



**CARSON CITY CULTURE & TOURISM AUTHORITY
BOARD MEETING MINUTES
NOVEMBER 14, 2017**

The regular meeting of the Carson City Culture & Tourism Authority was held Tuesday, November 14, 2017 at the Carson City Community Center, 851 E. William Street, Sierra Room, Carson City, Nevada beginning at 4:00 p.m.

PRESENT: Jonathan Boulware
Renee Plain
Karen Abowd
Sandra Nagel
Jesse Dhami

STAFF PRESENT: Chris Kipp, Operations Manager
Linda Macauley, Administrative Assistant
Kyle Horvath, Marketing Manager
Mark Salinas, Director of Arts & Culture

OTHERS PRESENT: Beth Farley, Kohn & Company CPA
Joel Dunn, Commissioner on the V&T Board
Jason Woodbury, Carson City District Attorney

Call to Order.

Roll call was taken and a quorum was present.

Mr. Boulware led the Pledge of Allegiance.

**MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –
PUBLIC COMMENTS AND DISCUSSION** (three minute time limit)

None.

**MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –
FOR POSSIBLE ACTION:** Approval of Minutes – October 8, 2017 FY18 CTA Board Meeting.

Ms. Abowd made a motion to approve the minutes of October 9, 2017 as presented.

Second: **Ms. Plain** Approved – Unanimously

**MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –
FOR POSSIBLE ACTION:** Adoption of Agenda.

No changes

**MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –
FOR POSSIBLE ACTION:** Approval of the adjusted CTA FY18 budget report.

Ms. Kipp reported on the FY18 budget report through September which is 25% of the year.

Ms. Plain made a motion to approve the adjusted FY18 budget report as presented through September 2017.

Second – **Mr. Dhami**

Approved – Unanimously

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –

FOR POSSIBLE ACTION: To accept the ratification of the CTA Statement of P-Card Report for September, 2017.

Ms. Kipp reviewed the monthly P-Card report for September, 2017. The accounts payable check payments for September were reported last month.

Ms. Abowd made a motion to approve the ratification of the CTA account activity statement of P-Card charges for September, 2017.

Second – **Ms. Plain**

Approved – Unanimously

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –

FOR POSSIBLE ACTION: Action to approve the FY17 Annual Audit Report – Beth Farley

Ms. Farley reviewed the Board communication letter; there was no need for changes or unusual items that came up during the audit process. Auditor comments; there were no compliance issues last year or this year.

Ms. Abowd made a motion to approve the Carson City Culture & Tourism Authority's audit report for FY17.

Second – **Mr. Dhami**

Approved – Unanimously

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –

FOR POSSIBLE ACTION: To recognize that the independent contractor agreement 2017-1013, for consultation and administrative services, is void as it was created in error contrary to NRS 332.039. – Chris Kipp

Mr. Woodbury will go through the issue that is addressed in the agenda item and entertain any questions that the board has. At the October meeting this board approved an independent contract agreement with NV Consulting LLC. Mr. Woodbury reported that in general a public contract with a public body is required to go through some sort of competitive bidding process; either the submission of bids or a request for proposal process. There are exceptions to that. Some limited exceptions under the law which allows you to engage into a contract without having to go through that process. One is called the professional services exception, if you are engaging someone to do a professional service for the board you do not have to go through the competitive bidding process. At our first review we believed that the contract with NV Consulting LLC would fit within that definition of a professional consulting or professional services contract, therefore be exempted from the competitive bidding process. Unfortunately, after this board approved the contract and everything was done we took a closer look and looked at the language of that statute that defines professional services and it is our opinion that a strict reading of that definition could exclude that type of contract. The appropriate thing to do was for us to bring that to the attention of the Board and go back and fix the process. There was nothing illegal; he wants to assure everybody of the subject matter of the contract. The concern of his office was the subject matter of that process that got us to that point of we need to go through a request for proposal process.

The technical direction we would like to recommend to the board tonight is to advise staff to recognize the contract as void under the law. If it is an illegal contract it means legally speaking it means it never existed and we would like to just recognize that as an illegal contract and move forward accordingly in accordance with the Nevada Revised Statute for the competitive bidding request for proposal process.

Mr. Boulware stated as for the record as we went through this process surely it was not our intent to go in a different direction and appreciates that you found out and correct it as it is always our goal to be transparent so any error that we find we are going to fix it and do it the proper way.

Ms. Nagel made a motion to recognize the independent contract agreement 2017-1013 is void pursuant to law.

Second - **Ms. Plain**

Approved – Unanimously

Mr. Boulware reported that we are going to go through the proper process and do it the correct way and put out an RFP.

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD'S ATTENTION –

FOR POSSIBLE ACTION: To approve the expenditure of \$15,000 from the V&T Capital Projects Fund for Track Maintenance required for the V&T Railway – Joel Dunn

Mr. Dunn for the record he is not representing the Carson City Culture and Tourism Authority tonight and is strictly speaking on behalf of the V&T Commission as the appointed representation for the Board. At the October 26th meeting of the V&T Commission it was brought to the attention of the Commission that there was a little over \$48,000 in repairs that were going to be required between now and the opening of the 2018 season. What needs to be done before the Polar Express, which starts this Saturday, are repairs due to weather and maintenance. The issue brought forward was there was roughly \$30,000 of the \$48,000 needed before the Polar Express started its 2017/2018 season. This was brought to the Commission because there was no identified revenue source or line item prepared in the V&T Commission budget. Mr. Dunn stated that he felt confident that this Board and Storey County would step up and do what was needed to make sure we could move forward and get the required repairs taken care of. The Polar Express is the primary revenue generator with hopes to bring the V&T project into the black. There has not been an opportunity to go through an operational assessment or audit process with Steele & Associates and possibly another company for an external audit for the V&T Commission and he is not in the position to move any funds around. Storey County has agreed to match half of the \$30,000 to move forward and is asking this Board for the other \$15,000. Tonight he is asking for \$30,000 out of the V&T Commission funding for projects. The carry over right now is projected at \$570,670 with the secondary fund with a carry-over of \$150,000.

Ms. Abowd asked if Mr. Dunn is confident that they will have the repairs done by Saturday. **Mr. Dunn** reported that he was there today at the North Pole and they are ahead of schedule. Mr. Gray has stepped up to help. Mr. Rowe has worked through all the requirements we as a new Commission were looking at and making sure everybody had their insurance in place. The media train is this Saturday. **Ms. Abowd** asked about the audit. **Mr. Dunn** reported that he is working with Nancy Paulson with the City and Hugh Gallagher as staff in putting together procedures and policies for the financial reporting to be put in place before we get to far into the Polar Express season. There is already a three year contract with Steele and Associates for a spot audit. Their secondary audit was strictly looking at the funds that have been set aside by Storey County and not sent to the Commission. Mr. Dunn has also met with the Department of Taxation and expects that both staff is going to be looking at an external audit, which is a line item audit or forensic audit. He thinks this will happen just based on the transition of the Commission.

Mr. Dhami asked regarding the total of \$48,000, \$15,000 from the V&T Capitol Project Fund and \$15,000 from Storey County. Where does the other \$18,000 come from? **Mr. Dunn** within the current budget after he does the operational assessment, he already has identified, but not presented to the Commission, possibilities of some operational savings that we can look at. We are going to have to rebuild the budget going into next year through that assessment and hopefully have the dedicated funds set aside through the operations of the V&T rather than the secondary funding sources.

Mr. Dhami made a motion to authorize payment of \$15,000 from the V&T Capital Projects fund to fund 50% of the \$30,000 cost associated with track maintenance and repairs.

Second – **Ms. Abowd**

Approved – Unanimously

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD’S ATTENTION –

FOR DISCUSSION AND POSSIBLE ACTION – To accept an addition to the Cooperative Agreement between the City of Carson City and the Carson City Culture and Tourism Authority for administrative services and facility use and management to be funded by 1% of the total 11% transient lodging tax rate (approximately \$187,000 in FY17) approved by the Carson City Board of Supervisors. – Chris Kipp

Ms. Kipp reported that the only change the Board of Supervisors had made is the addition of “All contractual obligations for scheduled events shall survive any termination” to the top of page 8; paragraph 2 – last sentence.

Ms. Abowd made a motion to accept the addition of the CTA and the City of Carson City Interlocal Agreement on top of page 8; paragraph 2 on the last sentence. All contractual obligations for scheduled events shall survive any termination as approved by the Carson City Board of Supervisors.

Second - **Mr. Dhami**

Approved – Unanimously

Mr. Dhami asked if there will be a separate audit for this, what the \$187,000 is going towards. **Ms. Kipp** stated that this is the Interlocal Agreement with the City for IT Services, District Attorney and Human Resources, things like that. **Ms. Abowd** stated that brings up a good point are we going to have a separate line item so that we can track it. **Ms. Kipp** so the Board is asking for what the 1% that we have with the Interlocal Agreement with the City is providing for us. **Mr. Boulware** stated yes to track the expenses. **Ms. Kipp** reported that she will look into it to see if the City can do something like that. It is not in the plan but she can check with finance.

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD’S ATTENTION – NON-ACTION ITEMS:

a. Executive Director’s Report – Ms. Kipp

One of the top 13 properties was not able to get their report in on time so there is no report.

b. CCVB Strategic Plan Update – Mr. Dunn reported that he is not representing the CTA. The plan will move forward upon execution of a contract on December 18th. This is a five year plan with implantation of January 2018. He would plan on seeing a Strategic Plan review for approval as a later agenda item.

c. Grants Update – Mr. Dunn reported that he is not representing the CTA. The grants that have been applied for are for the current granting period. The grant awards will be December 4th at the Travel Nevada Commission meeting in Las Vegas which leads into the Governor’s Conference on Tourism. Mr. Salinas was successful in getting the marketing grant for the NEA Big Read. There is phase two for the Single Track Adventure along Hwy. 50, the Visitor Guide Reprint, Social Media Symposium, Nevada Magazine Advertisements, Sea Otter Classic Bike Event and a new grant request for “24 hours in Old Pueblo” an Epic Rides Event.

Ms. Abowd asked about the re-imagined space project in addition with what Redevelopment partnered with. **Mr. Dunn** this was put in for in the first cycle grants and that is in addition to the marketing efforts that the CTA is doing. We did receive \$5,000 for the re-imagined space project. Mr. Salinas is moving through the policies and procedures and when finalized we are ready to do re-imagined space. **Ms. Plain** asked regarding the Social Media Symposium if Mr. Horvath is taking it on the road who will be going. **Mr. Horvath** stated that in the past we have had eight different experts speak over two days which would be a large team to assemble. At this point we are looking at scaling down to a smaller group approach. The details have not been spelled out yet. **Ms. Plain** stated she would like to go depending when it is.

d. Marketing Update – Mr. Horvath showed a presentation with updates on:

- ✓ Nevada Day Weekend
- ✓ Very Busy In October
- ✓ Social Media
- ✓ Videos on Banners
- ✓ U-Tube Videos
- ✓ Twitter/Instagram
- ✓ Paid Advertising/Promotions
- ✓ Spanish Ads
- ✓ El Día de los Muertos at State Museum
- ✓ La Ka Le'l Be Powwow
- ✓ 3 Silver State Updates
- ✓ Website Activity
- ✓ Shopping Video
- ✓ New Visitor Guide
- ✓ Hwy 50 Single Track Video
- ✓ Interactive Mapping

e. Events Update – Mr. Horvath reported that on December 4th and 5th is the Governors Global Tourism Summit at the Flamingo in Las Vegas. January 9th through 14th Reno is hosting the 2018 Cyclocross Nationals with about 5,000 racers. Visit Carson City will be sponsoring a sandpit and have a booth in the party zone.

f. Cultural Commission Update – Mark Salinas showed a presentation with updates on:

- ✓ Artistic Bike Rack/Welders
- ✓ da Vinci Installation
- ✓ National Assembly of State Arts Agencies in Portland Oregon
- ✓ Reno/Tahoe Marketing & Arts Luncheon
- ✓ Nevada Museum of Arts/Burning Man Founders
- ✓ Capital Collage
- ✓ Big Read Grant/Nevada Day Parade
- ✓ Arts & Culture Coalition Umbrellas
- ✓ Grand Marshal Michael Mikel
- ✓ Café at Adele's Luncheon
- ✓ Art & Place Making Conference in Las Vegas
- ✓ Future History of Public Art in Honolulu
- ✓ Carson Now Comments

Mr. Horvath reported that some of these images are on the CTA website already.

g. Future Agenda Items – Ms. Kipp reported that we will be bringing back the final RFP and contract for the Consulting Services.

h. Upcoming Meetings

- ✓ 11/21/17 Tuesday 5:30 pm Carson City Cultural Commission
- ✓ 12/11/17 Monday 4:00 pm Carson City Culture & Tourism Authority – **Mr. Boulware** would like to change this date to 12/18/17. The Board will check their calendars and let Ms. Kipp know.

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD’S ATTENTION – PUBLIC COMMENT (three minute time limit).

None

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD’S ATTENTION – BOARD COMMENTS OR ANNOUNCEMENTS: Topics not relating to current agenda.

None.

MR. BOULWARE BROUGHT THE NEXT ITEM TO THE BOARD’S ATTENTION – FOR POSSIBLE ACTION: To Adjourn.

Ms. Abowd moved to adjourn at 5:10

Approved – Unanimously

Approved: _____
Jonathan Boulware

Attest: _____
Renee Plain

Tapes of this meeting are available at the office of the Carson City Culture & Tourism Authority, 716 N. Carson St., Carson City, Nevada 89701.

/lm