

**MINUTES of the NEVADA COMMISSION ON TOURISM  
Thursday, August 13, 2020**

**Call to order**

Lt. Governor Kate Marshall, Chair, called the meeting to order at 1:03 p.m.

**Commissioners present**

Lt. Governor Kate Marshall, Chair

Bob Stoldal

Brian Krolicki

Cynthia Mun

Edward Estipona

Herb Santos, Jr.

Jennifer Cunningham

Julie Pazina

Kristin Windbigler

Mike Vaswani

Pam Robinson

Steve Hill

**Commissioners absent/excused**

Brian Wadsworth

**Staff and other guests present**

Benda Scolari

Christian Passink

Harry Ward

Jessica Grundy

Kate Wilson

Kyle Shulz

M.E. Kawchack

Shauna Tilley

**Roll call and determination of quorum**

MARSHALL: We are August 15th, a little after one. We're going to call the Commission on Tourism, August 13th meeting to order. Can you tell me if the meeting was properly noticed and posted?

GRUNDY: Yes, it was.

MARSHALL: Thanks. All right. So then would you like do roll call and tell me if we have a quorum?

GRUNDY: Yes. Again, it's Jessica Grundy, for the record, and I will be calling roll. Lieutenant Governor Marshall.

MARSHALL: Here.

GRUNDY: Jennifer Cunningham.

CUNNINGHAM: Here.

GRUNDY: Steve Hill.

HILL: Here.

GRUNDY: Herb Santos, Jr.

SANTOS, JR.: Here.

GRUNDY: Julie Pazina.

PAZINA: Here.

GRUNDY: Mike Vaswani.

UNKNOWN: He's here.

GRUNDY: Okay. Brian Krolicki.

KROLICKI: I'm here.

GRUNDY: Cynthia Mun.

MUN: I'm here.

GRUNDY: Pam Robinson.

ROBINSON: I'm here.

GRUNDY: Kristin Windbigler.

WINDBIGLER: Present.

GRUNDY: Edward Estipona.

ESTIPONA: Here.

GRUNDY: Brian Wadsworth. Brian? Bob Stoldal. Bob, make sure you unmute.

STOLDAL: Present.

GRUNDY: There you go, Bob. Okay. That's everybody.

### **Meeting**

MARSHALL: Thank you. So, I know that we were going to welcome some new Commissioners, but before we get started, Brenda was going to talk a little bit about Zoom etiquette. I will tell you one thing that I like, if people want to ask questions, if you could put it in the chat box, because then I'll see you in order, and I can call you in order of who wants to ask questions on a particular item. So, if that's okay with people, that's easier for me. Does that sound good, guys? Okay. Brenda, did you want to go over some Zoom etiquette then before we go to Item B?

SCOLARI: For the record, Brenda Scolari. I just wanted to add that we will allow the speakers to present, and unless they pause for questions, we'll wait, hold questions until the end of the presentation. As the lieutenant governor mentioned, we'll acknowledge questions in the chat feature of Zoom, and just stay on mute until you need to speak.

MARSHALL: I'm really excited about this meeting today, guys, because I think we have some good things that we're going to pull together, and I want to start by thanking the Marketing Committee for all their efforts, and Brenda, I really want to thank you. Brenda's been in contact with me and my staff almost daily now, since our last meeting, and so I really, really appreciate it. I know that they are very, very short on resources, including people resources. Brenda and her staff have really just done a ton of work. Thank you for the late nights and weekends, Brenda, I really appreciate it. Moving to agenda item number B. Brenda we have some new Commissioners, right?

SCOLARI: Well, she's not new, and that's the point in my acknowledging agenda this time. I was remiss at the last Commission meeting, and did not acknowledge Jennifer Cunningham, who is the acting CEO of the RSCVA, and a long-time champion in marketing and the industry in northern Nevada. She's been on our Marketing Committee. She's assumed this role as acting CEO for the RSCVA before, and we're all rooting for her to get the spot permanently. But I wanted to formally welcome her to the Commission.

MARSHALL: Thank you. And Jennifer, I just wanted to say, I know you've been working with Colin on outdoor recreation and seeing if we can get some smaller conventions that wouldn't be big enough for Vegas to Reno, and I just so appreciate your thinking outside the box during these times, and really, really glad you're with us. Thank you.

CUNNINGHAM: Thank you.

MARSHALL: Okay. Brian Krolicki. Oh, you have a comment on the minutes. Okay. We'll get there in a sec. All right. So moving to agenda item number C. This is the first chance for public comment. Please remember that we do have public comment on the end. So, if it was something you wanted to say and you felt like it didn't come through here, you will be able to do public comment at the end. Is there any public comment? I don't know how we're doing this, Brenda. Are people calling in or what are we doing?

SCOLARI: I believe Ron, our IT supervisor, is going to acknowledge them if they raise their hand. Is that correct, Ron?

RON: That is correct. They would have to call it on a Zoom meeting, which was posted.

MARSHALL: Okay. Do we have anyone in the discussion box, not to be confused in the penalty box?

WARD: Madam Chair. Harry Ward with the attorney general's office. I'd also like you to note that in the event that staff or any of the Commission members that receive public comment via e-mail, that likewise, it should be noted in this open meeting because that is a viable way now to submit public comment. Thank you.

MARSHALL: Okay. Thank you very much. I did not know that. Do we have anyone first? Do we have anyone in the discussion box?

RON: There are none.

MARSHALL: Thank you. Have any of the board members received a comment via e-mail that they would want to make sure it got over there? Okay. All right. So then moving to agenda item number D. These are approvals of the minutes, and I do have some

people who want to comment on the minutes. In order, they are Brian and then Herb and then Jennifer. So Brian Krolicki. Go ahead please.

KROLICKI: Thank you, Madam Chair. On page 47, I am interrupting Brenda Scolari. I apologize again, but the minutes read, 'I feel like your med presentation'. And I think what I had said was, 'your major presentation,' instead of talking about mitigation. So, I just would like that clarification, so that's clear. And for the record, as much as I love this verbatim stuff, if you could strike 'uhh's and 'you know's, I would be so delighted, because it makes some of us look very inarticulate? But thank you Madam Chair, that is the only correction.

MARSHALL: Thank you, and I appreciate that, especially the 'uhh's and 'you know's, and 'like's, which I think we are all prone to use. Herb, did you want to go next.

SANTOS: Thank you, Madam Chair. Herb Santos, for the record. Page 70, 3rd line down in my comment, it says "Nevada, 'cause she's already hit her". It should say I'm talking about my mother-in-law, that she lives here, not 'hit her'. So, if we can make that change, I'd greatly appreciate that.

MARSHALL: We should make that change, Herb. I know you don't hit your mother. Thank you. That's Good. Jennifer, do you have a comment on the minutes?

CUNNINGHAM: I do. First off, I ditto whoever it was just saying to eliminate the 'um's and the 'uhh's. That would be great. It makes us really appreciate Dee, doesn't it? She did such a remarkable job. Page 9, at the very bottom, the last sentence says RCBA, and that should read RSCVA. I just pulled the material. There are just two items, three items. The following page 10, line 3, it indicates LBCPA. I think that's LVCVA, and when I'm speaking about, right in the middle of it, annual best cities 'rain game'. I believe that should be 'ranking'. That's all I have.

MARSHALL: Thank you very much. I really appreciate people going through these minutes. Pam?

ROBINSON: Sure. I've got a couple that are like that as well, and thank you, Brian, for saying please get rid of all of our ums, uhs, and stutters, because it's pretty obvious that we all do a little bit of that. On page 11, on my comment, it says 'is that the same with the LDCDA', and I think that should be the LVCVA, and if you go about halfway down the page, and it says the lieutenant governor says "any more follow-up?", and then goes on to ask the question, and I think that was me that was asking the question about the NSR. So where it starts, "um", Madam Chair, it should probably be Robinson there. I don't know if somebody else goes through these and check all of those, or should we be telling you all of the edits that need to --

MARSHALL: We can have someone look through, because now we're seeing, basically LBCDA and RS--

ROBINSON: Got it.

MARSHALL: Those are often typed in incorrectly. So we can have someone just do a global look for that.

GRUNDY: Hi everyone, it's Jessica Grundy, for the record. I just wanted to let you know that we are using a brand-new transcription company. The company that we have used for years and years lost their contract with the state, and so this is the very first run of this new company going through these minutes. So, we'll make sure we really triple-check and get the kinks worked out and everything, and hopefully our next step will be perfect. Thank you.

MARSHALL: They probably have to learn what various abbreviations; we use things and things like that.

GRUNDY: Yes, correct. Yeah. They've been great. They've been very responsive, very happy with them so far, but yes, there will be some kinks to work out and I will make sure to work on that.

ROBINSON: Okay. I have no more. Thank you.

MARSHALL: Okay. I just want to make sure that you see that Cynthia Mun said her name was spelled incorrectly. So if we can also correct that in the minutes. And then Brenda, you had a comment.

SCOLARI: Brenda Scolari. Jessica took my comment. I was just going to explain we have a new transcription service, so we have some issues to work through.

MARSHALL: Okay. With those edits, and with a recommendation that somebody go through and check abbreviations and things that we might use that are in tourism that the transcription company might not be familiar with, do I have a motion to approve?

CUNNINGHAM: So, moved.

MARSHALL: Jennifer motioned to approve. Do I have a second motion?

SANTOS: Herb Santos, for the record. I Second the motion.

MARSHALL: Great. Any discussion? Okay. Hearing none, all those in favor signify by saying aye.

COMMISSION: Aye.

MARSHALL: Any opposed? All right. Motion carries. Moving to the agenda item E. In talking with Brenda, we've decided that we're going to move the director's report up early, so Brenda can give kind of an overview of what's going on to the board members. This is something that I've seen done particularly in the transportation board meetings, that I thought was very effective, taking the priorities that this board will be giving or expressing to the tourism division, and then relaying back kind of where we are on those priorities. So this is the first time that Brenda's going to be able to do this upfront like this, so I would give her a little leeway, because this is kind of a new way for us to do this. So, Brenda, why don't you take it away?

SCOLARI: Brenda Scolari, director of tourism and cultural affairs. Good afternoon, everybody. As I report to you from the middle of the biggest crisis our industry has ever seen, I personally would like to express my gratitude toward our tourism community. I know we have tourism partners on the call from all around the state and the world, and though our funding is diminished, our belief in the resilience of the industry is strong. I also needed to thank the Travel Nevada staff, for working longer hours for less now, but still manage to be a pleasure to work with. Our days are spent reacting to the COVID crisis and identifying the best use of our limited resources. The mantra here Travel Nevada is focus on a positive spirit of travel and try to make a difference in every community. Given the governor's new direction for reopening, we are promoting businesses and activities that offer safe visitor experiences, balanced by a message to travelers to travel responsibly in our cities, towns, and outdoor spaces. Discovery your Nevada, which our chief marketing officer will review in just a bit, is an appeal to Nevada residents to express their need for freedom by exploring their own communities and beyond in our own state. As Nevadans, we can help our economy by spending locally. Our social media channels feature user-generated mask wearers, promoting healthy behavior while enjoying Nevada's diverse destinations. Partner outreach, which will be covered by our sales and industry director, Christian Passink, has fostered more frequent and supportive communication with our tourism partners to understand the unique needs and concerns in each region in the state. We are also staying in tune with federal funding opportunities. The lieutenant governor was in communication with Senator Cortez Masto, who sponsored the Step Act, a bill that addresses the needs of destination marketing organizations, whose marketing planning was affected by COVID. This is Travel Nevada's best hope, and every DMO and the state's best hope for federal assistance with marketing dollars. Under the Step Act, tourism and events promotion is supported for state tourism departments who have lost revenue due to COVID, including the cost of salaries and expenses. It proposes \$2 million in eligible grants to offset up to 80% of loss of revenue for March 1, 2020 to the date of application. The U.S. Travel Association arranged calls with Nevada DMOs, including the LVCVA, RSCVA, Visit Elko and Travel Nevada, to reply in the language of the bill with the Senator's staff. As you probably know, some of the components of the HEALS Act were signed by executive order last weekend, by President Trump. And so, we were waiting for information as to where that leaves the remainder of the space of federal COVID aid. We have an approved

account with the Economic Development Office of the Department of Commerce to be ready with our application. We've been in contact with the EDA's regional officer, and plan to help our fellow Nevada DMOs get the information they need to apply. I was also remiss last meeting in not mentioning the awards garnered by the talented Travel Nevada team this year. Travel Nevada won gold in the regional Addy awards for our national campaign commercial for branded content for the Airstream campaign video series with Matador Network. We also won four silver Addy awards, which include the 2019 visitor's guide, our magazine ad campaign, our dirt road code story, and the overall freedom campaign. Another exciting win is the Nevada Magazine new ghost Town book, *The Odyssey of a Ghost Town Explorer*. The 224-page book details adventurous while traveling to 70 of the silver state's ghost towns and historic sites. In just over a month since publication, more than 750 books have been sold. The reaction of readers and the public has been great, with the book featured on local news, radio shows, and shared in newsletters and websites across the state. Travel Nevada also continues ongoing support for cultural agencies, with web development for the Nevada Arts Council, the Indian Commissions virtual arts experience, and updates for safe experiences within our state museums and the Stewart Cultural Center. That's sort of the extent of my update today. Did we have any questions?

MARSHALL: I didn't see any, but I really appreciate it, Brenda. Just so the board members know going forward, after we kind of express our priorities, then Brenda will be able to make sure that she incorporates kind of an update on where we are vis-a-vis those-- what the board finds important-- in the next director report. Thank you, Brenda. I really appreciate it. Next, agenda item E. So last time, I think Commissioner board member Herb Santos, gained support from a statute and asked for some clarification. The board ask for clarification on what our role really is with respect to the budget and the allocation of the monies that come into the tourism agency. Harry Ward is our deputy attorney general. He will be discussing that for the board members' edification now. Thank you. Harry.

WARD: Thank you, Madam Chair, Commissioners. As stated at the last meeting of the June 23<sup>rd</sup>, 2020 meeting, there was discussion on NRS 231.200. In a nutshell, and I'm going to read what you probably have in front of you right now, the NRS 231.200, there is mandatory language which states that the Commission on Tourism shall, which is mandatory language, once again, approve programs and budgets of the Division of Tourism concerning the promotion, tourism, and travel and the publication of Nevada magazine --

MARSHALL: Deputy Attorney General, can you hold for a minute? You're cutting in and out. At least for me. Are other people having a hard time? Okay. Is there a way that we can improve the Deputy Attorney General's audio?

RON: Chief technical officer. No, not from my end. Deputy Attorney General, you might want to speak a little closer to your phone, make sure your microphone is picking you up well.

WARD: Will do, and I took it off of video. Does that sound a little better?

MARSHALL: Yes.

WARD: Okay. Thank you. And I did take it off of video. In short, pursuant to NRS 231.200, there is mandatory language, which states that the Commission on tourism shall, and that is mandatory language, approve programs and budgets of the Division of Tourism concerning the promotion of tourism and travel, and the publication of Nevada magazine and other promotional materials. I think I was concerned, and it was from Commissioner Santos, concerning what does this Commission have to do in regard to "approving a budget". Now without doing a, what I'll call a, forensic accounting, there are certain items in the budget, and I'm referring to the budget account number 1522, that there is a category 31 of budget account 1522, which contains the promotional budgets and programs referred to in NRS 231.200. Of course, with the exception of Nevada magazine, which has its own budgets. In a nutshell, yes, the Commission on Tourism must and shall approve the budget of the Division of Tourism, but it is limited to that in category 31, and that's my understanding, without doing forensic accounting of budget account 1522. I did make a recommendation, and this is just a suggestion, that the Commission on Tourism should consider creating a special advisory Committee, which is available by this Commission and likewise, under NRS 231.200 and/or a subcommittee to assist and/or participate in the budget of the Division of Tourism, concerning the promotion of tourism and travel, and the publication of Nevada magazine and of promotional materials as defined by statute. Madam Chair, that is, in a nutshell, my perspective of NRS 231.200, and I am available for questions.

MARSHALL: May I ask, what category was Nevada magazine? You mentioned that it's a different category.

WARD: Off the top of my head, I think there is separate funding for that, and Ms. Scolari might be able to determine or might be able to assist me in that.

SCOLARI: For the record, Brenda Scolari. Lieutenant Governor, the magazine does have its own separate budget account as its own.

MARSHALL: Okay.

WILSON: Kate Wilson, for the record. Sorry. Already breaking rules. I'm a little off my element, everyone, coming back from maternity leave, but do just want to make one clarification also, and Director Scolari had relayed this to me on a conversation that we had is that the grant programs that fall under the programs also fall under category 31. In your packet, you will see that there are two categories, when we get there, for category 40 and category 50, that cover the rural grant program and the tourism development grant. Those are just buckets of funds there to reimburse the programs that have been decided to the grant funders by the Travel Nevada team and by the board. The grants program also falls under category 31. So just wanted to make sure that that was clarified, and Brenda, if I botched any of that, please feel free to correct me.

SCOLARI: That was correct.

MARSHALL: Okay. This is the legal analysis that the board members had requested. Are there any questions for our Deputy Attorney General?

SANTOS: Herb Santos, for the record. Thank you, Madam Chair. I do have some questions regarding the opinion by Deputy Attorney General Ward. First, I just got this at 10:00 AM today. I'm not sure when it was -- it wasn't dated, so I'm not sure when, if this was just received today, but I read the statute a little bit differently. If I understand the unofficial opinion, the Commission is going to be limited to approving only line 31 and the line that was just mentioned regarding the grants, and the Nevada Magazine budget. I just want to make sure of that. Am I correct on that so far, Deputy Attorney General?

WARD: For the record, Harry Ward. Yes and no. I'll read the statute. Basically, I'm saying the Commission of Tourism shall, which is mandatory language and this just the statutory language, establish the policy and approve the programs and budgets, which is your concern of the Division of Tourism concerning one, the promotion of tourism and travel in the state, and then two, the publication of Nevada Magazine and other promotional materials. As I stated before I did not, and our office has not been requested to do any sort of forensic accounting as to what is in category 31 or any other category. Ms. Scolari might be able to give us a better understanding as to which line budgets are provided in regard to the definition of promotion of tourism and travel in this state. Did that answer your question, Commissioner?

SANTOS: Yeah, it did. That's what gets me concerned. So, as I said, I got this unofficial opinion at 10:00 this morning. I went ahead and tried to do some quick research on the legislative history of AB391 from the 1983 legislative session and saw that section 6 of the bill covered the language found in NRS 231.200. The subsequent modifications in '85 and 2011 don't touch on section 1 of that, of NRS 231.200, so I went to the actual bill itself. This bill was basically the creation of the tourism, and it was a product of

Governor Richard Bryan, and when you go through the legislative history, he has this memorandum dated March 16, 1983. That memorandum, I look as being the birth certificate of the Tourism Commission, and it contained the concept and intent of the creation of this Commission. According to Governor Bryan, under the proposal, the Nevada Tourism Commission would have the authority over all policy and operating aspects of the organization. I would respectfully submit that the interpretation that we're receiving from Deputy Attorney General Ward is too narrow and is not within the spirit and intent of AB391. The statutory requirements of this Commission is clear, in that the Commission shall establish the policies and approve the programs and budgets of the Division of Tourism and division of publications concerning the promotion of tourism and travel in the state, and the publication of the Nevada Magazine and other promotional material. I would submit that everything in the budget falls within that broad definition, because the end result of every item in the budget is the promotion of tourism and travel in Nevada. And that I would add that I recall that as long as I've been on this Commission, we have approved the total budget, not bits and pieces of the budget. And I understand that Commission approvals in the past were also made on the budgets before my appointment. Madam Chair, I would respectfully submit that the question posed be further reviewed, taking into consideration the history of the Commission in Nevada, and more importantly, the legislative history of the bill, which created the Commission on Tourism. In no way am I inferring that the Commission has an interest in getting involved with the day-to-day operations of the division, but we do have an obligation as Commissioners to the people in the tourism industry to review and approve the budget of our division, to ensure that the tools to promote tourism and travel in Nevada, and the publication of the Nevada Magazine and other promotional material are properly met. Thank you, Madam Chair.

MARSHALL: Thank you. I really, really appreciate you doing that work. May I ask Deputy Attorney General Ward, did you have time to do any legislative history research when you wrote this non-official opinion?

WARD: For the record, Harry Ward. No, Madam Chair. I did not do any in-depth research, legislative history research.

MARSHALL: Okay.

WARD: Legislative history research.

MARSHALL: Okay. I see you have a comment, Brenda. Would it be all right -- let me finish what I'm going to say, and then I'll give you an opportunity. So, I think what I'm going to do then is, I'm going to write a formal request for an attorney general's opinion on this. In the interim, because we are fast approaching budgets and things, we have in this agenda for the consideration of the board, the creation of a recovery subcommittee and members of that recovery subcommittee to work with the tourism agency on

their budget and, based on recommendations from the Commission, to come back and help guide tourism agency and provide input to make sure that those priorities are then dealt with at a granular level. One of the reasons that we're going to recommend this is that, I think that the recovery subcommittee is going to need to meet more often, and need to get into a lot of details that I'm not sure that we have the time at a board meeting to do, but I think that as you have discussed, Commissioner Santos, these are very, very important. So, what I'm going to ask is that the board consider what we have set up here, until I can get an official attorney general opinion. It's coming later on in the agenda, but if you're amenable to that, we can go forward, and if you're not, we can take different direction. What do you guys think? Bob?

STOLDAL: I'd really like to understand what you were going to ask an opinion on. Are we asking whether or not Mr. Santos would have a vote over how the museums are run and funded?

MARSHALL: I'm going to ask for a legal opinion on the interpretation of the statute that Mr. Ward went over today. Once I ask for an official legal opinion, they will have to do an analysis of any case law, any legislation, and any legislative history, to get a full and comprehensive understanding of what that statute instructs us to do. Let me ask Brian Krolicki, because he was formally the head of this board. He has a comment, and I'm going to let him make his comment, and then Brenda, I know that you have a comment and we'll see if it helps with the discussion. Brian?

KROLICKI: Thank you, and I fully support the AGO, the formal, because I think it's important. What's happened in the last six months is extraordinary, we all understand that, but going forward for future commissions, or perhaps this one now in the next few months, I think it's really important to clarify that. So, I fully support the broader AGO. We need to be constructive going forward, and that's exactly what we're doing. So, Brenda, none of this is -- I don't want to look backwards, but some of the decisions that were made with your budgets in tourism really do affect things, far beyond the marketing. So I support Commissioner Santos' comments completely, to have a narrow interpretation of the promotion of tourism only being the one category 31, I think is inappropriately narrow, and Attorney General Ward, I don't mean to be negative, but again, I think that's another reason to do a more formal opinion, but decisions have been made on the budget already and went through interim finance, the special sessions affirmed, but structurally changed how this commission, how the department promotes tourism. And I don't know how you disassociate people with the effort. I think it really is a comprehensive package. Brenda, you had to make extraordinarily difficult decisions in all of it. I don't envy what you did, and you had a timeline that was mandated, and again, I get it, and I'll accept it, but just going forward, I think we need to do this as a whole. It's critically important. Perhaps there are parts of the budget, and Bob Stoldal, I'm agreeing, you don't need to get into micromanagement, but everything that's in that budget does promote tourism for

Nevada, and we just need to be mindful, and fulfill our obligations as a Commission, because for legislative auditors, executive branch auditors, others who are going to look at how we did these things, and our budget is absolutely unique. This Commission has some unique function in how we do it, how we reset it, how we reboot it, or how we confirm it. I think it's just an important legacy for us to provide. So again, Madam Chair, I fully support the Attorney General.

MARSHALL: Brenda, I have Pam Robinson and Bob Stoldal want to make comments. Did you want to go before, or do you want to wait for their comments?

SCOLARI: Either one, Lieutenant Governor. It's fine with me if they speak now.

MARSHALL: Okay. Pam?

ROBINSON: I don't have a lot to say, and I think it deals more with what Bob was saying. There was a revamping and a reorganization about eight and a half years ago or so, when a variety of things were changed, including the Division of Tourism becoming a department, and all of the other agencies falling under it. So I hope when they take that forensic dive, they'll look at prior to that, because I don't think the intent is that we create the budget for the Division of Museums or the Indian Commission or any of those axillary agencies, but I do think we have input on how we interact with the tourism part of that, and particularly when we get back to where we've got more money that we may, then we are giving money to those divisions to help promote tourism and those aspects of all of that. We definitely should be having conversations with that, but I don't think we should be talking about how each of the individual museums are run, and how they budget their people or anything like that.

MARSHALL: Yes. I agree. Bob?

STOLDAL: Well, if you're talking about funding, you're talking about how they're being run. So I don't think you can really separate those two. So that's it. I would point out that eight and a half years ago, they did not change the name of this Commission. It has been Nevada Commission on Tourism, not the Nevada Commission on Tourism and Cultural Affairs. That's the name of the department. If this Commission to wants to oversee the funding of the Indian Commission and how those are run and the museums and so forth, then we should change the name to the Nevada Commission on Tourism and Cultural Affairs, because we have a broader mission. I think that the legislature said this is the Nevada Commission on Tourism, its focus is on travel, getting heads in beds and making sure that our industry is the most important one in the state is funded. But I think there's a fine line between saying we don't want to micromanage museums, and Indian Affairs we're going to control their money. I think we just need to be careful as we move forward. If the AG's office says that's what is, then I think we need to understand we have an expanded

responsibility. Please remember, the Indian Commission as well as the museums were non-voting members at this point. The only role we have, specifically where we're voting is the selection of the director of the department. That to me, is a clear line that says that's where we report to. Thank you, Madam Chair.

MARSHALL: Thank you, Bob and I want to reiterate and support what everyone here is saying, you're asking --what I'm going to do is write a letter asking for an official attorney general opinion. We are here not to say what that opinion should or should not be. We're simply going to ask for a proper and comprehensive legal analysis, and we will wait for that to come back. In the interim, what you'll see laid out here, Commissioner Stoldal, is the creation of a recovery subcommittee to really focus on how we promote tourism, given our limited dollars, what trigger points there might be – and I realize I'm getting a little bit ahead, and I apologize, Brenda -- what trigger points there might be if more money comes in, or less money comes in, and to make sure that recovery subcommittee can dig in on some of these issues. Again, I want to reiterate that Brenda and her staff have, in these last few weeks, done an extraordinary amount of work to try and provide information to us so we can make some of these decisions. I know things are moving fast, and they're very fluid in terms of what our economy is doing, and we're trying to keep ahead of that as best we can, but in no way I think is anyone here suggesting that the board is going to do anything that, it is not legally obligated to do. I'm just going to ask for an official attorney general opinion, okay? Brenda, did you want to say something.

SCOLARI: I just wanted to support that, Lieutenant Governor. I do think for clarification, we should ask the Attorney General for an official opinion, and then also to confirm that, subsequent to 1983, the department was created. And since then, the agency and its budget has been part of an executive branch agency. And I think that redefined the authority over the budget account 1522. I'm sure the attorney general's report will clarify that further.

MARSHALL: Thank you and also, I want to say board members, I greatly appreciate that this board is focused and attentive to the situation we're in. And so, I am very grateful that who you are, this board, I really am. Anyway, Deputy Attorney General Ward, you will soon have a letter coming. I am sure that you are grateful to have more work added to your chair, but so be it. I appreciate the analysis you did now, and I'll send you over an official letter as soon as I can get it off my desk. Okay. Thank you very much.

WARD: Thank you, Madam Chair.

MARSHALL: Okay. Let's move on to agenda item G. So, board members, what you're going to see now is, we're going to try and make sure that you have an understanding of the budget process. Some of you, Krolicki, Bob Stoldal, Pam Robinson, some of you probably have more of an understanding than you ever wanted to have, but for those of you who don't, we're just going to do an

overview, so that then you can kind of see what the processes that Brenda and her team go through, before we get into a discussion of what our funding projections are, and then the Marketing Committee report. So, who's giving the budget division presentation?

TILLEY: Madam Chair, that's me. My name is Shauna Tilley.

MARSHALL: Okay. Shauna, thank you. You want to go forward?

TILLEY: Yeah. Thank you. Madam Chair, members of the Committee. My name is Shauna Tilley, and I'm the executive branch budget officer for the Department of Tourism. So, we're going to talk about the executive operating budget, which is the plan for the day-to-day operation for state agencies or entities. It includes the operation of state buildings and facilities, salaries for state employees, technology, travel, training, supplies, obviously marketing, as you've been discussing, and other programs and administrative costs. A budget is a plan for the future, and is a tool used to prioritize spending and manage resources, especially important these days. It's an action plan that balances need-to-haves and like-to-haves, with available resources. It's a plan related to objectives and goals for a certain time period, and it's facilitated by the governor's Finance Office Budget Division, which is where I work. The Nevada constitution requires a balanced budget, where revenues must equal expenditures. So, there's a specific process we go through when creating the budget, and several steps in the process are actually governed by statute. The process starts with the governor outlining goals, objectives, and strategic priorities. Then, the departments conduct strategic planning sessions, and translate those ideas to the agency master plan, which is the budget request, and submit that to the budget division and LCB fiscal for review on or before September 1<sup>st</sup> of even-numbered years. This is our first statutory deadline, and it's fast approaching for agencies. Then, the budget division spends the next six weeks or so working with agencies on technical corrections and updates based on the base fiscal year-end closing, that's the even-numbered year. There are no program adjustments made at this time. They're just technical corrections and updates. The updated budget, which we call agency requests, gets submitted electronically to LCB fiscal division on or before October 15<sup>th</sup>, and that's the point when it becomes public, and that is the second statutory deadline. That October 15<sup>th</sup> date can move a little bit, depending on when the previous fiscal year is closed, but October 15<sup>th</sup> is the latest it can be. After that point, roughly October 15<sup>th</sup>, the budget division evaluates the agency requests budgets, and refines it with remaining technical adjustments, material changes based on the governor's direction, and any adjustments to revenues based upon results from forecasts from the economic forum, and that economic forum report comes around the beginning of December. The budget after the point of October 15<sup>th</sup> is known as the governor's recommended budget, we abbreviate that and say 'GOVREC', and it is confidential, and does not become public until the governor's state of the state address, which is mid-January. So GOVEREC is submitted to the legislature about two weeks prior to the start of the legislative session, and it's obviously January 2021, the first

Monday in February of the odd numbered year, legislature begins at its 120-day review and approval of the state budget and many other subjects. They deliberate by individual budget account. You were talking previously about Nevada Magazine as one budget account and the Tourism budget account being separate from that. Each of those would be considered and deliberated separately and approved separately. The legislature approves or revises the executive requested budget, GOVREC, in June of odd numbered years and that will be 2021 for this coming now, the final legislatively approved budget is translated back to the budget division implementation agency. So budgetary policy is outlined in state law, in the state administrative manual, in the budget instructions and budget building manual that come from this office and in various other regulations, policies, manuals, and guidelines. The laws that govern this entire process, the phases, the deadlines, and the requirements are contained in the State Budget Act, which begins with NRS 353.150, and we do have extended training available online. This is actually just an excerpt of that training and it's about a two-hour training. It goes into more detail on the process. This is a process that's cyclical, as you can see by the graphic on the screen, as well as continuous and particularly now, as we're having to go back and review existing budgets and find savings, it's been extremely cyclical and continuous, but right now the portion of the process that agencies are in is that planning, strategic planning, master planning, budget requests, known as agency requests, which will be submitted on or before September 1st. That's the end of my presentation, but I can answer questions if you have any.

MARSHALL: Yeah, thank you very much for that presentation. I know from past experience that sometimes these dates slip, and I just wondered if you would clarify for the board that sometimes September 1st becomes September 10th or something like that.

TILLEY: Actually, the submission by agencies, September 1st is a statutory deadline and the system actually is locked down on September 1st. Or if September 1st were to fall on Saturday, then it would be August 31st. And I think if it's on a Sunday, we may go to the next day, to the Monday. That's the farthest it would slip because that is a statutory deadline as well as the October 15th deadline being our second statutory deadline.

MARSHALL: So, the first deadline September 1st, which is two weeks from now, is an agency request?

TILLEY: Yes, ma'am.

MARSHALL: Thank you. Are there other questions? Okay. Hearing none, I greatly appreciate that. It's very, very helpful for the board to understand how the timing of this works. And so, thank you very much. Thank you for taking time. I know right now is a very hectic time for the governor's finance office and I really appreciate you taking the time to come in front of the board.

TILLEY: Thank you very much, Madam Chair.

MARSHALL: Thank you. So, let's go now to agenda item H, funding projections in collections. Kyle.

SHULZ: Yes. Thank you, Madam Chair. We wanted to take this time give the Commission an update on projections, what has changed since last time we met a couple months ago. Just an overall update on how we're thinking about room tax collections and room demand over the next 10 months. Really through the end of fiscal year 21, and again, what's really changed since the last Commission meeting. So, I went through first kind of some changes that have happened. First of all, and you have a summary in your packets of some overall outline of some of the changes, but just to walk through them. We've simplified the scenarios a bit. So at the last Commission meeting, we had five different scenarios, about three of which had really similar assumptions being made in terms of how travel would play out, average date of room rate, that sort of thing. So, we really condensed this from five scenarios to three scenarios. We also adjusted our assumptions that are being made. Our old projections were really heavily based on the governor's phase reopening plan. There were some implications of a return to a phase zero or phase one types of restrictions being reimplemented on the state. As of the governor's announcement a couple of weeks ago, we've moved away from phases, our assumptions to reflect his moving away from phrases in terms of reopen plan and we also don't have any assumptions or implications for a second shutdown after he made the announcement that rather than focusing on entire industries in terms of enforcement, individual businesses will be the focus. So again, your packets include a summary of the projections and an outline of rubric of assumptions that are made, but just to walk through a high level, Jessica, if you want to scroll down to the charts. If these charts are too small on your screen, we can expand them. With scenario one, much like the presentation two months ago, is the best-case scenario and it seems to quickest return to travel, all three scenarios. It also seems the vaccine is coming to market around the spring of 2021. And that vaccine will return travel to normal levels around June 2021. We realized those are pretty aggressive assumptions in terms of the vaccine, but at this point they are a part of the assumptions. Scenario three is a worst-case scenario. It really assumes that once the state starts to reopen in June, in terms of casino, resorts, reopening, travel declines after that gradually. There could be a number of reasons for this. It could be Las Vegas might be seen as a hotspot with the infection or the virus. It could be due to overall fear of the virus expanding, less disposable income available due to a decreasing economy. There could be a lot of scenarios for which this comes into play. But rather than a second shutdown, we felt that a gradual decline of travel was probably going to be the worst-case scenario. Scenario two is a mid-level case. We're not going to use the term most likely; we're using the term mid-level, which really assumes a gradual return to travel as less quick phase than the scenario one. It is a gradual increase in travel rather than a gradual decrease. And there's also some average daily rate assumptions being made too. One thing that I'd like

to note is that these projections were produced before the Las Vegas CVA's June visitation stats were released, and we really relied on June's visitation stats as a jumping off point, a baseline about things moving forward. But since these were produced before the visitation statistics came out, we had to make some assumptions based on what we thought might happen in June in Las Vegas. It turns out that scenario two is closest to reality of what happened in Las Vegas in June. So, we have room demand down, or we assumed room demand would drop by about 70% in June. The actual number from Las Vegas CVA was a decline of 71.5% so we were pretty close there. Average daily rate was a bit better than expected in June, so once we are able to incorporate those, that should bump up assumptions for fiscal year 21's revenue. But at this point, again, these were produced before that actual data was released. Another note that I wanted to point out is we're still really, really early on in collection of the data. Like I said, we're still just getting in data from June in terms of visitation. We're just now getting tax collections in from June. So, you really only have about a month's worth of data post reopening. So, we're still really, really early on. We're having to rely on these really very simple, fundamental assumptions and how we're thinking about things moving forward. But again, at least based on June's statistics, scenario two did reflect most closely to reality. One of the things that I wanted to point out to the Commissioner, really just for informational purposes, but one more real time datapoint vendor that we do have is a vendor called Arrivalist. They are a mobile location provider really meant to provide consumer insights. They're not really a visitor volume projection. They're really not a room night's occupied projector but we really just want to have you focus on the shape of that recovery chart at the bottom. So this measures arrivals to the state and arrivals you can see, and as you can see from the chart outside of the 4th of July bump and the early part of July, there really hasn't been a huge week over week return to travel from Arrivalist's data. This data runs through the end of July. So, we don't really have too much of August's data yet. This could change in August. August's data might really increase from week to week, and we might see more robust increases, but at this point where we can see is a pretty stagnant type of recovery, at least through the end of July. Whether this plays out in the actual visitation statistics from July, we can't really say that to be certain, but again, I just want to point this out to the commission. Another data point that we're seeing really points to a slow type of recovery. We are also seeing some of this play out in the real world. The Las Vegas Review-Journal reported today 12 major Las Vegas hotel casinos still remain closed, even though we've reopened casino resorts over two months ago. So even though this is just data that Arrivalist sees we are anecdotally seeing this play out in terms of kind of roundaboutly in terms of the reopening. And again, the last thing that I really wanted to point out to the Commission is we're still really, really early on in data collection with these projections. So, our goal with these is really to provide a range of possible outcomes. And the range is very large. We understand that. But to provide a range of possible outcomes from an upper bound, best case scenario to a lower bound, a more

pessimistic worst-case scenario and a scenario in between. The early indications we have is that it's going to be a slow recovery. That, I think, is all want to talk about. I'll be happy to take questions.

MARSHALL: Thanks, Kyle. So, if I understand correctly, that you're saying the middle option is really where you see us right now? The one up from the bottom?

SHULZ: Yeah. Thank you for that, Madam Chair. Yeah. I think at this point, I do think that's probably the most likely. The actual visitation, the actual numbers that do come out, when we're in June of 2021, these charts might look completely different. We might see a gradual growth for the first couple of months of the fiscal year in July and August 2020. It might dip in the fall and then if there's a vaccine it might shoot up in the spring or early summer of 2021. There's a lot of different possibilities, but yes, to your point, Madam Chair, I personally think that scenario two is probably the path that we're most likely to see, or at least that type of swoosh upward of recovery.

MARSHALL: I think we have two questions that are a question and a comment. Jennifer from RSCVA is asking if the peaks represent weekends.

SHULZ: Yep. That's correct.

MARSHALL: Okay. And Brian, I think already knew the answer. Is that right, Brian? Is that your comment there?

KROLICKI: Yeah. I just saw that as a picture, and I was thinking that's exactly why the Venetian shut its hotel rooms during the weekdays. It's a graphic representation.

MARSHALL: So, are there any questions, comments or thoughts? I know some of you were really heavily involved in this industry and are there any thoughts or perspectives? Ed?

ESTIPONA: Yes, I do. Thank you, Lieutenant Governor. I'm just curious. I know that these projections are based on COVID, but not to complicate things anymore, but are we looking also at the economy? Because again, it's a two-layer thing. One reason why people aren't coming today is because COVID, but the next reason why somebody doesn't come tomorrow is because they don't have money. So, I'm just clarifying to see if that's been taken into consideration.

SHULZ: Yes, Commissioner Estipona. That is a consideration. We don't have a model built out that simply takes into account unemployment rates or average disposable income or any of those measures. And the reason we don't is because we really only have three to four data points, in terms of like actual visitation. So, it's going to be awhile before we see any real trends in the

visitation statistics and how they correlate to the overall economic recovery. I will say that these projections are updated as we get in new data in every week. We're in weekly calls with the governor's office speaking on developments. In those calls are private economists, other economists within the states. So, we are very aware of that situation, even if it's not specifically an input into the projections. But to your point, hopefully going forward once we have more data points to point to, we can build out a more robust modeling of things that does take into account the economic situation, health situation, and all those sorts of statistics. But for right now, because we really only have three and a half, four months-worth of data, we're really just relying on simple assumptions for these. Thank you for that.

ESTIPONA: Thank you.

MARSHALL: Thank you. So next I have Julie Pazina and then afterwards, Kristin Windbigler. Julie?

PAZINA: Thank you so much. Kyle, thank you so much. I know it must have taken a lot of work and I really appreciated the opportunity to take a look at all of this data. I was curious on the considerations. Was one of the considerations the resumption of business meetings as we get further into 2021?

SHULZ: No, that has not been a consideration. I will tell you that I was just looking ahead of the charts, there's a bit of a bump in January and March in terms of room tax collection because these are relying on assumptions based on year over year growth or decline and March and January especially is a big convention month I believe. So, we will have to take those considerations into account, moving forward, but at least in terms of these projections, they don't necessarily have that as an input in the assumptions. I'll take a look at that going forward.

MARSHALL: Thank you. Kristin?

WINDBIGLER: I'm just curious, once you do have more data points, if you're going to be able to identify perhaps differences in trends from urban versus rural areas?

SHULZ: Yeah, absolutely. Thank you for that comment, Commissioner Windbigler. Yes, we will, and that is an underlying assumption in these models is on the back end we do breakout Las Vegas versus Washoe County versus rural Nevada. Rural Nevada has not been as severely affected as Las Vegas and Washoe County, at least in terms of the statistics we've seen from April and May. June, we don't have statistics in yet for rural Nevada, but at least in terms of room tax collections, as one point of reference, rural Nevada has not been hit as hard from a visitation standpoint as the two urban counties. So that is a consideration on the backend, we just didn't lay it out here for simplicity purposes.

WINDBIGLER: Great. Thank you.

MARSHALL: Thank you. I appreciate that. If there are no more questions? Okay. Thank you, Kyle. Again, I know this is a moving target and the amount of information you have at any one time, there's a lag. So, I appreciate you putting this together. And next we move to agenda item I, which is for possible action. So, what we're going to hear from today, the Marketing Committee, and we have two things that we're going to ask the board to vote on. One, an appointment to the Marketing Committee, and two, they're going to provide some recommendations with respect to priorities about where we go with marketing, given the limited resources that we are currently facing. So, this is an item that should be of particular interest to board members. So, who is making the Marketing Committee report?

KAWCHACK: Good afternoon, Madam Chair. This is M.E. Kawchack. I'm Chief Deputy Director and Chief Marketing Officer for the record. First, I'm going to go through just a short summary of what we did at the Marketing Committee, and we'll get into the first recommendation and we'll take a break and move to the PowerPoint presentation. But the Nevada Commission on Tourism Marketing Committee convened on Tuesday, July 28th with a follow-up vote on August 10th. The Committee approved the minutes from the November 18th, 2019 meeting. Staff provided an overview of the approved recovery plan with a focus on marketing, like programs of Evolve the Brand and Discover Your Nevada. We discussed and approved the best metrics that will be reported out to the full Commission on a quarterly basis. This report will include relevant state, industry, and programmatic metrics, that the Marketing Committee and staff agree will be most appropriate to tell the story of the state of the industry and our place within the competitive set. The first item coming to the Commission for approval today is the nomination of Cynthia Mun to the Marketing Committee. This recommendation was passed unanimously and at this time, the Committee would like to ask the Commission to propose an appointment.

MARSHALL: Cynthia, did you want to give a little talk about how you felt things are going for you on the Marketing Committee? Did you want to say something?

MUN: Yes. So, it was really helpful to see all the work that goes on behind the scenes before it comes to the Commission meeting and the discussions and ideas and the budgets and information. It was really helpful to have a Commissioner there so that if questions arose during the Commission meeting, that there was actually someone who could also say, I was there, and I've been part of that conversation. It was very helpful. There is so much work being done, and I don't think, when we have the Commission meetings, we don't ever have enough time to fully understand all the work that goes on behind the scenes. And it was really helpful to be part of that Committee.

MARSHALL: Thank you. So, assuming we spell your name correctly on meeting minutes going forward, if we were to nominate you, would you accept?

MUN: Yes, I would. I feel that my background in the past 20 years in marketing and strategic marketing has given me an opportunity to actually roll up my sleeves and be part of the group and help whenever I can, with, M.E., and with the chair, Mr. Brunelle, and all the other Committee attendees there. Since I've been on the Commission here as a Commissioner, I try to figure out where my value was. I really appreciate being part of the overall Commission meetings and understanding the budgets and everything else that goes on, but I really felt that I wasn't participating as much. I would come to these meetings on a quarterly basis. I would read the reports and I ask questions for clarification, but I really didn't feel that my skills were being used. And especially now, when we're short on resources, I feel like I can really be helpful to the Marketing Committee.

MARSHALL: Thank you. Brian, did you have a comment?

KROLICKI: I do. Thank you. Cynthia, that's exactly why you should be on the Marketing Committee and exactly why someone from the Commission should be on it. Historically, I think it's lapsed in different ways, but in my memory and I think my years, we always had one, if not even two Commissioners on the Marketing Committee because it was so critical in tailoring that message very carefully with our friends in the Las Vegas Convention and Visitors Authority and RSCVA. It's just critical. So again, I see this, some of the budget things, the marketing things, just using this Commission to help the team, the department, to utilize these resources, plug it in where it's needed. Kind of behind the scenes where we just don't have the capacity during these Commission meetings themselves. So, I think it's brilliant. I think it's right, and Cynthia's perfect for it. If there are no question now, if you're prepared to receive a motion, I'd be pleased to do so.

MARSHALL: Well, thank you. I think Herb wanted to make a comment. I appreciate your insight, Brian. Herb?

SANTOS: Thank you, Madam Chair. I would concur with everything that Commissioner Krolicki said. After doing some research on the legislative history of AB 391, this is exactly the common thread that was discussed throughout when they were creating the tourism board. What the role of the Commissioners would be in utilizing all their special expertise in their outside lives to benefit tourism. I can't think of anyone better than Commissioner Mun to take on that. So, I was going to ask to make the motion, but Brian asked first on the record, so I'll just stop there and let Brian make the motion.

MARSHALL: All right. Well, if there are no more comments, I'll accept a motion.

KROLICKI: I would move to approve the appointment to Commissioner Mun to our advertising Marketing Committee.

MARSHALL: Thank you. Do I have a second?

SANTOS: I would love to second that motion.

MARSHALL: All right. So, having a motion on the table, is there any more discussion? All right. Hearing none. All those in favor signify by saying aye.

COMMISSION: Aye.

MARSHALL: Any opposed? Cynthia, congratulations, and condolences, I'm sure are in order.

MUN: Well, thank you so much. I hope I can be of value.

MARSHALL: I think you will be definitely. M.E., moving on to the next part of your presentation?

KAWCHACK: Yes. Thank you very much. So, after discussing the Discover Your Nevada campaign at the July 20th Marketing Committee meeting, staff was asked to provide further detail that could be included as part of the public vote. The Committee reconvened on August 10th to unanimously pass the budget recommendation. Nevada experienced record-breaking visitation and vigorous tourism economy in 2019. As an agency, Travel Nevada headed into 2020 with new permanent leadership, a healthy and growing budget, and a strategic plan well in development. We focused on programs that would expand our successful creative campaign, propel our website into the new decade, and enhance partnerships in rural Nevada to develop destinations from a more holistic perspective beyond solely tourism. We looked forward to expanding our domestic and global markets and restructuring our research program. Then the unfathomable happens. We are all responding to the growing health crisis of COVID-19 immediately ensuring the safety of Nevadans. Businesses of all sizes sheltered, and we all stayed home to stay safe for Nevada. The Division of Tourism acted swiftly and deliberated with partners and other agencies to inform the development of a recovery plan, outlining five main areas of focus for the coming year. In-state travel is the current focus for Travel Nevada marketing efforts. Financially, more can be accomplished in state. It directly impacts local economies and it creates brand ambassadorship for future promotion. This campaign dovetails well into the public affairs campaign of Tourism Means More, which is an educational campaign intended to inform legislators and residents about Travel Nevada and our role in Nevada's largest industry. The Marketing Committee agrees that this campaign is a programmatic priority for Travel Nevada to focus our efforts as part of the recovery plan. The following key performance indicators for KPIs have been identified to measure our success with in-state marketing efforts: in-state visitation to the website, in-state room occupancy, social media engagement among Nevadans, brand awareness within the state, and newsletter subscribers within the state. The main goal is to encourage locals to return to travel by choosing a staycation or a vacation within

their own state. The Commission has identified the Discover Your Nevada is an important component of activating the economy as part of the FY-21 recovery plan. We are confident we can utilize a \$300,000 budget through the calendar year based on income projections. The goal is to accomplish the highest impact within the most efficient and conservative budget. The smallest budget inhibits us from being more targeted in our efforts. Therefore, we'll drive less impact overall. Whereas the recommended budget allows for greater targeting across more touch points in order to maximize impact to our messaging and drive more measurable results. Knowing that our larger regional, national campaigns are more brand-centric than focused on retail, we are approaching this media buy differently. In the brand campaign, we identify the types of activities that motivate people to travel and offer up ways that Nevada meets their needs for more outside-in approach. For this campaign, we are starting with audiences who are already here in the state and showcasing places to visit or things to do throughout the state through more of an inside-out approach. In this way, we are offering audiences a solution to respond to the situation we all find ourselves in, wanting to venture out a little further, but not knowing where to start or where it's safe to go. We need to make this easy for audiences by connecting them or where they can spend time consuming media. In order to make the information presented here more digestible, similar tactics are grouped together on the slide, though few of these efforts fit neatly into one slice of pie. This is an integrated plan designed to reach different audiences where and how they consume media. And the way in which people access this media is not always as traditional as they used to be. For example, if the buy includes a traditional print partner and may also include a supplemental digital or social component to extend the reach of the program, so the effort is categorized here under print, as that is the main medium of the vendor. The recommended budget scenario allows Travel Nevada to develop the Discover Your Nevada program to continue for several months over two to three waves. Depending on actual income, a third wave could expand through the winter months, allowing promotion for the seasonality of the state and would be timed alongside the resumption of further domestic efforts. By being in the market longer, we can better scale efforts, have better insights for success and optimization, and cast a wider net with multiple opportunities for re-marketing. A large inclusion in the recommended buy is a partnership with an online travel agency or OTA. This will offer co-op opportunities for our partners to make it very easy for Nevadans considering travel to book their in-state trip. In the mid-range plan, we would be able to accomplish one large wave that would include inserts in both the north and the south and a statewide giveaway. Video and audio would be reduced to only one wave and radio will be targeted to those audiences with the highest propensity to explore their own state, but at a lower volume. This funding level would allow for co-op and advertorial opportunities but has somewhat limited visibility with an OTA partner and does not include a booking mention. With a minimum spend, marketing efforts would be more spread out, creating less impact and awareness. This scenario would concentrate on one large push surrounding a giveaway and inserts in north and south publications with limited video and advertorial spread with

Nevada Magazine, and concerted page search and social efforts, where reach will be lower, but audiences could still be targeted. As noted, we identified KPIs that will gauge the success of the Discover Your Nevada campaign. So, some of them are more complex to measure and will require several sources to identify success. The recommended plan most notably supports the instate visitation KPI, which is one that is difficult to track because that data is not directly reported. By having a solid OTA partnership in place, we can have direct visibility to bookings available to visitors and offer co-ops to partners. In the mid-range scenario, we would have less ability to address the measurement for room occupancy and would lose some underlying support efforts that will help with brand awareness. Though we can still be effective with the basics presented in the low-impact scenario. We would not be able to address all of the KPIs identified by the Committee. There are three budget options available to the Commission and the Committee is recommending proceeding with a \$300,000 budget allocation to start. This will allow Travel Nevada to develop the campaign over two or three waves, which could capitalize on the momentum we gain, can be expanded through the winter to be timed alongside the resumption of domestic efforts. Our DYN efforts can be scaled based on actual income, but the recommended plan would allow for maximum statewide impact and lead to better insights and optimizations of success.

MARSHALL: That's a lot of information there. Okay. So, I have Jennifer and then Bob and then Herb. So, Jennifer?

CUNNINGHAM: Thank you very much. I want to applaud you for taking the Discover Your Nevada approach. I think it's absolutely what we should be doing right now. And it mirrors what California is doing, which I thought was a brilliant idea, keeping the people in this state. It helps us in Reno, as we're trying to penetrate the Las Vegas market a little bit, and certainly will help the rural areas who'd love to participate in co-op and opportunities that come up. So, thank you. That's a great approach. I do have a question regarding the rationalization for such heavy print, because it's the least nimble, and where we positioned ourselves at the RSCVA, we just don't know what's going to happen, and we really like the flexibility of having a heavier digital approach. So, I'm just curious where the rationalization is.

KAWCHACK: Sure. Most of the print programs that we're looking at do have a digital component. So, they're packaged in there under print, but there are two reasons why. Print is more expensive, as you mentioned. A lot of our digital programs are already out there, and people know us, and this is a real opportunity to start reaching Nevadans who don't know us and don't know about where they want to go into Nevada. And so, looking at specifically the major newspapers in both Reno and Las Vegas, we've had really good success in our local campaigns when we do them for the museums, because those people have a higher propensity to travel within the state in particular. They are two-thirds more likely to go on a road trip and they're also very interested in local activities. I think that the number for museums specifically, they're 10 percent more likely to travel with their family, they're 23

percent more likely to extend their business stay, and they're much more likely to visit a museum as well. So, even though it looks really disproportionate, especially in the lowest plan, all of those print buys have a digital component, whether it be social, whether it be an e-mail, newsletter push, and then digital advertisement response.

CUNNINGHAM: Thank you. I appreciate the data-driven decision. So, perfect. And I would support the \$300,000 option.

MARSHALL: Thank you. Bob?

STOLDAL: Just a quick comment and a question. I really support the idea of looking inside the state. My question is regarding the use of the phrase "traditional televisions." Can you define that? How broad is traditional television? Are you talking about contract cable, or are you talking about a channel like KTVN in Reno?

KAWCHACK: Yes. I'm talking about all broadcast or traditional television, not in-stream. In-stream kind of goes back and forth between digital programs and TV, and we're at the point now where we can target more than just by even zip code. We can look at a neighborhood and pinpoint which households we want to look at. In traditional television, you can't do that. This year being an election year, normal, regular, traditional broadcast is going to be prohibitively expensive in this season. We're looking at other ways to reach those people who are watching television and maybe trying to consume that media somewhere else, because you can't watch live sports now unless you watch ESPN2. Those aren't necessarily traditional television models. It's through your cable or internet provider, but it's streaming.

STOLDAL: Well, I hesitate to rule that out since local television has really taken a giant boost with this virus. More people, especially in Nevada, are looking at local television. And then I would think as far as a community like Elko, they get their cable system from Salt Lake City cable, and maybe a few of those gold miners would like to visit Reno or Las Vegas. I wouldn't rule out local traditional television. I think there's some opportunities there and a lot of local television stations [inaudible] where they put their political spending. I think this takes some sophisticated buying, but I wouldn't ignore Reno and Las Vegas local television stations. Thank you.

KAWCHACK: Thank you for that comment, Commissioner Stoldal. We are going to look at where we can fit in it and there's also a really great paid content opportunities on those local stations as well. So, we are looking at that and also this is a way for us to really get on the public affairs side. We've already made some connections with media, who we haven't talked to in the past, where we'll be getting some PR efforts going as well on those stations.

MARSHALL: Thank you. Herb?

SANTOS: Thank you, Madam Chair. First, I've got a couple of questions and I want to thank everyone on that Committee for basically your hard work during these trying and confusing times, trying to figure this all out. When I first looked at the written materials, as I understand the recovery plan is basically twofold, evolve the brand and promote the Discover Your Nevada programs. The PowerPoint presentation you gave is very helpful because I see it is more. This \$300,000 program that you're asking us to consider is just for the Discover Your Nevada program, as opposed to anything else and I just want to make sure I'm on the right page. Right? Okay. So, I completely support combining multiple mediums for promoting Nevada to Nevadans. I think it's a necessity that we do it that way. I am concerned with the budget proposal. If I look at the budget that we looked at last Commission meeting, we've got \$4.5 million in the revised budget. That's marketed for advertising and marketing. And if that's correct, if that's where our pot is to fund everything for this year, and our goal is to kickstart the tourism market in Nevada with this Discover Your Nevada program, my first concern is: are we really selling ourselves short and not really using 7 percent of that budget or 4.5 if we're trying to really kickstart it? Should there be more money in this budget? Because it seems to me that if we want to hit it big and ensure that the buys that we make are sufficient to make an actual impression on our targeted visitors, do we need more money so we get more bang? I'd be interested for any comments from your experts who are in marketing, is whether this budget that we are considering is enough money to where we can feel comfortable that we're providing a sufficient reach to our target audience to make an impression on them, so they'll make a decision to get off the couch and get out and support Nevada and spend money for all of all the folks there in the tourism industry that need them to come in and utilize their facilities. That's my first question.

KAWCHACK: Can I address that?

SANTOS: Sure.

KAWCHACK: I agree with you. When we started this about six, seven weeks ago, we were looking at a very conservative budget. I do think that our projections are looking healthier than we originally estimated and my hope is to start with \$300,000 and then incrementally go up. I will point out that in category 31, when you're looking at that 4.4 to 4.5 number, it's not just promotion and advertising. That's a little bit misleading in that includes bigger programs and all of our website services, some contracts, all of our museum websites as well. So, it expands out. So just for a comparison, in the first six months of last year, our paid media spend was \$5.9 million out of our \$15.9 million net in category 31, and this year we have \$1.1 million to spend in category 31 over six months. So, this proposal with \$300,000, represents about 27 percent of the overall category 31 spend and last year, and we're at about 50 percent. So, because there's a smaller pie this year, we started conservative, but I do feel confident that the Recovery Committee, sounds like they'll be meeting on a regular basis, that will be an opportunity to incrementally lift that. So, we see that our actual

incomes are coming up, percentagewise, say 20 percent, we could incrementally lift and expand the audiences and their impressions over the course of time.

MARSHALL: If I could just follow up on that. So, you said that right now, in terms of cat 31, you're at 31 percent being spent on marketing. Is that correct?

KAWCHACK: Twenty-seven percent of the six-months spend would be devoted to this program.

MARSHALL: The Discover Your Nevada?

KAWCHACK: In that six-month period. Yes.

MARSHALL: Okay. So, when you're talking about it already comes your ability to increase the levels of spending marketing program like Discover Your Nevada, is that because other costs are fixed?

KAWCHACK: They are somewhat fixed. Our contracts are always built so that we can go up to a certain amount or not limit. We don't have to spend that amount. So as things expand, there are ways that we can spend that money right now. We're not able to spend money creatively because that's very expensive, but there are programs that are fixed. For example, research is something that's fixed, when we're subscribing to these studies that we need, or if we're going to be doing residents studies, which are on the list for this year, as well as website usability studies. Those are known costs. So even though they're not completely set in stone, they're already taking the money from the top of the pie.

MARSHALL: Is that why the percentage is lower than it has been in the past?

KAWCHACK: Yes.

MARSHALL: Okay. I'm sorry, Herb, go on.

SANTOS: Thank you, Madam Chair. Second, M.E., in the written materials it said that reach and impression data will be available once the plans are negotiated. When I look at buys, I mean, shouldn't we know that now? Shouldn't we know what the \$300,000 buys us as opposed to having all those little X's? I would assume that these three budgets or a budget would be submitted to the vendors and the vendors would basically provide you with their proposals within negotiated prices for each plan. You don't know how much money is going in each category, whether there's enough money for each category to be worth it. If we don't know if we're going to do television, radio, newspapers, whatever, it may be that once you start negotiating those numbers, you can fit it within the \$300,000 to where it's going to make sense. It may not be enough money, especially since we're going to be going in,

right this next quarter is competing with all the political ads and so we know that TV and stuff, all of those prices are going to go through the roof. It would seem to me that if we don't know how much money go to each category, then we're sort of putting ourselves in a situation where is that budget going to be actually appropriate? I feel comfortable authorizing a budget amount with the goals addressing all those categories that you have there but not approving it as a final budget. What I envision as a budget is to approve it when all those categories are budgeted in confirmation from you guys, as the experts who put it together, that those budgeted amounts are sufficient for each category to accomplish the particular goal of reaching our target audience to the sufficient point to where they're going to act on what we presented to them in whatever medium.

KAWCHACK: Yes, we usually start, like if when we're working our larger media buy, which is normally \$5.9 million, we already have a set amount. In this situation, we didn't have a set amount because it was a moving target. So how I approached looking at this is: what are our goals? What are we trying to accomplish? And percentage wise, where were we, where we felt comfortable spending at the time. So that's how these numbers are looked at. The impression of data is not included in all of this because especially with digital, I can expand based on if there's more money available, we can hit more. We can get more impressions for more money. So, these are all estimates and we're still negotiating. I have a good idea on some the impression data, but in a national or regional plan, you're going after a big number on this. There's a finite number of Nevadans. I want to try and reach the ones who have the highest propensity to travel. So, we're going to have to do a lot of negotiating and I see where you're coming from. And this one's just a little bit different because usually we have a set of factors. We have the goals, we have a budget, and we go forth with all of the information that we have. It's a moving target. I feel really confident that with this start of \$300,000, we can get things going and then meet with the recovery team and see where we are with projections, and incrementally change that so that we can put more money into those impressions. And maybe we can get some political season ads on television as well and be competitive there.

SANTOS: So what you have right here, do you feel confident that with \$300,000, you're going to be able to touch each of those areas sufficiently to create a strong enough impression that it would create action with our target audience?

KAWCHACK: I do feel confident that is a very good start. I can't say that we couldn't do better with more money. Of course, I would love to put more money into specifically some of the digital and audio/video items that we have here, and we can still tweak any of this. I have not signed anything. This morning I had a vendor call and say, 'Oh, I was just thinking about this. And I think that I'd like to propose this instead of that.' So, as we keep seeing, how people are traveling to, we might say, 'Oh, people are ready to go a little bit further, and hotels here really need this this little beacon.' We're going to start looking at those co-op opportunities and I

think that we can grow this. I mean, there should be an expandable program. We don't know which markets we are going to be in yet when we go back to domestic. We assume that drive markets are going to be first, and then the markets that might be interested in Nevada are going to be new ones. We might not be able to get into a certain market that might still be on a quarantine list for. Another market might really want to come here. So, we're really going to have to keep a close eye on all of that because of its continuing to move. But to answer your question, yes, I feel like we can make a really good impact, a solid impact with \$300,000, but we can, of course, incrementally lift that with every dollar that we add to that.

SANTOS: So, for Discover Your Nevada, if we didn't have this pandemic going right now, this is something that we wanted to do. What would be the percentage of our advertising marketing budget that we would devote to this? Is that the percentage you said prior to that?

KAWCHACK: We have not done paid for Discover Your Nevada in a number of years. If we were in a normal world, I really do think that Discover Your Nevada should always be an audience that we're targeting. And we do a little bit of Las Vegas and a little bit of Reno, but it's following a brand message. And it was our hope to layer in the Discover Your Nevada message, so I think that I would start with about this. We did do museums buy for a little bit less than this, and I felt like it was pretty successful as far as reach went and as far as click throughs and all of that. We hit all the targets that we wanted to. So, I used that as a base because we have done this before for a transcontinental railroad events and Mint150 and other events for similar audiences.

SANTOS: My thought process on this. My position would be is that whatever money that we have budgeted out of this \$4.5 million that we want to earmark for Discover Your Nevada, that I would want to use as much of it upfront as possible. This is kickstart it. This is to get people out. It the summertime and it's the end of the summertime, right now. We're in our last month, schools may not be started. I don't know what's going to happen to schools but getting people to do something with their kids right before, and if there's more money out there I want to put more money into that budget. If we can show the world that the Nevadans are out and about safely enjoying what Nevada has to offer, maybe that'll be a good sort of way to kickstart getting folks from outside of Nevada to come here too. So, I would be more aggressive than conservative on the \$300,000 but if that's all we have, then that's all we have. If there's more in that budget to cover this, I would say put more money in it. That's my two cents for the day.

MARSHALL: Thank you, Herb. And I think that Jennifer from RSCVA, I think feels the same. I think if you can see her comment in the chat room that she's comfortable with the \$300,000, but any additional revenues should go towards augmenting that budget.

Although I will mention that Pam says that California is copying us. We are not copying California. So, we'll put that in the record.

Ed?

ESTIPONA: I love this idea. I think, as a marketer, we've been very cautious of how we're trying to guide our clients right now during this time. I think there's too much going on. And yeah, you can say let's throw it all in and do this, but I want to approach things a little bit more cautiously than I think at \$300,000, even though that they're saying this is their big budget, I think this is a good cautious budget, and it's a good start. It's a really good start. With media per se, I'll tell you right now, we deal with buying media all the time and we get into situations where, unless we are ready to sign a contract, most of our media partners, aren't sitting there willing to commit to any because of where political campaigns are. It doesn't matter whether you're digital, print, radio or TV, nobody's going to make a commitment until you are willing to sign a contract. So that's one of the reasons I think some of the data points aren't there, but I do believe it's a smart campaign. And I love the idea because from a psychology standpoint, we are more likely to travel the places that we're familiar with. Familiar enough to say, I trust Nevadans and so therefore I'm going to go travel to Nevada. I'm less likely to travel to California because I don't trust them as much. So again, I like this idea. I think it's smart and I love that the Marketing Committee has pushed for this because I think it's brilliant and I do agree too that if we continue to show some movement into data, then yeah, let's dump some more money behind it because I really think it's a good thing to do right now. It's going to be a while before people feel safe traveling outside of their comfort zone. And so that's my comment at this point.

MARSHALL: Thank you, Ed. Cynthia?

MUN: I'd like to just comment that first of all, I think it is a moving target. It's very difficult for marketers at this time to figure out exactly what it is and to do all the negotiation. But I think M.E. has done a really good job and the team overall in trying to come up with something that is workable and cautious at the same time that she feels confident enough that with this amount that we'll be able to do what is necessary and if needed, then we can come back. But we need to show some successes at first. And we don't want to just blow the budget as well. And it's at a time where we're not completely sure how many people will be visiting inside. However, Discover Your Nevada is a great program for us to create insiders. Nevada insiders. Either they go or not, they are gaining information about Nevada and they become like train the trainers. They become tourist guides themselves for other people when they come to Vegas, Nevada, or Reno. I think overall it's an outstanding program, especially during this time, and I think the team also looked into the election cycle as well. And they've put those thoughts behind all these decisions. So, this wasn't just created saying, we just want to get more money because as a marketer, we would love more money. I mean, there isn't a marketer

in the world who asks for less. I think the team has really done their homework, had the many discussions to come up with something that was really reliable.

MARSHALL: Thank you, Cynthia. I appreciate that. Bob, you made the comment that we're competing in all forms of media and then Pam, you had a comment or a question.

ROBINSON: I do. First of all, I just love that we're highlighting Discover Your Nevada. It's one of my favorite things with the Division of Tourism. Being somebody who loves the rural communities, I think there's so much out there to tell, and it gives us a double opportunity to highlight all over the state. My question is: this dovetails I believe pretty wonderfully with our state parks and our new outdoor recreation division, and my question is, will we be working with them as we push the Discover Your Nevada to make sure we're all on the same page and maximizing all of our efforts?

KAWCHACK: Yes. We do talk to state parks on a regular basis and there's also a call every other week to talk to outdoor recreation as well as forest service, national parks. It's a conglomeration. And you actually pointed out one of the challenges that we have, because a lot of our outdoor spaces are getting overcrowded. We have to be cognizant of that. Working together closely is even more imperative now to make sure that we're sending people to the right places, places that are safe, places where there is going to be general respect for the area and reminding visitors to do that. We do have a social media campaign. It's not the official leave -no-trace, but it's about how you can enjoy outdoor spaces. It's a little more Nevadafied. We do have more open land than other states, so that comes with a lot of pros and cons and it's just a nice reminder for people. We don't want them to get lost in the desert, but we want them to be safe and enjoy it. And ultimately, it's great if people want to also stay in a hotel room, because obviously that's where we're trying to accomplish here. And we generally do point people outdoors, so this is actually expanding some of the things that we usually talk about.

ROBINSON: So just to follow up on that, have you also worked with Shari and the territories and that because they are also pretty helpful in directing people and they know their areas better than we all do to make sure that we're maximizing and that we've got some hidden gems out there, and putting them in a hotel and then send them out to different kinds of things. If we aren't working with territories, I would urge us to do that.

KAWCHACK: Thank you. Yes, Shari and the sales team do have weekly calls. They were twice weekly, and I think, director calls and partner calls. And we do get takeaways from that as to what is happening out there and all that. So, we're not saying, go do this thing if you can't do this thing. And if people say, yes, we're open, we want you to come. Then we know that. So we have been very

fluid in that, especially in social or email campaigns to make sure that we have the most up-to-date information on our website, social media. We're trying to really work closely and I think that once we can get this going on Discover Your Nevada, the next step is really the layout of where those co-op opportunities are because I know that our partners have been waiting for that, and are very excited to get going.

ROBINSON: Thank you.

MARSHALL: Thank you, Pam. Brenda?

SCOLARI: I just wanted to further address Commissioner Santos' concerns about the funding level for the campaign being too low, but by reminding the Commission that the first quarter of fiscal 21 reflects the period of business closure. We only received a little over \$250,000 in lodging tax this month. Our cash reserve is going to be covering any spending gap, but we do believe in this campaign beyond \$300,000. I think it is exactly the right campaign at the right time.

MARSHALL: Thank you. So if there are no other questions, I'm hearing, I think Jennifer from RSCVA said it best, that you like the recommendation for the \$300,000, but then if additional revenues come in, you would like those revenues to go towards this marketing plan. Is that what I'm hearing board members say? I'm seeing nodding heads, okay. If that's what I'm hearing, then if someone wants to make that motion, I'll accept the motion.

CUNNINGHAM: I will move that we authorize the spending of \$300,000 for the Discover Your Nevada program with the intent that as revenues exceed forecast, that we are able to augment budget as appropriate.

MARSHALL: All right. I have a motion. Do I have a second?

MUN: I second.

MARSHALL: I have a motion and a second. Do you have any discussion? All right, hearing none. All those in favor, signify by saying aye.

COMMISSION: Aye.

MARSHALL: Okay. Any opposed? Motion passes. M.E., that was an incredibly useful and thorough, and comprehensive presentation. I really appreciate it. Thank you for all the work. It was very nice. Moving on, I know it's 2:51. I've been trying to move this along. I hope you're okay with the timing. We are getting near the end though. Item J is the creation of a recovery subcommittee. And Katie, did you want to make this presentation?

WILSON: Sure. I will sort of elaborate as the Lieutenant Governor started speaking of a little bit earlier on in the meeting and has alluded to a couple of times during the meeting, but it sounded like at the previous NCOT meeting that there was interest in creating a subcommittee to really focus in on recovery efforts and really get their hands a little bit dirtier than maybe the board at large can get. So we wanted to move forward with the creation of a recovery subcommittee, with the intention of a) meeting more frequently, b) facilitating the implementation of the budget and the decisions or certain discussions relating to programmatic decisions to be brought forward to the larger board, very similarly to what was just brought to us from the Marketing Subcommittee, but more broadly across each of the programs that Travel Nevada pulls together, with the intention of really focusing in on the importance of this recovery time. In the short term, I think it will definitely be working with Travel Nevada and working closely with the Marketing Subcommittee to take the short-term budgetary limitations that are set in front of us, and think creatively about how we can really use those funds to create new programs and be a brain trust of different experiences and different breadths of knowledge to make sure that we are creating the best program we possibly can to move forward, to make sure that we're leveraging what little funds we potentially will have, coming up in the short term. Lieutenant Governor, is there anything else you want to add in on the intention of what we are hoping the board will be able to discuss during these meetings?

MARSHALL: One of the things that I heard the board saying at the last meeting is that the board needed more input. Before we get the official AGO, Attorney General opinion, that the board wanted more input on how the budget, with respect to travel and tourism, was being allocated. So the Recovery Subcommittee, in addition to focusing on programs and programmatic discussions and priorities to come back to the board with, in addition will be involved in and facilitating, providing perspective and input on the budget process as far as it goes with Cat 31 and Nevada Magazine. That process, as you heard, is fast moving right now. We're at the end of that process in terms of agency recommendation. That does not mean that in the second part of the process, it does mean where you can't get into the database, that the executive branch has to put in agency recommendations, but it does not mean that your discussions cannot continue on what agency recommendations and what governor recommendations are going to be and how well those align. So we expect the Recovery Subcommittee to be assisting with that and assisting with getting involved in a more granular level on what the program priorities ought to be and then coming back to the board with those recommendations and taking some of the board, our recommendations, and executing on those with respect to the subcommittee. Go ahead, Katie.

WILSON: I think that is a great addition. As you've mentioned, these members which, as Commissioner Krolicki mentioned, we are intending to have members of the larger board participate in the subcommittee with the thought exactly of having that conduit to be there to explain some of these line items. And some of these budget discussions are difficult and very laborious and

time consuming. And I know that the Travel Nevada staff is in this every single day. And so having this sort of smaller group to be able to really dig in and work through some of these pressure points and some of these difficult decisions to bring forward to the board, we sort of decided, or we thought that that would be an easier way to be nimble, be flexible and also have a little more transparency and ability for the board to be involved in these without having to have larger board meetings every week, which it seems like would be necessary at this rate to try to filter through all of this information. So that is an overview of the expectations, in a macro sense. And if there are questions from the board on that, we can discuss that first before moving forward to talking about the Commissioners.

MARSHALL: Everybody's happy? So, this is the idea to create a Recovery Subcommittee. Katie, do you want to then talk about who we might put on that subcommittee, or how do you want to move forward?

WILSON: Yeah, so this is a little bit at the pleasure of the Chair and the board, but we have had discussions about nominating Commissioner Robinson, Commissioner Windbigler, and Commissioner Pazina to the Recovery Subcommittee. We are more than happy to bring this full vote in front of the board, but if any of you feel uncomfortable voting for yourself or having to abstain from nominating yourself to that board, we can move forward with just the creation of the subcommittee and then make the recommendations for the members after. But it's just your comfort and the board's comfort on how they would like to vote on that.

MARSHALL: What do you guys want to do? You want to vote to create a subcommittee or you want to vote to create the subcommittee and the people on the subcommittee? You have an idea now, as stated, those three people, if we go to create the subcommittee, but I want to open it up to you. Hi, Brian.

KROLICKI: Madam Chair. I think efficiency's fine. I think the concept of this Committee is great. Katie, I appreciate your integration of some extraordinary skillsets and experiences on the Commission to these processes, and that those three Commissioners, if they are so willing to serve, are wonderfully equipped to serve this role well, and I'm happy to do a big fancy motion that includes the whole piece.

MARSHALL: Okay. I'm hearing from people that that's what they want to do. A motion that includes both. Bob had a question of whether the Arts, Indian Commission and museums would be part of the Recovery Subcommittee. Do you want to address that, Katie?

WILSON: Yes. Two separate things. If we are going to move forward with approving the subcommittee and the members, I will say that there are a few additional members who are not on the board, which I will speak about right now and also will address Mr. Stoldal's question. So, in addition, we have reached out to Patty Herzog, who is the rural, economic, and community development director with GOED. She is intimately involved in the recovery plan for the state, with the Governor's Office of Economic Development plan and on which we think will be hugely a very valuable voice on this recovery subcommittee. And then we also have Tim Haughinberry. I hope I'm saying that correctly. So sorry if I'm not because I think he is on this call. He is the CEO of the LGBTQ Chamber of Commerce and also owns the Backbar USA supplier, which works with large industry suppliers for bars. And so again, two different industry partners who will be able to bring in that invaluable voice that the Lieutenant Governor and Mr. Krolicki spoke of. To Mr. Stoldal, I think it is at the decision of the Committee, whether or not you want to leave membership open as this recovery program changes. These are the people who have agreed to be on our subcommittees thus far. I think there's a discussion that if the subcommittee wants to add representatives, let's say, like Commissioner Robinson spoke of from the outdoor recreation industry, or if there are people, as Mr. Stoldal says, from Arts or Indian Commission or museums, that the Recovery Subcommittee should be open to be able to make those recommendations to add people in, and these are the people who have confirmed in this short period of time to have this sort of responsibility .

MARSHALL: Bob?

STOLDAL: So, I didn't quite hear an answer. Will museums, Indian Affairs, and the Arts Council budget be discussed by the Recovery Committee?

MARSHALL: Not at this time. I need an official AGO opinion to go further than where we're going now.

STOLDAL: Thank you.

MARSHALL: You're welcome. Okay. So what I'm seeing from the board is that you would like a motion to create a Recovery Subcommittee to deal with directing and assisting and providing guidance and perspective to the Department of Tourism on the tourism budget as it goes forward, and being part of the executive budget on the programs and the policies and priorities with respect to the programs for tourism, and to be the go between for the board and the Department of Tourism in terms of making sure that the priorities that the board puts forward are indeed carried out at a more granular level in working with the Department of Tourism. So that is the creation of the Recovery Subcommittee. At this time, if you want to go forward with both, it would be a motion to create the Recovery Subcommittee and this Recovery Subcommittee would consist of the following people: Commissioner

Pazina, Commissioner Robinson, Commissioner Windbigler, Patty Herzog from GOED, and Tim Haughinberry, who is the CEO of the LGBTQ Chamber and the CEO of Backbar. So, if that is what people want, I will accept a motion. If you can say that all in one breath.

SANTOS: I would move for the appointment of commissioners and industry stakeholders to A subcommittee of the Commission for Travel Nevada's recovery plan, program and spending. It will include Commissioners Pam Robinson, Julie Pazina, Kristen Windbigler, and I'll need a little bit of help with the other three names, Madam Commissioner.

MARSHALL: Patty Herzog, Tim Haughinberry, Kristin Windbigler.

SANTOS: With the goal that they meet the determine all this.

MARSHALL: All right. I have a motion. Do I have a second?

CUNNINGHAM: I'll second that motion.

MARSHALL: I have a motion and a second. Do I have any discussion? All right. Hearing none. All those in favor, signify by saying aye.

COMMISSION: Aye.

MARSHALL: Opposed nay. All right then. Motion passes. Thank you very much. You guys are great. I really appreciate it. Okay. We have two more things. We have an agency report. I don't know if we are discussing that or if that's simply included in our materials, because it doesn't say discussion or action. What is agenda item number K? Is it just something in our materials?

SCOLARI: It's just for discussion, Lieutenant Governor.

MARSHALL: All right. Who is making that? Oh, Christian?

PASSINK: Thank you, Lieutenant Governor and members of the Commission. For the record, my name is Christian Passink and I am the Director of Sales & Industry Partners for Travel Nevada. As you all know, the great state of Nevada and the people who have lived and work here have a long and storied history of boom and bust cycles, but we've always found a way to adapt and to persevere. We bend, but we don't break, and we never give up because we all know that better days are always just around the corner. We certainly enjoy the riding the wave of record visitation, which is undisputed evidence that the state of Nevada is a premier, highly desirable destination that has worldwide appeal and offers visitors the neon-to-nature experience that one can only find here in Nevada. But it's during the lean times when our backs are against the wall, that's where our Nevada tourism industry

partners and their organizations rally to meet the moment. With worldwide closures and local travel restrictions, limited budgets, reduced staff, it would have been easy for some to throw in the towel and just give up, but instead, our industry partners spoke up and said, what can we do to help? We know how to make it come back. We've done it before, and we will do it again. So we worked hard to try and find ways to keep our industry partners involved, keep them informed and engaged in an effort to try to secure the gains that we had made before this crisis began and to try to position ourselves to be as ready as possible to make a strong statewide recovery. Please allow me to give you some examples of the initiatives that we have taken during the COVID-19 shutdown fury. Rural programs manager, Shari Bombard, has been instrumental in this effort. She initiated the Nevada's Directors Group, which is a weekly Zoom call where all the directors from the Nevada Convention and Visitors Bureaus, Chambers of Commerce, Destination Marketing Organizations, and main street programs meet to assist each other and discuss common issues, best practices, reopening strategies, and get real time updates of what's going on throughout the state. We also bring in other members of the Travel Nevada staff to introduce them to the group so that we can all work together more effectively in the future. Travel Nevada has continued to attend all of the territory meetings for the six volunteer territory organizations. These meetings have been conducted via Zoom. We are all really looking forward to resuming in-person territory meetings as soon as possible. We've also begun the first phases of our destination development program. We recently completed the destination development workshop and we're preparing to meet again soon to decide the scope of work and the next steps for this new initiative. This is a collaborative effort with a coalition, including the Governor's Office of Economic Development, the Nevada Silver Trails Territory, Nevada Main Street, Cooperative Extension, Lincoln County Authority of Tourism, and the USDA. We are in the process of establishing the guidelines for a modified recovery grant program to assist our rural Nevada tourism partners in getting the crucial funding and resources that they will need to get back up to speed with effectively advertise and market their destinations and attractions. Travel Nevada posts a bi-weekly industry chat for those off in the social distance. This offers an opportunity for our industry partners throughout the state to communicate with each other and network. Our public relations staff has created a closed Facebook group for the Nevada industry partners to discuss concerns related to the COVID-19 pandemic and to work out best practices for safely reopening their businesses. Due to the current COVID-19 restrictions, we have had to reschedule our Rural Roundup tourism conference once again. Hopefully, you will be able to step back in time at the recently rescheduled Rural Roundup. It should now take place in Virginia City, April 21-23 in 2021. We have just recently reconciled all the reimbursements and completed the evaluation process to close out the previous fiscal year's Rural Marketing Grant Program, and we have maintained the fulfillment of brochures, maps, travel planners, making sure they're distributed to all the key visitor locations, including RV and car rental shops, to try to prime the pump for when we're ready to start promoting. We have been constantly updating and revising our database of

domestic tour operators for future sales and familiarization trip opportunities. We are also researching new opportunities for Travel Nevada to attend virtual trade shows to promote the state in both international and domestic markets. Although all ten international offices are officially still on a pause, we have maintained contact with their representatives throughout all of the border closures and travel restrictions and are doing our best to keep this program intact. Travel Nevada also participates in the state and federal weekly coordination call, which includes the governor's office, the BLM, the Department of Conservation and Natural Resources, which includes the Nevada Division of State Parks and the Nevada Division of Outdoor Recreation, along with other state and federal organizations to help coordinate our decisions. At a time when we are seeing an increase in the impact on use or overuse of our sensitive wilderness areas, our local tourism promotion authorities have been instrumental in reinforcing the messaging of tread lightly, leave-no-trace, and responsible outdoor recreation at every single opportunity. We all continue to try to use this time to increase our knowledge, to stay informed, and participating in the numerous industry-related webinars and other distance learning opportunities that are now abundantly available to us. We are creating revised travel itineraries from traditional drive markets and developing self-guided FAM trip itineraries for domestic tour operators and for the media. We are working on identifying new opportunities, different attractions and points of interest for us to promote in an effort to limit sending visitors to well-known and overused areas of the state. We will continue our ongoing training with our industry partners on the Travel Nevada recovery plan and how they can best help promote the road trips and cross promote each other's destinations to be a force multiplier for our efforts. We are encouraging industry partners to get back to their roots, reestablish their traditional drive markets and primary sources of business for maximum immediate impact and to avoid the duplication of efforts. We are constantly monitoring research to gauge consumer sentiment, travel trends, and local sentiment, to provide feedback to our partners where it's appropriate. We are also hosting training webinars with tour operators from Guadalajara to help keep Reno-Tahoe top of mind and help maintain your awareness and viability of the Volaris flight from Guadalajara, Mexico to the Reno-Tahoe International Airport. We are amplifying our industry partners' messaging by using our social media channels and expertise to drive traffic and build audiences for their websites and their social networks. Public relations specialist, Chris Moran, serves on the Governor's Joint Information Center Task Force multiple times per week, to assist the governor's office in supporting the COVID-19 emergency operations messaging. Our public relations specialists also send out Travel Nevada e-blasts on a regular basis to keep our industry partners updated. Travel Nevada recently participated in the U.S. Travel Association's Spirit of Travel campaign with social media posts that include slide shows, videos with photography highlighting Nevada's tourism industry partners. Hopefully this list gives you a better idea of some of the initiatives that we've been working on over the past few months. This is by no means a complete list,

but just an example of the type of initiatives we've been able to accomplish over this time. I'm happy to answer any questions that you may have at this time.

MARSHALL: Thank you. Are there any questions or comments from board members? Pam?

ROBINSON: Thank you so much, Christian, for you and your team and really being creating and keeping things going during this. I'm on a number of those groups and chats, and I try to join them as much as possible, but it's just like everybody is using all of their talents to make sure that Nevada stays on the forefront. And so, kudos to you guys for that.

MARSHALL: Thank you. Other comments? All right. Thank you very much, Christian, for all you're doing. I appreciate that. That's a lot of work. Okay. Can we get to agenda item L, discussion only? Katie?

WILSON: Yes. So as was discussed in the last meeting, we are trying to make sure that we stay on a good schedule for these meetings and as mentioned, and we're going to try to get the Recovery Subcommittee to meet monthly so that they can come back to the Commission to give their report. We currently are looking at having a full Commission meeting in November. Staff from Travel Nevada will be sending around further information about what date that will fall on, but since we have kind of gone out of our original sync, we just wanted to make sure that the board was aware that that information would be coming for the November meeting prior to the Thanksgiving rush, et cetera, but that the Recovery and the Marketing Subcommittee would be meeting in the interim so that they can report back to the larger board.

MARSHALL: Board members, okay with that? Okay. Agenda item number M. This is time for Commissioner comment. Do we have any Commissioners commenting?

SANTOS: I just want to say thank you to the entire Travel Nevada team and all the Commissioners that are on this right now. Both in our tourism lives and our personal lives, this has been crazy trying to understand what's going on, and the fact that we're all on here and everyone's working hard to tell the world just how great Nevada is. My hat's off to all of you. I know everyone's working their buns off and I just think it's great that we've got such a great group of people that work, not only on this commission, but also with the folks over at Travel Nevada, so this is a personal thank you to all of you.

MARSHALL: Thanks. Brian?

KROLICKI: Herb, thank you for that. I think it's important what you said there, but I have one question to Ms. Katie. How's the baby?

WILSON: I was going to wait until public comment, but this is our daughter, Logan Lynn and she is the newest edition to the Lieutenant Governor team. And she has sat here quietly this whole call, I will have you guys know. So, we couldn't be happier.

MARSHALL: She's a perfect baby. She's the best baby.

KROLICKI: Congratulations.

WILSON: Thank you.

KROLICKI: I miss them that small. They turn into teenagers. They go to college and they are really expensive.

WILSON: Very quickly. No, thank you so much. If I have been a little slow to respond, this is why, but happy to be back.

KROLICKI: Prepaid college tuition program. Newborns can enroll any time.

WILSON: I know the Lieutenant Governor is already on top of that with the state so we're good.

MARSHALL: And she was two months the other day and she passed all her little shots and everything beautifully. Anyway.

Okay. So other public comments. All right. That was Commission comment. Now we're on N, public comments. This is the second time if people have public comment on any of the agenda items that we have had, could you comment in the chat rooms so I can see? Because I only see about twenty of you or something. I'm not seeing any public comments. Is there any public coming on the phone call?

RON: That is a no, Lieutenant Governor.

MARSHALL: Okay. Thank you. Perfect. No, you're also a part of the public.

MUN: I went to the website. I just wanted to say how much I loved it. That update on the Travel Nevada site. So, I don't know if you've been there, but it's a really a great site and you can go through and go into all the different segments of a traveler. And it's a lot of fun. If you have the chance, please go take a look at it, because I really liked it.

KAWCHACK: It's a new platform. So, it's just been re-platformed. It will be open to everybody shortly.

MARSHALL: Congratulations. Very good. All right, then moving to adjournment. Would anyone like to make a motion to adjourn?

ROBINSON: I move that we adjourn.

MARSHALL: I have a motion. Do I have a second?

MUN: I second.

MARSHALL: All right. A motion and a second. Everyone can get to the Travel Nevada website. All those in favor, signify by saying aye.

COMISSION: Aye.

MARSHALL: Any opposed? Thank you for all your time. I really appreciate it. Thank you, again, Brenda, you and your team for all your work. Thank you, M.E. Thank you, Christian. Alright guys, talk to you later. Take care.

**Adjourned**

Meeting adjourned at 3:26 p.m.

APPROVED