. Thank you.

CARANO: Thank you, Jennifer.

NEWMAN: This is Commissioner Newman. I would echo those comments. \$6.5 million in publicity is phenomenal, and then the press not only around the US but worldwide, is incredible. I'm sure Bethany, if she is on the line, would vouch for the value versus our investment in this. My question goes to either David Peterson or Claudia regarding our budget and the ability to find the dollars to support this. So, is the money there? Is it going to impact any plans that we had for this or do we have this discretionary funding available?

CARANO: This is Cindy Carano. Those were my questions exactly, thank you Don.

VECCHIO: This is Claudia. The funds for this, just as they do when we have opportunistic sponsorship programs that come up after the budget has already been determined, come from the media buy. If we look at the ROI between a media buy, and the paid media side and this, there is no question that the publicity value on this project has been tremendous. The dollars would come from the media buy, which is where they come from every time we do this sort of special sponsorship. The funding is there, it would just get moved.

CARANO: This is Cindy Carano. Looking at the budget which is the next item on the agenda, for Promotion and Advertising, in 2016 was \$12,168,000. In 2017, it's down about \$900,000 to \$11,300,000. We're already budgeted lower for this fiscal year. So, taking another \$150K from that is the question. What would we be giving up, or would we?

VECCHIO: Cindy, this is Claudia. The reason that the Funding is down is because that '16 money reflects the Interim Finance Committee request. It's not to say that in '17 we wouldn't go back because that has to do with increased lodging tax above and beyond projection. We don't know if that's going to happen, but that's how the budget was increased for that particular year. That's what the difference is. It's not that the budget necessarily goes down, it's just that we had that additional funding at the end of the year for the IFC.

CARANO: I expect that we will have that again if we do our due diligence at the IFC meeting and request those funds be funneled back into the Commission on Tourism versus being sent to the General Fund. That's how it works, right?

VECCHIO: Yes.

CARANO: Okay. Any other comments?

ARGER: Yes. This is Julia Arger. I just want to echo the support for this. I think it's a terrific opportunity for our state to highlight culture and the arts, and cultural tourism with Seven Magic Mountains. I just think it's terrific. If you haven't been there, make sure you make that trek because it's pretty phenomenal. Congratulations to you, Dave, and to the whole Nevada Museum of Arts. I throw my whole support behind it.

WALKER: Thank you.

CARANO: Thank you, Julia. Any other comments from the Commission or other people on the line? No?

SHELTRA: Cindy, this is Ryan. [crosstalk]— go ahead Don.

NEWMAN: That we have—that it's going to come out of the that budget, again, the rate of return is \$6.5M in publicity for the \$150,000, this go around, \$250K all told, the ROI is tremendous. I think the numbers speak for themselves that we should continue to support this going forward. Whatever we're going to give up, what we've achieved already, then with the whole new go around with the one-year anniversary, we should easily hit \$10M in exposure from this art piece.

CARANO: Thank you Don. Ryan, did you want to say something?

SHELTRA: Yes. Cindy, thank you. David and Amanda, kudos to you. You have made me a believer because I certainly was skeptical when I first saw the conceptual plan to this project. You guys have delivered and really opened my eyes to the possibilities of

what your trade can do for the state and do for tourism. So, very happy with that. My question, and you kind of hit on it, what are you guys going to do for an encore? What's next? This is now the expected piece from museums. What happens after Seven Magic Mountains?

WALKER:

Well, let me tell you. We are putting together a strategic plan for the next ten years and we are in serious discussions with regard to significant expansion of the museum in Reno, and potentially in Las Vegas and Symphony Park. I don't want to say much more than that, but this is something that has been a parallel conversation and exploration with Seven Magic Mountains, which will give you some sense as to why we have made such an enormous investment of time and resources into Seven Magic Mountains.

Let me speak specifically to the next big international art project we are working on. We are working with the renowned artist, Trevor Paglen, who is based in Berlin Germany. He is from the Bay area. He has an MFA from the Chicago Art Institute, and a PhD in Geography from UC Berkley. Trevor will be the first artist to send a satellite into orbit, not for military reasons and not for commercial reasons, but purely as an artistic gesture. We are now on a scheduled rocket launch with SpaceX in spring of 2018.

I will tell you that it is a \$1.5 million project, but it is going to be the icon to STEAM education programming not only in the State of Nevada, but worldwide. We are developing the STEAM Education Programming right now as we speak, and Trevor will be a big speaker at the Meuse next year. In fact, we're going to see SpaceX and the big VC Firm behind them next week, but we've raised about \$500,000 of the \$1.5 million we need. We are confident that we're going to get it.

CBS Sunday Morning, The New York Times and about 20 other international media properties have already approached us asking for the exclusive on this project. The New York Times said that this is going to be the biggest exhibition ever. We're very excited about that. We think Seven Magic Mountains is a radical move for the State of Nevada and it connects to the history of land art here in the Southwest, but we're also looking up to the skies and we think Trevor Paglen's project is going to be unbelievable.

If you haven't been to our museum in the last six months, hanging in the atrium is a Mylar satellite balloon that is similar to the satellite that is going to be shot up in a cube sat up into orbit. Come by and see it, it's a little bit smaller, we had to scale it to the space that it's in, but this is a big deal. If you're on our planet, a year and a half from now, you're going to be look up and see this thing as it floats across orbit and track it on an app on your iPhone. All of the schools are going to be very much

engaged in this throughout the country. So, that's the next big move. We continue to think big.

HORN: The artist Trevor Paglen will be having a retrospective at the Smithsonian Museum of American Art at the same time that we launch this into space. In fact, I will be meeting with their education team in January because we will be using their national distribution platform to distribute our STEAM Education. We will be taking what we develop here in Nevada out through those channels across the country and worldwide. And, yes, I am the point person on that project as well. It's a big audacious, crazy project and will be a lot of fun.

SHELTRA: That's fantastic. Amanda, I will take David up on his invitation. I will come down to the museum and you can give me a tour.

HORN: I will. You are overdue Ryan!

SHELTRA: Getting back to 7 Magic Mountains, historically, but I can't back up a percentage of this, this is just going off of a feel of the time I served on the Commission, but we've been heavy to fund Northern projects, and we've always had incredibly strong support from the Southern Commissioners when doing so. I don't think it was intentional by any means, I just think the strength of the LVCVA has been able to support Southern Nevada and the rural and northern stuff had to lean a little more heavily on NCOT.

Whenever I see a real high-quality Vegas project, I'm always want to get behind it just for how much we've done for the North over the time. This certainly is a quality project, and this certainly fits all of those pieces. My question would be for Claudia. I am in absolute support of either full-funding or partial funding some aspect of this request based upon Claudia's recommendation on the media buy and what this will do. Claudia, if you were to come back and say, hey, \$50,000 doesn't hurt us—whatever that number is, and maybe it's the full \$150,000, but based upon that recommendation, I will throw my support behind it. Thank you.

CARANO: Thank you, Ryan. Claudia, do you have a response to that?

VECCHIO: I certainly think that we can support this at the \$150,000 level. It's up to all of you, I am not making this decision. There is no question that a level that is lower than that provides us with more media to promote the state, but if it continues with the momentum it has, it's doing a tremendous job of promoting the State as well.

I think this is an extraordinary opportunity for us to continue to shape the brand of Nevada, and this project has certainly helped us to expand that. So, it's up to you.

SHELTRA: Claudia, thank you for answering that. Back to our Vice Chair, I'm in full support as it's being proposed.

CARANO: Thank you, Ryan. I have a feeling you knew the answer to your question about what the future of the Nevada Museum of Art is because that was quite the "key up." This is Cindy Carano again, and I have a question for David and Amanda. Is the STEAM Education for this project being spent in Washoe and Clark County just because of proximity of the Seven Magic Mountains? Our Commission concentrates on the rurals. The rural arts education, I'm sure, is in much need of understanding the possibility of the arts.

Sometimes in our Native American culture, the arts are so important to their culture and to have some exposure to the history of art and what the Museum of Art is doing would be so important, I think. Are you concentrating on the rurals, and on the Native American culture at all?

WALKER: Yes. What we did three years ago was a major exhibition surveying, what we consider, the most important Native American art practicing in the State of Nevada. Eric Gold was the first exhibition that they got behind and supported. We thought it was very interesting that it was a very controversial exhibition because there were some opinions expressed about mining on lands that traditionally have been occupied by Native Americans.

We also have our big Art and Environment Conference coming up in October. We have, probably, ten Native American artists from Nevada all the way up to Alaska, who will be presenting at the conference. This is a big international event and a big flagship deal for the museum. We have an exhibition opening up in Elko that we've curated that is going to open—has it already opened?

HORN: It will be coinciding with Cowboy Poetry Gathering.

WALKER: Yes, it's the big exhibition in Elko. Then, we've done numerous traveling shows with Ely and other smaller markets throughout the State of Nevada. We've already talked a little bit about what we're doing in Las Vegas. So, you know, our aspirations as an institution really are aligned with serving the entire state. Obviously, the biggest markets would be Reno, edge on Carson City, and also in Las Vegas. We are not isolating our energies and programming to those two markets, we are working truly throughout the State.

HORN: I will say also, the lesson plans that we have developed with Seven Magic Mountains, are being pushed out through digital channels and are available to

educators throughout the state. We have also now become the clearing house, the host, of the Art Educator's Conference of Nevada. That brings teachers from all across the State.

In the North at least, we serve every year our Scholastic Art Program, which is a competition for middle and high school students, and we service all of Northern Nevada. That includes all of the rurals, everything but Clark County, and they all come and submit work and we are the ones who get the judges for the artwork. The exhibition is in conjunction with the Holland Project who we collaborate with, and the big event is 600 students, their parents and teachers. It all happens at the Nevada Museum of Art. That's a really big time for us to celebrate and continue that dialogue about art education and importance. I do feel that we are touching the far corners of the State.

CARANO: Okay.

NEWMAN: This is Don Newman again. Thank you very much for bringing that to the forefront, with the importance of art and the projects throughout rural Nevada. Commissioner Sheltra, I would remind you that this project is in rural Nevada. It's in Jean, not Las Vegas. As Rural Commissioner, I would be happy to claim this event as well as, Burning Man which is also a rural Nevada event. Two of the largest art projects throughout the State and worldwide, take place in rural Nevada. We're very happy about that.

CARANO: Well, I appreciate that. This is Cindy Carano again. Most of the room nights generated off this art installation goes to Las Vegas, Clark County, I would assume.

NEWMAN: Well, we share the love.

CARANO: Yes. I agree. I just want to make sure we all know that. I need to get down there to see this, David, and I promise I will. Thank you for giving me until May of 2018. Any other comments from the Commissioners, voting or non-voting members? No. Hearing none, I would entertain a motion.

CUNNINGHAM: I move that we support the Nevada Museum of Arts, 7 Magic Mountain Project for \$150,000. This is Jennifer Cunningham.

SANTOS: Herb Santos. I would second the motion.

CARANO: Okay. Thank you. We have a motion and a second to fully fund the sponsorship request from the Nevada Museum of Arts to benefit the Seven Magic Mountain installation in Jean, Nevada. All those in favor?

- GROUP: Aye.
- CARANO: Any opposed? Hearing none. Great. Thank you very much and congratulations to David and Amanda and your museum for such an important installation in Nevada. Thank you.
- HORN: Thank you.
- WALKER: Thank you very, very much. We can't tell you how much we appreciate this.
- CARANO: We look forward to the annual party down in the desert.
- WALKER: Yes.
- HORN: Thank you so much, Commissioners.

FY17 2nd Cycle Rural Marketing Grants

- CARANO: Okay. Thank you. Okay. Moving on to Item No. 5 for possible action, is the Fiscal Year 2017 Second Cycle Rural Marketing Grant Recommendation Allocation. Who do we have for that?
- VECCHIO: Kari Frilot.
- CARANO: Kari, thank you very much. Sorry about that. We have your report. Would you like to make your presentation please?
- FRILOT: Yes. Thank you. Good afternoon. I hope you can hear me, I'm on a cell phone. I come before you today to request your approval to award \$504,230 which is the remainder of the \$1.4 million the Nevada Division of Tourism received in fiscal year 2017 for the Rural Marketing Grant Program.

We received 100 applications in this cycle, and are recommending funding for 89 of those projects. Five of these are requests from organizations that have never requested funding before. This Grant Program is intended to assist rural communities with a population of less than 100,000 and is distributed to grant eligible organizations such as CVB, Members of Commerce, Visitor Authorities and nonprofits, in an effort to promote and market their destinations, attractions and events. These funds are generated from room tax money. The goal is to promote these destinations, attractions and events in an effort to generate room nights which would generate additional room tax dollars.

Applicants are required to provide a match, whether that be cash, in-kind or volunteer hours. The Funds are distributed through a reimbursement process and they have until June 30th, 2017, to collect or accept those funds. The recommendations before you today were reviewed by the Territory Advisory Committee, which is made up of the Chairs from each of the six territories. The Rural Commissioner, Don Newman, and myself, the Rural Programs Manager. We met on December 6th, and after reviewing each application, came to a consensus to recommend the awards as presented to you today. Thank you.

CARANO: Thank you, Kari. This is Cindy Carano. I would just like to clarify the amount that is being requested is \$504,230. Do we have any comments? Do you have further explanation of your Grants? Don, would you like to speak?

NEWMAN: No, well, yes. I don't have any major comments to add. Again, we all met in Carson City a couple of weeks ago and went through this, about 3 1/2 hours. We do go through these individually, all of these applications. We honestly feel that these represent, truly represent, rural Nevada. Each community attempts an effort to promote events to bring additional visitors to the regions.

It was a fairly simple meeting this time. It was very straightforward. There wasn't a lot of contentious debate amongst ourselves this time, and it was a fairly smooth process. Kari did a great job going through this and the Committee did good work in determining what's eligible and what's not. I would recommend that we accept these grant requests.

CARANO: Great. Any comments from the rest of the Commission? Hearing none. This is Cindy Carano again, and I would just like to thank you, Don, and Kari, and your Committee on the hard work that you've done. It's just amazing reading through all of these. I would also like to commend all of the different territories for reaching out to the Nevada Commission on Tourism and Cultural Affairs to make sure that we're involved in the marketing, mostly, of these tremendous projects throughout the State. It's really something else, what we do here. I guess we could entertain a motion if there are no more comments.

SHELTRA: This is Commissioner Sheltra. I make the motion to Fund the Second Cycle Rural Marketing Grant Program in its entirety for \$504,230.

CARANO: Thank you. Do we have a second?

WAGNON: Yes. This is John. Second.

CARANO: Okay. Thank you. We have a motion and a second. Any more comments? Hearing none, all those in favor?

GROUP: Aye.

CARANO: Any opposed? Motion passes. Thank you very much for your hard work there.

Reports

CARANO: Moving on to Item No. 6, the Chair's Report. That would be me. I am Vice Chair and I would like to say thank you for the opportunity to Chair these meetings. I'm sorry that Lt. Governor Hutchison is not able to be with us, but I just really have one thing to talk about. I'm not sure that this person is either in the room or on the phone, but we all know that Larry Friedman is retiring from the Commission on Tourism after almost 26 ½ years of service. Is Larry there? No? He is not here? Claudia?

FRIEDMAN: I'm actually at the Eldorado.

CARANO: Oh. That's so funny. Do you want to come to my office?

FRIEDMAN: I'm at the Reno Tahoe territory meeting today, so I'm in your night club.

CARANO: It's a great place to have a meeting. Okay. Well, Larry, this one is about you. I'm just going to go through your bio a little bit. Larry Friedman is a national sales and marketing rock star, as every Lieutenant Governor that has served with him will tell you.

Larry started as a Grant and Research Manager, was promoted to the Deputy Director Sales and Industry Partners under Tim Mayland. Larry since has served as Interim Director on two occasions and was promoted to the Deputy Director of the Division in 2012, in addition to retaining his responsibilities as Director of Sales of Industry Partners. Larry has opened up five international markets including Brazil, South Korea, France, Australia and India.

As I mentioned already, he is considered an international rock star in the world of tourism, and has represented Nevada tremendously throughout his 26-1/2 years of service to us. As we know, he is going to be irreplaceable and I'm not sure what is going to happen, but we sure do wish him well in future endeavors, knowing that wherever he goes, it's going to be fun. Invite us along sometimes okay, Larry? I would like to invite any of the other Commissioners to say a few comments.

SHELTRA: I'll break the ice. This is Commissioner Sheltra. Larry, I've served with you for just a fraction of your 26-1/2 years. I think I've got almost 10 of them in, and you've been one amazing, amazing guy, not only for the Commission, but for the Commissioners that serve with you, and for the entire State of Nevada.

It's been impressive to watch your leadership in the rurals and to attend the Rural Round-ups, and to see the impact you have on all of our volunteers statewide from border to border across our beautiful canvas. You've been a true leader. When we have changed Directors, and Lieutenant Governors, and Governors, you've been the glue that has literally held the department together and been a great, great training module for all of us newbies as we have come and gone. The one constant has been Larry Friedman.

I don't mean to filibuster on your behalf here, but the depth and value that you have brought NCOT and the hole that you leave is massive. I wish you the absolute very best, and want to thank you on behalf of myself and the Commission for all that you have done for NCOT and the State of Nevada for the last 26-1/2 years. Thank you.

WAGNON: This is Commissioner Wagnon. I've actually known and worked with Larry since before he worked for the Nevada Commission on Tourism, and certainly ever since he started working for the Nevada Commission on Tourism, mostly in the area of international marketing with the ski industry and specifically South Lake Tahoe and Heavenly.

I was a Commissioner with the California Travel and Tourism Commission and out in the international world as well, and Larry has such an incredible reputation out in the international tourism circles. I mean, literally everybody in that business knows Larry and has nothing but the utmost respect for Larry. He has done such an incredible job for the State of Nevada and I can say for the ski industry as well, he has done a phenomenal job for our industry.

There are huge shoes to fill. Somebody like Larry who is so well-respected and so well-connected in that world, it's not something that you can just step into and build those kind of relationships. Larry has done a phenomenal job. It will be very tough to find somebody to fill those shoes.

You've done an incredible job, Larry, and we greatly appreciate it from the ski industry perspective; everything that you've done for the ski industry, for the State of Nevada, for me personally, I greatly appreciate it. Congratulations on your retirement, it's well-deserved. Having just retired myself, I can tell you, it's a good move.

NEWMAN: This is Don Newman. Larry, thank you is just the honest thing that we can say. You've been incredible. You are always in such good spirits, you've always risen to the challenge whenever called upon.

When I first met you, was at a Rural Round-up, and I don't remember where we were, I want to say Fallon. But, there was a Pepsi clock that was being distributed as an award from the rural, and I've been trying to find a replica of that clock. Don't be surprised if some day it shows up on your doorstep, we're still searching high and low for that thing. Traveling throughout rural Nevada, as well as traveling the world, there is a lot of similarity. Again, I can just say thank you for your efforts and your friendship, it certainly means an awful lot to me.

CUNNINGHAM: I'll jump in next. This is Commissioner Jennifer Cunningham. Oh my Gosh. Larry, I think we go back to the Tahoe Queen days so many years ago. You always had that incredible, infectious laugh that we all know you so well for, and we can hear you three rooms down in the Convention Center. You have become not only so well-respected in the industry, but you are iconic. You are one of the good guys. Not only that, you've been tremendously effective with what you've brought to the State. I think we are all so proud of you. Thank you for your service.

CARANO: Thank you. Is there anyone else?

SANTOS: I can say when I first got on this Commission, I had a hard time remembering what the name of the Commission was because I was so green, and didn't really know what was going on, and Larry was just such a tremendous help. The couple of events that I went to, I just watched him interact with folks. When you say that he is a rock star, it is an understatement.

We had a dinner at the Governor's mansion with the folks from Brazil and it was amazing. I'm not sure if the people from Brazil came up to Nevada to the event or to see Larry. I mean, he is just such a tremendous asset to this Commission, such a tremendous asset to the State of Nevada. It's sad that you're retiring, I wish we could somehow—if I could go get a restraining order to prevent you from retiring from the Commission, I would do that in a heartbeat. I just want to thank you for all the assistance that you have given me, and what you've done for the state. We are very fortunate and lucky to have you.

CARANO: Thank you. Are there any other comments? Larry, do you have a comment?

FRIEDMAN: I just want to thank you all for everything. It means a lot to me. I've been very lucky and very fortunate. Very few people are able to love what they do as much as I

have for the past 26 years. I guess it's better for me wanting more than wanting less so, I have loved it. Anyway, thank you all for everything. It means so much to me. I can't even begin to tell you. I will end this with, when you're at your next Commission meeting, I will think of you from my hammock in Honduras.

CARANO: Can you send it to us? Can you Instagram that picture, Throw that up on our website? Wonderful. Thank you so much, Larry.

NEWMAN: I think that that falls under the, "Don't Fence Me In."

CARANO: That's wonderful. Okay. Well, thank you, Larry. Congratulations and all the best to you. Keep in touch.

FRIEDMAN: I will.

CARANO: Okay. Thank you. I will come up for a hug in a few minutes. I know where you are. We are off to Section B of Item No. 6. That would be Administrative Financial Overview. I'll hand this over to Claudia.

VECCHIO: Thank you, Commissioner Carano. I think it's appropriate that we go from that to the driest thing that we have, which is our budget. David Peterson, never dry however, will run through the budget description as you have it, the category expenditure form. It's just beyond the yellow divider tab. David, are you with us still?

PETERSON: I am. I am walking through the airport right now as I am talking. For the record, this is David Peterson, Chief Operations and Finance Officer. I'm just going to talk through quickly where we're at, fiscal '17. The report that you have, that Claudia mentioned, is right after the yellow tab in the commission packet. This is through November 30th, Q2 of FY17.

Category two is our out of state travel. As you can see, we're just at 23% so far, and that's through November 30th for out of state travel. In state travel we're at 28% so far. We have a lot of travel coming up, obviously, in the second half of each year. I believe that we will spend every dollar of these categories. Category 30 shows that it's 13%, but again, there is training that is going to be taking place in, I believe, April 2017. That budget will be spent as well. Category 31 is our largest category where all of our advertising costs come from, we're currently only at 16%. We still have the ad buy to pay after and we'll be jump starting the November campaign for the winter. So, again, this will be set and I don't want anybody to panic that we're only 16% through. We have yet to receive a single invoice for any campaigns so far. Category 43, is where the quarterly administrative fees come from. So, we're

tracking there because the only thing we have paid so far is the first quarter. That's just an update on our primary categories as far as our action steps go. If anybody has any questions, I'm happy to answer them.

CARANO: Hearing none.

PETERSON: Okay. Claudia, do you want me to give a quick update of where we're at in terms of the FY18-19 budget process?

VECCHIO: Sure.

PETERSON: Okay. David Peterson for the record. We're in the Governor's recommended phase of the budget process. For the last three weeks, we have been addressing questions from the Governor's Finance Office as well as the Legislative Council Bureau. So, if everybody remembers back a few months ago, if you look at the timeline, Gov Rec phase at the end of December, and the Governor's recommended budget will become public at the State of the State in January. Just an update for everybody, where we're at right now. We're addressing some enhancement decision unit questions right now with fiscal staff at the budget office as well. We're getting close, obviously, to having the Governor's recommended budget for our department. I don't know if anybody has any questions about that, but I would be happy to answer any questions.

CARANO: Okay. I think that's good. Claudia?

VECCHIO: Yes. Item B on there is the recap of the 2016 Governor's Global Tourism Summit. Just a brief overview. You have the survey included in your packet. Part of the quarterly report that you have in there as well goes through some of the bullets that I am going to talk through here regarding the conference.

It was held October 11th and 12th at the Grand Sierra Resort in Reno. The Grand Sierra Resort was a tremendous partner; they did a great job in hosting it so we do thank them. Attendance was 286 people, which is slightly ahead of the last time we held this in Reno. The attendance in Reno is generally 20 to 25 people fewer than it is when we're down in Las Vegas. Obviously, we're hoping to grow this with the popularity and the relevance of the sales and the media market places, but that's where we stand at the moment with attendance.

As you can see, the survey that is provided is pretty good feedback. There are some concerns in there that we certainly take to heart when we look at creating the next agenda and scheduling the various sessions that we have in the Summit. You will see there is one concern in there about having the sales and the media market place

at the same time. That is something that we can look at separating and ensuring people can participate in both. The idea was that we would get additional participation from the PR and Sales teams, but we can look at separating those two sessions.

We are currently looking at venues for the 2017 Summit that will be held in Las Vegas. We should have that pretty well determined within the next couple of weeks. The contract will not be final until it is approved by the Board of Examiners. Are there any questions about the 2016 Summit, or the upcoming 2017 Summit that I can answer? Any feedback? I know several of you were there. Your feedback and your criticism and comments are always welcome.

If there are no comments, I will continue with the Las Vegas office space update. The Division of Tourism and the Las Vegas group of the Nevada Arts Council have joined together in a new office space in Las Vegas. The space is in an office complex at the corner of Flamingo and Eastern, which is a centralized location there. We're pleased with the location which offers good space. Terry, David and two to three people from the Arts Council will be housed there along with a newly hired IT person for the Southern Nevada area. He will serve tourism and museums as well as the Arts Council.

In addition, I've moved down to Las Vegas for about six months, with the idea to get a better understanding of Southern Nevada. We're not the Division of Northern Nevada, we're not the Division of rural Nevada, we're the Division of Tourism for all of Nevada. This is an opportunity to learn more about Southern Nevada and how we can incorporate that into what we do. The marketing team currently works out of the Carson office.

That's the Las Vegas space update. Are there any questions, comments, or concerns about that? No? Now Bethany is going to provide a brief overview of a couple of public relations programs that I don't think we've touched on too much in the past. There is some good programming happening in the PR for Reno.

DRYSDALE: For the record, Bethany Drysdale, Chief Communications Officer. We haven't really talked about our partnership with the Nevada Broadcasters Association. I wanted to briefly go over that. We partnered with them for a year, and our year contract just ran out so we will be renewing with them for the upcoming year. We get remnant space on all of the TV and radio stations throughout Nevada. This gives us good reach in Southern and rural Nevada. I don't know how many of you have worked with them in your own professional capacity, but they have been wonderful to work with. They produce the spots for us, but they will also accept, of course, produced spots that we provided them.

I took a sampling of reports over the last year; May, July and August. For our investment, which is a \$2,500 a month investment, we're getting a return on investment of anywhere from \$51.00 to \$62.00 per dollar spent. 62:1 is really a phenomenal return on investment. We're right around 2,000 spots per month for radio and TV. We're heavy on radio simply because we don't have the staffing in our PR Team to produce brand new TV spots every month. They are released throughout the day. We're on every station that offers remnant space, as I said, North, South and rural. That's been a really fantastic program for us.

We're trying to do a balance of promotional and public service spots. Some of it is—you're in Nevada, go explore other areas. If it's in May, road trip season, this is the time to get out and explore Nevada, here are the places you can go. TravelNevada.com is your resource for travel planning. Others that are more public service related such as safety on the road, or other services like NDOW or NDOT where you can get support for travel or get information about things to do during the summer or the winter.

We're looking at some partnerships also with those other agencies going into the new year. We would love to partner with NDOW rather than just refer to them, but actually partner with them and do some very targeted messaging about outdoor adventure, wildlife, things like that. We will be looking at a new contract with them for the coming year, but with this kind of return on investment, 62:1, it seems like a pretty sure bet with us.

The next program is the Public Affairs Program. We've been calling it the Create and Convey Value Initiative, also known as, Tourism Means More. That's the campaign title for it. That will really come to light as we go into the legislative session. Through an integrated marketing and PR effort, we will be doing some collateral new imagery, a concerted marketing effort to reach legislators and stakeholders, and decision makers throughout the State.

Part of that involves meetings with legislators, and Claudia is currently scheduled to have several meetings this week and in the near future; meeting with legislators just to tell them who we are and what we do. To go along with that, we have a document that we put together called, "Who We Are and What We Do." It's a one-page document, front and back, just stating what we are as a Division within a Department, how we're funded, and our impact on the State. The overall travel spending, the number of jobs attributed to the travel industry. Things that you've probably all seen. This is information that we refer to quite a bit.

Then, there is also a section on our ROI which is 74:1, again, phenomenal ROI. It touches on our international market and our budget breakdown. I can send this document to anybody who wants it for their own reference, it's kind of a nice cheat sheet if you're going into your own meetings with decision makers. Just for your own reference, I think it's a really good one-sheet to have in your back pocket. So, I can send that around to anybody who would like one.

The Create and Convey Value Plan is in your packet, so I won't go in depth on it but you will see a timeline, and I just want to let you know that we are tracking on schedule for this timeline. We may, over the Holidays, get a little behind on planning the Tourism Day, that's not to say that it's not happening, but the plans will be more via email than in-person meetings as we're going away for holidays and such. All of this is on track. It's all integrated with what's going on with TravelNevada.biz website. It's really a very integrated effort and right on track with what we've been planning to do all along. I am happy to take any questions about either one of those programs or anything else.

CARANO: Thank you, Bethany. Appreciate that. Do we have any questions from the Commission? Hearing None. Okay. Claudia?

VECCHIO: Thank you. This is Claudia Vecchio for the record. Just so you know, we are going through the traditional department updates here. Janet is sitting here. You all have the 2017 Historical Calendar in your packets. She is here if you have any questions about that. First, I want to provide a quick update on the Fall/Winter Marketing Campaign. Brenda is here to give us a little more about the campaign and a snapshot of where the campaign is to date. Brenda?

NEBESKY: Thank you, Claudia. Brenda Nebeski, Chief Marketing Officer. This is just a brief recap of the Fall/Winter Campaign performance to date. In comparing analytics for the first 15 days' year over year, we see core conversion increases in all fronts. With adventure views and...

CARANO: Excuse me. I think we're having a hard time hearing you.

NEBESKY: Sorry. I will move up. Can you hear me now?

CARANO: Yes.

NEBESKY: Okay. Good. Sorry about that. We have Adventure Views and Partner Link Referrals leading the way in page views. That's good news. We launched three new landing pages, which are titled, Road Trips, Insiders Look and Get Outdoors. We have paid online content driving visitors to each of those landing pages. So far,

Road Trips, has the most number of page views, and that page draws visitors to featured itineraries. Since our increased engagement and ultimately booking opportunities, were our goals in the website refresh, we feel like those early indicators are supporting that overall strategy.

Marketing also reviewed the Integrated Marketing Effectiveness study, and that was loaded with all sorts of good information about the nine markets that we buy media in. We will make recommendations on those findings, and make some changes to creative and content direction based on those in the Marketing Committee next month. That's really all I am bringing you today. If you have any questions, I would be happy to answer them.

CARANO: Claudia?

VECCHIO: This is Claudia. The Fall/Winter Campaign is off to a good start. As you know, Fahlgren Mortine did a website refresh and have been fixing some issues that we were having. They continue to make sure the brand stays relevant and updated. Please take a moment to look at TravelNevada.com if you haven't. This whole idea of content development, and content management, and how they're delivering it out via TravelNevada.com and the paid social and paid digital sites. I think they're right on with how people are getting information now. So, Brenda and team, and our partners at Fahlgren are doing a great job of continuing to evolve the brand.

Somebody briefly mentioned TravelNevada.Biz. That's our industry portal and that is incredibly exciting because they are just days away from launching a completely new industry portal on TravelNevada.Biz. We have been talking for a long time about how it will be designed to create a very relevant, information rich site for our industry. I think at this point, our industry goes on there for grants and occasionally to—I think that's it, grants.

This is really an opportunity for us to convey trends, information from our national partners, from US Travel, from Brand USA, the things that we're doing, the partnership opportunities, whether it be the Co-op marketing or press trips, or other kinds of activities that our partners can engage in with us. It's really going to be a vibrant, information-rich site. We will let you know when that launches and we invite you to take a look at that. Your input, again, is critical, but it's very exciting and we're thrilled that we're finally able to get the TravelNevada.biz site off the ground. Any marketing questions? PR questions?

CARANO: This is Cindy Carano. This is somewhat hard to follow this on the phone. The TravelNevada.Biz, when that does launch, can you send us the link so that we can go and see what it is all about?

VECCHIO: Absolutely.

CARANO: That's exciting. Any other questions from the Commission? No? Okay. I'm looking at our timeline. In December we are refining the budget for the legislature and there is going to be some newsletter communications to the legislators. Is it possible that the Commission also see those newsletters?

VECCHIO: That's a Bethany question.

DRYSDALE: Yes. For the record, Bethany Drysdale. Yes. Absolutely. As we get the e-blasts scheduled and written to go out, absolutely, we can send those to you.

CARANO: Okay.

VECCHIO: This is Claudia. There will be additional video components as well, they're on the plan. They're putting together a video and splicing the video with various industry testimonials talking about tourism means more in the value of the industry.

DRYSDALE: Yes. Bethany Drysdale again. We're putting together a long-form video with people from the industry talking about the value of tourism to the state. We're creating it in a way that we can also do quick 30 second outtakes that can be used on social media. We will have a lot of things that we want shared on social media, and would ask each of you if you are willing and able, and feel comfortable doing this, to share on your own networks. As those things are created and put together and ready for distribution, we'll send those to you as well.

CARANO: I truly think this is our role in the next six months, to make sure the everyone we come into contact with, is very aware of what TravelNevada does for Nevada tourism. We all have different circles. Then, February 15th, is our Tourism Day at the legislature. Claudia, where are we now?

Upcoming Meetings

VECCHIO: Item No. 7 for possible action the upcoming meeting schedule. The very last page of your packet is the 2017 proposed meeting dates and times. You will see that this is both the marketing Committee and full Commission meetings. As Brenda mentioned, a marketing meeting in January to talk through the year, where they are creatively and the content plan. Then, February 15th, which would be the same day as Tourism Day at the legislature, to participate in that and then to follow that with the Commission Meeting. May 17th, a full Commission meeting. The 28th, a quarterly Commission and then a Marketing Committee meeting on the 12th of July,

again, to talk about how the summer campaign is going, but also to talk about Fall/Winter. The 16th of August and then the October, November timeframe, at the Global Tourism Summit. Then, the fourth quarter meeting in December.

There are quite a few meetings but this does include both the Marketing Committee meeting and a couple of these grant approval meetings. Please let me know if this schedule works for you. If so, we'll get this on everyone's calendars and if there are dates that are a conflict for you, we can try and reschedule those.

CARANO: This is for possible action. You're asking for this to be approved?

VECCHIO: Yes.

CARANO: Okay. Do we have any comments? Or we can entertain a motion. Do we still have a quorum?

SANTOS: Yes. Herb Santos is here

CUNNINGHAM: Jennifer Cunningham is here.

MORSE: Yes. Bob is still here.

WAGNON: John is still here.

CARANO: Okay. Great. So, do I have a motion?

MORSE: I'll motion. Bob Morse.

CARANO: Okay. That is to approve the proposed schedule for the Nevada Commission on Tourism meetings for 2017. Do we have a second?

CUNNINGHAM: Jennifer Cunningham. Second.

CARANO: Okay. Any discussion? Hearing none, all those in favor?

GROUP: Aye.

CARANO: Any opposed? Hearing none. That passes.

COMMISSIONER COMMENTS

CARANO: Now we're on Commissioner Comments. Do we have any Commissioner comments?

CUNNINGHAM: This is Jennifer Cunningham, for the record. My comment is, that our new CEO will be starting on January 3rd, and I will be stepping down as Commissioner and Phil DeLone will be representing the RSCVA. I am excited for him to start. I will be very sad not to be a Commissioner, I've enjoyed it tremendously.

CARANO: Thank you, Jennifer. This is Cindy Carano and we just have to have those [inaudible] reunions over at the RSCVA. Thank you very much for your service, I do appreciate working with you in all aspects of our tourism jobs.

CUNNINGHAM: Absolutely. I will continue to be involved behind the scenes.

CARANO: Thank you. We look forward to Phil DeLone being on the Commission for the Northern Nevada area.

SANTOS: Jennifer, this is Herb Santos, I have enjoyed working with you. I was honored to be able to work with you. You are just awesome person, too.

CUNNINGHAM: Thank you.

CARANO: Another other Commissioner comments?

ARGER: This is Julia Arger from the Nevada Arts Council. I just wanted to have you mark your calendars, the Nevada Arts Council will be celebrating their 50th Anniversary in 2017. We're kicking off the year-long celebration with a special reception at the Nevada Museum of Art on March 9th. Mark your calendars, we would love to have all of you attend.

CARANO: Great. Thank you, Julia. That's exciting. Congratulations on your 50th Anniversary of the Nevada Arts Council. Awesome.

ARGER: Thank you.

CARANO: If you could put that invitation via email? Dee could send that out to all of us. That would be fabulous for those of us who are not on the phone right now. Thank you. Any other questions or comments? Hearing none, I am moving on to Public Comment.

PUBLIC COMMENT:

CARANO: Do we have public comment? Hearing none.

ADJOURNMENT:

CARANO: For possible action, we have adjournment. Do we have a motion?

SANTOS: So moved.

CARANO: Anyone second?

NEWMAN: This is Don. I will second.

CARANO: Okay. All those in favor say, aye.

GROUP: Aye.

NEWMAN: Give Larry a hug for me.

CARANO: Have a happy holiday everyone. Thank you.

The meeting adjourned at 2:25 p.m.

Respectfully submitted,
Dee Chekowitz-Dykes, Executive Assistant
Department of Tourism and Cultural Affairs
Nevada Commission on Tourism