

ELKO CONVENTION & VISITORS AUTHORITY
REGULAR BOARD MEETING
TUESDAY, DECEMBER 16, 2008
ELKO CONVENTION CENTER
CEDAR ROOM
8:00 A.M.

1. Call to order and Pledge of Allegiance

The meeting was called to order at 8:09 a.m. by Board Chair Dave Huckaby. Board member Jay Elquist was not present at the meeting.

2. Call to order and Pledge of Allegiance

ECVA Board Present: Ruben Abeyta
 Dave Huckaby
 Charlie Myers
 Gary Morfin

ECVA Staff Present: Don Newman, Executive Director
 Tom Lester, Convention & Tourism Manager
 Cathie Horn, Marketing & Events Manager
 Delynn Jones, Comptroller
 Mike Benzie, Facility Manager
 Juli Nelson, Graphics/Administrative Assistant

Visitors: Melissa, Aguirre, Communities In Schools
 Dale Andrus, Christmas For Kids
 Vicky Andrus, Christmas For Kids
 Denise Callaway, Soroptimists
 Connie Campbell, ECVA 2009
 Elaine Cassell, Soroptimists
 Terri Clark, Communities in Schools
 Charlie Ekburg, Sweet Light Photography
 Sandy Ekburg, Sweet Light Photography
 Tom Gust, Friends For Life
 Jerri Norton, Kafoury, Armstrong & Co.
 Bernardo Sandoval, Kafoury, Armstrong & Co.

3. Public Comments

There was no public comment at this time.

4. **Approval of minutes from the Board meeting of October 21 as revised and November 18, 2008**

Gary Morfin made a motion to approve minutes from the October 21 Board meeting as revised and the November 18, 2008 Board meeting. Ruben Abeyta seconded the motion. The motion passed with Dave Huckaby abstaining from the vote.

5. **OLD BUSINESS:**

5A -1216-08 Update of Fire Science Academy presentation at recent Board of Regents Meeting

Don Newman stated that he along with Charlie Myers and Gary Morfin recently attended the Board of Regents meeting in Las Vegas. Mr. Newman then reviewed a letter which summarized the meeting written by Rick Stevens from Elko Acquisitions, LLC to Michael Wixom, UNR Board of Regents Chairman. He further explained that the Board of Regents gave a 60 day extension to continue working on a financial plan to keep the Fire Science Academy open.

Mr. Newman stated that he attended a meeting last week at Great Basin College where Nevada Education Chancellor, Jim Rogers spoke. Mr. Newman further stated that Mr. Rogers commented that the Fire Science Academy cannot remain open without it continuing it to be a burden to the campus at UNR.

Mr. Newman further reported that he has talked with Denise Baclawski who has stated that she feels there are some good financial opportunities available in keeping the Fire Science Academy open. He stated that Ms. Baclawski indicated that there have been some developments with the Nevada National Guard to relocate to the FSA campus. He further stated that Ms. Baclawski has requested that the ECVA write a letter of support to Major General Cynthia Kirkland of the National Guard to relocate to the FSA campus stating that co-location with the Fire Science Academy would help secure the FSA's future and the programs that currently exist. It would also allow future growth for the FSA as well as allow the Guard and the FSA to develop a Regional National Preparedness Center.

Mr. Newman stated that since the ECVA has agreed to offer financial support in keeping the FSA open that he felt that he would get the opinion of the Board in regards to writing a letter of support.

Charlie Myers stated several years ago the idea was presented of relocating the National Guard to the Elko Airport along with some of the military air lift command equipment. He further stated that he had a phone conversation with General Gonzalez of the National Guard where General Gonzalez stated that it would be more beneficial to move to the Guard to the airport rather than the FSA campus giving the Guard a catalyst to move in military air lift command equipment.

Mr. Myers further stated that he believes the underlying cause for moving the Guard to the Fire Science Academy is the \$11.5 million in government funding that is set aside for construction of a new National Guard Armory which has to be done by December 30, 2009. He pointed out that

the grant requires a 25% match in funds and stated that the State of Nevada does not have the required 25% to match the grant.

Gary Morfin inquired if the 25% match had to be billed as new construction.

Charlie Myers stated that the match did need to be billed as new construction. He further stated that the FSA is looking at giving a portion of its property to the National Guard for construction of a new Armory as the 25% match. He further stated that he does agree with writing a letter of support for relocating the Guard to the FSA campus due to the state of the economy and the uncertainty that the FSA will not eventually close down. He further pointed out that Carlin already has an armory and if we relocate the Guard to the Fire Science Academy then it leaves the City of Elko without an armory.

Mr. Myers stated that he agrees with Mr. Newman that the FSA will be shut down if something financially isn't done but that it is a no win situation in that City of Elko and the County of Elko support the operation of both the FSA and the airport. He further stated that the governments of either the City of Elko nor the County of Elko are set up to take over the operation of the Fire Science Academy.

Gary Morfin asked what the possibility was of a larger cooperation such as Chevron or Exxon taking over the operation of the Fire Science Academy.

Don Newman said there has not been any talk of approaching a larger cooperation.

Charlie Myers stated that the correct way to keep the Fire Science Academy open is through federal appropriations and matching funding through cooperate sponsors. He further stated that if the FSA does close then it will most likely affect airline transportation available into and from Elko. He pointed out that if the Armory is located at the FSA campus then Elko loses out on bringing in air lift command which would positively affect airline transportation to and from Elko.

Gary Morfin asked in the event of the FSA closing if the Board of Regents would go through a foreclosure process.

Charlie Myers replied that the debt would remain and that the Academy would just be closed and the staff would be reassigned or let go. He pointed out that closing the Academy would increase the debt from approximately \$3 million to approximately \$5 million. He further pointed out that there is the question that in the event of the Academy closing does the land revert back to Elko County.

Mr. Myers further pointed out that Elko County will probably never own the buildings located on the FSA campus and that last time the FSA was shut down it took over \$2 million to reopen.

A discussion of what possible training education entities could use the Fire Science Academy facility took place at this time.

Don Newman stated that the Fire Science Academy has never had a better opportunity to succeed as it does at this point in time and that the Board of Regents is cutting off that opportunity. He further stated that his comment to Chancellor Rogers during the meeting at Great Basin College was that the debt is still there and does not go away by closing the FSA. He also pointed out to Chancellor Rogers that in the event of the Academy closing the debt will increase and that it would seem more logical to keep the Academy open.

Ruben Abeyta stated that the Board of Regents or UNR would be obligated to maintain the FSA campus whether it is open or closed.

Further discussion of the effects financially on the surrounding communities near the Fire Science Academy took place at this time.

Don Newman stated that the ECVA has made a financial commitment to support the FSA and if it stays open then the commitment will remain.

Gary Morfin stated that the opinion of the ECVA does matter in regard to the status of the FSA.

Charlie Myers stated that if the ECVA finds that it needs to take action then it can post an emergency Board meeting. He further stated that the ECVA needs to stay aware of what is happening with the FSA.

6. NEW BUSINESS:

6A-1216-08 Presentation of plaque to Dave Huckaby in recognition of service on the ECVA Board

ECVA Board Vice-Chairman, Charlie Myers presented ECVA Board Chairman with a plaque of recognition for his service as Chairman during the past 4 years on the ECVA Board.

6B-1216-08 Presentation of funds to the Festival of Trees Charity Partners

Charlie Myers made a motion to approve presentation of funds to the 2009 Festival of Trees Charity Partners. Gary Morfin seconded the motion. The motion passed unanimously.

Proceeds from the 2009 Festival of Trees were presented to the Charity Partners at this time.

6C-1216-08 Presentation and possible approval of the 2007/2008 ECVA audit report as presented by Jerri Norton, Kafoury, Armstrong & Co.

Jerri Norton representing Kafoury, Armstrong & Co. made a presentation to the Board reviewing the 2007/2008 ECVA audit report. Ms. Norton also reviewed recommendations made by the auditors to the ECVA.

Charlie Myers suggested getting legal review in regard to the recommendation made by Ms. Norton in approving checks for expenditures. He stated that the recommendation may be in violation of the open meeting law if the Board is required to approve expenditures before the

next scheduled Board meeting. He further suggesting reviewing the NRS in relation to the recommendation as well as researching what procedures are being done by other entities within the county.

Gary Morfin made a motion to approve the 2007/2008 ECVA audit report. Ruben Abeyta seconded the motion. The motion passed unanimously.

6D-1216-08 Elections of Chairman and Vice-Chairman for the 2009 Board

Charlie Myers made a motion to approve Gary Morfin as the 2009 ECVA Board Chairman starting in January 2009. Dave Huckaby seconded the motion. The motion passed unanimously.

Ruben Abeyta made a motion to approve Charlie Myers as the 2009 ECVA Board Vice-Chairman. Gary Morfin seconded the motion. The motion passed with Charlie Myers abstaining from the vote.

6E-1216-08 Election of Board Representatives for the Lodging and Marketing Committee

Gary Morfin made a motion to approve Connie Campbell as the Board representative for the Marketing Committee and Ruben Abeyta as the Board representative for the Lodging Committee both effective starting January 2009. Charlie Myers seconded the motion. The motion passed unanimously.

7. STAFF REPORTS:

7A-1216-08 Administrative Report - Non-Action Item

Don Newman reviewed the Administrative Report included in the packet with the Board members.

Mr. Newman thanked the ECVA staff for their hard work during the recent 2008 Festival of Trees.

Mr. Newman stated that he sent emails to Board members regarding the “Financial Disclosure Statements” which are due on January 15, 2009. He further stated that a copy of the statement was included also in the Board packet.

Mr. Newman stated that he talked with Walt Lovell with the Elko High School Band and the Elko Band will be participating in the 2009 Cherry Blossom Parade in Washington D.C. He explained that Mr. Lovell is willing to work up a banner to carry in the parade that has the ECVA website included on it and showed a sample of what the banner would look like. He stated that it would be great exposure for the ECVA and the Elko community.

Mr. Newman stated that the ECVA maintenance staff will be taking a First Cross First Responder Safety Training course on December 20, 2008.

Mr. Lester stated that he met with Sport Leisure during NTA and reported that they will return to Elko for a 3 night stay in 2010 and participate in a tour including Virginia City and Ely.

Mr. Lester stated that he will be applying for grant funding for the “America’s Wild West Nevada” campaign.

Mr. Lester reported that the NTA Conference held in Pittsburgh was a huge success. He stated that the conference will be held in Reno next year and that he will be working on bringing in a media FAM out of Reno to promote Elko as a tour destination.

Mr. Lester stated that his focus has been on bringing in tour operators and meeting planners to the Elko area.

Mr. Lester further stated that the Oregon California Trails Association (OCTA) exploratory committee was in Elko for a site visit on October 3, 2008. He reported that Elko has a very good chance of getting this convention in 2010 which will bring in around 2,500 room nights. He stated that he should know today if this convention will be held in Elko. He further stated that OCTA will be using meeting space at the Chamber as well as the Museum during their convention.

Mr. Lester reported that he met with the Nevada Museum Association Board of Directors on October 1, 2008. He stated that they will hold their next Board meeting in January and he should know by then if they will hold their convention in Elko in 2010.

Mr. Lester pointed out a couple of things regarding grant funding. He stated that the State has cut \$400,000 from the grant process however the ECVA is to receive \$8,600 in grand funding for a video under the “Meet Me In Elko” campaign. He also pointed out that the state is looking at combining NCOT and ECEDA as part of its budget cuts.

Charlie Myers stated that there has been some discussion at the state level of combining NCOT with ECEDA. He further stated that the state has cut all economic development grants.

Don Newman stated that the ECVA has scaled back on its grant requests however the ECVA has shown positive feedback and results with past grant funding. He pointed out that this will help the ECVA is future grant funding requests.

Mr. Lester pointed out that grant funding will be easier to obtain by doing partnership requests with other entities around the state.

7C-1118-08 Marketing & Events Report

Cathie Horn reviewed the Marketing and Events Report included in the packet. She pointed out that ads promoting Elko continue to run in various magazines and publications.

Ms. Horn stated that she continues to work on the ECVA website and has uploaded the “Explore Elko” video and a scrolling banner with local events to the homepage.

Ms. Horn announced that the ECVA Special Events calendar is available to the public.

Ms. Horn recapped the 2008 Festival of Trees stating that it was a success and all the charity partners were a great help. She stated that each charity partner for the event received \$3,500. She further pointed out that revenues from last year's event were boosted by proceeds from the Nutcracker which made the donation to the charity partners larger than this year.

Ms. Horn stated that she attended the Northwest Mining Association Conference in Reno. She further stated that there was a lot of apprehension at the conference due to the state of the economy. She pointed out that the ECVA is holding off on expanding the 2009 Elko Mining Expo however she has not received any cancellations of exhibitors at this point in time.

Ms. Horn pointed out that the Governors Conference was cancelled this year due to the budget crisis.

Ms. Horn directed the attention of the Board to a draft of the ECVA newsletter included in her packet. She stated that the newsletter will be printed in limited quantities however it will be sent through email to entities in the Elko area.

Ms. Horn pointed out that she also attached a letter in her packet from the Reno Gazette Journal regarding the positive conditions in Elko at this time despite the state of the economy.

Charlie Myers asked if the ECVA newsletter will be available on the ECVA website.

Cathie Horn stated that individuals would have to sign up for the newsletter on the ECVA website to receive a copy of it in their email.

Tom Lester pointed out that signing up for the newsletter will also help build a database for local area events.

7D-1118-08

Comptroller's Report/Approval of October Expenditures

Delynn Jones reviewed her Comptroller's Report included in the packet pointing out that the September 2008 General Fund room tax of \$47,361.03 showed a decrease of \$4,342 or 8.4% over September 2007.

Ms. Jones stated that September 2008 Marketing Fund room tax of \$34,891.54 was received in October from the City of Elko and showed a decrease of \$3,204 or 8.4% over September 2007.

Ms. Jones reported that year to date room tax receipts were down 7.7%.

Ms. Jones stated that October 2008 Ad Valorem taxes of \$58,853.81 were received in November 2008 from Elko County showing an increase of \$10,821 over November 2007. She further stated that year to date Ad Valorem taxes are \$131,595 with an increase of \$26,743 or 25.5% over 2007 YTD.

Ms. Jones pointed out that claims for the month of November 2008 were \$281,772.78 of which \$2,410 was eligible for grant reimbursements and \$7,700 for other reimbursements. She further pointed out that included in the total claims for November were \$150,000 in transfers to from checking and savings. She stated that claims for November 2007 were \$106,131 with the major differences being fixed assets increase of approximately \$20,000, payment of proceeds in the amount of \$7,700 from the Elko Mining Expo Tug-O-War and Geo-thermal maintenance fee of \$6,000.

Ms. Jones directed the attention of the Board to the accounts payable aging detail report explaining that it is all the bills to date that have not been paid. She stated that this report will be included in her report each month as recommended by the auditors.

Charlie Myers pointed out that only previous month's expenditures need to be included as an agenda item. Mr. Myers stated that the title of the current comptroller's agenda item would need to be changed to include all matters related to that agenda item before the new Board Chair takes over in January

Ms. Jones stated that she will bring invoices for expenditures from the previous month along with expenditures that have not been paid to the Board meeting.

Charlie Myers expressed concern regarding legality of pre-approving expenditures. He stated that this might be one of the recommendations from the auditors that the ECVA Board may not be able to correct.

A discussion of procedures to approve ECVA expenditures within its legal boundaries took place at this time.

Gary Morfin made a motion to approve the claims for November 2008 in the amount of \$281,772.78 in addition to any November bills to be paid. Ruben Abeyta seconded the motion. The motion passed unanimously.

8. Board Comments

Connie Campbell stated that she looks forward to working on the ECVA Board.

Ruben Abeyta pointed out that the hotel industry has taken a down turn due to the economy status but stated that international travel is one area to look at for promoting Elko.

Dave Huckaby stated that the ECVA has an excellent working relationship with other entities in the community of Elko. He also asked about the status of the California Trails Interpretive Center.

A discussion of the progress of the California Trails Interpretive Center took place at this time.

Dave Huckaby thanked the ECVA Board and Staff for the plaques of recognition.

Charlie Myers thanked Delynn Jones on a successful audit and thanked the ECVA Staff for their hard work on the 2008 Festival of Trees.

9. Adjournment

Ruben Abeyta made a motion to adjourn the ECVA Board meeting for December 16, 2008. Gary Morfin seconded the motion. The motion passed unanimously.

The meeting was adjourned at 10:06 a.m.