

MINUTES of the NEVADA COMMISSION ON TOURISM
June 21, 2017

The Nevada Commission on Tourism held a Commission meeting at 1:00 p.m. on June 21, 2017 at 401 N. Carson St. Carson City, NV 89701 and by video conference to 555 E. Washington Ave. #5100 Las Vegas, NV 89101.

Call to Order

Lt. Governor Hutchison, Chair, called the meeting to order at 1:12 p.m.

Commissioners Present:

Lieutenant Governor Mark A. Hutchison, Chair
Cindy Carano, Vice Chair
Ryan Sheltra
Don Newman
Rossi Ralenkotter
Herb Santos, Jr.
John Wagnon
Mike Vaswani
Julia Arger
Bob Stoldal

Commissioners who are absent/excused:

Bob Morse
Phil DeLone
Denise Miller
Richard Arnold

Staff present:

Claudia Vecchio, Director
David Peterson, Deputy Director
Sarah Bradley, DAG (phone)

Others:

Kevin Verre, Nevada Department of Transportation
Pete Copland, Reno Balloon Races
Ryan Chackel, Audi Championship Golf
Doug Raftery, Reno 1868 FC

Roll Call and Determination of Quorum

HUTCHISON: Is Ms. Vecchio there? Claudia, are you in Carson City?

SHELTRA: One more time, Governor?

HUTCHISON: Is Claudia in Carson City?

SHELTRA: Yes, sir.

HUTCHISON: Okay. We're good. Okay. Well, we are going to give us a whirl here. This is the time and place set for the Nevada Commission on Tourism, our regular meeting of the Commission. I call the meeting to order, and we will ask Ms. Vecchio if she will call the roll. I will just, for purposes of the record, note that Commissioner Arger, Ralenkotter, Vaswani and Vice Chair Carano are all on the phone. I think they will be able to hear you and respond to you, but I just wanted to make sure that you all knew that that is where they are participating. Any questions or any comments will be coming from them on the phone. Ms. Vecchio, if you wouldn't mind please calling the role.

VECCHIO: Absolutely. Lieutenant Governor Hutchison.

HUTCHISON: I am here.

VECCHIO: Commissioner Bob Morse is not able to attend, and neither is Commission Phil DeLone. They are both excused absence. Commissioner Carano is here.

CARANO: Here. On the phone.

VECCHIO: Thank you, Cindy. Commissioner Miller is unable to attend. Denise, you're not on the phone? Just checking. Commissioner Newman?

NEWMAN: Present in Carson City.

VECCHIO: Thanks for driving over. Commissioner Ralenkotter?

RALENKOTTER: Here in Las Vegas.

VECCHIO: Thanks, Rossi. Appreciate you being here. Commissioner Santos?

SANTOS: Present here in Carson City.

VECCHIO: Great. Commission Sheltra?

SHELTRA: Present here in Carson.

VECCHIO: Terrific. Commissioner Vaswani? You're on the phone?

VASWANI: On the phone.

VECCHIO: Perfect. Commissioner Wagnon?

WAGNON: Here.

VECCHIO: Thank you. Julia Arger?

ARGER: Present on the phone.

VECCHIO: Thank you. Richard Arnold is unable to attend. Bob Stoldal, I see you in Las Vegas.

STOLDAL: Yes.

VECCHIO: Terrific. We also have Sarah Bradley; our Deputy AG is here with us today. We have a quorum Lieutenant Governor; I think we're ready to go.

HUTCHISON: All right. Let's rock and roll since we're all here, we've got a quorum, and we can hear each other.

Public Comment

HUTCHISON: Let's move on to Agenda Item B, which is Public Comment. Is there any member of the public in Las Vegas here, we will begin with, who would like comment to the Commission at this time? Don't see any. Is there any member of the public in Carson City who would like to make a comment or address the Commission at this time? All right. I don't hear or see anyone. We will close out that Agenda Item B, Public Comment, and move on to Agenda Item C.

Approval of Minutes

HUTCHISON: Agenda Item C, for Possible Action, Approval of the Minutes. Have all members had the opportunity to review the minutes of the May 17th, 2017 NCOT meeting? Are there any comments, or corrections, or additions?

SANTOS: Herb Santos for the record. Governor, I would ask to amend the minutes to reflect that I was present at the last Commission meeting.

HUTCHISON: Thank you. Let's make sure that we amend those minutes accordingly to show that Commissioner Santos there at the meeting, and he was a full participant, and we benefited greatly from his presence. Let's make sure we get that corrected. Are there any other corrections, additions or comments? All right. The Chair will accept a motion to approve.

NEWMAN: This is Don Newman for the record. I will make the motion to approve the minutes.

HUTCHISON: Thank you, Commissioner Newman. Is there a second?

SHELTRA: Governor, Ryan

CARANO: Governor—

SHELTRA: Sheltra. I will second.

HUTCHISON: All right. I will give that to—was that Herb?

SHELTRA: Cindy Carano.

HUTCHISON: Cindy Carano? Okay. Vice Chair Carano—okay, I'm sorry, somebody was talking over you—got the second. Any comments on the motion? Hearing none, all those in favor, signify by saying aye.

GROUP: Aye.

HUTCHISON: Any opposed, nay. That motion carries unanimously. We will close Agenda Item C and move on now to Agenda Item D.

FY18 1st Cycle Rural Marketing Grants

HUTCHISON: Agenda Item D, Fiscal Year '18, 1st Cycle Rural Marketing Grants Recommendation on the Allocation of our Grant. I will turn the time over to Ms. Vecchio for comment or delegation to others.

VECCHIO: I'm pleased to turn the time over to Kari Frilot who will run us through the grants. You received it in your packets, so I will turn the time over to Kari to provide an overview of our grants.

FRILOT: Thank you. For the record, Kari Frilot, Rural Programs Manager with Travel Nevada. Governor, Commissioners, I am before you today to request your approval to award \$983,400 in funding to 159 projects in conjunction with the 1st Cycle of our Rural Marketing Grant Program. We received requests from 192 projects, from 65 organizations, including at least one from every county. Seven of these applications were from organizations applying for Grant Funds from our program for the first time.

The recommendations before you have been reviewed and approved by the Territory Advisory Committee, which includes the Chair of each territory, our Rural Commissioner Don Newman, the TravelNevada Liaison to the Las Vegas Territory, Teri Laursen, and myself as the Travel Nevada Liaison to the other five territories. Participants in this review process recused themselves when discussing funding for organizations under their leadership. Beginning with fiscal year 2018 and going forward, we will have a total of \$1.65M for the Rural Marketing Grant Program thanks to the legislature. Should you approve the recommendations before you today, there will be \$666,600 left to award in the second cycle. I'm open for questions.

HUTCHISON: Great. Ms. Frilot, as always, thank you so much. I know it's a lot of work. We know that the Territory Advisory Committee puts in a lot of work on this and we really appreciate your efforts and your energy. I know this is a passion that you have in your position and we always see the results of that passion. I would like to first begin, if I could with Commissioner Newman as a Member of the Advisory Committee, I usually like to have you start and give us some observations and comments about these grants and the processes.

NEWMAN: Thank you, Mr. Chairman. I would just say that this was one of the first meetings that every territory Chair was present in Las Vegas, at the offices down there. We spent close to four hours reviewing every request. These are heavily vetted and follow guidelines and past practices of monies awarded and can include a reduction in request amounts based on previous monies awarded for qualifying for 1st or 2nd Cycle capabilities.

Everybody associated with the process puts a lot of time into looking at each and every request. There was a tremendous amount of discussion that took place regarding these, and I think we do the best that we can to rely, again, on past practices, past requests, and, you know, needs based for these projects. Again, it's nothing that is lightly taken. There is a lot of thought that goes into the process and I would like to thank everybody for being there in the Las Vegas offices because it was good to have everybody there together.

HUTCHISON: Thank you, Commissioner Newman. I appreciate you making the observation about these grant awards being heavily vetted and carefully considered, and consistent with past practices and guidelines, and what we've done in prior evaluation sessions. You know, this is \$1M, and we want to make sure that we're good stewards of tax payer dollars, and if this is really an opportunity for some good return investment for our rural communities—the tourism industry in particular. I'll open the floor up for questions among any of the members concerning Item D of our agenda, the Rural Marketing Grants Recommended Allocation. Any questions from any of the members? Commissioner Newman or Ms. Frilot, can just give a comment on the awards? Is there anything that you think is particularly important for us to notice, or anything you think is a highlight among the 159 awards that were granted?

FRILOT: Kari Frilot for the record. The press release that we are going to issue today is going to highlight several of the grants that are holding new events, and they are around mountain biking. One of them is a state-wide grant that goes all the way across Highway 50, and another one is in Caliente. We gave them quite a bit of money because they are putting a big effort that is a joint effort with BLM, Public Lands and State Parks, and that whole community are very involved with a big mountain biking effort and trail system in that community. Those are two that we are really highlighting in the press release. In fact, there were a couple of others along that same line. That would be one of the highlights that I would point out.

HUTCHISON: Thank you very much. Other comments, questions? Commissioner Newman, do you have anything to add to that?

NEWMAN: Yes, I would just add that, we were happy to see Indian Territory, Pyramid Lake was a little more active this cycle with some of their requests. There were a couple of areas within the various territories that we have not seen a lot of activity from, but through new volunteers and support within those territories they have actually made more requests than previous. We think that as the process goes, there is a lot of balance throughout the State and it's not weighted in any one territory or another. We think we equally distributed funds as best we could. I was pretty happy with the process.

HUTCHISON: Great. Commissioner Santos, do you want to chime in?

SANTOS: Thank you. Herb Santos for the record. Is it possible to see a one-page spread sheet of the history of the grant awards, maybe going back five, six, seven years, and showing the amount that was request and rewarded? Just so we can see how the need progresses through the years, and really give us an idea of whether or not

there could become a time where we want to maybe put more funds into these grants?

FRILOT: Kari Frilot for the record. If I understand your question it's, can we come up with a spreadsheet with the history of the last five or six years?

SANTOS: This is Herb Santos for the record. For the amount request, the amount rewarded.

FRILOT: Oh. Certainly.

NEWMAN: Like a cover page spreadsheet?

SANTOS: Yeah. Just to get the history. That way we gauge whether or not we have enough funds and we are meeting the need of all the requests that are coming in.

FRILOT: Great question. Kari for the record. Yes. I will. By the end of the [Inaudible 00:15:03]

SANTOS: Thank you very much.

FRILOT: You're welcome.

HUTCHISON: Any other questions or comments?

SHELTRA: Governor, Ryan Sheltra for the record. The only thing I would like to add on to Herb's request is that we break that up by territory. It would be interesting, I think, for the Commissioners and staff to see where the money has flowed through the last five or six years. As long as we're going through that effort, let's look at the territories and how they've requested and awarded. Thank you, sir.

HUTCHISON: All good comments and recommendations. Ms. Frilot, that wouldn't be a problem, I assume? Those requests?

FRILOT: Not a problem.

HUTCHISON: Great. All right. Any other questions, or comments, or observations under the Rural Marketing Grant Recommendation and Allocation, on D of our agenda?

NEWMAN: Yeah. This is Commissioner Newman. I would just add—you can see on this cover page—and I think Herb's point is really good, that we just do a story board here. That would be simple enough to do. We did have a 192 requests. We look at this knowing we can't meet all of the requests that are asked. Thirty-three were

rejected, totaling almost \$700K. There was \$1.6M almost \$1.7M asked for, and we were able to award \$983,000. We can't fulfill every request, but we certainly do the best we can to award this money or push it to the second cycle where we feel it would be a better fit, or to grants related to tourism, which is more infrastructure.

Again, we spend a lot of time discussing these and what we've done with the types of requests as we go forward. A lot of this will actually be discussed in our next agenda item. Anyway, a good job to all of the Territory Chairs, and to Kari and her crew. It was just a good process.

HUTCHISON: Thank you. Other comments, observations or questions? Hearing none, the Chair will accept a motion to approve the Fiscal Year '18 1st Cycle Rural Marketing Grant recommended in this allocation packet that we have under Agenda Item D.

RALENKOTTER: This is Rossi. Move for approval.

HUTCHISON: Okay. Good. Thank you very much. Commissioner Ralenkotter has moved for approval. Is there a second?

VASWANI: Mike Vaswani.

HUTCHISON: Thank you. Commissioner Vaswani has seconded the motion. Are there any questions or comments on the motion? Hearing none, all those in favor, signify by saying aye.

GROUP: Aye.

HUTCHISON: Any opposed, nay. That motion carries unanimously. Thank you very much. Again, Ms. Frilot, thank you and the Advisory Committee's work on this very important project that we have twice a year as a Commission. Let's move on now to Agenda Item E.

Grants Review Process

HUTCHISON: Agenda Item E the Grant Review Process. Once again, I will turn the time over to Ms. Vecchio, and ask her to comment or direct us to others who will address this agenda item.

VECCHIO: Thank you, Lieutenant Governor. Claudia Vecchio for the record. As you were discussing the history of grants and how we do the grants, that really does lead itself into the Grants Review Process. I would like to undertake the grants review process as part of department-wide effort to ensure that we are doing our grants both from

the Division of Tourism, and also the Nevada Arts Council, that these grants comply with all current Nevada statutes of law, open meeting laws, and every other kind of statutory regulation that surround grants. We have been doing our grants for a very long time. I think that it's a good opportunity for us to take a close look at how we're doing them and, you know, just ensuring that everything is done exactly the way it needs to be done.

We have, through the Department of Administration, an MSA, Master Services Agreement, with particular vendors who are grants review contractors. It's a fairly simple process to engage one of these contractors in providing a review of the grants. We don't have a budget for this yet and don't know what the cost will be. I'm putting together a scope of work, and then getting proposals from these contracted grant review vendors. I'm determining from there if the scope of work and the budget that surrounds it, makes sense to go forward from a department level. I certainly hope it does. Then we will conduct a grants review according to how these proposals have identified the program of work. A grant review for only these two Divisions in particular, because they provide grants. That group will provide a report back to everyone, both here and the Arts Council, and then we will update our grant processes as recommended and approved by the Commission.

The grants review vendor may make recommendations that are not prudent or are not within how we want to approach it, but I think it will benefit to have an outside view of our grants. I estimated the timeline of this. It's not a short process, there needs to be a lot of thought, consideration and a lot of discussion about this. These are important, critical programs for both of these Divisions. I think probably a nine to twelve-month timeframe would be appropriate, and then at that point, this group will be able to see us go through these processes and better understand the current way we do it, and then be able to make some good suggestions moving forward.

I just wanted to provide that overview for everyone. I think it's an important step that we take to review everything we do from time to time, and this is a chance for us to look at our grants. I would be happy to answer any questions.

HUTCHISON: Thank you very much. It looks like this bullet point is just an information item, not an action item?

VECCHIO: Right.

HUTCHISON: But it looks like one of the points that you were wanting to discuss is the scope of the work, or to develop the scope of the work. Is there anything you would like to have specifically, that we address? Would you like to have input on that? You think

you know what you want to do? Do you want to describe it to us? How would you like us to address the develop scope of the work part of the grant process review?

VECCHIO: What I would like to do—Claudia Vecchio for the record, is to put together a scope of work that includes both the Division of Tourism and the Arts Council. I would like to have you all review that at our August meeting, and then the Arts Council will review it and provide any input that you have on what the approach is and what it is requiring. But, let's have that conversation in August. It will give people some time to look at it when they get the packets and then we'll be able to move forward from there, if that would work?

HUTCHISON: Okay. That's sounds great, but I would like to get the benefit of one of our members. Commissioner Sheltra, this is your last meeting and we are going to address that later on, is that correct?

SHELTRA: That is correct, Governor.

HUTCHISON: All right. Well, I would really like to have Commissioner Sheltra's thoughts. It can just be off the top of your head, but as the longest running and serving member of this Commission, if you have any thoughts in terms of the scope of the work, the scope of this review, under Agenda Item E?

SHELTRA: Governor, Ryan Sheltra for the record. Thank you for the opportunity. You know, I do have a couple of thoughts. I think Claudia's direction here is very prudent, and I think it's very timely, probably long overdue.

Over the years, I think the grant process has gone very, very well, and I think since Don Newman has been the Chair, it's tightened down even further, but I have noticed a few things. Some of the grants just felt like we have widened a little bit outside of our core mission of NCOT. At times I have seen money spent where I have questioned whether it is truly driving tourism? Is it truly in market? Are we going to see an ROI?

I remember some of the feedback that I've gotten, and this needs to be bounced because I don't know that my initial feeling was right, but former members of the team here in Carson would say, hey, if we had to put an ROI in that grant and that community, we would never issue any grants. For example, we give a \$5K grant for Community X in the center of Nevada, and the event would make \$4K. The business side of me would come back and say, well, why were we issuing that grant if there is no real opportunity for ROI? I have over simplified that, but hopefully I am making it clear enough where you can understand what I'm trying to get to.

I think that in the grant review process there has to be somewhat of a business component. If we're going to give money to whatever the community is asking, is it a financially prudent event not just doing an event to do an event? Over the years, I have seen that from time to time. The other piece that—

HUTCHISON: Let me stop you right there, Commissioner Sheltra, if you don't mind?

SHELTRA: Yes.

HUTCHISON: Because you're intelligent and so experienced, before you move on to your next point, how would you identify that in the review process then? If Ms. Vecchio is meeting with one of these vendors to conduct a grant review, and you had to give this bullet point and summarize what you just said, what is the bullet point that you would like to have Ms. Vecchio take away from your comments?

SHELTRA: I have never studied the final piece, but I believe Kari requires a report at the end of every single grant cycle. People who receive the grants have to report to the Nevada Commission on Tourism on how they're used and how the event went. Kari, is that correct? You can just nod yes because I know we've got some difficulties.

I think it's just tying all the pieces, a to z together. I think we have the information to be able to review it, I'm just not confident it's ever been reviewed, at least at the Commissioner level, I don't believe it has. Maybe it has at staff level and I'm just not aware of it, but that's something that I would include in this review process.

HUTCHISON: Okay. Let me stop you there. Ms. Vecchio, do you understand what Commissioner Sheltra is talking about so you can articulate that to the vendor?

VECCHIO: I absolutely do. There are really great programs that require significant reporting, and I think that's an important part of our grant. Taking a 360 degree look at these grants, identifying the potential ROI at the beginning when you do the grant, and then doing the report at the end for what the actual ROI. I think that is a critical piece of what we're doing. Thank you.

HUTCHISON: Great. Thank you very much. I interrupted you, Commissioner Sheltra, please proceed.

SHELTRA: Governor, Ryan Sheltra again for the record. Just one more point, and this is at a 10K-foot level, but this is something that I've seen disjointed the entire 10 years that I have been here. I see a lot of website review requests, a lot of media requests from the different entities throughout the State. I know it's always been a mission of our Directors and certainly now of Claudia, and I have heard her say it and I

supported this 1000%, to achieve a consistent “look” in branding. We give a lot of money to different areas, a lot of different tourism bureaus throughout the State, some smaller and some bigger than others, and getting a consistent look and tying it all together has been a challenge. I think Chris Crystal, our old Head of PR, used to put it together perfectly. NCOT is a basket and it's all about weaving the communities of Nevada together to create this basket so that we were all working together.

I still feel that we spend so much money helping the rurals out, that there should be a consistent “look”. I don't know how Claudia ties this into the review process, but the overreaching goal for these grants to all of these communities should be to fold up into our look. Claudia and the team are setting the standard, and we need to make sure that we're policing it and everybody underneath is falling in line with us. That has been a struggle for the last four Directors and it still goes on.

It is probably never ending and will always going to be a challenge for the position of staff here in Carson. It's just something that I have seen firsthand, commented on it, and I heavily encourage staff that if they can continue to attack this, to make more of a good conclusion, we're better for it. Thank you, Governor.

HUTCHISON: Great insight. Ms. Vecchio, I just want to ask you again, do you understand what Commissioner Sheltra is saying in terms of what you're going to communicate to the vendor who is doing the review?

VECCHIO: Claudia Vecchio for the record. I absolutely do, and I 100% appreciate where Commissioner Sheltra is coming from. Creating that consistent look, it's more than just sticking our logo on their website or their print ad, it's conveying both the totality of the brand and we will commit to you that we will work on that and do the best we can to make that happen. Thank you.

HUTCHISON: Great. Well, thank you very much. For the rest of us, at our next meeting in August, we will consider the scope of the work and I look forward to seeing what you have developed here, Ms. Vecchio. Again, I wanted to make sure that Commissioner Sheltra was able to provide his input given his extensive experiences, his careful analysis and review, and just how much that I know you love NCOT and want to see us continue to succeed. Thank you Commissioner Sheltra for giving us your comments so that we have the benefit of your analysis. All right. Are there any other comments under Agenda Item E, Grant Review Process, before we move on?

NEWMAN: Don Newman for the record. A couple of things to what Ryan was saying. I agree in most part with what his points were, but one thing I think we do need to take into account are the intangibles of some of these grants. From a business standpoint, I

agree. You look at something and you say, I spent \$400 to lose \$100. It's like back in the olden days when you put a dollar in and you won two quarters back, you won two quarters? You really didn't.

You have to look at the intangibles of these events. Besides making enough money to cover the cost of the event, what are we driving into those rural communities by a way of room nights, by a way of restaurant stops, fuel stops, and those types of things? That's something that as we vet these requests, we talk about and put a lot of emphasis on, are the intangibles that an event brings.

Something near and dear to Ryan's heart would be the Balloon Race here in Reno. You know, it's hard to quantify that. For us, the balloon festival in Elko, it's a great photo op for us. We're gaining a lot of publicity and photography that we utilize throughout the year that we would have to pay for. How do you stage a balloon event when you have that event that maybe doesn't break even? But, from the intangible standpoint, we gain so much marketing exposure and photography that we use throughout the course of the year.

That is one thing that we need to consider. The look and feel? I think that TravelNevada has the look and feel, but there is so much diversity within the territories, from Lake Tahoe into Silver Trails, totally opposite and totally different. We need to allow those territories to have their own look, per say. We do require logos. Not that we just stick them on there, we try to make sure that they're blending them in, but we give the events within the territories the opportunity to make sure they're designing their look, what they want to do.

We constantly stress, and we talked about it at this last meeting, photo share and content share. That's has to be available to everybody here, so that as we're funding these things, we reap the rewards as well. Again, there is going to be a lot of work to do as we go forward in this review process. I think that it's a good thing, I just think that we need to be aware of some of the events that take place in the rurals, and they don't always meet that criteria.

HUTCHISON: Thank you, Commissioner Newman. Other comments or insights? That was very valuable I think, and something that we definitely need to consider. Commissioner, thank you. Anyone else? Other Members of the Commission? Comment on Agenda Item E, Grants Review Process?

SANTOS: Herb Santos for the record. I guess, Don, what I hear you saying is that we have to figure out—there should be some type of business analysis, but the goodwill analysis.

NEWMAN: The balance.

SANTOS: That whatever the event is doing, it's going to do something more than just bring in money, it's going to bring in some type of goodwill that something in Austin could benefit somewhere in Eureka. So, these folks that are doing their grants, need to be able to articulate that in grant application, that this is the goodwill that's going to come from it. Then, in the scope of work, I guess, that [Inaudible] we would have a process to where we could quantify that so those two things can be balanced.

NEWMAN: Yeah. Absolutely.

HUTCHISON: Thank you, Commissioner. Any other comments from the Commission on Agenda Item E, Grant Review Process?

NCOT Marketing Committee Membership – Appointment of New Member

HUTCHISON: All right. Let's go ahead and close out that agenda item and move on to our next agenda item, which is for possible action, NCOT Marketing Committee Membership, Appointment of New Member to the NCOT Marketing Committee, to fill the upcoming vacancy as of July 1, 2017. Ms. Vecchio, can you introduce this agenda item for us, please?

VECCHIO: We continue to hint at the impending changes Commissioner Sheltra. We will have a vacancy on our Marketing Committee, and I believe we had a discussion with Commissioner Phil DeLone at the RSCVA. Lieutenant Governor, I think you have a formal motion to put in regarding that, but I think we have a solution that we all want you to consider for the new Marketing Committee Member. Lieutenant Governor?

HUTCHISON: We're all familiar with Jennifer Cunningham who served with us before on NCOT. A wonderful member of our team previously, and my recommendation to us as Members of this Commission is that we appoint Jennifer to this Marketing Committee Membership. I know we're not talking about it right now, but she could never, as nobody could ever, fill Commissioner Sheltra's place. We won't even try to do that, but we all know Jennifer well and I would like to propose for discussion purposes the idea of nominating Jennifer Cunningham. Certainly I am open to other suggestions, but would like to get the Members of this Commission's thoughts about having Jennifer serve in that capacity on the Marketing Committee.

WAGNON: For the record, this is John Wagon. I have worked with Jennifer many times in different areas of tourism here in northern Nevada and I think she would be an excellent addition to the Marketing Committee. She has got a really solid

understanding of tourism marketing, a great track record, very engaged across the community and tourism. I think she would be a perfect addition.

HUTCHISON: Thank you, Commissioner Wagon. Other comments or observations about Jennifer Cunningham as a Member of the Marketing Committee?

SHELTRA: Governor, Ryan Sheltra for the record. I think Jennifer is an excellent choice. What I have seen in the past, besides the knowledge that she will bring, it is critical for this Marketing Committee to be in lock and step with our vision and our direction, with RSCVA, and even more importantly with the LVCVA. Over the years, just listening to Rossi and his input and then when he is not able to be there, his staffs' input, helping guide that Committee, it's critical that this State's two biggest most powerful arms have a voice in deciding our direction so that we're all working together and not against each other. I love the idea of Jennifer Cunningham. It's an excellent recommendation and nomination. Thank you.

HUTCHISON: Great. Thank you very much, Commissioner Sheltra. Other comments or observations, or questions? Or even additional thoughts about others to fulfill that role? All right. Commissioner Wagon, would you like to make the motion concerning this matter?

WAGNON: Yes. Director John Wagon. I move that we select Jennifer Cunningham to fill the void on the Marketing Committee.

HUTCHISON: Thank you for the motion for Jennifer Cunningham to serve as a Member of the Marketing Committee. Is there a second?

SANTOS: Second. Herb Santos.

HUTCHISON: Thank you, Commissioner Santos. Any comments or questions on the motion? Those in favor, signify by saying aye.

GROUP: Aye.

HUTCHISON: Any opposed, nay. That motion carries unanimously.

We will be grateful to have Jennifer Cunningham return to us, and benefit us greatly as Members of our Commission have already observed. So, thank you all for your comments. It will be great to have Jennifer back.

Agency Reports

HUTCHISON: Let's go ahead and close that Agenda Item out. We move on now to Agenda Item G, Agency Reports. Ms. Vecchio, I will turn the time over to you for your comments and directing who we are going to hear from. I would ask you, Ms. Vecchio, if you would take the Legislative Update and your view of the bills on Tourism, and if you would like me to take—you know, run the Governor's Portrait Project, bring everyone up to speed on that. Any of those additional items, just direct us to where you would like us to turn our attention for the remainder of the Agency Reports.

VECCHIO: Thank you, Lieutenant Governor. Claudia Vecchio for the record. In your packets, you do have an overview of some of the bills that were important to tourism during the legislative session. The legislative session obviously wrapped up, and a number of issues were discussed that either directly or indirectly related to tourism. As you can see, a number of them that I provided to you with an overview that are important to our efforts. There is also an additional one. At the last meeting, we heard from Eric Preiss from the Film Office, and there was a Film Tax Incentive, bill AB492, that was approved and provides up to \$10M for fiscal year, for issuances of transferable tax credits. That goes to the Office of Economic Development. That's AB492 in addition to the one we have here.

I will just draw your attention to Senate Bill 344 which is the criteria for the packaging and advertising of recreational marijuana. There were a number of bills that were related to this and there is a little article, in the back of your packets. I think this is an issue that at some meeting at an appropriate time, we need to look at, because I would be willing to bet that we'll be asked to report on the impact of recreational tourism and how it brings tourism to the State. I'm going to connect with my colleagues in Colorado to talk through what they've been through and will provide a report on that at a later meeting. I just wanted us to start thinking about that because a lot of media attention will be around that and how it impacts tourism. I am sure we will be asked.

HUTCHISON: Ms. Vecchio, let me just interrupt you. Are we talking about—and I agree. I would love to have this addressed at a subsequent meeting. Are we talking about the impact of legalizing marijuana has had, or will have, or has had— at the time we consider this, on driving tourism to Nevada?

VECCHIO: Yes.

HUTCHISON: Or are we talking about what impact recreational marijuana is having on tourism? For example, I know that there have been adverse impacts on convention business, at least reported coming out of Denver, and some of those kinds of things. What is

your thought in terms of the scope of this? Is recreational marijuana driving more tourists to Nevada because it's legal marijuana here? Or are we talking about is this going to impact, positive or negative, on the tourism industry from a more broad prospect?

VECCHIO: Claudia Vecchio for the record. I think we need to be able to address both of those questions actually. There will be a number of questions addressed to, if more people are coming because marijuana is now legal here on a recreational basis, and probably some more savvy business reporter will ask about the impact on the non-convention and meeting business. I think we really need to be prepared to come out from both directions. We will continue to look at and ask those who have been through this. We will continue to look for stories and other reports of how this has impacted other states. This is just an issue that I don't want us to let go by the wayside. I think that we need to be on top of it and we need to be prepared to talk about how it impacts tourism in the State.

HUTCHISON: Thank you.

VECCHIO: All right. On to Governor's Portrait Project. We, along with the Nevada Arts Council, will be issuing an ROP for a portrait artist to complete the Governor's official portrait. This is the one that will hang in the Capital Building, and I just wanted to let you know that we're working on this and Commissioner Arger from the Arts Council. I still need to fill her in on where we are with all of this as well. This project is moving forward and another one that we do in connection with our Agency Partners. Then, for the I-11 Corridor Update, Ms. Carano asked last meeting if we could get an update on this and we do have a representative here today, and I apologize to him for the difficulty of this, but from the Nevada Department of Transportation, he will introduce himself and his role in the I-11 Corridor. We have a presentation that hopefully you will be able to see, those of you on video, but Kevin will introduce this and just give you a brief update of the I-11 Project. Thanks.

VERRE: My name is Kevin Verre with the Nevada Department of Transportation. Today I will give you a brief overview of the future Interstate 11. The purpose of the presentation will be to provide an overview of I-11, and the Inner-Mountain West Corridor Study that was completed in 2014. I will also discuss Corridor actions underway, as well as, planned. Then, I will provide a brief description of some of the other opportunities the Department is involved with, regarding I-11.

As you can see, the I-11 Corridor study had three phases. The Corridor Vision which included the Corridor Vision Summary. The stage of this study also laid out the public involvement plan. The second phase, was the Corridor Justification, which provided the Corridor Justification Report and Corridor Goals and Objectives. The

final phase, Phase 3, which is in the blue, was the Corridor Concept, which developed the purpose and need, as well as the business case.

The Corridor Vision laid out the potential benefits include, connecting communities and enhancing economic vitality of the communities, improving safety and travel time reliability, providing relief for congested north-south Corridors in the west, it also is enhancing commercial opportunities by linking trade, and will also increase global competitiveness of the region.

Corridor Justification. The Corridor Justification demonstrated that the Corridor would help integrate the economies of the south-west triangle mega region, capitalize on Mexico's growing role in North American manufacturing and trade, support economic development initiatives for both Arizona and Nevada, and also prevent congestion from crippling economic competitiveness.

The Business Case demonstrates how the I-11 Corridor will help a number of regions. The south-west triangle illustrated what is on a trajectory to be a leading American region. That's means linkages to the world's fastest emerging economies in both Asia and Latin American. The I-11 Corridor would only strengthen the economic growth and diversity of this [Inaudible 00:48:33].

Now I am getting into the update. Most states are still working on implementation of the Corridor Plan, and are ensuring that the findings are included in the future and ongoing planning efforts. NDOT has started developing the Long Range Plan called the One Nevada Plan, which will include examining the I-11 as a critical Corridor. Most states are implementing incremental projects within the Corridor. Other language was included with the current transportation bill, extending the I-11 designation from Nogales to I-80. Arizona is continuing work on the US-93 portion to make this facility a four-lane divided highway. They have also started a Tier I EIS from Wickenburg to Nogales. All right.

Nevada update. Nevada is currently completing the first segment of I-11, the Boulder City Bypass. This is two-phased effort with southern Nevada RTC. Incremental improvements on the 95 north of Las Vegas include, US-95 North-West Phase 3A, which is the Centennial Bowl, as well as, US-95 North-West Phase 2B/5, which is Durango to Kyle. I will also be looking at scoping efforts to see what improvements can be made within the Corridor south of Tonopah.

The next part of this presentation is talking about partner opportunities. NDOT just created a Freight plan. Within the plan, incremental improvements were included within the list of projects. NDOT is also conducting a southern Nevada Traffic Study which will include consideration of I-11 through Las Vegas. At the conclusion of this

study we will have a better idea of the future traffic demand on our freeway system in southern Nevada and what role I-11 might play.

Other partnering opportunities include, NDOTs involvement with the Governor's Office of Energy on the US-95 Highway, as well as, we partnered with the Governor's Office of Economic Development and Southern Nevada RTC on Hyperloop I-11 Global Challenge, to submit an application for connection between southern and north west Nevada.

That is pretty much the conclusion of my study. For more information on the Corridor study and current I-11 activity, please visit the site listed. You can also visit Nevada State Transportation Improvement Program online, at that link below to get more information on planned and upcoming projects. Let me know if you have any questions.

HUTCHISON: Any questions from Members of the Commission on the I-11 Update for Mr. Verre?

CARANO: Hi. This is Cindy Carano.

HUTCHISON: Go ahead, Ms. Carano.

CARANO: Okay. I want to thank you for that update and following up on that. I think that this is a portion of getting the rural served by the southwest and have people (inaudible) I-5. I think this is going to be a great asset to our rural and southern Nevada. Thank you so much. The more we can monitor this, the better.

HUTCHISON: Thank you, Vice Chair Carano. I know many of you couldn't see the presentation, but there was some websites that were put up for more information. Do you have access to video or is it still audio for you?

CARANO: It's all audio.

HUTCHISON: Okay. Maybe you could just repeat the websites for Vice Chair Carano, I know she is very interested in this. What the sites could she go to and get further update. If you wouldn't mind, Mr. Verre?

VERRE: Not at all. The I-11 website is, www.i11study.com. I believe that your staff here did also load this presentation on to the website.

CARANO: Right. Yes. Thank you.

VERRE: Sure.

HUTCHISON: Thanks so much. Other questions for Mr. Verre before we thank him for his report and presentation? All right. Mr. Verre, thank you very much for coming in and spending time with us today.

VERRE: Thank you.

HUTCHISON: Okay. Mr. Vecchio?

VECCHIO: Claudia Vecchio for the record. The Commissioners here in Carson City received a couple of brochures about the I-11 Project, and we will get those out to everybody so that you will have that information as well.

HUTCHISON: Thank you.

VECCHIO: As we eluded to during our meeting, this is the last meeting for Commissioner Sheltra. He has been here for 10 years, and that is extraordinarily long. I know there are others who want to say something about Commissioner Sheltra and his work here. As coming in as new Director and trying to navigate my way through this whole position, Commissioner Sheltra was a very important mentor and a guide for me as I came in and tried to wrap my arms around this. I so appreciate everything that he has done, and he has been a leader, and he has been supportive, he has kicked us in the pants a couple of times and that's a good thing, and I just really want to express great appreciation for him and all he has done. We do have a couple of things for you. We don't want him to leave empty handed, but *Nevada Magazine* has put together a couple of [Inaudible] very special to him.

SHELTRA: I love the *Nevada Magazine* for the record.

HOPPE: Adele Hoppe for the *Nevada Magazine*, for the record, yes, we do know you love the magazine, and we thank you for that. In honor of your 10 years of service and your being our ambassador for *Nevada Magazine*, we wanted to award you with this customized cover as our Captain Nevada for *Nevada Magazine*.

SHELTRA: I'm not sure where the camera is for Vegas, but could you— [side conversation]

HOPPE: On a serious note, yes, we do appreciate everything that you have done. You have been a great supporter of our magazine and we appreciate that. You're going to be sorely missed and we wanted to make sure that you remembered us. So, here is the real cover for you.

SHELTRA: Thank you. Everybody down there, you guys are fantastic.

Commissioner Comments

HUTCHISON: Why don't we—Ms. Vecchio, since you have kicked us off here and introduce this, I am going to use the prerogative chair and move up Agenda I, Commissioner Comments, particularly the right to—Commissioner Sheltra and allow us to shower our love and appreciation on Commissioner Sheltra.

I just want to thank him. Just amazing. He spent a decade of his life—he came to us as a young 19-year-old, and it's been amazing in the last 10-years what he has done for the Commission. I remember the first time I actually sat down and tried to figure out what this job was about and what the Commission was about, he spent a lot of time giving me the institutional history of knowledge, and he has been our captain in many ways and we appreciate him.

I will just say, there are very few people, Commissioner Sheltra, of your caliber and your dedication in State Government. You are a man of class, character, competence, and those three combined traits are rare in human beings, and certainly rare in those that I have served with in State Government. You are just one of a kind as far as I am concerned and I am grateful for your service and your friendship. Ryan, thank you for all you have done for us.

SHELTRA: Thank you, Governor. That means a lot.

HUTCHISON: All right. Anyone else want to shower some love on Commissioner Sheltra?

VECCHIO: This is Claudia. Go ahead. Go on, Cindy. I am going to sit down.

CARANO: Commissioner Sheltra, you have been a great mentor to me as well. It's been a pleasure working with you and getting to know you better. I appreciate you that you help me with my political correctness sometimes and [Inaudible] and being a man of integrity, I thank you so much. I been on this for, I don't know for how many years to tell you the truth, eight? You were there when it was my first meeting, the last meeting of [Inaudible] and it was just always a pleasure for you to work with them, each one of them. So, thank you so much and good luck. I will see you at the baseball games, I think. That's where you're going, right?

SHELTRA: Yes. Cindy, anybody looking for me, I'm not leaving Carson City for the next two-weeks. I'm going to be down at the Governors Field almost every night with two different all-star teams. I still love Carson and that's where you'll find me, if you're looking for me. Thank you for your kind words. Very humbling.

- CARANO: That's great. The all-stars. That's awesome.
- HUTCHISON: All right. Thank you, Vice Chair. Commissioner Santos, please.
- SANTOS: Thank you. Ryan, you have provided some incredible insight and guidance, to someone who came in here cold on the whole tourism bit. I appreciate all the help. You are just a great Nevadan and one of the things that we do with the Bighorns, we always claim the hashtag either RenoProud, or NevadaProud, or Sacramento Proud if you're in Sacramento. But, we are all Nevada Proud of you. You are a great human being, a great person. I enjoy watching you on Facebook, watching what you do with your family. You're a great family man and it's been a privilege and an honor being able to sit next to you.
- SHELTRA: Thank you.
- HUTCHISON: All right. Go ahead, Commissioner Ralenkotter please.
- RALENKOTTER: Just one thing, Ryan. Your great accomplishment for NCOT—and I can say this because I have been around for a while, the fact that you really got us directed on how to do the Grant Program, and the effectiveness of where it is today. From when you first started with the Commission, that has been your best and greatest contribution. I've seen the impact of that not only in southern Nevada, but throughout the State, with that oversight and making sure that the dollars were spent wisely. I think you should be very proud of that. As I always tell everyone, you will always be promoting the State of Nevada, and northern Nevada, and southern Nevada, and everything in-between. So, best of luck to you and great job.
- SHELTRA: Thank you, Rossi. Ryan Sheltra for the record. Incredibly humbling coming from you, Rossi. Ten-years on this Commission and I am still a neophyte compared to the time that you have spent not only promoting Las Vegas, but all of Nevada. Someday when it's your last meeting, I hope they invite me back because I would love to hear the hours of accolades that will shower down on you. Thank you very much.
- RALENKOTTER: Thank you.
- NEWMAN: Commissioner Newman for the record. I would just say that Ryan is the guy that quietly wears both a Wolf Pack and a Rebel hat. He is not quite sure which way those things fall. I think they fall a little conveniently on his behalf. When I first joined the Commission, he took me aside and said, this Rural Grant Program is going to rest with you. I didn't quite know what he meant at that point, but he had a big smile on his face.

I will just say that as we review these processes, many times the comment or the question will come up and we'll say, we know Ryan Sheltra is going to question this. We talk about it thoroughly as we vet these grant requests. You do remain a fixture as we look at the spending of monies and justify how we do those things. But, for me, Ryan, it's been a pleasure and hopefully you'll get back over to Elko with those all-star teams or just on your own with your wife. I have enjoyed serving with you and alongside you. Congratulations on 10 years.

HUTCHISON: All right. Any other comments before we move on?

VECCHIO: This is Claudia Vecchio for the record. We have one more thing to give to Commissioner Sheltra just in thanks for all he has done over the past 10 years. It's a plaque. It says, the Nevada Commission on Tourism and the Nevada Department of Tourism and Cultural Affairs thanks Ryan Sheltra for his service to NCOT, and for his tireless support of the Nevada Tourism Industry, Commissioner 2007 to 2017. Thank you very much.

SHELTRA: Thank you, Claudia.

HUTCHISON: All right. Well, thank you all very much for your comments. Commissioner Sheltra, that's as good as your funeral.

SHELTRA: It might be better.

Agency Reports - Continued

HUTCHISON: All right. Let's go back to Agenda Item G then. I think we are on G2. Ms. Vecchio?

VECCHIO: Thank you. Claudia Vecchio again for the record. As a result of the legislative session, we now have a budget for FY '18 and '19. David Peterson, our capable and long-suffering Deputy Director, Chief of Operations, is just going to run through the Budgets that you have in your packets.

PETERSON: Governor, Members of the Commission, for the record, David Peterson. First, the sheet that I am going to go through is after the yellow sheet, Reports to the Agency. It's right after the Legislative Update in your packets. If you recall at our last Commission meeting, I walk everybody through each category as it relates to the Governor's recommended budget. I am happy to say that in terms of the legislative approved budget, everything was accepted and moved forward for Tourism specifically.

We did get the additional Management Analysis position for Administration and Fiscal Services, for the Division of Tourism and the Department. We also were able to get all of the dollars that were in Category 43, previously for our Quarterly Administrative Fees for the International Offices, moved into Category 31, to provide us with some additional flexibility within those contracts.

I won't highlight and go through each category again, but I will draw your attention to the Transfer Categories. During the closing hearing, there were some adjustments that were made as it relates to Division of Museums and History, and the percentage of funding between Lodging Tax and General Fund. If you all recall, we've been operating under a 50-50 split between General Fund monies and Lodging Tax Dollars. That funding split was changed to be 55 percent Lodging Tax for—this is again just for the Division of Museums and History, 55 percent Lodging and 45 percent General Fund. The transfers to the different museum categories reflect that new split for '18 and '19.

There was a bill what was in your packet, SB244, I built in to Category 62 and 67, the tourism piece of that. The lodging funded component to SB244 as well. We will go through a work program process to bring those dollars in, but I just wanted everybody to see what the ultimate impact will be for '18 and '19.

The other adjustment made during the closing was our transfer to the Arts Council. They had a decision unit—in E125 Decision Unit that included a reduction to the grants. At the closing hearing, there was \$100K that was coming out that was General Fund money, that was replaced with 100 percent Lodging Tax Revenue. There is an additional \$100K for fiscal year included underneath our transfer, which is Category 65, Nevada Arts Council.

Then, if I could drive everybody's attention down to the Reserve, Category 86, you will see at the end of the biennium fiscal '19, we are expected to have just over \$5M in Reserve. That puts us at approximately 70-days Reserve. Again, our goal is to always maintain a 60-day reserve at the end of each fiscal year, and obviously at the end of the biennium. If anybody has any specific questions about categories, I am happy to address those at this time.

HUTCHISON: Commissioners, any questions on the budget? Just one quick question for you. Were there any new Transfer Categories?

PETERSON: For the record, David Peterson. No.

HUTCHISON: Okay. So, we're still looking at over a quarter of our budget gets transferred, but we at least have no new categories?

- PETERSON: For the record, David Peterson. Yes. That is correct.
- STOLDAL: I have a question. Mr. Deputy, I have a question. Bob Stoldal for the record. What is the definition of transferred as opposed to transferring money to the Washington Office? Is that not a transfer? What is the definition of transfer here?
- PETERSON: For the record, David Peterson. Our definitions of transfers are those monies that go out of Budget Account 1522, into other budget accounts that we don't directly control—as in tourism, control how those monies are spent.
- HUTCHISON: Just for clarification, Mr. Peterson, 1522 is our allocation from the Room Tax, right?
- PETERSON: For the record, David Peterson. Yes.
- HUTCHISON: So we get allocation from the Room Tax, comes into Category 1522, all of that is supposed to be dedicated right to our Commission, but then there are—for various reasons, and we don't have to get into it this meeting, transfers made to various other entities besides NCOT.
- PETERSON: Yes.
- STOLDAL: One other question. I thought there was a piece of legislation, which dealt with transfers in funding for school budgets.
- PETERSON: For the record, David Peterson. Yes. The dollars for the School Bus Program, those are actually included within the Division of Museums and History's Budget accounts, and those are General Fund Dollars. No Lodging Tax dollars are being used to pay for the Bus Program. That's a General Fund appropriation and its underneath Peter's Budget Accounts.
- STOLDAL: Got you. I guess there was no money to administer that to that cost, so the Department of Museums will have to absorb whatever administrative costs are involved in the complicated state-wide bus program. Thank you.
- PETERSON: Yes.
- SANTOS: Herb Santos for the record. Did Line Item No. 22 transfer to Nevada Magazine, the \$50k was that a short fall for them or a hardship on them?
- PETERSON: For the record, David Peterson. No. I don't have their budget account in front of me. We submitted an Agency request and moved forward through the approval

process, that puts them north of 30-days at the end of the biennium. That is their threshold that we're looking at, is they maintain 30-day reserve.

SANTOS: And then for the transfer to Motion Pictures, is there any revenue that they generate that comes back to us? Normally we see that when they do movies. Usually their deals they get, their rooms are all comp'd, so I don't think we get any room tax, but do we get any benefit out of the motion pictures coming to Nevada?

PETERSON: For the record, David Peterson. I couldn't speak to that. In terms of if they don't spend any money that we transfer to them, do we see those come back as reversions? No. So, every dollar that we send over to them, they use. But, as far as the Lodging Tax dollars, I couldn't speak to whether or not there is a Lodging Tax applied to that or if it is considered month-long stays, in which case there wouldn't be a tax applied to that. But, I don't know the answer to that question.

SHELTRA: Ryan Sheltra for the record. Governor, may I finish the answer for Herb?

HUTCHISON: Please.

SHELTRA: On *Nevada Magazine*—one last time advocating for *Nevada Magazine* to the question of the \$50k that is not there in the next year. When I first came on this Commission, *Nevada Magazine* was not solvent and leaned heavily on financial support from NCOT and off of Tourism dollars, and other entities. Janet and her staff has done a remarkable job. David, correct me if I am misspeaking, but the magazine is now solvent and is profitable. Albeit a small line, but they are no longer in need of the direct support.

The staff has done a great job getting that magazine propped up. To their credit, at one point, the magazine could have ceased operations. They have really risen to the occasion and have done a great job for the State of Nevada.

SANTOS: Great.

HUTCHISON: Thank you. Any other questions for Mr. Peterson on Budget? Okay. Mr. Peterson, thank you for a fine presentation. Appreciate your work.

PETERSON: Thank you.

HUTCHISON: All right. Ms. Vecchio.

VECCHIO: Thank you, Lieutenant Governor. Claudia Vecchio for the record. I will move to G2.2, the Global Tourism Summit Update. You have in your packets just a very

preliminary overview of the Global Tourism Summit. We talked a little bit about this last meeting and changing the Summit or evolving it into some other type of a meeting. Rest assured, we will keep it as it is certainly throughout this Summit. We will have the conversation again about whether or not we need to look at how we do this, but for the time being, this is the Summit Update.

You will see one change I would make on this is, it's not called Nexus Nevada, our theme is going to be Nevada Welcomes the World. It really is in response to some of the issues happening on a national basis. Bethany is going to show you a video in just a second about how we're starting to address this, but this idea of Nevada Welcoming the World, will be prominent throughout our Summit.

It will be at the Flamingo, Las Vegas. The dates are actually December 4th and 5th, with our FAM trips and our Press trips happening prior to that because obviously National Finals Rodeo comes in on Wednesday, so we need to be out of town for that. Then hopefully some of our international buyers might be able to experience a little of that because that is an extraordinary event.

The buyers will come in on Thursday and some will stay in Las Vegas and others will take FAM trips through the southern part of the State. Everybody will meet up again at the Flamingo, and then we will have our Commission meeting on December 4th with an Opening Session that day. We have Roger Dow who is the President and CEO of US Travel Association. He is going to come in and really talk about this year, which has been an extraordinary year in tourism. We have a speaker, Daniel Levine, who is going to do a wonderful global trends overview. Then our other keynote speaker is Amy Jo Martin. She has done a book, *Renegades Write the Rules*. She's an extraordinary woman.

We're starting to get some great speakers. Again, we will have the Nevada Marketplace, we will have the Nevada Media Marketplace. I hope this will continue to grow in the relevance and importance to our industry throughout the State. that's our Global Tourism Summit overview. We will continue to work on the agenda and provide those to you in upcoming meetings. I'm happy to take any questions.

HUTCHISON: Any questions on the Global Tourism Summit? All right.

VECCHIO: Terrific. Item G2.3, the Governor's Trade Mission to South America/Tourism Sales Mission. Just wanted to let you know that we will be participating in the Governor's Trade Mission to South America. As we have done in the past, we will invite partners. If any of you would like to have an invitation mailed to your partners, you're invited to join us as well.

We will be traveling to Panama, with some meetings with airline partners there. Then, the Governor's Mission will go on to Peru. We won't be doing that one, but our Mission will go to Bogota, Columbia. That is an emerging market, an important one in South America. We will be traveling there and then on to Santiago, Chile, where we will, again, do sales calls and other tourism activities in addition to a reception with the Governor's Trade Mission Team. That's exciting.

It's a new and upcoming market for us, so having opportunity to be down there with the Governor is really a tremendous way for us to initiate some relationship building with tour operators, travel agents, and media down there. Teri Laursen will be attending along with me, and then any partners who want to go along are more than welcome. Any questions?

On to G2.4, Regional Reporting. I have been talking to some Commissioners, and so appreciate the input. We do a lot of talking about some of our various regions, but I'm not sure we have done a great job of connecting what we do, and the economic impact of NCOT and our partners throughout the State. I have put a Discover the Facts Report in here. I just want to be sure to guide all of you to that. It's always on TravelNevada.biz, but we're going to be doing a better job of collecting reports from around the State, and providing a region-by-region, state-wide reports at each of our meetings. It will be more of a State of the Industry, kind of report each time so that we can really showcase the relevance of what we do from a partnership standpoint throughout the State. That is yet to come. If anybody has any way they would like to see those reports, please do let me know. We really want to continue to drive the business message, drive how we're impacting travel, and the activities that our partners do throughout the State. Any questions on that?

Then, G2.5, just want to point out that you have a Quarterly Staff Update in your packets. It is the last quarter of fiscal year '17. Obviously it had to be done before the true end of the fiscal year, so that report will be in your August meeting. Any questions on that? I would be happy to answer about that, but I just wanted to point out that you have that in there. I just want to thank the team. I think that they are doing extraordinary work and there is a lot going on, so please do read that Quarterly Staff Update and let us know if you have any questions about any of that. That is the end of the Administrative Report.

HUTCHISON: Okay. *Nevada Magazine*.

VECCHIO: Adele Hoppe our Advertising Manager, will provide an update of *Nevada Magazine*. We have put them first this time.

SHELTRA: Yeah. And Janet is missing her opportunity.

HOPPE: Thank you, Lieutenant Governor, Commissioners. Good afternoon. Adele Hoppe, for the record with *Nevada Magazine*. Our July/August issue is out. The Commissioners in Carson City have a copy there. We have some in the back of the room.

It was a very fun issue this time around. We did a pictorial on Burning Man. Our Associate Editor, Eric Cachinero, his picture made the cover. I have watched the revelers come through time, both to and from for many years, and I have always kind of scratched my head wondering why. When you read this story, you will really understand the true meaning of it and why. It really changed my opinion on it, and I hope it does for those of you who don't know anything about Burning Man.

This year our theme for the magazine is, Nevada Outdoor. We are doing a lot of stories that get our families and our readers outdoor to discover everything there is to do in Nevada. This issue, our Ancient Nevada and our State Parks, do just that. We give things for our families to go out and experience; there are two. Our fourth installment on both of those stories is in this July/August issue.

Also in this issue is our highly anticipated list of selfie spots for our *Nevada Magazine's* scavenger hunt. For the new members, this is our third annual scavenger hunt. Our first one, the participants were out looking for historical markers. Our second one, we sent them out looking for ghost towns. And this third one, we are doing notable art pieces. There are 14 spots chosen for southern Nevada and for northern Nevada, and the participants pick 10 spots in either north or south and then they go there with a copy of the July/August issue in hand and take a selfie of themselves in front of these art pieces and they send them in.

The great thing about it is, not only does it get these people out to experience Nevada, but we get to relive it with them, our readers get to relive it with them through their stories, we get letters from them, we get videos from them. So, it's no wonder that it's one of our most popular things that we're doing.

This is our 20th Anniversary of our Best of Nevada Reader Poll. We have our winners listed in this July/August issue. We have some new winners this year and we have some long standing favorites as well. I would like you to look through those as well.

This will be our 40th Great Nevada Picture Hunt. Because it's our 40th, we wanted to do something special. Our Art Director came up with the idea to take 40 of the photos that are submitted for our Great Nevada Picture Hunt, and do a collage,

somewhat like she did for the Governor's Annual Budget this year. These will not just be winners, these will be just from submissions because some people will be winners and some will be great pictures, but we will be able to fit them into this as well. That will give everybody some recognition. We're pretty excited about that. In doing that, that poster that we're doing with our Great Nevada Picture Hunt, we will be doing presales on them and this will also be a great revenue source for us. That's one of our latest projects.

Also, with the picture hunt and photography in mind, our Art Director Kippy, is doing a first photography symposium on June 28th, next week, here at the Chamber. We have over 40 people already signed up for it. We have four local photographers that will be speaking there. It will be a great morning session and we're very excited about it. We already have people asking when we're going to do one down south, which we are looking at logistics for. We also are having speakers; photographers are asking if they can be speakers at the next one. We're very excited about it.

Our Ride Guide is coming out again for the '17 and '18 Rides Guide. It will be hitting the streets in the next few weeks. We are in the final first stages of our Las Vegas Wedding Guide. The guide we did in cooperation with the Las Vegas Wedding Chamber to help promote the Wedding Chamber and help them get more members. We did a discount for members into the guide to help them gain more members. We are really excited about that.

Our September/October issue that we will be working on right now, we're going to do a feature story on Autumn de Forest. She is a child prodigy out of Las Vegas. She is 15-years-old and she is already a world-renowned artist. Her story is amazing, so we look forward to having that with all of our other pieces that we will have in there. That is also where we will list the winners of our Scavenger Hunt and our Great Nevada Picture Hunt. Any questions?

HUTCHISON: All right. Any questions or follow-ups? Thank you very much. Great work as always by *Nevada Magazine*.

HOPPE: Thank you very much.

HUTCHISON: All right. Ms. Vecchio?

DRYSDALE: Actually, to keep things moving—this is Bethany Drysdale. I am going to jump right in to the PR Report.

HUTCHISON: Oh. Great.

DRYSDALE: I will start with Discover Your Nevada. We launched that Memorial Weekend and it will run through Labor Day Weekend. I had talked about it at the last meeting so I won't go in-depth, but we do have a date for a press conference in Las Vegas. If you will remember, we have two students who won an essay contest that we did with the Department of Education. The two students, one in Las Vegas and one in Fallon, will be going on road trips around the State.

The one in Las Vegas, we will bring him and his family up to northern Nevada to see a part of the State that he has never seen. He will discover his Nevada. Then we will end with a press conference back in Las Vegas on July 20th. If anybody is in Las Vegas and would like to attend, the Lieutenant Governor will be at that press conference. We're really excited about that to generate some media interest in southern Nevada. We are working on a press conference in northern Nevada, working with the Governor's Office to do that one. He will be in South America for a good chunk of the summer, so we are working with them to schedule that one.

The next update, really briefly, I wanted to go in-depth on social media, but there is really a lot more that could be said about it. I really just wanted to call attention to our Instagram account right now. Kaitlyn Godbey is our social media guru in the house. She has grown our followers exponentially since she has been here. Everywhere I go, people mention, oh, you're TravelNevada, I follow you guys on Instagram, I love what you're posting. Most of it is user-generated content. We're just sharing what other people are already posting and sharing with us. That is really exciting too because it generates a lot of engagement, a lot of interaction with our followers that take the time to follow us.

On Instagram, we are up four-percent in followers just in the last three-months. That comes to almost 1,300 new followers. Which, for a totally organic site, and we don't really put any money behind it, totally organic increases are really exciting for us. Engagement is up almost 17 percent. That means that people are liking, commenting, tagging their friends in things. That's engagement and that is exciting because people have to make an effort to do that. It's not a passive action, it's an active action. That is exciting, a 16 percent increase in that engagement. Then, our total followers on Instagram is 34K. When we started Instagram not too long ago, we were stuck at 700, then slowly 1200—when we hit 10K, I think two years ago, that was a major step for us, to hit 10K. Now we are at 34K, so we're really excited about that.

Then I will move on to one that I am most excited about, this is the Nevada Welcomes the World video. If you will remember the last meeting, we had quite a discussion on the purpose of this. It is in some reaction to what's going on in the national and global front. IPW was earlier this month in Washington D.C. with all of

the US destinations there, talking to a global audience. Every destination is doing a video, so I am glad that we got on this and we will be out there before the huge onslaught of other destinations.

It's exciting to be part of that, that overall U.S. message of welcoming the world. We will show the video in just a minute, but this is something that I am glad that we put the time into and thank you for authorizing that at the last meeting. I'm happy to report that we're coming in at \$12K for this, so thank you for the—

SHELTRA: A little bit more than the \$500 you estimated?

DRYSDALE: I think I said \$5K, but you approved a bunch more. Thank you. It was very important to me that we keep this as low as possible, but you will see from the quality that it's worth every penny. We will be able to share this with all of our international markets, they will be sharing it to their audiences. This will truly be a message to the world.

Because of our audio difficulties, I have sent it to the Commissioners on the phone and in Las Vegas. You can view it at your leisure. Teri and Sylvia, I sent it to you as well. I don't know if you have an iPad or anything there, but if not, please bear with me for the next 90-seconds. We have sent some initial feedback. This is a rough cut; it is not the final product. We have sent some feedback to Orange Tree, the vendor that put this together.

We will be adding the Governor into this, again, we are working with his Office to schedule that. The LVCVA, and thank you, Rossi, to your team really working with us to get you included in there and make sure that we have a strong representation from Las Vegas. They have been wonderful helping us get some of the Las Vegas shots in there. We will be adding a couple of shots and tweaking things. This is the rough cut.

So, with that, Ron is going to play it. Again, my apologies to those on the phone if you can't hear it, but you do have it in your inbox. [Technical difficulties] I will forward it to everybody here. I have all of your emails and I will make sure that you get it in the next few seconds.

HUTCHISON: This is a rough cut? No sharing?

DRYSDALE: Right. Thank you for mentioning that. Please don't share this socially or otherwise. This is a rough cut. We will have a final version when I gather feedback. As I said, we already provided feedback to the vendor and I welcome your feedback as well. If you can watch this in the next day or so and give us feedback, then we can get

moving on the final version. With that, any questions? I'm sorry about the anti-climactic showing there, but so be it.

HUTCHISON: All right. Any questions for Ms. Drysdale. on the Public Relations Report? Okay. Let's move on to our Marketing Report. Thank you, Ms. Drysdale.

VECCHIO: Claudia Vecchio for the record. Brenda Nebesky, our Chief Marketing Officer is at Google Training this week, so I am going to pitch in. Obviously you have the Marketing Report in your packets. To take this out of order, quickly I am going to touch on G5.3.

We just finished a virtual reality shoot. This is part of our Disrupter Campaign that we talked about for several months now. We'll show you this footage at this Disrupter Campaign at our next meeting. We'll probably share it with you before that, but this was one of the most extraordinary shoots I have ever been on. This production company, Groove Jones out of Dallas are absolute masters at this virtual reality. We were at Valley Fire, they went up through Kingston, they went to Virginia City, they went to Lake Tahoe. They really did get a great sampling of the State and they will be putting together these virtual reality presentations. The good thing about the virtual reality footage is that it can be used in more than just virtual reality. This is also imagery we can use for our commercials and other things coming up. This is another one of these incredibly exciting programs that we look forward to showing you at a future date, but they just wrapped up with that late last night. We just wanted to let you know that. Because Brenda is not here, you have the update of the campaign in your packets and we can send you additional information as well.

The other for Possible Action Item is the review and approval of the FY '18 Urban Sponsorship Requests. These are very definitely business-driven requests. We provide dollars to events in our urban areas that we believe, and we know, drive room nights. We require that they prove to us their events drive people into this town from outside of a 50-mile area so that we know that they are here as tourists. It certainly drives interest among locals as well and that is great, but it is a room-night and a revenue generator.

You have the grid just like you have had in previous years in front of you. This year we have \$150K. We have rolled the sponsorships that we do with the Reno Air Service Corporation, RASC, there is a presentation from them. I don't know that you have any of these in your packets, you have them separately and then they are also on TravelNevada.biz. RASC, we have included in this, but this Sierra Ski Marketing Group is not in this yet. They are yet to come and they will make a presentation, but they are still trying to get their arms around what that is going to be. We will

hold off on that until they can make a presentation. We do have presentations that are going to try their best to provide this for the Great Reno and Balloon Races, Pete Copeland is here from that organization. Do we have the Audi Championship on the phone? Ryan?

CHACKEL: Yeah. I'm here.

VECCHIO: Ryan, thank you. Reno 1868 FC Soccer, they are here today. As I said, Reno Air Service is not here today. The reason to hear from these folks, they are either new sponsorships or we haven't heard from them in a while. Like, Pete, it's been a little bit. We wanted to provide them the opportunity to talk a little bit about what they do. They are going to take a brief amount of time. If you have any questions, please do let them know. You have the recommendations for the sponsorships in your packets. A couple of new ones this year which I think is a good thing. Pete, do you want to come up and we will see what we can do?

HUTCHISON: Just real quick Ms. Vecchio, did you say National Champions Air Races and Reno Air Service Corporations are not here?

VECCHIO: They are not here to present, no. The Championship Air Races, we just heard from Mary Beth and Mike Crowell, they were in a couple of meetings before and provided a good overview of what they do. We can certainly have them come back if you want them to, but I think they laid a pretty good foundation for that event while they were here before.

These dollars, if you remember, we provided a significant infusion of income in 2012, we have not had a sponsorship with them for the past four years. That sponsorship did continue for four-years, and then we have a recommendation for a sponsorship again this year, to get back into that sponsorship realm with them. Again, all of this is on travelnevada.biz.

HUTCHISON: Are these all staff recommendation?

VECCHIO: These are all staff recommendations.

HUTCHISON: Thank you. A quick question please from Commissioner Stoldal.

STOLDAL: Bob Stoldal for the record. Claudia, just doing the dollar figure, out of \$150K, \$127.5 is Reno and \$18 is Las Vegas. I'm not worried about the disparity; I'm just worried about how do we go out and—is this passive? Do these things come to us? Or do we go out and ask?

VECCHIO: This is a fairly passive program. We have talked in the past about having this work more like our Grants Program, in that we would have an application process for events to do this. We have not gotten to that point yet. That is definitely yet to come, but all of these events come to us and ask for funding, or we find out about them through secondary sources. This year we have more in southern Nevada than we have in the past.

STOLDAL: Great. All of the Reno ones are just top notch events, whether it's the Winter Games or the Balloon and Air Races. So, thank you.

VECCHIO: Thanks. Pete?

COPELAND: Pete Copeland, Executive Director of the Great Reno Balloon Race here in Reno, Nevada. I first off want to just start by saying thank you to all of the Commissioners for allowing me the time today, and thank you Lieutenant Governor for the opportunity as well to come before you. Before I even get started, I want to say thank you for inviting me to the Commissioner Sheltra going away party. I couldn't have asked for anything better today. Luckily for me, my interaction with Commissioner Sheltra does go on after today, quite extensively.

On that note, I just want to make a short overview of the event. Kind of what we have done in the past few years in our partnership and answer any questions going forward. Just to start the slide, if everyone can see this, I think a picture says a thousand words. This visual that is up on the screen right now says much about not only our region in northern Nevada, but it really is a great message to anyone visiting the State. It's unique, it's beautiful, and that is something that many of our visitors, especially our millennials, are looking for—unique, different, and the one word I will emphasize quite a bit through this is, free.

Just a little overview on the event and just some of things that go on—I'm actually going to jump ahead to this slide. We were founded in 1982, we are one of the longest running iconic events not only in Nevada, but certainly in northern Nevada. Upwards of 125K people attend the event. We know this because we have done data research with the RSCVA and the University of Nevada. Each year we put about 100 balloons in the sky. That is a significant number, particularly when you see the line below it, we are the free largest ballooning event in the world. There is nothing that even compares to us as far as magnitude and size and being free. There are larger ballooning events. There is a handful in the world, but none that are free.

That provides us an unbelievable unique value and marketing proposition that we sell to bring people to this region to experience this event. We're considered the

premier ballooning event by the pilots, more so than Albuquerque, or France, or anywhere. Pilots love to fly in northern Nevada as they feel they are cherished, valued, and they're respected. That's an important part to us as we do business as professionals in northern Nevada.

Something that I know is near and dear to this organization, 40 percent of our visitors—40 percent of our attendance is visitors. That's a \$50K to \$60K number. That's a hard number. That's real money coming into this market. I am just going to make a comment on to that, of the out of market visitors that came here, somewhere of 90 percent said they would visit the market again within 12-months. I think that was a significant number that jumped out. We provide the visitor a lasting, positive, impression of northern Nevada.

We did extensive local and national media coverage. I am going to talk about two pieces of that on a national side in just a moment. The one number that really stood out to me in this survey was 100 percent of our fans, of our attendees, would recommend the event. That's a powerful statement that we can use to market off the hill and to our visitors.

Just a quick preview for this year and why it's important. Just silly stuff. Our Friday Super Glow Show, over 40 balloons will actually be participating. Why is that important? Because it's probably the second largest glow show in the world and it drives fans. It's a unique experience and they can't see it anywhere else except for a \$10 admission and \$25 parking ticket in Albuquerque, and it's 2K-miles away. So, very, very special for us to continue to develop and invest into this product. Seventeen special shaped balloons and counting. Again, why is this important? Special shapes drive attendance. People want to see a unique shaped balloon. Either they have a special memory of it, or it's just one of their favorite characters.

These things cost real money to get here, and they drive real business. We will set another record this year with the most special shapes we have ever had. A couple of examples are Peppy La Pew and Tweety for us long-term Looney Toon fans. Expanded Weekend Glow Show, again, just trying to provide a better experience for our fans, always making sure that they leave happy. And then just a few other amenities. Of course, this year I was mentioning special shaped balloons, we're bringing in the two most iconic special shaped balloons, the Darth Vader balloon and the Master Yoda Balloon. We can guarantee that we will see a 15 percent attendance spike just by having these two, and they're also going to be on bus wraps in Sacramento for about 60-days prior to the event in a partnership we have with Lamar which will be somewhere in the neighborhood of about \$40K of outdoor advertising in Sacramento which is really good, it costs us \$3K through this partnership. That's what we do with our money.

Then, I just wanted to point out a couple of things that we hear and this is unsolicited. It's amazing to me the amount of love that this venue gets and this product gets, even outside of the balloon industry. We are a loved and cherished animal. Here are a couple of articles that we recently pulled. Everybody has a lifestyle website and I hope everyone knows—but the first article on the left was from GoBankingRates.com, how we found it, I don't know. Three things to do in Nevada. This was actually an article that was based on the best free thing to do in every state, and for Nevada, it was the Great Reno Balloon Race. Again, the visual says everything. On the right was another article that we pulled, again, that just talks to the power of the event, the fact that we're free. That message connotes with our visitor, our fan, and our tourists.

Then, what do we do? This isn't a Grant. I certainly don't look at this process as a grant or a give me in any way. This is a partnership. We have had this partnership now—this will be going into our seventh-year. We provide real value back to TravelNevada. Our goal is that if you are wildly successful, you will continue to support this program. We provide—we first recognize you as a major donor with all of our major stakeholders, and we have about 40 of those. We provide hot air balloons which come with real cost, back to the organization, Travel Nevada, to use in whatever way they see necessary to market with, through contests, through promotions, and so on. They get balloons to utilize. That also includes a cross promotion that we will be doing this year with TravelNevada with the Tweety Bird balloon that will be coming out, as far as a promotion goes, later in the summer. It's something that Brenda and I had worked on, but an additional balloon that will come into the program.

Then we provide other elements of value from exposure, to advertising, to brand association, to really pump up the value and make sure that—I think Commissioner Newman mentioned, you see a return on your investment. We think this is important. We want you to get a return on your investment, it's how we know it's working.

And then a couple of things I also want to mention on the community side that I didn't put up here, and just listening to the Commissioners, of what we do beyond the balloon races. Many people don't realize this, we have a partnership with the school district, Washoe County School district up here in northern Nevada. We have a tremendous heritage of flight that has originated out of northern Nevada for the past—since flight originated and it's really amazing. Our partnership with the Washoe County School district brings out over 1K students in the fifth grade to work on the STEM Program, which is all about science and math. They create these tissue

paper balloons that actually fly. It's a wonderful program that we have done for the past 25 years.

That's one of the examples of being involved in your community, making your community better—especially with kids and the school district. With that, I just want to mention one other organization. We work with the Children's Cabinet. Again, it's a very important non-profit northern Nevada that works with at-risk kids. We tether flights for them for the last 25 years in the number of over 15K tethered flights. This makes a positive impression and gives these kids just one more reason why they should be part of the solution within our community. I think those are just two examples of who we are beyond tourism, but we're also great community steward, and we're really proud of that. Thank you.

VECCHIO: We are now going to hear from Ryan Chackel who is on the phone regarding the Audi Championship in Henderson. I will just give you a little background on this. I spent the past seven months in Las Vegas, which was tremendous and wonderful, and I love Las Vegas, but I had an opportunity to go out and meet with various stakeholders and one of them that I met with was the City of Henderson.

They are doing great things in the City of Henderson. One of the events that they are sponsoring is the Audi Championship. Ryan will share this with you. You have both the Media Kit as well as a checklist of the Partner Benefits of this event. This is a new event, so I think there is some value. We have always talked about sponsoring some new events, but this is also a new event that has some foundation of other sponsors too. This is something that I think has a good chance of longevity.

Ryan is Director of the event and he will go through what makes this event so special, but I think it is definitely, as you will see, more than a golf tournament and they have put some nice features together that I believe will help drive tourism. Ryan, if you're still on the phone—are you there?

CHACKEL: I am.

VECCHIO: Okay. Excellent. Thank you. If you could run through the benefits, that would be tremendous. Thank you.

CHACKEL: You bet. Thank you for having me. I really appreciate the consideration and time from everybody. Although we are a new event, I will give you a quick background on it. We're going into our 12th year in our event in Bend Oregon with Prong Horn Resort. We still operate the Prong Horn Event. It's a unique combination of golf and culinary arts.

What we try to do at the Las Vegas event is not only have something for the golfer, but we want people to also come to the event that may not be interested in golf at all. There are really three components to it. There is a launch party on Thursday night with [Inaudible] down on the strip, that is for registered golfers and sponsors. Friday is a double shotgun golf tournament out at Reflection Bay, and Lake Las Vegas has been an amazing partner on this. And Saturday night is really the main part of the event. It's a culinary feast. We have 17 chefs from down the strip who are out preparing food. We just signed Southern Glazer's Wine and Spirits in your packet, as one of our sponsors, they'll be doing wine, spirits and beer. We have a Grammy Award winning artist that is performing on a floating stage.

We like to think of ourselves as a lot more than just a golf tournament. What we have found with our Oregon event, is that we are now the largest golf and culinary event in the north west. We have just under 60 golf teams, about 57 or 58 per year that participate. I think you'll notice in your packet there where I listed where some of those teams from around the country came from. We've seen teams from back east, California's a big market, obviously Seattle. We have had [crosstalk] I don't know if you are all that familiar with the [crosstalk]—

HUTCHISON: Hold on one second. Hey, Cindy, we can hear you. Can you mute your phone?

CHACKEL: Okay. No problem. With our event in Bend, it's not an easy place to get to. A lot of times people are jumping on multiple flights from where they come from, but we have been able to sell out the resort in Oregon. Beyond that, put heads in beds in Bend. But, they're coming from a long way to get to there.

What we're excited about is with our model. We're sticking to a very similar model with what we do with our two events in Oregon, is the ease to get to Las Vegas. That [Inaudible] we don't even have to go over. We have already—and again, in your packets there where it says, Reach Destination Event, we have seen teams sign up from far away, from Chicago, Colorado, Palm Springs. So, we're getting the drive market, flying with the regional fly market is easy.

This event, although it's its first year, I think we're expecting large attendance. We have over 1,800 people for the dinner at our Bend event, we're easily expecting over 1,500. For our 1st Year Dinner, we're already over 1,000 so far. Our goal is to do this for years and years, and have a similar history that we have had with our Grandfather event up in Bend, Oregon.

Another thing I would like to hit on is the marketing. There is over \$300K advertising and PR being pushed for this. My wife and I own and operate six publications, they are golf publications in Palm Springs, San Diego, LA, state-wide for

Nevada, one for Oregon, and a high-end quarterly in Las Vegas. We have the ability to market this event unlike a lot of events that have to go out and pay for advertising, we're able to just provide it, give an editorial, cover—footage that covers our magazine. We really try then to go after the digital advertising that we're already currently doing.

The marketing behind this is definitely regional. West Coast our magazines have reached all the way to Minneapolis, Chicago, Dallas Texas, and Denver Colorado. So, there has been a big push there. Then, locally, [Inaudible] and NBC are two local media partners that are pushing it on a local level as well because we don't want to leave out the locals and not promote it there. That should give you, hopefully, an aerial of kind of what we're trying to do. You know, I anticipate I will be answering some questions on this or anything I can help with.

STOLDAL: All right. Quick question. This is Bob Stoldal for the record. Are you getting any additional grants from anybody else? The Convention Authority, or the City of Las Vegas, or Clark County?

CHACKEL: The City of Henderson—I don't know if the attorney is on the phone, but the City of Henderson has signed on as a sponsor of the event, but we're not getting grants from anyone else. This would be our only grant today. Not that we're opposed to the grant, we just haven't—

STOLDAL: Well, the sponsor, what is the cost to the City of Henderson?

CHACKEL: The package that we're having, the three of them are putting—as an investment for them, their cash investment so far is \$8,700, with another \$8,700, I believe, pending—determining how much we do drive traffic and business to the Westin and Hilton and other hotels in Henderson. So, it's a model we are comfortable with for us having to prove that we are able to drive people to the city.

NEWMAN: This is Commissioner Newman for the record. What is the format of the tournament and what is the entry fee for this?

CHACKEL: Sure. The entry fee ranges depending upon if you're looking for. We have packages around, I believe, \$1,200 up to \$2,000 for a foursome. It just depends how many dinner tickets you want in that package, whether you have guests that also want to attend the dinner. The format is a shamble format, and we have an AM Shotgun and a PM Shotgun Reflection Day.

NEWMAN: Okay. Thank you.

CHACKEL: Yes.

HUTCHISON: Any other questions at all? Okay. Mr. Chackel, thank you very much.

CHACKEL: Yeah. Thank you for having me.

VECCHIO: We will now here from Doug Raftery who is with the Reno Aces and Reno 1868 FC, which is the soccer team. Doug, thank you.

RAFTERY: Good afternoon.

HUTCHISON: Good afternoon.

RAFTERY: Thank you, Lieutenant Governor and Commissioners, appreciate it. Claudia, if you guys could share these as well, that would be great. Then the PowerPoint presentation?

WEBSTER: Yes.

RAFTERY: Great. Thank you. My name is Doug Raftery. I'm here with the Reno Aces baseball team, also Reno 1868 Football Club. We are a new men's professional soccer team that just debuted this season in 2017, and of course very excited for future plans as well. As you can see, 1868 has had a ton of success in this first year. This is largely a millennial, and more specifically, it is partly a Hispanic market. That is what the world of soccer is and it's what we're seeing in Reno as well.

Our original projections for this season was 75K fans. That projection has now increased to 100K due to popularity of the sport that we're seeing in the area. We have 16 regular season matches. We had two friendlies that have already been played in February and March of this year, and we actually just added an international friendly against Atlas Football Club based out of Guadalajara. There are a lot of different markets coming into the area and we're expecting more international play to come as well.

Social media is strong. We're in year number one with over 10K Facebook fans. You can see Twitter, Instagram and United Soccer League is the league we play in. We're affiliated with the San Jose Earthquakes of Major League Soccer. This is a top affiliate club playing to get to the next level, similar to—if you're familiar with the Aces, how they are with the Diamondbacks.

Attendance has been extremely strong. I mentioned beforehand the projections and how they have gone up to 100K, including the Atlas match. This is where we're

sitting at right now, we're actually at the halfway point of our season. We have played nine matches. We had the two Friendlies at the beginning of the season. You can see attendance wise, especially the last couple of Saturdays as the weather has warmed up in northern Nevada, and the attendance has continued to grow with 5,700, and just over 6,000 this past Saturday match we had at home against Sacramento, which is becoming a nice rivalry. You can see the season total of where we are at now. We are expecting a little bit of a bump for Atlas to get us to the 100K mark for the season.

The key for us and the partnership with TravelNevada is, when tourism comes to this area to watch Reno 1868, and we see this with the Aces as well, we see our sales as a gateway for tourists to extend their stay and spend more dollars in the State, and stay overnight, and stay weekend long. We play mostly Saturday's for extended weekends, but we also do play Wednesday's, we play some Friday's. We have a Friday match coming up on June 30th against Phoenix, and we expect some Phoenix fans to fly out. We have Phoenix, we also have markets such as, Portland, Salt Lake, Sacramento has come twice already and they brought hundreds of fans, San Jose, we did an exhibition against them on February 18th, it had close to 500 just San Jose fans come to the stadium for our first match ever, and here for an extended period of time.

Our goal within this partnership is to enhance the TravelNevada communication and branding throughout various messaging in the stadium on our new LED Ribbon Board. This is part of a \$1.1M project that our ownership group put together along with our video board this season. So, how this kind of works is, basically it's an average of five-minutes rotating on this LED ribbon board. It's 205-feet long, it's interactive, it can be animated, it's 30-second rotations. Think of a highway digital billboard, however, it's much more hands-on, it's more settings, and you have a much more interactive crowd. It's eye grabbing. If you haven't been to the stadium, I'll have you out, just ask me for a ticket.

30-second rotation and they occur 10-times throughout the match, so that guarantees your five-minutes. Those 10 times, keyed with that—and what's really neat is, you can change your message up each of the 10 times. You can do whatever you want, whatever message you want to promote. You can change it up per match, per time of the year. We go from February through October. It allows for some nice flexibility on a partner's end.

A little bit of background, we kind of touched on social media so I won't touch on that too much. You can see the investment. This is for the full-season from February through October. Soccer fans are unlike any other fan, they are devout to their sport, they love their sport. Funny enough, most don't like other sports.

Thirty-eight percent in northern Nevada have played soccer in the last 12-months more than any other sport that we've gotten from Scarborough. You can see gender-wise this is more male dominated, 62 percent to 38 percent. It is the largest millennial fan-based population compared to any other professional athlete sport in northern Nevada, and it's more likely to be Hispanic as well. You can see the college numbers, the employment as well, and the buying power for those who are coming to the games at the same time.

These are pretty large households as well; you're going to have a lot of families coming out to these games. You can see starting at four people on up, 45 percent roughly have four-plus people in their household. And there is our schedule. More than happy to take any questions about the club or the partnership and what is being offered.

HUTCHISON: Great. Thank you. Any questions, Commissioners?

SANTOS: Herb Santos for the record. On the LED Board Sponsorship, with the other folks that you do that with, is that \$7,500 just the LED, or does it include tickets? What else comes with that?

RAFTERY: Yeah. For singular packages, that is the value of \$7,500. We do have larger partnership packages that tickets are included in. I mean, if there are employees that obviously want to come out, if you guys want to come out, we're more than happy to comp tickets. But, within the package is a group.

SANTOS: No. My thought is, when I see these packages and I'm with the Bighorns and when we do these events there are things that that come with it. My thought was with our FAM trips, if there are people from other countries and they're in Reno, if we were to spend money on something like this, we incorporate tickets for those folks that come on our FAM trip as part of their experience when they come to Nevada. I don't know if looking at that schedule whether or not they would be in the Reno area at that time, but I would sort of look at—it's very rare that in professional sport sponsorships that there is just one item that is part of the deal. I would probably want to explore to see if there are things that we could benefit from a business point. We have folks from Brazil and I know they probably would love to see a soccer game when they come. That would be one of my thoughts on this particular sponsorship.

RAFTERY: It's certainly a possibility, you know, looking at things within the future of putting that into a package and within a partnership. Absolutely.

SANTOS: Herb Santos for the record. On the numbers that you have in there, do you have it broken down in your attendance as to how many folks are coming from Portland, or how many folks are coming in out of—broken down further, how many of those folks are [inaudible] package when they're spending the night in the hotel instead of driving back and forth.

RAFTERY: Sure. We don't have those broken out. That's for the number of fans who came and bought tickets who are from the San Jose area for that day. That's something I could certainly grab moving forward into the future—for Portland, or Salt Lake. We haven't had Portland or Salt Lake visit yet, that is still to come during our first year. But, even like Sacramento, we just had them come visit on June 10th and we certainly have numbers percentage wise of the amount of tickets that are coming from those fan bases and those supporter's groups.

SANTOS: So, the Sacramento game—this is Herb Santos for the record. What day was that?

RAFTERY: That was June 10th.

SANTOS: All right. So, you had six—I mean how many folks were—

RAFTERY: I would say anywhere from 600 to 800. We had about a section-and-a-half, almost two full sections, full of Sacramento's Supporter's Club members, which equates to about 500 fans or so. Then, your scattered ones as well who don't want to be in the supporter's section that has smoke, and flags, and drums, and all of that.

SANTOS: But you don't know if they spent the night or just came to watch the game? Because it was a day game, right?

RAFTERY: It was a night game.

SANTOS: It was a night game?

RAFTERY: Yes, 7:00 on Saturday night.

SANTOS: So, you don't know if they spent the night or rode back to Sacramento?

RAFTERY: I do not have that data.

SANTOS: Is that something that you could get?

RAFTERY: For this year it would be difficult. It would not be something that we would have for this year, but moving forward, it's something we could certainly grab and work survey style, or with the casinos, or whatever it may be.

SANTOS: Well, is this proposal for this year or next year?

RAFTERY: It's for 2018.

SHELTRA: 2018?

RAFTERY: Correct.

SANTOS: Thank you.

RAFTERY: You're welcome.

SHELTRA: Governor, Ryan Sheltra for the record. May I speak?

HUTCHISON: Yes. Go right ahead Commissioner Sheltra.

SHELTRA: I'm going to lean with Herb on this one. I certainly think there is potential here and I love the idea of attaching the Hispanic market, but for full-disclosure, I'm a sponsor of the Reno Aces, albeit a small one, but I get a whole lot more bang for my buck with my money. I think Herb is on to a point here. \$7,500, there needs to be a ticket component that can be at the use or non-use of this Commission.

Just as an FYI, my sponsorship is a little bit less for the Aces and I get 25 tickets a game and it's always on a weekend. So, I don't think that is an unreasonable ask for this. I could be certainly in support of this, but I would like to leave it loose to Claudia to be able to go back and say yes or no, but be able to go back and negotiate a little bit more. I'm more than happy as I step off the platform, off the record, to share with Claudia some insight perspective with the Aces and the soccer organization. And, yes, you can tell Brian Moss that you and I met today and that this deal is not good enough. It needs to be better for this Commission. I say that with a smile, but also being serious, I think we can get a little bit more for the money.

NEWMAN: Commissioner Newman for the record. I, too, will make that same disclosure. We advertise in Elko with the Aces and Brian Moss is also our contact, and we have a ticket package. I will say that at times for us, being a little more remote than right down the street like Ryan is, sometimes managing the tickets can be a problem. We try to do an industry support night where we utilize our tickets all at once. If we

can't accommodate that, we try to donate them to the Boys and Girls Club or little league baseball, or something along those lines. But, to echo the sentiments of fellow Commissioners, a ticket—I mean, it just makes it nice.

To Herbs point, if by chance we were to have a FAM and you were able to take them and utilize them to a game, it's just a nice added benefit with something that we're doing. The Ribbon board looks great, but a little more flexibility would be better.

HUTCHISON: All right. Any other questions, comments?

WAGNON: Yes.

HUTCHISON: Okay. Commissioner Wagnon?

WAGNON: Yes. For the record this is John Wagnon. I think for the most part these are all driving activities. I'm a little concerned about the soccer sponsorship because there is no chemistry of a tourism component or driving tourism to the region in that area. I think that with all these events and we spoke of this earlier with the rural events as well, one of the great concepts that came out of a great book *Good to Great*, I don't know if you guys have read those books, but they are kind of revival of developing great brands and great things.

One of those ideas, is to identify what you could be the best in the world at and focus on that. To me, tourism organizations like NCOT, the one thing that we can be the best in the world at is driving tourism to the State of Nevada. We could be the best in the world at that. That should be our primary driver. Not that having a banner at a soccer game in Reno doesn't get the brand and name out in front of people, but in terms of us driving tourism to the destination, I think that is where the criteria of all sponsorships should really hon in on, how effective is this at bringing people in from outside the State to drive room nights and drive tourism dollars in restaurants here, air service and room nights.

So, to me, I look at these and I do agree that I think the Balloon Race definitely has a tourism driving component to it, and I think I heard that there isn't another version of that anywhere near here, there is a small one in the Bay Area but not to this extent. So, people come up for that. Same thing with the Reno Air Races and plus the television packages there it gives great exposure. You know, it sounds like this golf tournament certainly has a major tourism component because that is part of their entire MO, is to bring people in to raise funds. I just don't feel that this particular opportunity with soccer has that same tourism driving component or is significant enough for us to move money in that direction?

HUTCHISON: Thank you, Commissioner Wagnon. Any other comments or questions on this? All right. Mr. Raftery thank you very much.

SANTOS: I'm sorry.

HUTCHISON: Commissioner Santos, go ahead.

SANTOS: Thank you. I have a million things running through my head right now. I am very sympathetic since I am also involved in the professional sports here in Reno. I know the struggles that professional sports do have in getting butts in seats and things like that.

Going back to what I was talking about before about goodwill with rules, there is a component of bringing things to Reno where we have professional sports, whether it's baseball, basketball, and now it's soccer. I think there is also an additional goodwill factor that we have to look at when we evaluate these things. What I would say on this issue, and sorry folks, is to not make a decision today, but have them come back once we get some further numbers with a specific request that you are able to come to us and give us an idea of how many folks are coming from Portland, or how many folks are coming from the Bay Area, how many folks are coming from the—Rio Grande is one of your teams. Those type of things. I think it's your first time here and understanding what our litmus tests are, what we're going to look at in terms of when we're making sponsorships and we're awarding grants and things like that.

RAFTERY: Sure.

SANTOS: So, if you come back with some additional information. I think it's very important that the community does support these teams because it would be more than just to have a soccer game, it would be more than just basketball and baseball, but they do give back to the community a very important function of our community. I think this aspect not only does drive tourism, but I think also brings business to our area because business likes to come places where their employees can go with their families. I would ask that we sort of hold off and not make a decision today, and maybe we could even sit down and talk and restructure something that makes more sense for us. And you can provide us with more information because we have a couple of more meetings before the season starts. That would be my suggestion.

RAFTERY: Great. Thank you.

HUTCHISON: Thank you, Commissioner Santos. Any other comments on this matter? On the Reno 1868? Okay. Mr. Raftery, thank you very much.

RAFTERY: Thanks guys. Appreciate it.

HUTCHISON: Thank you. Ms. Vecchio?

VECCHIO: Claudia Vecchio for the record. What I recommend, if you all are amenable to this is, we have \$150K in that line up. We hold off with the 1868 Football Club and approve the rest of them, maybe? Because some of those events will happen before our August meeting, and then we can have that conversation with them again when the time is right, and we will connect [inaudible] on all of that. If that would work for you all, that way we could release the monies for these other events that happen this summer?

STOLDAL: I have a question.

HUTCHISON: We've got a question and a couple of comments here in Las Vegas. Commissioner Stoldal please?

STOLDAL: On the golf event, did I understand the applicant correctly that they're putting the event on and they also own the golfing magazine that \$10K was going to buy ads in their golfing magazine?

CHACKEL: No. That's not correct.

STOLDAL: Help me understand. We only have like five little boxes here. It says, \$10K advertising full-page ads in regional Golfing Magazine.

CHACKEL: Those are actually for you to promote TravelNevada. So, no. You're not paying to be in our publications. Our publications actually donate the advertising for the event, non-profit. Those ads are for you to use for—to put in our magazines just as an added value.

STOLDAL: So, how is the money being spent?

CHACKEL: To put on the event. What we wanted to do is give you some additional value with your sponsorship for supporting the event by also letting you know you're promoting Nevada within our publication.

STOLDAL: Great.

- CHACKEL: But that is strictly donated. The \$10K is going straight to the event. It's a 501C3 to put on the event and make it happen. You're a full sponsor like City of Henderson. So, by no means is that money going to our company for advertising.
- STOLDAL: What would be the cost if those ads were to be placed, like purchased?
- CHACKEL: These ads are approximately \$4K for a full-page ad in our publication.
- STOLDAL: Okay. And how many ads are going to go in?
- CHACKEL: Let me look here. I think it's three or four that you guys get for yourselves to advertise your own initiatives. We're essentially donating that to Nevada as an added value. I think for the year you get three full-page ads.
- STOLDAL: Thank you. Claudia, one question for you. Are these all the people that have applied? Or is there some sort of filter that your staff uses that these are the ones that the staff recommends?
- VECCHIO: Claudia Vecchio for the record. These are the ones who have come to us requesting sponsorship in the Urban Sponsorship Program. There are many additional that we look at and filter out.
- STOLDAL: Okay. Thank you.
- HUTCHISON: Other questions on this matter, on this Agenda Item under No. G5? Do you have any questions; I have some comments.
- SHELTRA: Governor, Ryan Sheltra for the record. Really quick to David Peterson, do we have to spend or allocate this money by 6/30 of this year? Okay. Not a spend it or lose it type of deal? Thank you, Governor.
- HUTCHISON: What was the answer to that question?
- SHELTRA: The answer is, no. We don't have to commit or spend it by the end of this month.
- HUTCHISON: Okay. It sounds like this time is driven more by when the events are being held. Is that right, Ms. Vecchio?
- VECCHIO: Yes.

HUTCHISON: All right. Any other comments? I just wanted to make some comments here. First thing, I know there is a timing issue on this. My own belief is, I think this entire process should be similar to what we do with the Grant Program, like we do in the rurals. I think that we ought to have a Chairman like Chairman Newman, and I think we ought to be announcing this and publicizing that these sponsorships are available, and we ought to have it be a competitive situation.

I'm concerned about geographic diversity, you know, we're spending a lot of money and it's really not dispersed very well across the State or across metropolitan areas. We have \$90K out of \$150K spent and we just got a little blurb in terms of what we're considering here. I know that we have heard from National Championship Air Races before, I know that we are all familiar with the Reno Air Services Corporation, but it just seems to me like this whole process and this whole area could be benefited by a little more intense process like we do with the Grant Program.

I'm very sympathetic and in line with Commissioner Wagnon's comments which is, I don't know that every one of these events really furthers our mission as the Commission on Tourism, or even TravelNevada. I think every one of these events is a worthy event and something that people should support, but that's not the issue. The issue is should the Nevada Commission on Tourism support these in line with our mission and in line of what our goals are? I don't know that that is accurate with all of these, but I also understand that there are issues here that have got to get addressed as far as timing is concerned. But I do agree with some of the other Commissioners about this. Any other thoughts?

NEWMAN: Don Newman for the record. I think, maybe, would it be possible to roll this objective of this Urban Sponsorship into the Grant Review Process?

VECCHIO: Yes.

NEWMAN: So, two separate items but under that same umbrella?

VECCHIO: Sponsorship. So, a very different approach.

HUTCHISON: What is Claudia saying? We can't hear her.

NEWMAN: Well, she is saying it's two separate things. It's sponsorships versus grants. We're sponsoring these events, but perhaps we could work—I mean, obviously we could work through that, so here is Claudia.

VECCHIO: Yes. So, I 100 percent agree with you, Lieutenant Governor, to have this be a process, a competitive process where we announce this around the State that these

sponsorships are available. As a sponsorship, it needs to have different approach than a grant. Both of them need to drive our mission, no question, but it's a little different process.

We can approach this exactly as you're talking about with a competitive situation and an application process. I agree with you 100 percent. We have Devon Blunden and our team who is overseeing this project. This is his first time out on this, so I think he learned a lot today and will be able to really spearhead that process moving forward.

HUTCHISON: So, the question is, do we want to approve these sponsorships? That's the question before the Commission right now. I know that we have some concerns about Reno 1868, we can take that out. What are your thoughts about moving forward with approving the rest of this? Are there observations or comments from the Commission?

SANTOS: Herb Santos for the record. I just want to add one thing about sponsorships. It's going to be sort of the same thought process as when we're looking at whether we are getting bang for our buck to give to our mission. When we get these sponsorship overviews, I don't know if those have been negotiated, or is it, here is what I want to offer to you? Just like with the soccer team. That's something that we could probably go back four or five times if it was a typical sponsorship saying, here is what our needs are, here is what we need to fulfill our mission, what do you have to give us that can do that? I don't know how much negotiation goes in on that.

VECCHIO: This is Claudia Vecchio for the record. In terms of the negotiation, with some of the larger ones like the Air Races, we put together a full marketing program once we know how much we're going to spend. We don't do the typical hospitality part of an event because unless we have] and they all said, if you bring people here we will absolutely give you the tickets you need for the group from Brazil, that's no issue. But, to have a hospitality tent or something that incorporates a very popular [inaudible], is always part of these partnerships. The optics of that aren't good for a state agency.

So, we certainly can take that and offer it up to our partners. We haven't gone that route yet. There is some negotiation that goes on with this, I don't know that—we're not sports negotiators, so I don't know that we could bring the insight that you would bring to this, but we do make sure that we're getting the marketing dollar [Inaudible].

NEWMAN: Thank you. Don Newman for the record. As far as sponsorships go, these are pretty common place. It's something that we have done year over year. Certainly the Reno Balloon Race, Red Rock Rendezvous, even Curling—you know, that was Governor Krolicki's favorite event to talk about with the winter sports in Las Vegas. With the divide between north and south, there just haven't been that many southern Nevada events that have come to us seeking sponsorships.

Pretty much it has been Red Rock Rendezvous. There was a marathon, I believe, for a while. I think that's why that gap continues to exist. But, as we roll this into the Grant Review Process, we also make it the Sponsorship Review and we set those parameters and guidelines. I think going forward, this is nothing new to us other than these one or two small events. Thank you.

SHELTRA: Governor, not to be long winded, Ryan Sheltra for the record. I promise this will be the last thing I say here. Just for historical purposes for everybody, the reason we are here right now is because of the 17 counties, 2 counties are excluded from the Rural Grant Process. We identified items that were worthwhile that needed support in both the north and the south, and that is where the Urban Sponsorship Program has come. Claudia has evolved this and she has also found more money for it. I think that both of those items are important. It originally, I want to say the first number was \$50K, I might be wrong there, it's grown to \$150.

I think as this body moves forward and it's publicized like you direct, a lot more money could be thrown to this direction and be worthwhile, but that is how we got here. To Commissioner Wagnon's comment, I could not agree more. I think he is very, very correct, but I know we have vetted this a ton. I would like to put a motion out there if you're ready for a motion to be called, that we approve—I'm sorry. I should wait for a yes or no on that, Governor.

HUTCHISON: Yeah. You can. Go ahead. Let's see where we're at.

SHELTRA: I would like to make a motion that we approve all of the sponsorships with the exception of 1868, but I would like to leave it somehow—if it could be worded where we will leave it open for Claudia's negotiation so she doesn't have to come back to this body, she can make a call on the money without us. If you don't feel that's appropriate, then in the discussion part we could carve that out. I would like to make the motion that we approve the rest of the grants so that the money can flow and we can get that going forward. Thank you.

HUTCHISON: Okay. Commissioner Shelta has moved for the Commission to approve expenditures for the Urban Event Sponsorship at the levels, and to the organizations presented, except for the Reno 1868 sponsorship. I'm just going to accept that motion because

I don't know how to craft the motion in terms of just—and we'll go ahead and approve the \$7,500 to Reno 1868 if Claudia goes out and cuts a better deal. That is our motion, right?

SHELTRA: Let's take it up, Governor.

HUTCHISON: Why don't you just go ahead and if you don't mind accepting that modification that way the Commission approve the expenditures of the Urban Events Sponsorship at the level the organizations presented, excluding the Reno 1868 sponsorship. Is there a second on that?

VASWANI: Mike Vaswani. Second.

HUTCHISON: Okay. Commissioner Vaswani has seconded the motion. Any comments on this motion? Questions? Hearing none, those in favor, signify by saying aye.

GROUP: Aye.

HUTCHISON: Did everybody vote?

VASWANI: Aye.

HUTCHISON: Okay. Got you, Mike. All right. Any opposed, nay. That motion carries unanimously. Okay. Just so everybody has got perspective, we've been here for 2 hours and 45 minutes. We need to move on to our agenda items and do so as efficiently as we can. Ms. Vecchio, are you ready for the—

VECCHIO: Yes. I am ready.

HUTCHISON: Summer Campaign Performance to Date?

VECCHIO: That is included in your packets so we are not going to go through that if that's okay. We will move on to G6, Sales and Industry Partners.

HUTCHISON: Great. Okay. Teri Laursen is there in Las Vegas, and this is actually another exciting project that we have for the upcoming year. Teri will go through it very quickly because there is much more to be said about this.

HUTCHISON: Well, I just said efficiently, I didn't say quickly. I just want to make sure that we're efficient here and I don't want the end of the agenda to drive the speed of your speeches.

LAURSEN: Thank you, Lieutenant Governor. I appreciate that. Teri Laursen for the record. So, first and foremost, I want to introduce our newest member of our team. Sylvia Welsh joined us three days ago. She is taking over the Canadian market as well as the domestic market. We're very happy to have her. She has been very supportive of TravelNevada over the years most recently with the China Sales Mission. So, we're very excited that she has joined us. Welcome abroad.

HUTCHISON: Welcome. It's great to have you here.

LAURSEN: So, if you don't mind, I am going to go ahead and talk about the Trade Show Booth Redesign and IPW Denver simultaneously because they are very much related. So, as you know, Bethany mentioned this, that TravelNevada attended IPW in Washington DC and the dates were June 3rd through 6th. This is US Travel Association's premier show that drives international visitation to the US. So, we had two sets of appointments. We had 90 appointments in total, and those appointments were handled by David Lusvardi, Christian Passink, I was there, we had assistance from Corey from our Australian Office, and Jess from our China Office, Claudia was there, and then of course, Bethany handled the media.

This show attracted 1,300 buyers, 500 media representing 70 countries. So, a huge opportunity for us, and a huge show. It was very successful. Our appointments were awesome, we shared those leads with all of our partners state-wide, but the one thing we didn't do very well was make a good visual impression. So, what we want to do honestly is ramp up and amp up our presence at shows like IPW.

We did walk the floor and take a couple of pictures from what some of the states did, to set them apart from some of the other states. So, Ron, now if you will show the pictures, that would be great. So, some of the aisles had carpet runners. They introduced us to all of the partners that had booths in their corridor. Next photo? So, this was Visit Orlando so they had that long Corridor of carpet and then everybody in their section was identified and Your Story Starts Here. It was just a great message. Next picture? I took these with my iPhone.

Here they had a grand entrance to, Step into Your Never Ending Story. You could find Florida from all over the Trade Show floor. Okay. Next picture? Chicago and a couple of destinations had the overhanging signage that you could also identify from all over the trade show floor, and then they had all of their partners—representatives from Chicago had the blue carpeting. Next picture? Texas, Don't Mess with Texas. They had the grand entrance as well, and then they had, instead of the carpet, they had what looked like plank floors. You know, your eyes went there and you knew Texas had a great presence and a great footprint at that

showroom floor. Next? New Jersey had a carpet that had their name and emblazoned inside with their, VisitNJ.org. Go ahead.

Arizona also did a grand entrance, and had flags going down their—you can't really see it from that picture but I think we have another one. They had signs hanging outside each of the booths from the different areas of Arizona. They really had state-wide presence. Next? California is amazing. They had awesome color, they had their flags, and above each flag you can see where they designated the different geographic regions within the State by putting the signage above the booths. All of their booths had a designated sign. It was very visual, very colorful. Next? Then you can see it all down the aisle as well. I'm not sure how many more I have.

HUTCHISON: Do you have any of ours?

LAURSEN: Okay. Travel Oregon, another one, they had the carpet, they had the carpet runner, and then they had the grand entrance. To your answer, Governor, I just couldn't bring our picture. I'm sorry. I couldn't do it. Next. Hawaii. I know floral arrangements are expensive, but they put these gorgeous floral arrangements in front of everybody's booth from Hawaii, and then they have those banners all down the aisle. It looks like they required all of their partners to get green carpets just to designate Hawaii so that they stood out. I don't think that would be a huge investment. Next? But then they had these beautiful colors. I mean, we wouldn't do that because that's not our brand, but they had matching tablecloths for each of the partners that bought a booth and had their own set of appointments. Because we're back to Our Never Ending Story.

So, in addition to amping up and ramping up on our booth itself, do something so that we can really emphasize our footprint in a show like IPW.

HUTCHISON: Was Las Vegas there?

LAURSEN: Yes. Las Vegas was there. Las Vegas did have a hanging sign like Chicago, and then they had their, I can't remember if it was a double booth or a triple booth, and then they had all of their partners. They didn't have the big presence that they had in the past, because in the past they required everybody to have black carpet. They just made it a little different this time. They did have an awesome booth, which we did not.

So, my recommendation would be—and we're just getting our information now. There is nothing we could come to you and say, it's going to cost us x. We do want to really make an impression at IPW next year in Denver. Denver is a great feeder market for us. They're anticipating even more attendance in Denver with 6K total

attendees. It's going to be May 19th through the 23rd. But, this isn't just something for IPW. Obviously that is our premier show right now, but you know what? If we had the materials and we had a booth, we could use it for other premier shows, it's not something that is getting used once and thrown away. It's something that we can do to brand ourselves.

We put all of our Nevada partners in our Nevada row—Vegas will likely want their own presence in their own section, but to be honest with you, I think we had 51 or 55 Nevada partners attending IPW, but we didn't have [crosstalk] we didn't bring Nevada and that is what I would like to do for future shows.

HUTCHISON: Questions or comments for Ms. Laursen here on all of this? A lot of people are shaking their heads like, yeah, it makes sense, right?

NEWMAN: Right.

HUTCHISON: My comment is, are we doing our Trade Shows—and I've been to a couple of trade shows and I think we are, but are we doing our trade shows the way we tend to do when we go to foreign countries? When we invite visitors to come to Nevada, we recognize the reality that Las Vegas and Reno are the gateway cities, and we use that—because people want to know, where is Vegas? They go to Vegas, where is Reno? They go to Reno and then we take them from there into the rest of Nevada. Is that our strategy?

LAURSEN: Obviously we recognize that Las Vegas is the gateway. Las Vegas and Reno, they are both gateway cities. Reno, Sparks, and Lake Tahoe was next to us, but both, especially Reno and Tahoe territory, they are like, why aren't we Nevada here? Why aren't we bringing Nevada?

HUTCHISON: What's the answer to that? Why aren't we?

LAURSEN: Because we haven't. So now, coming to the table what we want to do yes.

HUTCHISON: Do it.

LAURSEN: We just want to have a stronger presence. I want somebody next year at their Commission meeting to take a picture of Nevada and say, look at what Nevada is doing. Right?

HUTCHISON: Great. Other comments from the Commissioners? It sounded like Don Newman, Commissioner Newman.

NEWMAN: I have a comment. Don Newman for the record. Teri, I would be happy to work with you on a kind of trade show layout, having spent almost 20 years in the trade show industry between contacts and visuals, and all of the good things that you are looking for. What you said makes perfect sense and I will volunteer my time to work with you to help create a screaming Nevada presence as we go forward in these trade shows.

LAURSEN: Thank you.

HUTCHISON: Thank you, Commissioner Newman. Okay. Ms. Laursen?

LAURSEN: Okay. Is that it?

HUTCHISON: Yes.

LAURSEN: Okay. On to Brand USA Mission to India. This is scheduled for September 10th through the 15th. It's my understanding that the Lieutenant Governor will be joining the mission. This is the sixth Sales Mission to India organized by Brand USA. This is an opportunity. We are inviting Nevada partners to interact with tour operators, airline representatives, the trade, travel agencies, as well as media. This is going to be a three-city tour to Mumbai, Chennai, New Delhi. The invitation for this particular show went out earlier this week, so we're hoping that we have a nice representation from around the State to join us in India.

HUTCHISON: Looking forward to it.

LAURSEN: Thank you.

HUTCHISON: That's the update?

LAURSEN: That is my very efficient, very fast update. Thank you.

HUTCHISON: We love that very efficient update, thank you very much.

LAURSEN: All right.

HUTCHISON: All right. Ms. Vecchio, do you want to take on Nevada Arts Council? We can hear from anyone else on that.

VECCHIO: Commissioner Arger, are you still on the line?

HUTCHISON: I think we lost Julia.

VECCHIO: Okay. I will just let you know that we are just at the final process of the Executive Director search for the Nevada Arts Council. The applications were due yesterday, so we now start going through the initial applications and do this large process to find the Executive Director of the Nevada Arts Council. This is a key Agency partner for us. As we move forward with our cultural tourism initiative, which we will talk more about at our next meeting, this person bringing in the arts component of all of this will be critically important.

This is an important hire and I just wanted to let you know where we are on all of that. The Nevada Indian Commission, I do not believe anyone is here today representing the Nevada Indian Commission. One of the things that I would like to draw your attention to on that legislative update, the last point was the CIP Allocations. That's the Capital Improvement Projects. The Stewart Indian School which we have talked about quite a bit, did receive a significant amount of Capital Improvement dollars, so they will be constructing a couple of the new buildings and cultural centers with the Stewart Indian School. So, that is very exciting, and that will be a tremendous cultural tourism draw to the State.

We do have the Division of Museums and History today, Peter Barton has stuck with us, he is here as well as Bob Stoldal in Las Vegas. If you guys could provide a brief update, that would be terrific.

STOLDAL: Well, I will just jump in. For the record, I have got a 20-minute presentation that you would like to narrow down to a couple of seconds here. One is that, Peter and staff were working through the legislative initiatives, lots of logistics, everything from buses to Native American remains. The second thing we're working with Boulder City and Henderson. Boulder City is very nervous about the I-11 Bypass. They are really very worried that it will in fact bypass Boulder City, but we've got some exciting plans. In finance were able to get some money to develop a plan for a visitor Center / Museum, at the very successful Boulder City Railroad Museum. Those are my two reports. Peter?

BARTON: Good afternoon. Thanks Bob. For the record, Peter Barton Administrator for the Division of Museums and History. I'm not sure if I approach the bench or go into the confessional. It feels a little like I am leaning over confessing sins. Hopefully not too many for the Museum. Really, we have spent a lot of time in the last six-months on branding, marketing and getting the word out about Nevada's Museums in a much more vibrant way. I have to thank Claudia and her team for everything that has been developed. From a new letterhead to this exciting new brochure that hopefully you have a copy of. It just came through.

To that, we are working with our Public Affairs PIO Guy Clifton who came to us back in January. He has got some talent in creating these little videos. It's amazing how he can do them so quickly. We've got a new YouTube Channel for Museums. He convinced Governor Sandoval to do two 30-second intros for our videos. One has gone viral. The National Endowment for the Arts Program, the Blue Star Program which provides free access to museums for active duty military and their family from Memorial Day to Labor Day. It's a program that we have sponsored, or been a part of, for the last couple of years.

We got Governor Sandoval to do a video inviting military folks to come to Nevada. Duggone thing went viral. It went 50 states last week, to every PIO for Governor in the United States of America encouraging them to create a similar video. The only problem was that the email announcement they called him, Governor Gary Sandoval. I'm not quite sure where Gary came from, but I'm sure that's being corrected today.

Kind of following along those video loops, if you have been to a DMV branch lately, many of them have video screens that scroll content for everything from state parks to tourism and we now have a museum video looped in 12 of the 18 DMV locations. As I said, the new brochure, we're really trying to make a push. We have seen market response to all of this push, we are seeing attendance significantly stronger state-wide this year than we had in 2016.

Bob mentioned the Boulder City Museum development where we are really working with two communities to create a whole new type of visitor experience. Not a train ride, not a museum, but a whole recreational, educational, visitor experience—where we believe it's not in the too distant future that someone could get up in Henderson on a Saturday morning, take their family, get on their bikes and bicycle all the way to Boulder City to the Museum, which will then be just a couple of blocks from the historic downtown Boulder City, spend some time in Boulder City, have a meal, come back, put their bicycle on the train and take them home. A whole new type of visitor experience that is clearly within our reach. We will have a fun package later this year for tourists.

I guess last is just a tip of the hat to volunteers in museums who really represent the heart and soul of what we're able to do. I have about 80 staff reports from seven museums. That's a total staff compliment. In 2016, the adjunct workforce was 513 active volunteers who contributed 50,728 hours. Independentsector.org, which is the Washington think tank values every year, the Nevada volunteer service across America, by state. In Nevada it's \$21.51 an hour. So, those 50K hours represent \$1.263M in personnel service costs that the State avoided in providing service to

our customers I am available for any questions. I know it's been an endurance test, and bless me Father.

HUTCHISON: Mr. Barton thank you very much. Any questions for Mr. Barton or Commissioner Stoldal on their reports? Wonderful work. I was just talking with Commissioner Stoldal about just how popular these railroad museums are, the experiences are. Thanks for that update. If we could get that happening, I could foresee that as a major attraction. All right. Any other matter, Ms. Vecchio, under—I have to go all the way back to my agenda here and see we are on Agenda Item G, Agency Report. Anything else that we need to consider, Ms. Vecchio, under Agency Reports, Agenda Item G?

VECCHIO: This is Claudia Vecchio for the record. No. We are completed with Agenda Item Letter G.

HUTCHISON: Great. Hallelujah.

Upcoming Meetings

HUTCHISON: We will end Item G and move on to Agenda Item H, Upcoming Meetings. I think this is just by way of information. Commissioners, our Marketing Meeting and our Full Commission Meeting, you can see the dates there and the times. Are there any questions or any comments under Agenda Item No. H? Hearing none, we will close Agenda Item No. H.

Commissioner Comments

HUTCHISON: Let's move on to Agenda Item I, Commissioner Comments. Any further Commissioner Comments before we move on to public comments? Commissioner Sheltra, would you like to breach your repeated promises to not speak?

SHELTRA: Wow. Spoken like a Legislator. You know, Governor, I know it's been a long meeting. Thank you for everybody bearing with me here. I just want to say, thank you. I want to say thank you first to the staff of this Commission, to the different Divisions throughout the years, they have been fantastic. To the Directors, you know, we've seen some good ones and some better than good ones. Claudia is certainly working her tail off right now. I have never seen a Director who has had so much put on her shoulders, or his shoulders, as we do now with the combined Divisions. With the fellow Commissioners, it's been an honor to serve with all of you. I have really enjoyed it and I will continue to support and love this Commission, and the State of Nevada, for as long as I am around. I appreciate one

last salute, but thank you to everybody. Governor, I very much appreciate your support.

HUTCHISON: Thank you, Commissioner Sheltra. We love you, appreciate, and honor your public service and wish you God speed. Any other comments under Agenda Item No. I, Commissioner Comments? All right. We will close that agenda item out and move on to public comments.

Public Comment

HUTCHISON: Are there any members of the public in Carson City who wish to be heard, and to address the Commission? Are there any members in Las Vegas who wish to address the Commission or be heard? Seeing none, we will close out Agenda Item No. J.

Adjournment

HUTCHISON: The Chair will move on to Agenda Item No. K, and accept the motion to adjourn.

SHELTRA: Move to adjourn.

HUTCHISON: And a second?

VASWANI: Mike Vaswani.

HUTCHISON: I have a motion and a seconded on the motion to adjourn. All those in favor, signify by saying aye.

GROUP: Aye.

HUTCHISON: Any opposed, nay. Motion carries. Thank you all for your great work and your time with our Commission meeting. We are adjourned.

The meeting adjourned at 4:05 p.m.

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