



NEVADA COMMISSION ON TOURISM

**Tuesday, June 23, 2020
1:00 P.M.**

MEETING LOCATION:

Join Zoom Meeting

<https://us02web.zoom.us/j/81438668120?pwd=MVITUGd4WWU4V1N2MGYwUUQxa0FMZz09>

Meeting ID: 814 3866 8120

Password: 049257



NEVADA COMMISSION ON TOURISM NOTICE OF PUBLIC MEETING

Regular Meeting of the Commission on Tourism
Tuesday, June 23, 2020 – 1:00 P.M.

MEETING LOCATION:

Join Zoom Meeting

<https://us02web.zoom.us/j/81438668120?pwd=MVlTUGd4WWU4V1N2MGYwUUQxa0FMZz09>

Meeting ID: 814 3866 8120

Password: 049257

COMMISSIONERS

Lt. Governor Kate Marshall, Chair*

Cindy Carano, Vice Chair*

Herb Santos, Jr.*

Brian Krolicki*

Kristin Windbigler*

*Voting members

Jennifer Cunningham*

Mike Vaswani*

Cynthia Mun*

Julie Pazina*

Steve Hill*

Pam Robinson*

Bob Stoldal

Edward Estipona

Brian Wadsworth

Pursuant to the Governor's Emergency Directive 006, there will be no physical location for this meeting.

STATEMENT OF THE COMMISSION

- Action may be taken on those items denoted "For Possible Action".
- Items on this agenda may be taken in a different order than listed.
- Two or more agenda items may be combined for consideration.
- An item may be removed from this agenda or discussion relating to an item on this agenda may be delayed at any time.
- Public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the chair, and speakers are urged to avoid repetition of comments made by previous speakers.

- No action may be taken on any matter brought up under public comment until that matter has been specifically included on an agenda as an item upon which action may be taken (NRS 241.020).
- Meetings are audio-recorded as part of the public record. Speakers are requested to identify themselves before speaking.
- Note: Please provide NCOT with electronic or written copies of testimony and visual presentations if you wish to have complete versions included as exhibits with the minutes.

AGENDA

A. Opening

Call to Order and Confirmation of Proper Posting – Lt. Governor Kate Marshall
Roll Call and Determination of Quorum – Lt. Governor Kate Marshall

B. Welcome to New Commissioner(s)

C. Public Comment

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to three (3) minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

D. **For Possible Action** – Approval of Minutes

Approval of the December 11, 2019 NCOT Meeting Minutes

E. **Discussion Only** – CVA Updates

Steve Hill, LVCVA
Jennifer Cunningham, RSCVA

F. **Discussion Only** – FY21 Projections

Lodging Tax: Kyle Shulz, Travel Nevada
Travel Sentiment: Destination Analysts
Economic Forecast: Governor's Office of Economic Development

G. **Discussion Only** – FY21 Budget Review

Brenda Scolari, Nevada Department of Tourism and Cultural Affairs

H. **For Possible Action** – Travel Nevada Recovery Plan

Travel Nevada Staff

I. **Discussion Only** – Nevada Division of Outdoor Recreation Update

Colin Robertson, Administrator

J. Discussion Only – Nevada Magazine Update

Megg Mueller, Managing Editor

K. Discussion Only – Agency Reports

I 1. Chair Report

I 2. Division of Tourism

I 2.1 Staffing Changes / Updates

L. Discussion Only - Upcoming Meetings

Wednesday, September 23, 2020

1:00 p.m.

Wednesday, December 9, 2020

1:00 p.m.

M. Commissioner Comments

N. Public Comment

Public comment is welcomed by the Commission. A period of public comment will be allowed at the beginning and at the end of the meeting. Because of time considerations, the period for public comment by each speaker may be limited to 3 minutes at the discretion of the Chair, and speakers are urged to avoid repetition of comments made by previous speakers.

O. For Possible Action - Adjournment

The public may acquire this agenda and supporting materials, pursuant to NRS 241.020(2) by contacting **Jessica Grundy** (775) 687-0631 or by email to jgrundy@travelnevada.com. Materials are available from the Nevada Commission on Tourism office, 401 N. Carson Street, Carson City, Nevada and online at www.travelnevada.biz

Persons with disabilities who require special accommodations or assistance at the meeting should notify Jessica Grundy at the Nevada Commission on Tourism at (775) 687-0631 or jgrundy@travelnevada.com.

MINUTES of the NEVADA COMMISSION ON TOURISM
December 11, 2019

The Nevada Commission on Tourism held a Commission meeting at 9:00 a.m. on December 11, 2019 at 401 N. Carson Street, Carson City, NV 89701 and by phone conference.

Call to Order

Lt. Governor Kate Marshall, Chair, called the meeting to order at 9:03 a.m.

Commissioners Present:

Lieutenant Governor Kate Marshall, Chair
Cindy Carano, Vice Chair
Phil DeLone
Herb Santos, Jr.
Brian Krolicki
Cynthia Mun
Pam Robinson
Edward Estipona
Bob Stoldal
Julie Pazina
Kristin Windbigler

Commissioners who are absent/excused:

Richard Arnold
Mike Vaswani
Steve Hill

Staff present:

Brenda Nebesky, Deputy Director
Dee Chekowitz-Dykes, E.A.
Shari Bombard, Rural Programs Manager
Justin Taruc, DAG
Stacey Montooth, Nevada Indian Commission

Roll Call and Determination of Quorum

MARSHALL: Hi guys. It's 9:03, so let's get started. I don't normally start late. All right, so let's see where we are. Let's call the meeting to order, Wednesday, December 11th, 2019 at 9:03. So, the first thing I want to know is whether the meeting was properly noticed and posted.

DYKES: Lt. Governor, Dee Dykes for the record. The meeting has been properly posted in accordance with NRS Open Meeting Law at seven locations and on three websites.

MARSHALL: Thank you. Can you call the roll, please?

DYKES: Yes. Lt. Governor Marshall?

MARSHALL: Here.

DYKES: Cindy Carano?

CARANO: Present.

DYKES: Commissioner DeLone?

DELONE: Present.

DYKES: Commissioner Steve Hill. Commissioner Santos?

SANTOS: Present.

DYKES: New Commissioner, Julie Pazina?

PAZINA: Here.

DYKES: Commissioner Vaswani. Commissioner Krolicki?

KROLICKI: Present.

DYKES: Commissioner Cynthia Mun.

MUN: Here.

DYKES: Commissioner Robinson?

ROBINSON: Here.

DYKES: New Commissioner Kristin Windbigler?

WINDBIGLER: Present.

DYKES: Our non-voting members, Edward Estipona?

ESTIPONA: Here.

DYKES: Richard Arnold, and Mr. Stoldal?

STOLDAL: Here.

Welcome to New NCOT Commissioners Pazina and Windbigler

MARSHALL: Thank you. As people in the audience could hear, we have some new members and I wanted to give them a chance to say hello. So, Julie Pazina, if you wanted to introduce yourself, we're very, very happy to have you.

PAZINA: Thank you so much. It's wonderful to see you from the distance, from Vegas to Carson City. Thank you so much for the honor of joining the Commission. For those of you that I haven't met, my name is Julie Pazina. I'm a part of the hospitality community here in Las Vegas; former president of the Las Vegas Hospitality Association; active member of the International Association of Exhibitions and Events; and the International Association of Venue Managers. And thrilled to have the opportunity to serve Travel Nevada, the Commission on Tourism and really the state of Nevada as a whole. So, thank you so much for having me.

MARSHALL: Thank you and thank you for coming. Kristin, do you want to say something?

WINDBIGLER: Hi everyone. I'm Kristin Windbigler. I'm the Executive Director of the Western Folklife Center in Elko, Nevada. I am just so thrilled and honored to be invited to join this Commission and I'm really eager to serve the people in Nevada.

MARSHALL: Thank you. Did I miss someone? No. I think that's lovely. All right, that was Agenda Item Number A.

Public Comment

MARSHALL: Agenda B, Item Number B, so we have public comment. Please note that we have public comment twice in the beginning and public comment at the end, so if there's something that happens during the Commission meeting and you would like to comment on that, you are welcome to comment at the end. No worries. But do we have any public comment now, up here in Carson City? All right. Do we have any public comment in Las Vegas?

PAZINA: No, we do not.

MARSHALL: Thank you, and on the phone? No, all right. So, don't forget, you will have your chance at the end if something happens that you wanted to comment on.

Approval of Minutes

MARSHALL: Moving to Agenda Item Number C, approval of minutes from July 12, 2019. Do we have any edits, corrections, thoughts, perspectives?

- SANTOS: Herb Santos, for the record. Just on the September 24th meeting minutes, on page 46, I think it may have taken a word—it just doesn't make sense where it says, "and if I understood the process that's going to happen it seems that it has taking the consensus of the Commissioners to provide recommendations," I think it would have said taking away the consensus of the Commissioners to provide recommendations. So, I would ask consideration that we put "away" in between the word taking and the, the word away.
- MARSHALL: Okay. Any other edits. All right, then did you want to make a motion, Herb, with your amendment?
- SANTOS: Sure, I would move that we approve the July 12, 2019 NCOT Meeting Minutes and approve the September 24, 2019 NCOT Meeting Minutes with the one edit on page 46 of, including the word, away, be—in the third paragraph between the words taking and the.
- MARSHALL: All right, do I have a second?
- ROBINSON: Second.
- MARSHALL: Second from Pam. Any discussion?
- MARSHALL: Hearing none, all those in favor signify by saying, aye.
- GROUP: Aye.
- MARSHALL: Any opposed. Minutes are approved.

FY20 2nd Cycle Rural Marketing Grants Recommended Allocation

- MARSHALL: Agenda Item Number D, I kind of skipped a little bit, did D after A. Anyway, whatever. Welcome. Not the most formal person, okay. Agenda Item Number E, Fiscal Year 22nd, Cycle Rule Marketing Grants. Hi.
- ROBINSON: Madam Chair.
- MARSHALL: Yes, go ahead.
- ROBINSON: Before Shari starts, Pam Robinson. If I could just say that—first of all compliments to Shari and Christian and their staff and the territory chairs for going through a pretty significant process to get to this cycle of the Rural Grants. It was not easy, but they put in a lot of work and were thorough and had good comments and reasons for all of the decisions they made. As we went through those meetings, just wanted to let you guys all know beforehand that there was a lot of thought that went into this and thank you for your hard work.
- BOMBARD: Thank you very much.

MARSHALL: Thank you, Pam.

BOMBARD: For the record, my name is Shari Bombard and I am the Rural Programs Manager for Travel Nevada. Good morning, Lt. Governor Marshall and members of the Commission. It is my pleasure to present to you the Fiscal Year 2020 Second Cycle Rural Marketing Grant Recommendations.

In this cycle, we received 97 applications requesting \$814,575.38 in funding. We were able to provide funding for 56 of those requests, totaling \$301,575. I would like to point out that although the amount requested was \$814,000, the full budget for the projects was \$2,134,670. These funds are vital to these communities and many projects would never happen without them, but the communities also invest a huge amount of their own time, money and in-kind contributions to these projects.

Besides the actual dollars, our grants are exceptionally important because they act as a force multiplier helping keep our partners engaged and thinking about marketing; improve our relationships all over the state; inspire new projects and ideas; increase commitment and tracking since they have to report back; and, they invest more funds than they are requesting from us contributing to their local economies as well as to the state.

Besides the grant workshops I hosted last year, I have also been focusing on outreach to continue to increase awareness of our grant programs as well as everything else that Travel Nevada does. Between July and the first part of October, I worked in 28 Nevada towns. Due to this outreach, I expect the grant application numbers to climb even more.

After the initial recommendations were made by staff, the Territory Advisory Committee consisting of five of the six territory chairs, Rural Commissioner Robinson, Director of Sales and Industry Partners, Christian Passink and myself. We met on November 15th and discussed the projects page-by-page, line-by-line until we were able to reach a consensus. These grant recommendations are being presented to the Commission with the endorsement of the Territory Advisory Committee. If there are questions or comments, I am happy to address them and then respectfully ask for a motion to approve the 2020 Second Cycle Rural Marketing Grant Recommendations so we can notify the applicants.

MARSHALL: Shari, for some reason, I don't have the grant sheets. I don't know why.

CARANO: Cindy Carano for the record. I did not get them in my packet either.

MARSHALL: So, does everyone have this because I didn't have this.

MARSHALL: I know, I didn't get it. Do you guys have it down there?

PAZINA: Yes, we have it in Vegas.

MARSHALL: Okay, I don't know what happened. So, do you have one now?

CARANO: Yeah, well, I'm sharing.

BOMBARD: There you go.

MARSHALL: Okay. Sorry, Shari.

BOMBARD: Oh, no. That's okay.

MARSHALL: Can you maybe highlight some of the ones that maybe are most exciting to you?

BOMBARD: Yes. Let's see. I was really excited. Now, I need to find it.

DELONE: And I also have a question. Just of all these grants, how many are repeats from last year?

BOMBARD: From last year, like, at this same time, or last cycle?

DELONE: Yeah, last cycle.

BOMBARD: There were a couple. Specifically, would be West Wendover had requested money for print advertising as well as for television and because they had received funds last time, even though they were cut, they were cut fully this time. So, that was denied fully this time just due to lack of funds. But they still completed the project already. They just weren't able to do it to the full capacity that they wanted to.

So, and that happened a few times, but a lot of them were new ones, or they were repeats from a year ago. A lot of them are consistently doing print advertising. They're consistently doing television advertising; they're consistently updating websites and doing events and all those sorts of things. So, yes, they repeat, but then there's also different ones as well.

MARSHALL: What page was that on?

BOMBARD: Oh, the West Wendover one. Or which one do you mean?

MARSHALL: The West Windover.

BOMBARD: The West Wendover, they're on page one actually. That's Cowboy Country.

MARSHALL: Okay. Thank you.

TARUC: This is Justin Taruc, DAG in Vegas. We can't hear if someone's speaking. I'm sorry.

STOLDAL: Was there some issue with the Northern Nevada Railroad, some audit? And has that been cleared up?

BOMBARD: I will defer to Brenda for that question.

NEBESKY: For the record, Brenda Nebesky. There is some pending litigation in regard to that, and we're kind of reluctant to talk about it in a public meeting. But that problem is being pursued.

STOLDAL: Okay, thank you.

MARSHALL: Kate Marshall for the record. Bob, let me just add, so basically at the last meeting, right, it came up that there was some inconsistencies in following through the grant monies, how they were spent et cetera for Ely, and for the railroad entity in Ely that is not the state entity and it was a while ago, right. But that has all been referred to the attorney general's office. We understand that the attorney general's office is pursuing an investigation. Once it gets into the investigative mode, that's out of our hands then, right.

STOLDAL: I understood a part of that, but are they eligible still to get grants?

BOMBARD: At this time, no.

STOLDAL: Okay, thank you.

MARSHALL: We normally wait if someone's under investigation, we might hold off on grants.

BOMBARD: Yeah, okay.

MARSHALL: Herb, did you want to comment?

SANTOS: Yeah, thanks. Herb Santos for the record. In looking at the folks that didn't get funding because they're maybe been a low priority in looking at, you know, about \$500,000. This is going to be sort of a comment and a kudos to you guys to going through those and making some hard decisions. You guys do a great job. But I think when you look at the ones that you couldn't fund, were the ones that—like, how much out of that \$500,000 would you say, these are things that really needed to be funded versus, this is something that really was something that we wouldn't fund even if we had the money.

BOMBARD: Okay, so I actually pulled that number for you. I knew you were going to ask me. So, I pulled out all the ones that were completely ineligible and that left \$486,350 of eligible projects that were cut. Some of them weren't great, or they could use a little tweaking or that sort of thing. I would say a minimum of like \$450,000 could have been funded as well.

SANTOS: Herb Santos for the record. Then I think that that's something that we should really think about as a commission if we're trying to help the rurals to basically try to put more money in this funding for these grants. I don't know where it comes from, but I would ask that we sort of look at our budget for next year. See if we can't up more funds because if there are programs, or destinations that need our help, we need to make sure we do everything we can to help them to get travelers there.

BOMBARD: Yes, I agree.

MARSHALL: Thank you. Kate Marshall, just saying for the record. Shari, do you want to talk a little bit about how the funding has gone down since the recession. What kind of funding we had for grants before the recession and what we have now, because this really is an issue Herb and if the Board would be supportive of advocating before various legislative members, that that number at least needs to get back to where it was? If you want to give us an overview of that Shari, you did—you gave me that, was it yesterday.

BOMBARD: I did. It was \$2 million; I believe this is correct and Christian might know better. Was \$2 million prior to the recession?

PASSINK: \$2.4.

BOMBARD: \$2.4 million prior to the recession and now it's \$1.65 million, so that's almost \$800 and some thousand of a cut. So, yeah, there's definitely a huge difference between pre-recession and now.

ROBINSON: Shari, Pam Robinson, that's for both—that's not per cycle, that's a total for—

BOMBARD: That's the full fiscal year.

MUN: Cynthia Mun for the record. So, this is sort of related to what's been asked, but I needed to understand. There's like a \$1 point million for the whole year.

BOMBARD: \$1.65 million, yes.

MUN: And then we just granted \$300,000 or so of the new fiscal year?

BOMBARD: No, this is the rest of this fiscal year. This is the second cycle, so first cycle was already awarded to \$1.3 million.

MUN: All right. Does that mean that there aren't any more funds left?

BOMBARD: Correct, yes.

MUN: Okay. Now, as part of that going forward, I don't get a very good sense of how things are prioritized and it would be really helpful for me to understand like, for you guys to kind of say, these are the things that are prioritized and that's why we fund these first.

BOMBARD: Okay.

MUN: I don't have any idea as to why something gets funded and others don't. I just see numbers that are slightly less than what's requested. But it isn't very clear to me, so for me to go through and say, "Okay, this looks good. It sounds great. It's lots of information," but I don't know how to judge that information.

And the other part is, it would be helpful for me to—because there is a lot of marketing information in here, but I don't have a very good sense of where the strategy is for the region, or for Nevada as a whole and how these things kind of work into it.

BOMBARD: Okay.

MUN: What would be really helpful would be overarching information. So, that when I look at it, I go, "Oh, yeah, I know where this fits in. I know where that fits in." It could kind of help me put them into buckets for myself to say, "Oh, yes. And that's why we need this because here are the results that we're looking for."

BOMBARD: Okay, and so that's a kind of a multi-pronged answer here. I would say to start with, I think the most important thing what I can send you, or they're actually online, is the Rural Marketing Grant Guidelines, and they very specifically lay out what is considered and what would be a higher priority than others. One of those is multi-jurisdictional. That's why you see a lot of times the territories are getting more money than other organizations because they are affecting multiple organizations within their territory. They take precedents. New events, those are some things that are prioritized.

So, that's actually listed within the grant guidelines and when I'm reviewing these, I actually divide all of them up based on categories. So, all the new events go here; the new websites go here. Everything is organized that way so that I can compare them apples-to-apples and then I go through and read every single line, every single sentence and we're talking five, 600 pages worth of applications here because each one is typically four to five pages long. I mark all of for those up that way, but it's definitely in the grant guidelines which I think would be super helpful for you to have.

As far as when we're talking about marketing strategies and things like that, so you have—like, we were talking earlier, for example, Fallon. Fallon has a dedicated tourism person. Fallon has all of these other things that say, Austin doesn't have, or Goldfield. Goldfield has volunteers that have full-time jobs that are doing this on the side, that we are trying to help, that are getting help from the territories. But what they have is so limited and they do talk about, well, we want to do this. We want to do that, but it's not like they have a marketing person in there explaining to them that they need to have a strategy this way or those sorts of things. We try to help them as best we can. That's why I attend all of the territory meetings. That's why we have the territories in the first place, is to offer that support. But some of these people out here, they really are going for it with nothing, but what we can help them with.

So, it's definitely a struggle out there, especially in places like Austin, Goldfield, Jarbidge. I mean, these teeny, tiny places that are doing the best they can. Does that kind of help a little bit?

MUN: Yes, it does. I guess it's in those areas that I wish we could do something for them. And I haven't seen like, what we can do in terms of having more dollars, or having a person, you know, it just—because I see in here, like I said before, they're requests for website updates and there was one region that didn't get an update in like, several years.

BOMBARD: Yeah.

MUN: Which was like, oh, my gosh. They've been waiting for this, or that they're looking for someone to do Word Press update, which I thought would be easier to do, but they don't have anyone. I'm going, there's such a discrepancy.

BOMBARD: And they don't. That's why a lot of times it is hiring contractors. We don't have the bandwidth to go out there and build them a website or anything like that. We just don't have the people or the capacity and so, that's one thing that the grant program can help them with is, they can hire someone to come and help them do that. And yes, we could—someone could train them in Word Press and that sort of thing, but again, it's a time issue. When you have one person who has a full-time job; who is doing this on the side thinking of updating a website and trying to find content for it is absolutely overwhelming for some of these communities. So, it is a lot. And we work, I mean, 28 Nevada towns in the last three months, so the outreach is there, but we can only do so much.

MUN: No, I agree with you. I mean, you guys are very stretched, and I mean, maybe that goes back to what Lt. Governor was saying is that maybe there should be a request for more budget.

NEBESKY: For the record, Brenda Nebesky. It's very difficult for us to mandate what each community wants to execute in terms of marketing, and I think even in some communities they wouldn't want us to, but we certainly can work to improve the reporting and are constantly doing that. Kind of reviewing what Shari sees on the backend; this report just represents what is pulled from our database and it's a lot of information. But we talked to the Lt. Governor earlier in the week about maybe weighting the scoring or developing some sort of rubric that you'd see in the report that would help you understand it. We're also completely open to, if you'd like to sit with Shari and she can walk you through the process so there's a better understanding for any of you. We're totally open to that.

MUN: I might take you up on that.

BOMBARD: Absolutely, I would be thrilled to, actually. I mean, that goes for anyone who is interested in seeing how this process works. I would be happy to sit down. You look at

the folders, see how the other reimbursements works. Look at the reporting back and what they complete and the full applications. I mean, there's a lot for sure, but it's very interesting and when you see what they are doing with so little, they're amazing.

MUN: No, I commend you and I know this is a lot of work and I know you guys are very stretched and you do a wonderful job. I'm just amazed and I just wanted to get a better understanding.

BOMBARD: Right and I appreciate that and the more that you understand, the more that it helps us too. And there's also lots of comments and suggestions that we can take from you to improve the process too, so we appreciate the feedback as well. For sure.

CARANO: Cindy Carano for the record. You know, one of the ways that I've come to understand what the territories are doing is going to the Rural Roundup. And you get out there and you talk to these people and they're mostly volunteers, which blows my mind, that they're doing this for their community and for their storefronts and their restaurants. You go to the Rural Roundup and you start talking to them and you go to the seminars with them and you really understand that they're there to learn from the Commission on Tourism, and are so grateful for the seminars that are presented and just the expertise that Travel Nevada gives them. I suggest we all go to the Rural Roundup at least five times [laughter].

BOMBARD: Well, it's the 30th anniversary this year, and it's April 8th through 10th in Virginia City if anyone wants to come. Please do.

SANTOS: Herb Santos for the record. And, you know, we're lucky that we have your guys' expertise in going through all those things. I remember in prior meetings, probably a few years ago, I had asked whether or not, since we have a lot of the same folks that are submitting applications, whether we get any follow-up of—here's our project, you guys gave us money and here is what we figured out was the return on the investment of this project. I'm assuming that they do provide that information to you guys. You guys incorporate that into your decision-making process when determining whether to fund future funds to them?

BOMBARD: Absolutely. When they complete the evaluation, which they have to do before they get that final reimbursement, so we read those again line-by-line and go through them. But besides that, we have that data and that information. But again, these people, they're very excited about their projects, so I do get emails and, "Oh, we finished this."

There's an email this morning from Dayton, who want me to take a look at their website before it goes live because they're so thrilled that they were able to complete it. So, that sort of relationship and feedback is happening on a daily basis. I'm always getting emails and maybe I need to include those, include you all in those. Maybe that would be a good idea because we get thank you cards, and we get emails talking about their projects and all those sorts of things.

Maybe it would be good to kind of either forward those to you, or save all of them up and give them to you in a meeting, or include them in backup somehow so you can kind of see boots on the ground, you know, how these people are completing these and what the kind of outcomes are and how appreciative and thankful they are.

MARSHALL: Thank you, Shari. I think one of the things that we're going to talk about, that you'll then be able to come back to the Board is, in order to make an argument for budgetary purposes, right, to be able to show what was funded and what was accomplished, the economic results of that. And then what wasn't funded, and the opportunity lost, right. And how much it can be leveraged.

That's the kind of presentation you will want to make in front of the legislature and make before this Board, first, so that they can give you input and things so that you can go back to the legislature and say, you know, room taxes are up this much can we get the share that we, you know, not even asking for inflation, just the share that we used to get? These Board members can help you. But we can talk offline about the best way to formulate that discussion and then, so that you can present to the Board. I don't know if Board members realize, but staff will have to submit their budget to the Governor's office in March. It's very early this time around, so that will happen maybe the next quarterly meeting.

BOMBARD: Yeah.

MARSHALL: Yeah, that seems a little soon. Yeah, well, Merry Christmas. [Laughter] Okay, so was there anything that you wanted to highlight then of a grant that you're giving out that you thought...

BOMBARD: My favorite, and it's funny because it's only a teeny, tiny amount and I think it's under Nevada Silver Trails because it's for the Goldwell Open Air Museum. He is the gentleman—and I can never pronounce his last name, Szukalski, the artist. The one that did the majority of the artwork out at Goldwell. Let me find it really quick because I did describe it much more succinctly than I am currently doing in my comments. Let me find it here. Goldwell Open Air Museum, Albert Szukalski's America. An original theatrical work telling the story of the Belgium artist who created much of the art at Goldwell Open Air Museum in Rhyolite.

This project coincides with a 50-year retrospect of his work at the Verbeke Foundation in Belgium. They're going to be doing something at the same time as someone in Belgium is going to be doing something and there's Facebook Live and they're doing all of these things. They're doing a production through Ghost Lite Productions, which is a theater company out of Elko and they're creating a play based on it. It's this whole amazing thing and it's taking into consideration places from Belgium. Oh, the page would help, 14.

It's a teeny, tiny amount. It's only \$3,000, but that's the one I'm the most excited about. It's unique. It's interesting. It's taking into consideration some place far across the pond. That's my favorite.

MARSHALL: Thank you. That's fun. All right, so are there any more questions. Yes. Did you have a question?

ESTIPONA: Edward Estipona for the record. I think this is maybe my fourth board meeting at this point and I think one of the challenges is there isn't like an onboarding a board member, so you get thrown into the water and you're like, I have no idea what I'm doing and I'm just going to stay quiet here until I figure out what I'm going to do. So, that's one. And I think the other thing relating to the grants and I know this from my experience from the Arts Council is, when you actually service as a chair on these granting committees, you really start to really understand the whole process and what goes into it. And then, you really want to hug the staff really hard because they did such a tremendous job. And so I think that's part of the challenges.

I think Pam can recognize this because she served on that Board as a chair, but I think that's something that I know at the Arts Council, we cycle out. Everybody has to serve on that just so they have a full understanding and grasp for it, at least once at some point.

MARSHALL: That's a very good point. And Brenda, did you want to talk about how you're going to create a new member manual and what we're doing with the new members, the two new members that we have just gotten?

NEBESKY: For the record, Brenda Nebesky. We just had this discussion because I am aware, there's no formal process for onboarding and there should be. So, beyond just some documents you could look at to familiarize yourself with the process, I think staff time is really important. And, of course, that's based on the individual, but for instance, yesterday, I did spend some time on the phone with Julie and offered up that staff time and familiarization with what it is we do programmatically, budgetarily, operationally in any context. And, yes, it is missing. It's absolutely missing, and I think having each commissioner be comfortable from the first meeting is a priority.

MARSHALL: Okay, then, thank you for the comment. I think that's important. If we have no other questions, concerns, thoughts, do we have a motion?

ROBINSON: I will make that motion. I propose that the Nevada Commission on Tourism approves the expenditure of \$301,575 for the FY20 Second Cycle Rural Marketing Grants to the recipients as outlined in the staff recommendation.

KROLICKI: I'll second.

MARSHALL: Thank you. We have a motion and a second. Do we have any discussion?

WINDBIGLER: Madam Chair?

MARSHALL: Yes.

WINDBIGLER: It's Kristin. I just wanted to point out, I lead one of the rural organizations who is the recipient of one of these grants and I just wanted to say how much we appreciate it and we appreciate Shari, and that I should probably recuse myself on voting for anything.

MARSHALL: For the grants?

WINDBIGLER: Yeah.

MARSHALL: Yeah, that sounds fine, but your input is still very important.

WINDBIGLER: I am happy to provide it.

MARSHALL: Yes, all right. Okay, so all those in favor?

GROUP: Aye.

MARSHALL: All right, any opposed and one abstained, well, motion passes. Thank you.

BOMBARD: Thank you very much and now I am off to a Reno-Tahoe Territory meeting, so I will see you next time. Thank you so much.

MARSHALL: Actually, Shari, please tell the Board and me how many places you went to.

BOMBARD: I was so proud of this. I actually have it listed in case you asked because I have, like, serious Nevada credibility right now. [Laughter] Stateline, Incline Village, Crystal Bay, which I counted as one, Las Vegas, Virginia City, Austin, Kingston, Tonopah, Hawthorne, Luning, Rachel, Hiko, Alamo, Caliente, Pioche, Crystal, the one by Pahrump, Beatty, Rhyolite, Amargosa, Goldfield, Battle Mountain, Elko, Tuscarora, Jarbidge, Wells, Lamoille, Jiggs, Ely and McGill. Thank you.

Right [laughs]. I know, it was amazing. Nevada is incredible and anybody who gets a chance to go to Jarbidge, take it. It was pretty gorgeous. So, like population of 18 during the winter and a dirt road into town.

ROBINSON: I think we should have a Commission meeting there.

BOMBARD: Right. They have the space, not the—

MARSHALL: Did you hear that Brenda? There's a request to meet in Jarbidge.

BOMBARD: Yes. I had to call my husband from a landline because there's no cell service. I had to pick up a real phone and call him, which was bizarre. It's been years since I did that [laughter]. Okay, well, thank you very much.

Preview of New TravelNevada.biz Website

MARSHALL: All right. Okay, moving on to Agenda Item Number F, Preview of the New Travel Nevada Website.

DRYSDALE: Hi, for the record, Bethany Drysdale, Chief Communications Officer. Websites are, of course, a tool for communication, so I just wanted to walk you through very briefly an update that we've made to TravelNevada.biz.

Okay, so this is our website design for our industry, for our partners throughout the state. This is their source for tools for what they do, and we'll walk through that in just a little bit. We knew that we needed to make it more streamlined. It was getting a little clunky; it was getting a little dated. So, this is just an update of what we had before. Worked with our partner D4 and they've been fantastic on a lot of these little projects and big projects.

We launched this in conjunction with the Governor's Global Tourism Summit. This is a then and now. We went from this to this. I should say what you're seeing on the left here, "Tourism Means More", is the big header here there. "Tourism Means More" is our legislative and public affairs program and it really didn't belong on the industry site, so we have moved that off and there is a standalone TourismMeansMore.com and that is for again, public affairs, legislative programs to educate legislators and the public on the value of tourism and economic impact of tourism. This is a very big business industry and it should be taken as such. But it didn't belong on .biz., .biz is a tool for our partners.

Now, you'll see these very quick buttons. Easy access to what people need when they're looking for information from us. Logos and assets, that's a portal to our photos, videos, logos, brand guidelines, everything. Grants, so this is the easy access to all the grant information. Research and reports, there's a lot there and if you ever have some spare time and want to see all the economic impact and rural impact and visitor profile, it's all there. And then, of course, our calendar of events.

This is a screenshot, just as a dropdown that you'll find throughout the site. Again, everything about our agency, our Commission, what we do as a state agency is in this site. And then, again, talking about the grants, this is what we used to see on the site, and this is what we see now. So, it's just been a very cleaned up version of what we had before.

Ultimately, because this is for our partners, we are trying to serve them, we want to make sure that we're actually doing that. So, we have included just a little bit of feedback from some of our partners around the state. We want them to use this. This

is not put up here to look pretty. We want it to really be useful, and so we're finding it is useful. We welcome continuous feedback. We want this to really be a useful resource. So, you'll see some of the feedback from partners that use it.

And that's it. Very short and sweet, but I just wanted to make sure that everybody knows that we have this. It's available. It is a resource and if there's any questions or ways that we can improve on it, we're always open to that feedback.

SANTOS: Herb Santos for the record. There's sort of a new issue that's coming up with websites now. That's whether or not they're ADA compliant. Do you know, is this ADA compliant? If a website is ADA compliant, there'll be a little button at the bottom, or somewhere, will have like a handicap sign and you push that. It allows a person with vision or hearing issues to be able to access and since we're a state agency, I'm wondering if this is ADA compliant and if not, maybe we should talk to the website folks about that.

DRYSDALE: Bethany Drysdale for the record. ADA compliance is a foremost goal, actually not a goal, I mean, it's required. So, yes, we do make sure that things are built with ADA compliance in mind. I would have to defer to the designers on where that's built in and how, but we are very aware of the requirement for that and make sure that our websites are built with that foremost in mind.

ESTIPONA: Edward Estipona for the record. Just so you know, Herb, because we build sites at my company and one of the challenges we're having is they're still trying to work out what level of compliance that they want to create for the state. And so, there are challenges right now to head down a direction and spend money and then realize, "Oh, we're not covering that part, but we want to cover this part." So, we have to work that out as a state to figure out what's that level first. Otherwise, you're spending marketing dollars that may go down the drain.

NEBESKY: For the record, Brenda Nebesky. I just want to interject and say that TravelNevada.biz is the logical home for marketing effectiveness with the grant program and it has been in the past, I know, for tourism, the "Tourism Means More" campaign. We had a page in which we listed within each territory how many grants had been awarded. Some information about the wins and we need to bring that back so we have more information there about what we're doing related to the grant program.

MARSHALL: Thank you. Any more questions. That was lovely.

DRYSDALE: Thank you.

Agency Reports

MARSHALL: All right, so let's see where I am now. Agency Reports, Agenda Item Number G.

NEBESKY: For the record, Brenda Nebesky. We always include our quarterly report from the Division of Tourism and so, this is the place where you get to ask me any questions related to any of that. I also wanted to say that we had another conversation with the Lt. Governor about interim communication from our office related to some of the highlights. I know a former director used to do a 10-point communication in between Commission meetings, and I think that is also something we should resume.

We try to make the quarterly report as digestible as possible, but it is a lot to absorb and I think we'd like to communicate with you in between.

MARSHALL: Do you want to give us an executive summary of the report?

NEBESKY: Oh, gosh, okay. Let me sort of run through, let me find it first of all. Here we go. So, we did an asset capture in the north of the state with our creative agency, BVK. We have captured video and put together, as you know, a commercial that had some locations in the south. So, we're doing the same in the north and we'll have a new commercial spot ready for the summer.

Let's see, we are re-platforming our TravelNevada.com, so that's sort of in process. As you know, "Storm Area 51" was a hot topic in September and so we tried to kind of spin that potentially negative event into something positive by reaching out to tourism partners within the Silver Trails area and developed 51 other things to do besides stand around in Rachel and wait for nothing to happen. So, that was very successful and an integrated effort between marketing and the PR teams.

Social media, we always support the Great Reno Balloon Race with an online contest, and we get really good participation as you can see. We had over 800 photo entries and then we award balloon rides for the following year to the winner.

The Sales and Industry Partners team is always busy, and they participated in some sales missions in cooperation with the LVCVA. They went to the United Kingdom on a sales mission. They also participated in Brand USA's Travel Week in London, which is a kind of a new hybrid trade show and educational conference hosted by Brand USA. They also went on a sales mission to Mexico.

Let's see, what else is kind of highlights—I wasn't prepared to do this as you can probably tell. *Nevada Magazine*, of course, you know, shouldn't fail to mention that they, of course, are always publishing exceptional content. And the 42nd Annual "Great Nevada Picture Hunt," which also collects some just amazing assets for the magazine and for us to use, was conducted in a prior quarter.

Also, in the report is the budget update and we've been providing you with this kind of style of budget summary and really what this is intended to do is just demonstrate how we're tracking related to prior fiscal years in these budget categories and the only one that is, fluctuates more than others and is a little harder to anticipate is the training category, Category 30, because that is so dependent on new positions, unfilled

positions, new training offerings from the state, et cetera. I think that is all unless you have any questions for me.

MARSHALL: Thank you. Are there any questions. Brian?

KROLICKI: Thank you, Madam Chair. Good morning. You know, I'm not sure to whom I'm addressing this, and this is not a criticism it's just revisiting a conversation we've had extensively a year ago. The international, you know, I see what you've all been doing, and I know we're all stretched to the limit. But I'd still like to see more background.

I think it's important given the international tourists to Nevada that we've got some numbers on the front page. I'm not asking to have it broken down for this meeting, but just going forward. Again, Madam Chair, we talked about it a year ago. Is there some way we can get behind the scenes? You know, we have a new Indian rep, for example, that's talked about, but rather than just saying what we've done and where we've visited and who we've connected with, is there just some more substance. What are the results of what we're doing? How are the new, you know, in country reps serving us?

We went through massive RFPs a year ago. They've had a chance to perform. How are they doing? Again, that's one of my personal biases in all of this. Brenda, congratulations, you're on the Brand USA Board. Those kinds of things, so we have international insights. If 25 percent of our tourism, at least to Southern Nevada is going to be composed of international visitors, where are we? You know, has it increased?

Obviously, there are larger things at play here for the United States and the international tourism market, I get that, but I think those are all important things to talk about, at least regularly at the Governor's Conference when we've often had our quarterly meeting, we've had reports. We've touched these people. They speak at lunch, but I'm just feeling, you know, for something that's so terribly important, this Commission is just not touching that.

Again, I don't want that to be a negative. I just hope to learn more. Madam Chair, a respectful suggestion, maybe during next quarterly meeting, we break this out a little bit more so we really get a handle on how our new reps doing; how our money's being well spent; the bang for the buck; the things that are a problem that are either inside Nevada and our teams, or we're working with LVCVA, for example, or our friends in Reno, or, you know, Brand USA, how are they doing. What are their metrics, but tourism is just so vital? The international market is the growth area potentially for all of this and I just think it's important for us as fiduciaries of our tourism portfolio to really have a handle on what's going on. Thank you.

MARSHALL: Thank you, Brian. And we have discussed this last week with Brenda, also about I think what the staff would like from the Board is advocacy in the community and strategic guidance. I think we talked about in order to get some strategic guidance from the Board, presenting the Board with what the picture looks like. And so, if you want to do

international next quarterly meeting, that, I think would be good if the Board is interested in that. Is that okay? Then we can do a breakdown of that, you know, where we are; where we were at; where we hope to go type thing. Because that would really help, I think with the strategic guidance you're looking for from us.

So, guys, what you should know is that the staff asked me if they could have a meeting proactively, so they came to me and said, "Can we meet with you and talk to you about how we might be able to improve what, you know, what we're getting from the Board; what we're giving to the Board; and do this better." And I was very impressed that they sought me out for that and you're hearing Brenda come up with some of these ideas and you heard Shari talk about some of the rubric things. So, Brenda, if you want to think about what you would like to present, right, to break apart because it is a lot of information, we can do that.

NEBESKY: Absolutely. Brenda Nebesky for the record. We'd be happy in March to have Director Passink focus on what's ahead; some of the campaigns and market; what the challenges are; what the opportunities are; and, into our budget planning for next fiscal year that would be entirely appropriate in March.

We could also have our research manager, Mr. Shulz give you some updates on statistics and where we sit related to each market. Be happy to do that.

KROLICKI: Governor Marshall, thank you so much. I think the spirit of cooperation is great. I understand we've got acting capacities; new responsibilities for some of our familiar faces, so I totally get it. But again, it's been a year and it's something, at least personally, I think as a Board, so I'm happy to do it privately, but if it's at your pleasure Madam Chair and the Commission to touch this at least, you know, once a year, or break it out more on a quarterly basis, I just think that is terribly important for what we do and the partners with whom we work because we're trying to get these folks out into rural Nevada. I mean, it's the Germans who were exploring Lincoln County, so, just how are we doing. So, thank you.

MARSHALL: Absolutely agreed. I appreciate the comment. Okay, any other comments? In order to get strategic guidance from the Board, we will be having the staff make presentations to the Board and then asking the Board for guidance and advocacy on certain parts, right, so that it's much more interactive. Okay, anything else on this agenda item. In Vegas. No, okay, thank you.

Oh, it's 10:00. Let's see where we are. We are at the interviews, right? We're not at the interviews?

SPEAKER: Not quite yet.

NEBESKY: Brenda Nebesky for the record. I believe we still need to have item G3, which is Stacey Montooth's presentation.

MARSHALL: Okay, I checked the wrong thing. Okay. So, we did the Chair report. Did we do the quarterly staff update?

NEBESKY: Yes, we did.

MARSHALL: We did that. Okay. We did the budget update. Okay. Stacey. Hey, hi. Come on up.

MONTOOTH: Stacey Montooth, Executive Director of the Nevada Indian Commission for the record. Good morning. Good morning, Lt. Governor, Madam Chair, distinguished panel. Good morning Las Vegas. I have two important exciting bits of information to share with you about the Nevada Indian Commission and the Stewart Indian School.

First, a little housekeeping. I wanted to alert you all that this week, I will be attending my first meeting regarding the restoration of the Stewart Indian School auditorium. My predecessor had set into motion the restoration of a 300-seat building on the Stewart Indian School campus after our friends at the Carson City Cultural Authority shared with us information about the lack of a multi-use facility in this area. Again, 300-seats, it's two-story, two-level building, not quite two stories.

If restored, could service in the capacity of not just live performances, community performances, youth performances, but it would be marvelous to work in conjunction with the Stewart Indian School Cultural Center and Museum, which leads me into my second announcement.

Five days and we are opening the Stewart Indian School Cultural Center and Museum to the public. I can tell you that the doors aren't painted yet, but we are opening on Monday, 3:00 o'clock. We are going to welcome the students, the alumni, the families, the folks that have direct ties to the campus whose stories, experiences that we are going to tell in the most unique, most authentic means with that facility. What questions can I answer?

DELONE: Is your school open for special events at all?

MONTOOTH: Well, right now, we have a couple of options for special events, or special groups. We have the walking tour, which is open seven days a week, 24-hours a day. It's cell phone guided. In the four months that I've been with the Nevada Indian Commission, we've probably hosted at least 12 groups and when I say groups, I would say five or more. We had two coach buses come in with nearly 75 people at one time. We will be continuing that service which includes, again, the campus tour, which can be either done with the cell phone or personally guided. I've done several presentations on the history of the Stewart Indian School. That takes place at the campus and I travel.

I've gone to the University of Nevada, I've gone to BLM, because we're just off of November, which is Native American Heritage month, I think maybe the calls for those presentations will slow down a bit. But again, if we have the auditorium there, that coupled with the newly released Stewart Indian School documentary, which I hope you

all saw on PBS Reno on November 11th, the auditorium not only could serve for live performances, but it could be a movie theater as well. Sure.

SANTOS: Herb Santos for the record. Is the auditorium where the basketball court was?

MONTOOTH: No, sir. There are actually two other distinct buildings that, one, we call the new gym, which is operational, it's actually very hard to schedule. The scheduling for that building is done through the Nevada Indian Commission. It includes everything from weekend tournaments for youth to post ROTC, they use it for practices. It's also the site of parties, family events.

The old gym which most of our alumni have the fondest memories, it is looking to be restored. I believe it was two sessions ago, the legislature provided funding for a new roof, so from an architectural standpoint, the building is preserved from the top, but it's not habitable at this point.

SANTOS: Got you, so if I remember correctly back in the 70s when I played CYO basketball, it had the rubber floor?

MONTOOTH: Um-hmm, yes, sir.

SANTOS: So, they can preserve the rubber floor, because that's the only rubber floor I ever played basketball on.

KROLICKI: Did it help you?

SANTOS: I was able to sky! One inch. It was amazing.

MONTOOTH: I'll have to check into the rubber floor, and I don't want to compare ages, but I'm a proud alum of Churchill County High School, Class of '84, and we played at Reed High School. Reed High School used to have a rubber floor as well. May I answer any other questions?

CARANO: Stacey, Cindy Carano. I've been to a dinner within the last three years out at the school, and so as far as Mr. DeLone's question, I believe that you do have areas for what I would call special events, that would be some sort of occasion to actually rent out and cater an event there, and have indoor/outdoor, and then also access the tours.

MONTOOTH: I'm speculating, but I believe the event you might be referring to would be the annual American Indian Achievement Awards. That event was held, I believe two Novembers ago, and it was in the old gym, which I think Board Member Santos might be referring.

It was the site of my predecessor's going-away party, if you all were there, so it is a gymnasium. It used to be the home of the Carson City, or I think now it's called the Nevada Day Pow-Wow. It's built to be a gym, but it also has cross-purposes and, again, it could be used to cater an event.

May I just follow up with more information about the first look, it's beyond a soft opening for our cultural center. We are hoping that any state employee who is interested—and we were asking for help to come to the museum next week to help us, just as a soft opening, work the kinks out.

We'll have a special reception for state employees, all of our partners, on Tuesday, same hours between three and six. We would love to have you all there.

And then we'll have typical cultural center museum hours on Wednesday, Thursday and Friday of next week, 10:00 to 5:00 p.m. again, we would love to have you come out, tell your friends, but we've got a commitment from the Tourism staff to help us with the massive roll-out that we'll have in May. Thank you for your time.

KROLICKI: Madam Chair, just before Stacey runs away, Brian Krolicki for the record.

MARSHALL: Yeah.

KROLICKI: You know Sherry Rupert is iconic... I'm speaking to two different people, but Sherry's shoes are difficult to fill, but what you've done has been extraordinary. My wife sits on the Indian Commission, and she's one of your biggest fans. So, I just want to say you've just done an extraordinary job, and you've got a lot of people singing your praise, but just well done.

MONTOOTH: Oh, that's so nice of you to say.

KROLICKI: I just wanted everyone to hear that, people who see you every day.

MONTOOTH: You're absolutely right, huge shoes to fill. Honestly, three days a week I feel like roadkill. Two days a week, I think okay, we're getting somewhere. I think my timing is really good. Sherry did a lot of heavy lifting, and all of it with guidance from the Tourism Commission. So, thank you. Thank you all.

Upcoming Meetings

MARSHALL: Thank you, Stacey. So, upcoming meetings. Brenda.

NEBESKY: For the record, Brenda Nebesky. In your packets are just starting suggestions for Commission Meeting dates in the coming calendar year. We just want to garner your input as to if there are any immediate conflicts, please let us know. I spoke to Commissioner Pazina yesterday, and she does have one.

PAZINA: Yes, thank you. This is Julie Pazina for the record. December 8th through the 10th is a huge industry meeting, the International Association of Exhibitions and Events in Louisville. So, December 9th would be a conflict.

NEBESKY: Thank you, we'll take that into advisement and see if there isn't a better day in December. Anything else from the Commission?

MARSHALL: Guys if you don't have your schedule right with you now, you can always email Brenda, especially as we get closer, if that sounds good. I don't know my schedule on December 9th, but I'm very impressed with Julie.

PAZINA: I try, Madam Chair.

MARSHALL: I don't know if I'm impressed or scared. Anyway so...

NEBESKY: Okay, if you could look at your schedules, if you don't have them now, and haven't had a chance to review it, just please get back to us and suggest any alternates. Thank you.

KROLICKI: Madam Chair, I'm sorry to be chatty, Krolicki, just a question. I know it's difficult on staff to combine the Governor's Conference with that last quarter meeting, but that's been a tradition, whether it's good or bad, this year we chose not to, and probably spared some high blood pressure in all those to have these things separate.

But if there is a conflict, I'm just wondering, is it the new policy going forward that we're not going to try to combine those meetings for all the right reasons, or is it still a possibility? But you know for those Commissioners wanting to go to the Governor's Conference, especially if there's travel involved to get a two-for if you will. I still think from our standpoint that might be a good thing, but I understand from your world, it's difficult. Are there any thoughts about potentially putting that last meeting back together with the Governor's Summit? Do we have dates for the Summit next year yet? Thank you.

NEBESKY: Brenda Nebesky. I don't think we have any objection to combining them. This year we have the interview process to consider, so that became a little cumbersome to have an entire day attached to the conference. But certainly, we can consider that. I know it worked well in the past.

Interviews for the Director of DTCA

MARSHALL: Anything else? All right, thank you. Okay, so what we're doing here is moving onto Agenda Item Number I. We're taking a break because we're having people come in for interviews, and they will come in beginning at noon. And so, it is 10:08 now. You have two hours for second breakfast, third breakfast, and lunch. If you could be back here at noon. I think it's going to be a long afternoon, so you know get your sustenance and exercise and all that in.

ROBINSON: Can you just walk through what the process will be when we return? That would be really helpful, thank you.

WILSON: Yeah, Kate Wilson for the record. I was also going to say if we could actually have members back, probably closer to 11:45 just to make sure everyone is in their seat and ready to go, because the first interview begins at noon.

What you guys have in front of you, there should be a packet of information about each of the applicants. It will have a resume of the applicant, and as in the emails that I sent over before, this time we did something a little bit different. We did an action plan and a writing sample for each of the applicants. Each of those are in the packets as well.

Some additional information that you'll have is the job posting, just to refresh your memory, feel free to take these to lunch and sort of read over them to make sure you're familiarized. The prompt for the action plan and the writing assignment, so you make sure you know what these people were asked to provide.

You will have all the questions in front of you. You will have an opportunity to read through, take your own notes, make your own follow up questions, but the main questions will be asked by the Lieutenant Governor.

We have five applicants today; we have about 45 to 50 minutes for each interview.

SANTOS: Herb Santos for the record. For any of the folks that applied the first time, are they out?

WILSON: None of them decided to reapply for the second round. Technically, one person did, but it was after the application had been closed, and so HR personnel said that since they didn't follow the protocol, that they could not be included.

MARSHALL: Okay, so I'm going to take a temporary recess then, if you could be back by 11:45. Any issues with how we're running the process? Everybody okay? All right. Okay, so I will see you at 11:45. Thanks guys.

RECESS

MARSHALL: We're back from the break. All right.

WILSON: Lieutenant Governor, do you want to call roll?

MARSHALL: Yeah, that's what I was going to say. Did you want to call roll, just to make sure everyone is here please?

DYKES: Thank you. Dee Dykes for the record. This is the afternoon roll call, Lieutenant Governor Marshall?

MARSHALL: Here.

DYKES: Commissioner Carano?

CARANO: Present.

DYKES: Commissioner DeLone?

DELONE: Present.

DYKES: Commissioner Hill? Commissioner Santos?

SANTOS: Here.

DYKES: Commissioner Pazina?

PAZINA: Here.

DYKES: Commissioner Vaswani? Commissioner Krolicki?

KROLICKI: Present.

DYKES: Commissioner Mun?

MUN: Here.

DYKES: Commissioner Robinson?

ROBINSON: Here.

DYKES: And Commissioner Windbigler.

WINDBIGLER: Present.

DYKES: Commissioner Estipona?

ESTIPONA: Here.

DYKES: Commissioner Arnold? Commissioner Stoldal?

STOLDAL: Here.

DYKES: We have a quorum.

MARSHALL: Thank you. All right, guys, so I think we talked about before we went on the break, the process would be that you have a series of questions in front of you. So that it's a little less awkward, I will read the questions. But I'm really letting you guys take the interviews, because then I will take your recommendations to the Governor. I will let you ask the follow up, what have you.

WEBSTER: If you're dialing in on the phone, please mute your call, thank you. This is Ron Webster for the record, technical AV.

MARSHALL: Okay. So, I will probably ask each candidate if they wanted to make an introduction for themselves, okay? And then I will ask them questions, and let you guys do follow ups, they'll have a total of 45 minutes, that doesn't mean you have to soak up the whole 45 minutes. Herb don't make anyone cry. Okay. And we'll do it.

Any questions about how we're doing this process? You have the questions, you have the resumes, you have the writing samples. Anything? You have the statute it says what the person is supposed to do. Okay, all right, so did you want to call in the first person? All right, thanks.

WEBSTER: Lieutenant Governor, I'm going to mute the audio call, somebody has their phone on hold, so I don't think there's anybody from the Commission on the phone.

MARSHALL: Yes, no worries.

WEBSTER: Yes, they'll still be able to hear, we just can't hear their audio.

WILSON: Kate Wilson for the record. The notes packet that I gave you has the order of applicants; the name is at the top. That is the order in which you guys will be doing the interviews, just for clarification.

ROBINSON: Kate, do we have – are their times certain so we [inaudible]...

MARSHALL: There are no Board Members on the phone. We don't have public comment during the interviews that I know of.

SANTOS: Oh, that's right, we're private right now, we're in executive session, right.

MARSHALL: No, it is public and there will be public comment at the end. But we're not in that section there, yeah, okay.

SANTOS: Okay.

MARSHALL: Yeah – no, they don't get that.

SANTOS: I always get nervous when [Inaudible]

Applicant Melissa Evans

MARSHALL: I know. Hi how are you? So, as you seat yourself, my name is Kate Marshall, I'm the Lieutenant Governor and Chair, and I think you have the names of the Board Members along the dais here. We also have Board Member Julie Pazina in Las Vegas.

The way the process is going is you've given us a resume, you've given us writing samples, right, and so I'm going to give you an opportunity to introduce yourself, and then I have a series of questions. The questions are the same for every single candidate, because we are a public entity. I will ask them, just so that it's easier, but really, it's the Board Members who will follow up. Is that okay with you?

EVANS: That's just fine, thank you.

MARSHALL: And we have about 45 minutes and if you need to take a break, or water or whatever, no worries, okay? All right, so Ms. Evans if you wanted to introduce yourself to the Board.

EVANS: Certainly, and thank you for this opportunity, Lieutenant Governor. My name is Melissa Evans. I have a bachelor's degree from Grand Canyon University, that's in applied business. And then I have a master's degree in Education from Grand Canyon University.

I have about 23 years of government experience, including municipal experience, as well as state. Most recently I currently work with Washoe Tribe of Nevada in California. And I am their Tribal Administrator. Prior to that I did some consulting work for various private corporations, and I worked for about four years for the City of Las Vegas as a Senior Economic Development Specialist.

I feel I'm a good fit, and you may ask this question later, but I feel I'm a good fit for this particular position because I have about 10 years of economic development experience. And additionally, I have a few years working with the City of Glendale in their Tourism Department. I promoted the Super Bowl 42, as well as the annual Fiesta Bowl, and then I worked on the shop local campaigns and various tourism promotions and campaigns for the downtown area. Thank you for the opportunity.

MARSHALL: Thank you. So, Board Members – I will ask the questions and then leave it open to you. There are seven questions, okay. And the first question – so you were able to introduce yourself, but did you want to explain your action plan or writing sample at all?

EVANS: I took the approach of this being a research project—a project that had already gotten positive response from various travel writers.

My concept initially was that we would inquire as to the interest level, that would be the research piece of it, with travel writers across the world, folks that had been contributing authors in the past, or had just shown interest. And we would find out if there was an opportunity to hold a competitive – a contest essentially to invite these travel writers to visit every single county – rural county within the state.

That would give them an opportunity to write about the pluses, the fun things that they experienced from a cultural perspective, from the tourism and adventure side, and then also just the overall feel of the community.

Associated with that was a three-level prize, tiered prize, and also a 10-page spread in the center of the Nevada Magazine. Again, this was written as if—and we had gotten positive feedback, because I wanted to show an interest as I requested the money, I wanted to show an interest by the travel writers, and also to put the cost back on the individual counties at 12 and a half cents per capita to help contribute to the prize money with that.

But I thought that that might initiate some additional travel, doing some promotion, social media, as well as going out to some of the travel writer shows to bring people into that competition. I know blogging is a big deal right now, people love to travel and write about their experiences, and I felt like it would be a really good idea to try to capitalize on that.

So, it just got me kind of excited, and I thought rather than focus on one particular county, I would focus on the entire State.

MARSHALL:

Thank you. Did any Board Members have any questions about question one? We're off to a great start.

All right, question two, could you explain your experience in hospitality and/or destination marketing, and administrative or government experience? And I know some of this is duplicative, I apologize for that, but just for the sake of the questions, maybe just go into it a little more.

EVANS:

I'm happy to. My tourism experience primarily is with the Tourism Office in the City of Glendale, as I mentioned, I promoted the Super Bowl 42, it was the first time that the Super Bowl had come to Glendale in the University of Phoenix stadium.

We had an entire Westgate entertainment district to promote, and then in addition to that one-time event, later on – I had left, but later on they had the Super Bowl come back, but we did the promotion for the annual Fiesta Bowl as well.

So, a lot of opportunity for big events, but also at the community level, we did these annual events, which were just really a lot of fun, it really engaged the community and made them feel that they had a sense of place. There were things like the Chocolate Affair, Glendale Glitters, things like that, little promotional campaigns and little events for the community that I just really enjoyed being a part of.

On a grander scale, I worked in economic development for over 10 years. I've worked with the City of Glendale. I was promoted in that position into economic development, I was the Director for a small town in central Arizona for a couple of years promoting small events and trying to bring companies to that area as well, promoting some of the open land, and building opportunities that we had there. So, that kind of covers the Tourism background.

As far as government, in general, as I mentioned I have about 23 years, and it's kind of run the gamut. I've worked with municipalities primarily, but I do have experience now working with a Tribe, and I really enjoy working with the Tribe here. It's been a very different experience for me, but it opened up a whole lot of opportunities for me to use skillsets that I didn't realize I had. So, I enjoy being there.

I worked in both small towns, like I said a population of about 10,000 with the town of Camp Verde. But then I've worked you know with the City of Las Vegas, where I promoted the downtown, and went out and actively recruited businesses to the downtown; interacting with various businesses, and finding out what their challenges were, their opportunities.

In doing so, while I was working there, I found out that there was a huge work force issue which continues to be a problem, nationally. But there, it was specific to tech, and so I brought in a few tech training providers to upscale the local work force and provide that work force base that we needed. It hasn't solved the problem, but it certainly helped quite a bit.

So, that's I would say kind of in a nutshell, that's my – that's my government experience, as well as my experience in tourism.

MARSHALL: Thank you. Does the Board Members have any questions from question number two?

CARANO: Yes.

MARSHALL: Yes.

CARANO: Thank you. I'm Cindy Carano for the record, and Melissa, what was your position at the City of Las Vegas?

EVANS: Yes, ma'am. Thank you, Ms. Carano. I worked for the City of Las Vegas in economic and urban development. My position was Senior Economic Development Specialist, primarily focused on business retention. But as my interest grew, and I saw a need there, I was allowed to have the liberty to reach out in the work force development.

CARANO: Thank you. And so, with economic development, did you work with tourism at all?

EVANS: I worked with the downtown—yeah, we had another specialist was really the liaison for the downtown, but I certainly assisted her in her efforts. We promoted—we did a lot of ribbon cuttings and coordination with special events for the downtown. And then my market was primarily with the businesses, to try to help the businesses in the downtown area.

CARANO: And so, with the Washoe Tribe, do you work with tourism at all?

EVANS: We have a cultural component, ma'am. The Tribe is severely understaffed, and that's been the biggest challenge I've encountered since coming on board, it's constantly been a hiring process for me. I would like to say that we have efforts dedicated to that area. Right now, we're in the process of getting an economic development director position approved, it will go to Council Friday evening, I'll be presenting that to Council in hopes that we are able to move ahead and get someone to be able to focus on that. Thank you.

STOLDAL: Stoldal for the record. During that five years with the City of Las Vegas redevelopment, is there any one project that you can point to that's really worked, this was a success, whether it was a team effort or something that you led?

EVANS: That's a great question, and I alluded to it a little bit before, but being able to identify that work force gap in the downtown, it was really an honor to be able to work with an organization called Tech Impact, it's a nonprofit. I helped to get them expand from the East Coast and they helped at risk youth get the training that they needed to be able to apply for positions that were tech-related in the downtown.

Along with that was Red Flint which was an offshoot from the University of Phoenix, and they had sort of an Apple store concept. So, they basically would let you walk in off the street and kind of play with virtual reality and robots and all kinds of stuff to engage, just the everyday person in tech, and establish some kind of interest and then offer some training there. So, yeah that was really fun for me.

There was also a for profit company called Iron Yard, which was a national company that did coding. And there was a coding bootcamp, so they would put someone through in about 12 weeks, and they would come out and be able to write a very sophisticated app that you and I would use on our phone. So, all of those folks were generating hundreds of talented individuals for the tech work force community in downtown Las Vegas.

And the recruitment effort otherwise had been bringing people out of the Silicon Valley at about \$10,000 to \$20,000 per head and then losing those folks after about a year, 18 months. So, in my opinion, this was something I took on, on my own, I was recognized for it, by winning the Employee of the Month award out of 3,000 people working for the City, I felt pretty honored to have done that after just three years.

So, yeah, I feel like that was sort of my crowning achievement during my tenure there, thank you.

STOLDAL: Thank you.

MUN: Hi, I'm Cynthia Mun, and while you were employed at the City of Glendale, how large is Glendale?

EVANS: Ms. Mun, I want to say Glendale is about 300,000 now. It's on the west side of Phoenix, so it's kind of a bedroom community, but it houses the University of Phoenix stadium.

MUN: Got it. And while you were there you've done marketing and finance, and economic development, quite a lot of things. But in terms of marketing, what kind of challenges do you have outside of the Super Bowl in terms of marketing, and how did you overcome those, if you had challenges?

EVANS: Yeah, I think the biggest thing is during budget cuts to realize how important it is, and not let that go by the wayside, because people tend to travel less, and if you suddenly lose interest in that market, I think it can be very detrimental and long term.

So, being able to convince Council to continue with funding for those important campaigns, and then also hoping that you get those recurring grants. Because I was in charge of several different grants when I worked there, and you know with budget cuts, it became more competitive. So, that was a huge challenge while I was there.

But again, it was a very cohesive team, and we really had a heart for the community which is what I loved about that particular position. I was promoted twice there, so I went from finance to marketing, and then to economic development. Thank you for the question, Ms. Mun.

MARSHALL: Okay, just a second, I write slower than you talk.

EVANS: That's okay, I'm a fast talker.

MARSHALL: Okay, question number three, are you currently employed, if so, which it sounds like you are, why are you looking to leave your organization, and if not, if you might explain your circumstance.

EVANS: Sure. Currently, I'm with the Washoe Tribe in Nevada and California. And I really enjoy the position there, I have to tell you. I just started in August. It's been my first job in northern Nevada having come up from Las Vegas. And as I mentioned earlier, I'm utilizing skills that I didn't really – I guess I didn't realize I had, and I'm a very good administrator.

The only reason for looking elsewhere is primarily I'm not able to use my marketing and economic development skills like I have in the past. I spend an inordinate amount of time—I would say 90 percent of my time is focused on personnel. And while that's an extremely important portion of a job, I feel like again, my skillset is heavily under-utilized in that capacity.

I even thought about applying for the economic development director position as it came open to be able to refocus on that, and the truth of it is, I'm so good at what I'm doing right now, they don't want me to do that. So, yeah, I just feel a little bit limited in using my talents, but it's a great place to work. There's great people there and I have never worked for a better management team to be frank with you, very dedicated people.

MARSHALL: Thanks, questions? Okay, number four, what was the largest operating budget excluding debt service, that you've been responsible for and what year might that have been?

EVANS: Well, currently I have about a \$30 million budget that I'm responsible for. Gosh, it's really varied over the years. Projects as small as \$300,000 and then all the way up to what I'm working with right now. I worked with the City of Las Vegas, and our budget was pretty hefty as well, but again my focus was more on business retention and expansion.

So, our marketing piece there was—I want to say it was about half a million dollars, and we contracted out with a third party firm to do a good chunk of it, as far as doing the web and social media pushes, but internally, we had some graphic design and certainly all the concepts and campaigns came from our group.

So, to answer your question anywhere from \$300,000 on up to about 36.

DELONE: I have a follow up question.

EVANS: Yes, sir.

DELONE: Ms. Evans, thanks by the way for your time today. I just wanted to verify because we had trouble hearing, you said the budget you're currently responsible for was 30, that's three-zero million?

EVANS: Yes, sir.

DELONE: And it's just a yes or no, 30 million. And then are you in essence there the CEO, the chief executive?

EVANS: I would liken it, because it's more government, I would liken it to the City Manager role in a municipality.

DELONE: So, the point I'm getting to, is the \$30 million budget, you are responsible for that, not a cast of other employees?

EVANS: At an administrative level, it's my responsibility. We do have a CFO, and we do have accounting staff that actually put that together, but at the end of the day, it's my responsibility to make sure we're not overdrawn on certain areas that the grants—which it's another problem we have right now, we're under spent in many of our grants because we have a lack of work force. So, yeah, ultimately, I'm responsible.

DELONE: Another follow up question then, does the CFO report to you?

EVANS: Yes, she does.

DELONE: Okay, thank you.

CARANO: With your \$30 million budget, where are those funds spent? What's going to labor and what's going to – I'm not sure what other services the Washoe Tribe actually has.

EVANS: We have about 1,500 members, and we manage – about 300 of those are on reservation. We provide services that run the gamut quite frankly, social services, Head Start, we have our own Police Department, we have grant management, we have a health and wellness clinic. We have a planning department, so we are trying to develop various areas on the Tribe.

We do marketing for various parcels of land. There is a casino on the property. And we're looking at doing some other things too and create opportunities for economic prosperity there.

MARSHALL: Okay.

EVANS: I hope that answered your question.

MARSHALL: You also have Wal-Mart there, don't you?

DELONE: Do you run the casino too?

EVANS: We do not. That's actually done through a Porch Creek Band, and yeah, we may be taking that over, sooner than we thought. I'm sorry was there another?

MARSHALL: Don't you have Wal-Mart on your property?

EVANS: We do not. We do not reap any revenue from that.

MARSHALL: Oh.

DELONE: I have one more follow up question, an easy one.

EVANS: An easy one.

DELONE: When you look back at your career, what's the largest staff, number of staff that reported up to you?

EVANS: At this point in time, I have about 30 staff, 27 when I first started, now 30.

DELONE: And I'm sure you have managers that run different areas, but at the end of the day, you're saying you have about 30 people that you – are in your family and you're responsible for?

EVANS: Yes, sir. I'm actually responsible for 350 employees, 30 of them are my direct reports. And there's really been a lack of leadership over the last few years, and now that we have a really capable chairman in place, I've been able to reach out to those individual staff members at different times and establish more communication. I think they felt very isolated over time, and so while I don't supervise their everyday activities, I definitely try to reach out and help them understand that I'm there for them.

There's been a habit of a jumping hierarchy in the past too, so I've tried to re-establish that where people are talking to their direct supervisor, before they come to me, but then they also know that they always have me, and I'm not going to ignore them, I'm receptive to it.

STOLDAL: On your resume regarding relevant work history, you've got it looks like two overlapping responsibilities, the Evanly Consulting, you started there, you're a principle there in 2017, and you're still there as well as, you've now been a Tribal administrator for the last four months. Walk me back and forth on those two.

EVANS: So, the consulting at one point in time, I was doing full-time, and having your own gig is a little overwhelming sometimes. I'm closing out some contracts that I currently have, but my time is spent with the Tribe right now. Thank you for the question.

MUN: On your resume it says you had 27 direct reports currently—

EVANS: Yes, ma'am.

MUN: —at the Washoe Tribe. Prior to this position, which you've been in for four months, what's the largest number of staff that reported directly to you, and where was that?

EVANS: Sure. I worked for the town of Camp Verde. There are about 70 staff there, and I was the second in charge next to the Town Manager. So, I had responsibilities there. They did not have an assistant city manager position, but I filled that role as the Economic Development Director, and he's one of my references which I'll provide to you, before I leave today...

MUN: That's the City of Las Vegas?

EVANS: No, I'm so sorry, that's with the town of Camp Verde in central Arizona.

MUN: Oh. Okay.

EVANS: There were 70 employees there. He's still the Town Manager and he'd be very happy to talk to you.

MUN: Did you say seven-zero?

EVANS: Seven-zero, yes, ma'am.

MUN: And you were there just...

EVANS: Two years.

MUN: Two years, okay. Thank you.

MARSHALL: And then I realize now that it's the Reno Tribe that has the Wal-Mart.

EVANS: Reno Sparks.

MARSHALL: Right, so that's why I was...

EVANS: In that area, yes.

MARSHALL: Right so you guys don't have the Walmart.

EVANS: I thought you were talking about the one in Garnerville.

MARSHALL: Oh, yes, okay.

SPEAKER: There's a Wal-Mart close to you?

EVANS: Yes, ma'am there is.

MARSHALL: All right.

SANTOS: Can I ask this one follow up...

MARSHALL: Oh, I'm sorry, Herb.

SANTOS: Thank you, Herb Santos for the record. So, your primary focus is the Washoe Tribe. Does that mean that Evanly Consulting is going to—if you were a successful candidate for this job, that would terminate?

EVANS: It's pretty much terminated already; I'm just fulfilling obligations that I had made. I have several NDAs in place, so I'm just closing the contracts out. To answer your question, sir, to be very direct, no, I would not be doing anything else.

SANTOS: Thank you.

MARSHALL: Okay, so the largest number—you guys are moving ahead of my—okay, so all right. I think we've answered the question largest number of staff, largest number of direct reports. Okay, so moving onto number six.

What do you see as your strongest skillset, sales, marketing or management? And is there something you feel that makes you uniquely qualified for this position? So, it was sales, marketing, or management, or if it was something else?

EVANS: I would combine the marketing with the management. And you know to some degree sales, that's what economic developers do, right, we're pitching our areas to various site selectors and businesses. So, it's kind of a combination of those things.

And my career has been a nice blend of those, I think. I've had an opportunity to work recently with a myriad of personnel issues being thrown at me, you know at a very challenging, but very manageable rate. And it's what I talked about earlier, about seeing talents in myself, I didn't realize I can handle a lot. And I'm kind of surprised at what I've been able to accomplish since I've just – I've only been here four months.

So, you know philosophically I'm just leaving this up to greater powers than I. I really love what I'm doing, and if my skillset can be used in other areas at a higher capacity, I'm open to that, but I love what I'm doing. I have an excellent job there, and I'm good at it.

So, the management aspect is important I think to be able to do the other technical things that you can have staff manage for you is really, really important that you know when to step in as a leader and build a team.

And so, I would say of those three that you mentioned, my management skills are probably the strongest. I think there were there all along throughout the leadership programs that I've participated in, and my education. But only through the last couple of years in my consulting business and through this opportunity have I realized how good I am at leading a group of individuals.

ROBINSON: Hi, Pam Robinson. Thank you for being here. Your resume is heavy on economic development and that seems to be the bigger trend with some marketing. Where do you see the tourism trends going over the next few years, and how would you use what skills you have, if they're not tourism-based to look at the vision of developing new kinds of trends and looking for new opportunities to promote tourism in Nevada?

EVANS: That's a good question. Well, I like the way you approach this in asking your candidates to create these campaigns, because I think it required a little bit of out-of-the-box thinking.

I personally feel like there needs to be a little more emphasis on the rural communities, having lived in Las Vegas for, you, know five years. The Las Vegas Commission and Visitor's Authority does a very good job. I'm from that area, and they, in my opinion, don't need a lot of help. But I think certainly the focus for this particular state would be on those rural communities.

The whole concept of Sandoval's diversifying Nevada is extremely important. We cannot be reliant on one particular industry alone, and tourism has been you know the staple for this State, but I think we have to, as responsible stewards of tax dollars, we have to look at ways to diversify in that.

So, certainly keeping up on the tourism, but just realizing that it's one component of it, and continuing to fight for those sparse dollars and grants that are available.

MUN: Just going back a question before, you said management is what you feel you're strongest in.

EVANS: Um-hmm.

MUN: How would you describe yourself as a leader, what kind of like characteristics of leadership do you think describes you best?

EVANS: That's a really good question, Ms. Mun. I think it really goes back to two key points that I've always tried to express to staff, and it's sort of my mantra I guess to the point that people are probably sick of hearing about it.

But I believe in being a good steward of taxpayer dollars. In everything that we do, we should be cognizant of how we're spending that money, right down to the supplies that we order. I also believe in trying to maintain awareness of the press, always keeping yourself out of the headlines whenever possible, unless it's in a good way of course for promotion. But if a person is able to truly go to work every day and think of those two things, then I think they'll keep themselves out of hot water.

My first bit of advice to an employee is to be ethical, but if they don't know what that means, then I explain it to them. Keep these two things in mind, and this will keep you out of hot water, and it will help you to become a very good employee.

SANTOS: Herb Santos for the record. If I could do a follow up on that. If I was to call the folks that you supervise, and ask them to describe the type of leader that--how they perceive you as a leader, what do you think they would say?

And then if they saw the transcript of what you said, how do you think they would react to your description of what you think they would say?

EVANS: Well, that's a good question, Mr. Santos. First of all, I would think that they would say I'm tough, but I'm fair. The word "accountability" comes to mind. I think there's been a period of time where there's not been any accountability, and I expect people to earn their paychecks.

So, I'm fair. And I think if they were to read that, I think that they would agree with it. I would hope so, anyway. I hope that that's a fair assessment. I'm very open. People can come and talk to me with just about anything, and I try to be receptive. And, you know,

just to give you an example, I have a gal that I'm working with right now. She's not my direct report, she's under the General Counsel, but she's having some pretty severe health issues, and she's been with the Tribe for 15 years, but they don't provide the kind of benefits that government does.

And now I'm going out of my way to make efforts with the local senior center and find out about housecleaning, and Meals on Wheels and things like that, we're going to put her down to 10 hours a week contract, so that she can work from home, and give herself the opportunity to stay on health benefits.

So, I'm very compassionate, but I'm also not a doormat. If people are not doing their work, they're going to hear about it. I hope that gives you a little bit of an idea of my level of concern for my staff, yes, sir.

MUN: What are you most excited about this opportunity?

EVANS: I think I represent well. I think because of my level of integrity and ethics, I'm able to hold my head high with not pride or arrogance, but just a feeling of accomplishment every day when I go to work. I work really hard.

This particular position I think is, I think it's a high profile position, but I think it also has the opportunity to bring money to the area, which you know that always thrills me to be able to market something and take advantage of just sort of—what's not there, just shed some light on something that someone else should maybe look at.

So, yeah, economic development, it was really a blessing for me when I had the opportunity to get into that field some 10 years ago, because it created a passion in me to be able to create jobs and give people a higher quality of life. And to me, that's what it's about at the end of the day. It's not so much work, you know what we do here is what's happening the rest of our lives. And if we can help enhance that quality of life for the residents, then we're doing the right thing. Thank you.

MARSHALL: Last question, all right. How would you define heritage tourism? And how do you think the Department of Tourism and Cultural Affairs can leverage this type of tourism in Nevada, specifically?

EVANS: Well, certainly working with local Tribes to capitalize on what they have to offer, and help bring more prosperity to their communities, there's a lot of untapped resources, I would say, in terms of awareness. And I know with the opening of the Stewart Street School, being able to take advantage of our assets, and educate people on what the Natives have gone through, what the land is about, what their philosophy is, their belief, their traditions, it's really quite eye-opening.

And I think I'm being able to educate and market the general public on that, there's a huge draw, especially from Europe on Native American tourism, and I would definitely want to dip into that a little more, as well as the heritage of the State in terms of its

industrial heritage, and being able to capitalize on some of the historic stories, the ghost towns I read in the recent magazine, the focus on that campaign, and I like it.

But yeah, I think there's a huge opportunity to take advantage of the heritage aspect of the State, and as I wrote in my proposal to, you know, shine on other communities, that there are more than just lights in Nevada.

ESTIPONA: I have a couple questions, Edward Estipona for the record. When you had a chance to do some research, what do you think are the biggest opportunities right now for the State when it comes to tourism, as far as where do you think you can see the State going in the next five years, and bringing in more visitors?

EVANS: I would say there's an opportunity for ecotourism. There's a lot going on here on an agricultural level, and I think it's been successful in other areas in terms of viticulture and analogy, being able to teach people at local colleges how to grow grapes, and then how to make wine, I think there's an opportunity there. I did a lot of promotion down in – in central Arizona on that, and they have a burgeoning wine industry, so I think that's one opportunity.

Again, though I think the cultural component, the heritage component is a big one, taking advantage of the uniqueness of this State.

Currently, we have an initiative, the USDA is funding an initiative, it's called Ready, Rural Economic Development Initiative, and they've come in, and we're the only Tribe in the State that has this opportunity, we've been able to draw on stakeholder knowledge, and bring in the different community members to find out what it is they want as we move forward to capitalize on the assets of the Tribe.

So, I think the culture and the heritage piece of it is something that definitely could be expanded upon.

DELONE: What's your current base compensation annually?

EVANS: I make \$113,000 and I have an extra four percent in 401K.

DELONE: So, this job pays a comparable amount?

EVANS: A comparable when – yes, sir, when you deduct for the...

DELONE: So, as we sort of head into the final lap of your interview, just summarize for me in under a minute why we should as a committee select you as one of the successful candidates to recommend to the Governor? What's your shining star here today?

EVANS: Okay, well thank you for that. And I do hope that you'll consider me as part of the final three. Certainly, my education, and certainly my government experience, and then just also my passion for the community and wanting to serve the community, be a good

steward of taxpayer funds, and always do the right thing. I'm a good leader. I'm a good – I'm a good manager, you know people know that I care about them. And I think that I would represent the organization well.

DELONE: Good answer.

SANTOS: On your resume it said—Herb Santos for the record—it says I develop personnel policies and procedures, as well as direct the activities of all Tribal Council approved programs. Can you give me an example of any Tribal Council approved program that has anything to do with—somewhat with tourism? Or what type of activities are we talking about?

EVANS: So, as far as—the first part of the question was about Tribal policy and procedure?

SANTOS: Well, your resume says I develop personnel policies and procedures as well as, and this is what I'm getting at, direct the activities of all Tribal Council approved programs by achieving the program's objectives. What type of approved programs from the Tribal Council do you direct?

EVANS: Okay. Those, not so much in the area of tourism. As I mentioned before we're in the process of hiring an economic development director for that purpose. So, I just wanted to clarify that for you, but in terms of the programs that I do advise council on, that includes updating policies.

Right now, I'm working on the HR policy, there's a lot of reference to personnel board, and various conflicting information which is causing great confusion. So, I'm updating that.

I'm also working with the Health Clinic to take advantage of a six-million-dollar health and wellness grant that we've been awarded and advising Council on how best to approach that in a systematic way. We have a plan in place, but we're having a few obstacles with that.

So, those are some of the programs, in addition to roads programs under the RTA funds, and shucks, working with the Police Department in their domestic violence funding, as well as the Courts.

So, those are the types of programs, when they come in, I evaluate and I consult with the manager or the director and then we come up with a strategy to educate Council, so that they can make informed decisions.

SANTOS: Thank you.

ESTIPONA: Edward Estipona. In looking at your whole career, can you tell me perhaps from a marketing standpoint and specifically on media standpoint, what has been probably your biggest media campaign that you ran, or that you pushed through and managed?

EVANS: I worked with the City of Glendale to get a public tax passed for public safety. And it was a pretty hard push. There had been a lot of tax hits recently within like the last two years, and so being able to push that through and create the right voter pamphlets, do the right PSAs and just roll that out to the public and get it passed.

Some people think that public safety is always a no-brainer and they're going to pass it, but that's not always the case especially if there's been a lot of—if there's been recent increases in tax. So, I would say at a very local level, that was a pretty successful campaign in terms of how it was approached.

On a bigger perspective, you know rolling out the Super Bowl promotion, that was not a city campaign per se, but we certainly helped promote it to the best of our ability and not use tax dollars inappropriately, but we received a lot of free press on that and media impressions as a result, so it was definitely worthwhile investing. So, that's kind of a couple of different examples, I guess. I hope that answers it.

KROLICKI: Thank you Madam Chair. Hi, I'm Brian Krolicki for the record. Again, thank you for sitting here and you know this isn't always the most pleasant thing to do, thank you for subjecting yourself and applying.

EVANS: Thank you.

KROLICKI: This building is filled with extraordinary people, with talents that you know I can't fathom sometimes, but the day goes from worrying about rural Nevada, to the other side of planet, and how to bring tourists here. There are a ton of stakeholders, obviously hospitality tourism is the major industry here in the State.

In the first 90 days, and we've got legislators, and you know other tourism groups, and volunteers and professionals, what would your first 90 days be like? I mean what would you do. How would you tackle it? How do you get settled into the chair?

EVANS: That's a good question. I'm sure it would be a very quick 90 days with all the activity. I would definitely want to get to know my staff, and find out how the team works, what the dynamics are, what the expectations are, and then you know begin to meet with the community partners. I think looking at certainly the importance of the *Nevada Magazine*, and who contributes to that would be a big piece of this position.

But you know primarily just looking at the different trends in tourism and seeing what has worked and evaluating what might work better in the future. It's always difficult to balance yourself between heavily populated areas, and we all know we have this North/South thing going on and being able to give the rural communities the attention they deserve. That's something that I would personally take on and want to be able to try to promote a little bit better.

PAZINA: Hello, this is Julie Pazina for the record. Welcome and again thank you for being here today. I'm chiming in from Las Vegas. And I was curious in your career, have you had

any experience in trade show or convention marketing, it's such a huge component of the tourism for our State?

EVANS: Yes, actually, and I don't know where I'm looking, where the camera is here. So, I actually worked quite a bit at the convention center when I worked for the City of Las Vegas, because we went out and talked to all the trade show vendors, you know it depended on the industry. I was primarily focused on IT, and I did some manufacturing there too, but certainly going out on the other side of the table and being able to explain what services we had to those folks that were you know set up there.

And then on the opposite side of the table, I also was responsible to set up booths, and do various events for the City of Las Vegas, when people were coming in to visit us. So, I actually have sat on both sides of that, good question.

PAZINA: Thank you.

MUN: I'm guessing that you've been involved in authoring a strategic marketing plan in some of your companies. Can you tell me a little bit more about that?

EVANS: There are two instances of that. One I created for a small town, and then that was pretty easy, because I didn't have much to begin with. But I focused on getting a web campaign at that time, I'm bringing in a consultant, because we didn't have internal staff to be able to manage that and having an online presence.

And then from the community perspective, I certainly put a lot of work into making people have the feeling of a sense of home, a sense of place, so creating a lot of marketing—I'm sorry, a lot of small events that would keep people home, but also bring people to the area.

One of the things I did was get the area downtown designated as an entertainment district, so that we could be part of the Verde Valley Wine Trail and bring in various Wineries. There was a stipulation about being in proximity you know to churches and schools. So, that's helped kickstart that. I also had an event where we brought in [inaudible] from the northern areas on the university to do star gazing nights and bring the kids in to be able to look through the telescopes.

So, a lot of just creating that sense of home there. And then certainly with the City of Glendale, I had a lot of opportunities which I've talked about. Thank you.

MARSHALL: Okay, was there any final comment you wanted to make?

EVANS: I just thank you for this time. I know I've been on the interview side of the Board many, many times, and I know you ask the same questions over again, and people kind of look the same after a while. And I just hope that I made an impression on you. I would like an opportunity to come back and speak further if that comes up, but please let me know

if you have questions. I would only ask a follow up question, and that would be just the formality of the process and what the next steps are.

MARSHALL: First I wanted to say that I think you're very professional, and I really enjoyed your presentation, it was very nice.

EVANS: Thank you, ma'am. That means a lot to me.

MARSHALL: If you could leave your references if you didn't give them already. So, what's happening today, is we are interviewing the top candidates, or the short list if you will. The Board will make a decision today on what three candidates they will refer to me and I will bring them to the Governor. It is the Governor's appointment ultimately, and so what he chooses to do with that recommendation is up to him.

EVANS: Well thank you very much to you and Las Vegas as well. I appreciate it. Thanks for your time.

MARSHALL: We'll move forward pretty quickly I think because it's been a long process. So, thank you.

EVANS: Thank you very much.

WILSON: Kate Wilson, for the record. Our next applicant is actually located in Los Angeles, and he had a meeting there that he could not change, so he's going to be calling in. We asked for the other applicants to not call in until 12:50 sharp. So, we just have a couple minutes until that person will be calling in. Everyone else is still in [inaudible]. Ari Levin? Yeah.

Pause

WILSON: Commissioner Stoldal? Can you just turn your mic on because they won't be able to hear you at all?

STOLDAL: So, it was Pam's question that really struck me is when you asked about the direction of tourism, there wasn't an answer there, and the answer she supplied with redevelopment which, of course, is important we get that, but this is for tourism. So, that really struck me as a key answer or lack of answer. Thank you.

MARSHALL: Are there comments?

SANTOS: I had a thought too. When you guys put together these –

MARSHALL: Just a minute. [inaudible] Just a minute please.

WILSON: Hi, is there anyone on the line? If you're on the line, if you could please mute your phone, that would be great. Thank you.

MARSHALL: Okay, guys. I'm sorry. Maybe if you don't mind if we hold it to the end?

WILSON: One more time, for those of you who are on the line, if you could please mute your telephones.

Pause

WILSON: Hi, Kate Wilson, for the record. Do we have Mr. Levin on the line?

Applicant Ari Levin

LEVIN: You absolutely do.

WILSON: Perfect. I'll hand it over to the Lieutenant Governor.

MARSHALL: Hi guys. Okay, so we're back online. Mr. Levin – is it Levin or how do I pronounce your last name?

LEVIN: Yes, ma'am, yes, it's Levin. Thank you.

MARSHALL: Levin, all right. So, let me talk to you a little bit about how we're going to do this. Thank you very much, first, for calling in from L.A. I appreciate you doing that. You are a part of a group of the short-listers here. I will give you an opportunity to make some opening statements, and then I have a series of questions.

There are seven questions, but sometimes we get ahead of ourselves, and so some questions are answered. And I will ask the questions, but I will let the board members follow up, okay? And then at the end I'll give you an opportunity to make any closing remarks, should you so choose. I think we have 45 minutes total. If that's okay with you, we can begin. Does that sound good?

LEVIN: Yes, thank you so much first and foremost, Lieutenant Governor. I greatly appreciate you and the rest of the Committee working with me while I am at the Regional Census Office in Los Angeles representing Las Vegas and the State of Nevada.

I'd just like to say I am the number one person in the region, and not only that, actually the number one person in the country that has secured the largest partnerships for the State of Nevada. And I know, Lieutenant Governor, you've been very active and very supportive of the 2020 census, so again, thank you so very much.

MARSHALL: Thank you. And I appreciate that. Did you want to then make an opening statement about your application and then we'll move to questions?

LEVIN: For sure. So, I'm pretty much a native of Nevada, and that has been my entire goal and my life dedicating to the cultural life and edification of Nevada and have been

responsible for some of the largest cultural and other events that have grossly helped Nevada, both in cultural life and to the state and tourism throughout my entire career. I was doing this before even the Smith Center was open.

I have received special recognition, both formally, from former Lieutenant Governor and Governors for my economic and cultural developments to the State of Nevada, and specifically from former Lieutenant Governor Lorraine Hunt Bono, and also former Lieutenant Governor Lonnie Hammargren, as well as former Governor Guinn.

These events, again, included the rarest and highest caliber of art and festivals in the country. This included the only United States performance of the Royal Shakespeare Company that I brought exclusively to Las Vegas, again, the only U.S. performance of the Kirov Ballet which still to this date is the largest attendance of a ballet in Las Vegas history, over 3,000 people.

And have also created festivals and worked with former Mayor Goodman in bringing the 2007 NBA All-Star Game to Las Vegas which was the first time in NBA history that a city hosted an event, an all-star game, that doesn't have a team. And even more recently, I've been responsible for bringing Oprah Winfrey entire productions to film here in Las Vegas for over four years.

So, again, this is something that I'm extremely passionate about and have the most proven, successful track record in creating cultural life for the State of Nevada. Thank you.

MARSHALL: Thank you. Did you want to explain anything or do a presentation on your writing sample and action plan that the candidates were asked to submit?

LEVIN: I'm sorry, Lieutenant Governor, could you repeat that?

MARSHALL: Yeah so, you know, each candidate was asked to provide a writing sample and then an action plan. You were given a couple of questions, right?

LEVIN: Yes.

MARSHALL: I wondered if you wanted to talk a little bit about your submission.

LEVINE: Certainly. Thank you, Lieutenant Governor. So, my submission, again dealing with the culture and the arts, this is a very big industry, and it's very nationally recognized through the National Endowment of the Arts and Americans for the Arts, how much arts and culture increased population, increased why we want to stay and live here.

So, my idea, and I had worked with rural counties before, again, in bringing the arts festival and the performance of Baryshnikov to Reno. So, in expanding that and specifically dealing with the rural communities, my idea, and I submitted a temporary budget and action plan, was to do an arts festival that involved several of the rural

counties, including Carson City, Elko and Reno, and having them interact with this arts festival.

I've done this before with several locations, again with the arts festival years ago when we brought Baryshnikov there to Reno. So, interconnecting the festival and the events in these rural properties only helps create public awareness as well as the arts. So, that was my idea.

MARSHALL: Thank you. Any questions of Board members. All right, moving to—

CARANO: Yes.

MARSHALL: Oh, I'm sorry.

CARANO: Mr. Levin, Cindy Carano. Thank you for bringing Baryshnikov because I enjoyed him thoroughly in our show room, however, I was looking at your conceptual cost appraisal for your arts festival and adding that up several million dollars. So, your three-day festival—I'm trying to see how that would work in your proposal. Just wondering about return on investment or how are you going to fund this?

LEVIN: First, let me say, that was just a sample. The instructions just said to do a sample budget. It wasn't supposed to be accurate by any means in the instructions that we got, just a sample budget. So, that was a sample budget that I had used before. It wasn't done specifically for that. It was done in a generality which is what kind of I understood the instructions to be. It wasn't supposed to be a formal budget preparation. It was supposed to be a sample budget of what it would look like.

MARSHALL: Okay, moving to the next question. Could you explain your experience in hospitality and/or destination marketing? Do you have any administrative or government experience?

LEVIN: Well I'm currently with the Federal government now, and again, have worked exclusively with past Lieutenant Governors and Governors, on dealing with tourism and culture and the arts and destination management, having worked with the LVCVA and other large-scale DMCs on promoting these events and tourism.

MARSHALL: Okay. Thank you. Moving to the next question, I think you answered that you're currently employed. If you're looking to leave your organization, why is that so?

LEVIN: The position I'm in now is a term position, so that's why.

MARSHALL: Very succinctly put. [laughs] All right. Pam?

ROBINSON: Thank you, Mr. Levin, Pam Robinson. So, obviously the census gets over and, you know, results are given to the Federal government, but what prompted you to leave your previous position at Jolon Productions to go do the census?

LEVIN: It was very, very important to me. I got heavily recruited because of my past work and connections with the entities in Nevada. You know, not many people know—I mean the 2020 census is a big deal. This is the first time in the history of the census that, you know, it will be done online. Of course, you know, it's how the state gets funding.

The most important thing for me was not just the House of Representatives, but it was the importance of funding for hospitals, schools, and something that I've always taken special care for is Title I schools. So, in all of my events and festivals and cultural activities and tourism, I've always really heavily incorporated outreach and diversity worthy. So, that's why.

ROBINSON: Thank you.

MARSHALL: Okay. Moving on then, what was the largest operating budget you've been responsible for and if you could, what year was that?

LEVIN: Sure. So, the absolute largest would be Paramount Studios and Star Trek. It was a \$75M budget, and that ended in 2005, would be the absolute largest budget. I had over 450 employees. Again, something that I brought to the State of Nevada that no one else can compare to as far as size and scope.

Not only did we bring Star Trek there, but we built a 66,000 square foot facility, employed over 450 employees, and I was specifically responsible because Paramount Studios wanted to hold auditions and interviews even for ground workers and construction workers and maintenance workers. They wanted to interview people because this was, you know, huge. They wanted to hold interviews all over the country. And I vetoed that and had all the auditions, all the hiring, everything was done completely in Nevada. Again, a first for Paramount Studios.

The second would be when I was at the Tropicana Hotel, I was responsible for a \$10M in annual budgets and over 150 direct reports.

MARSHALL: Okay. Please don't mind that you hear these gaps. I'm looking to see if other Board members have questions and things like that, so I apologize if you hear these periods of nothing and wonder whether—we are here.

LEVIN: No problem.

MARSHALL: Okay, so what is the largest number of staff you're been directly responsible for, and I think you talked about direct reports, but the largest number of direct reports you've been responsible for.

LEVIN: Correct. So, again, Paramount Studios, 450 employees, second to that would be the Tropicana Hotel, 150 employees.

MARSHALL: And I think you said those were all direct reports?

LEVIN: Yes, ma'am.

MARSHALL: Okay.

STOLDAL: Question.

MARSHALL: Yes. Just a minute.

STOLDAL: Stoldal, for the record. Could you define 'direct reports' for me?

LEVIN: Those are FTEs, full-time employees and part-time employees and even at different points, volunteers that reported directly to me. This included, you know, anywhere from grounds and maintenance and union workers to managers and directors.

STOLDAL: Stoldal, for the record. You would evaluate each of these 150 people? Or did you have vice-presidents or sub-directors that oversaw some of these different groups, whether they were janitors or did the janitors report directly to you?

LEVIN: Both. You know, like let's say a maintenance worker or a grounds worker or a facilities person would have their manager, but then that manager would also report to me. And overall signing of raises, bonuses and disciplinary action was all my signature.

STOLDAL: Okay. Thank you.

MARSHALL: Okay. Thank you. Moving on, what do you see as your strongest skillset? Sales, marketing or management? And is there something that you feel makes you uniquely qualified for this position?

LEVIN: Yes. I'll say what's uniquely qualified me for this position again is my creativity and my 100 percent proven successful track record in the largest cultural events in the state, hands-down. I would say my strongest asset would be management, with a close second of marketing.

ROBINSON: Pam Robinson. It looks like you've got a strong promotion and marketing background. What do you see as the trends in tourism and where it's going in the country and/or internationally and how that relates to Nevada?

LEVIN: You know, marketing has over the past, you know, five years has drastically changed. It's all digital now and social media for the large part. The only thing I would like to add about that and what I've always done is heavily involving again diversity and also heavily involving the community.

But other than that, that's how it's drastically changed is it's all, you know, if you go back on the strip 10 years ago it was all, the *What's On* magazines and in-room and all

those are still there. It's nowhere near the publication and if you go and look at the subscription of the RJ which, you know, is literally a quarter of what it was 10 years ago, all because of online, and that is the trend of the United States as well.

ROBINSON: Thank you. Can I do one follow-up on that? So, with the trends, a lot of what we've seen, and it was part of the tourism, the Governor's Global Tourism Summit just recently is that a number of areas, the RSCVA and the LVCVA in particular are promoting districts and they're creating districts in their cities and areas to stimulate tourism.

How can you see that moving out into the rural communities where you could help them develop those same kinds of districts which is most of what the Commission on Tourism is responsible for?

LEVIN: Yeah, it's about creating an event that excites people and attracts people and something that's, you know, uniquely different or something that they haven't experienced, you know, especially in those rural areas.

SANTOS: Herb Santos, for the record. You had commented about your bringing the NBA All-Star game to Las Vegas back in 2007. Three questions on that. First, what was the biggest challenge in doing that? When you look back on it did you believe it was a successful event? And what would you have done different?

LEVIN: Well there's a couple things. Look, did it promote the city on 110 different broadcasts throughout the world and televised in 43 different languages? Absolutely. So huge, huge marketing and PR effect. Did we have Kobe Bryant there? Did we have Kareem Abdul Jabbar here? Did we have Michael Jordan here? Yes.

And I would say, would you call it successful? Look the way how strong Vegas is now with sports with the Allegiant Stadium and the Raiders coming here. You know, and of course the Golden Knights. Was that a steppingstone? Absolutely. Some of the biggest challenges were, you know, that the Thomas and Mack was not up to NBA standards. So, there was a lot of dealing with that now.

But look at also, you know, the exhibition games that have come here and have sold out immediately. So, it prompted and showed, you know, other professional sports organizations that hey, you know what, we're ready.

MARSHALL: Okay, last question before summing up, how would you define heritage tourism and how do you think the Department of Tourism and Cultural Affairs can leverage this type of tourism in Nevada specifically?

LEVIN: You know, I would say, you know, in dealing with the Indian Commission and Nevada tribes, and just the different museums and history that's here, and again, you know, creating public awareness about these which there's not a lot of right now.

MARSHALL: Thank you. Yes?

KROLICKI: Good afternoon, Ari. This is Brian Krolicki. Thank you for joining us today. I'm sorry you couldn't be with us in person, but certainly understand it's hard.

Should this be the nod that you get, this is a very massive operation in Nevada. Obviously, tourism is a central economic engine of our state. This building in Carson City and our folks in Las Vegas and the volunteers and others who are affiliated scattered around the state, you know, it's a massive and robust organization. We touch rural Nevada; we touch the world and the other side of the planet. We have budgets, we have Legislators, we have stakeholders.

Your first 90 days sitting in the chair, how do you envision rolling this out and just getting both feet firmly planted into the Nevada Commission on Tourism?

LEVIN: Thank you so much, Mr. Lieutenant Governor. I think, you know, in marketing we do what's called a situation analysis, and that is what is working and what is not working. I dive right in, you know. I'm not somebody who sits back. And I think that's a conversation, and of course, you being the former Lieutenant Governor, having, you know, your input is hugely important for stuff that, you know, you wanted to see happen, and then of course, with Lieutenant Governor, Ms. Marshall, now kind of throwing my ideas and my plans in with her and what her ideas are and making them coexist and come to full fruition.

MUN: Hello, Mr. Levin, this is Cynthia Mun. And the question I have is how would you describe your management style and in your leadership role what were some of the challenges you've had in managing staff?

LEVIN: So, I follow a very synergistic type of management. There's also, you know, there's three basic types of management, and I follow the democratic style of management which is a very open-door, and that's not a political term. That's a style of management. But I follow a very synergistic, open-door democratic style of management where it means as far as everyone, all of my direct reports and all of my employees, I have a complete open-door and face-to-face with.

MUN: Okay, and the second part of that question in terms of any challenges you've had in terms of managing your staff or your leadership?

LEVIN: You know, haven't really had much challenges, you know. Would have to say probably, you know, the most would be in dealing with the unions and collective bargaining agreements and disbursement and stuff like that. But you know, again, I was very skilled in arbitration and collective bargaining agreements, but those were the only ones, and very few that ever came up.

MUN: Thank you.

MARSHALL: Okay. I think we've finished our questions. Did you want to make any final concluding remarks?

LEVIN: Yes. Again, first and foremost, Lieutenant Governor and former Lieutenant Governor and the rest of the Committee, greatly appreciate your time and allowing me to call in. I wish it could have been face-to-face, but again, thank you so very, very much.

You will not find anyone that has dedicated so much time over, you know, 20 years, or more passion of leading the cultural and edification of Nevada than me. It's been my passion my entire life. And when people and other officials said, you know, it couldn't be done, I did it. And not only did I do it, but it was a huge success.

And now that economically we are so strong right now with everything that's coming to Nevada, it's the perfect opportunity to build and grow the culture and tourism. So, I'm very excited about this opportunity, and again, thank you all so very much.

MARSHALL: Thank you. Let me just explain to you what happens here. We are interviewing a subset of the applicants. Everyone is asked the same questions as you were, same format, and if you have any references, if you could make sure that Katie Wilson gets those.

LEVIN: Sure.

MARSHALL: And then the Board will be making a decision today after the end of the interviews to recommend three candidates to the Governor. I will take those recommendations to the Governor, and then the Governor, it is within his purview what he chooses to do. So, that's kind of the process, okay.

LEVIN: Wonderful. Thank you so much, Lieutenant Governor.

MARSHALL: Thank you. And again, thank you for making the time. I really appreciate all the work you're doing on the census. It's a lot of money, resources, for Nevada so we think it's very, very important, so thank you very much.

LEVIN: Thank you also very much. I look forward to meeting everyone in person. Thank you, again.

WILSON: Kate Wilson, for the record. Mr. Levin, again, as we mentioned, for the privacy of the other applicants, if we can have you jump off the line just as a courtesy, that would be hugely helpful. Thank you so much.

LEVIN: Thank you.

MARSHALL: Okay, guys, so where we are now is it's 1:20. Katie, is Tony available? We can bring in the next one. Is that what y'all want to do? Okay, so guys, some of you are not chatty. And as long as you feel like you're getting the information you need; because I want you all to feel participatory and stuff. Okay, good, okay.

SPEAKER: [inaudible]

DELONE: Kristin, in about a year and a half you'll get a seat.

MARSHALL: We normally put Phil there, just saying. And then, Julie, you had some questions, but I want people to feel comfortable that anything – okay, all right, so that's good. All right, so Katie, we can bring the next one in. You guys all comfortable with that? Okay.

Applicant Tony Lyle

MARSHALL: Just a second. I'm just getting myself organized. I apologize. All right. Okay, Mr. Lyle, is it? Yes, okay. Let me explain to you the process. I'm Kate Marshall, Lieutenant Governor. This is the Board. You also have Board member Julie Pazina in Vegas.

What we're doing here is give you an opportunity to make an introduction of yourself. There's a series of questions. All the candidates are asked the same questions because we're a public entity, okay. For purposes of ease I'm asking the questions, but really it is the Board, and I will let them do any follow-up that they would like.

Then I'll let you make any concluding remarks, if you have any. And I'll explain to you what happens after that at the end of the process. Does that sound good to you?

LYLE: Wonderful. Thank you.

MARSHALL: Okay. So, why don't we start by letting me ask you to introduce yourself then.

LYLE: Thank you, Lieutenant Governor Marshall, members of the Commission, and in Las Vegas. It's a pleasure and an honor for me to be here today to be considered for the position of the Director of Tourism and Cultural Affairs here with the great state of Nevada.

I'd like to take this opportunity, if you wouldn't mind, to go back a little bit further than my resume which I hope you have in front of you. It starts in 2002 and it's all tourism related. But I'd like to let you know how I got into tourism and what I did before that, if that's okay.

I left school at 16 and went to work with British Aerospace where I was an apprentice studying electrical and electronic engineering. So, after four years I got my credentials and my indenture and didn't stay there for much longer than that. And got into media and marketing for the first where I worked for a company, well actually three companies, that specialized in audio text publishing.

And this is back in the late 80's, so this involved basically premium rate telephone information and entertainment, horse racing, football results and things like that where you pay a premium to get that kind of information. Very quickly I became the Office

Manager in charge of Operations, and we were writing scripts and recording pieces, sales, accounting and account management. It was really kind of interesting.

However, it got me to thinking what my true passion was, and it was the outdoors. I spent a lot of time at high school in the outdoors with various clubs hiking and biking and things like that, and that's really what I wanted to do. But I couldn't get a job because I didn't have the experience, and I couldn't get the experience without the job. It was kind of chicken and egg.

So, I decided I would go back to school. So, I went back to university to Liverpool where I studied Outdoor and Science Education. It was going to give me everything I need in order to get the job that I want. So, I studied Outdoor Education and Science, Physics, Chemistry, Biology and Geography. I was teaching at high school during my training, and I got the ultimate job I wanted which was to be an Outward-Bound Instructor. I got it.

And I got a job up in the Highlands of Scotland and I was there for several years. But they would lay me off for two months every winter because I didn't have the highest-level winter mountaineering qualification, which was fine because I went to work at a rental shop at one of the local ski resorts. And yes, there are ski resorts in Scotland. There's five of them.

And I did that for a couple years, and I thought well I love this skiing and I want to be able to do it for the whole winter, not just two months, and that's where I discovered tour operators. And tour operators sent in British skiers and snowboarders to the French Alps, all over the world in fact, and so I applied, and I became an Inn Resort representative for one of the ski tour operators, now defunct, and I went to work in France.

I then went to work in Spain for them for a summer season and then moved to the largest ski and snowboard operator at the time in the UK called Crystal Holidays which is now part of 2E [phonetic], the 2E Group, out of Germany. And because I had an old visa and my passport, they sent me straight to the U.S.

I spent a season in Vermont, and this is all customer facing, so I'm looking at operations of bringing these guests in and making sure they all have a good time and they've got everything they need.

Backwards and forwards, I worked in London in recruitment in that program in the summer. Then I would come back. I spent time in Colorado and then ultimately, I was in recruitment, so I placed myself at Lake Tahoe. And that's when I first came to Lake Tahoe.

After a couple of years an opportunity arose after I stayed at Lake Tahoe and ran my own receptive tour operator business for small U.K. based tour operators that couldn't afford to have their own staff. And then a job opened up at Heavenly which is where

my resume that hopefully is in front of you starts. And so, that's my story, and that's how I got into tourism and that's ultimately what brings me here today.

MARSHALL: Thank you. I think my knowledge of English skiing has to do with that fellow who used to do dryland training. Remember, he'd go to the Olympics and he – what was his name, Charlie or something, and he was just like a –

KROLICKI: Eddie.

MARSHALL: Eddie, Eddie, that was it! Okay, anyway, okay, well I'll just get off topic, but Eddie, that was it. Okay. I realize that's not part of your resume. So, going into the first question, did you want to explain, so every candidate was asked to provide an action plan and writing sample, and did you want to talk a little bit about what you provided to the Board?

LYLE: Absolutely.

MARSHALL: Okay.

LYLE: The direction that I was given was to pick one of the rural counties and come up with a marketing plan, a situational analysis and marketing plan, on how you could drive visitation to that particular county. It would have been easy for me to pick Douglas County or even Washoe County, but so I picked White Pine County, a county that I'm fairly familiar with having recently driven from Salt Lake City back home, and with my 17-year old son. So, we were all about adventure and exploring and being pioneers while we were doing the journey.

I went in with my limited knowledge and a lot of research online, and I tried not to look at [inaudible]. So, I looked at what the county has to offer from Ely to Great Basin National Park which we tried to visit, to the railroad museum there, to the arts and indigenous population and activities, places you could visit. But also, things like the hot springs and Diana's Punchbowl and getting off the beaten track.

I tried to focus on that and really came back down to what I currently know and how I would go about marketing White Pine County would be collaboration, obviously using the team here, but requesting money. Ultimately, the marketing proposal had to include a budget and a letter as well to request the funds. I'm not sure if you have that in front of you.

MARSHALL: Yeah. We do.

LYLE: But that's all there. But really looking at what would appeal to new visitors rather than driving through and ultimately driving overnight stays, cause ultimately that's—we want people to stay and spend their money on lodging but also on everything else, food and entertainment.

It's one of those kinds of documents, it could have been 25 pages long. It could have been, you know, just one page or so. I kind of got into it and didn't realize that it probably wasn't going to be executed. It was more of an exercise to demonstrate how would I approach it.

MARSHALL: Thank you. All right.

CARANO: Excuse me.

MARSHALL: Yeah.

CARANO: Did you actually take the drive?

LYLE: I did. Yeah, I did it a couple times but this time I actually picked up the passport and our goal was to get all the stamps.

CARANO: One of our passports.

LYLE: And we got every single one apart from Fallon.

CARANO: Good for you. Thank you.

LYLE: Because we cut across instead and we have the certificate at home as well. We mailed in the little card off the back and sent that in.

MARSHALL: That's very good. Okay, so I think you have already talked about this, so I apologize if the question is a bit duplicative, but if you could talk a little bit about your experience in hospitality and destination marketing and also if you have any administrative or government experience.

LYLE: Okay. Ever since my resume started in 2002 it got me thinking that I've really actually been in destination marketing longer than I give myself credit for, I'm starting with Heavenly Mountain Resort, my job was about time to sell lift tickets. And that's the metric, how many lift tickets can you sell through third-party vendors, any way that you can sell them.

But in order to sell the product I have to sell the destination cause people need to understand where is the U.S., where is the State of Nevada, where is Heavenly, what is it like, what does it smell like, what does it taste like, what does it feel like, why would I go there, what's the view like? You have to build everything up and sell the whole destination before you get to the close where really, where I want you to buy a lift ticket and come skiing.

The same with my time at Mont Bleu at the casino. I'm selling a room, I'm selling a pillow, and I can't really go into the amenities of the room because everybody is very similar when it comes to rooms. So, really, I have to sell the whole destination again.

Likewise, when I ended up Zephyr Cove, there's all sort of businesses going on there. We have, you know, from lodging to F&B to the marina product, to snowmobiles, to the cruises, obviously. But again, I've got to go through the same process.

So, when the job came up at the Lake Tahoe Visitor's Authority truly doing destination marketing, everything came together, and now I'm actually selling all of those other businesses in part of the process to get people to come to the destination.

MARSHALL: Thank you. What about government and administrative?

LYLE: The Lake Tahoe Visitors Authority that I currently work for is a bi-state agency. We obviously have the Tahoe Douglas Visitors Authority on the Nevada side that provide funding to us, on the California side, within the city limits we have the Tourism Improvement District that provides funding towards the LTVA.

So, we really answer to three boards, the TVVA, the TID board and then we have our own Lake Tahoe Visitors Authority Board that we have to answer to, plus we have a marketing advisory committee as well. So, there's lots of masters that we have to work with and report to.

MARSHALL: Okay, moving on to the next question then, it looks like you're currently employed. Why are you looking to leave your current employment?

LYLE: I've been at the LTVA, the Lake Tahoe Visitors Authority, for just over seven years now. It's a great team, it's a great job that I have, and I love it there, but jobs like this really don't come up very often. It would be an honor, almost a pinnacle of my career, to advance, to serve and develop myself. And I wouldn't have applied if I hadn't thought that I was at that stage of my career, that I had something to offer at this level, and I think I'm ready for a challenge and to move up.

ROBINSON: I just need clarification. On your resume you've got for the LTVA and High Sierra and Mountain Symposiums, that they're all present jobs right now. Are they different aspects of—

LYLE: They're associated with my job, but they're really volunteer positions.

ROBINSON: Oh, Okay.

LYLE: So, the High Sierra Visitors Council is very like the State of Nevada. They have rural regions, so obviously we have Reno-Tahoe territory on the Nevada side and then on the California side we're part of a High Sierra Visitors Council. I head that up as the President and I've been there for 18 months or so now. I'll do a two-year term and then we'll pass it off to somebody else.

The Mountain Travel Symposium is a third-party vendor trade show. It's been going on for 43 years, 44 years, I think. It moves around the country to different mountain destinations, and it's a travel trade show where buyers meet suppliers of mountain product. And on the same note, going back to the High Sierra, there is a Visit California rural committee that I also sit on, and I've sat on that for six years, six and a half years at the moment.

ROBINSON: Thank you. I appreciate that.

MARSHALL: Okay. Moving to the next question then. Largest operating budget, if we exclude debt service, you know, public entities often have debt service, private too, that you're been responsible for and what year might that have been?

LYLE: The largest budget that I've been involved in is the current one, the Lake Tahoe Visitors Authority. The budget is just over \$6M. Each year we start in the spring building out the budget. So, we know our departments, we know we have revenue and then we know our various expenditure departments that we have, and we build that out knowing of initiatives that we want to execute in the next year.

We then have the executive, which is our CEO, our senior vice-president and me. We'll sit there, and we have many rounds then going backwards and forwards with the budget. And I'm the one that will then go in and enter the numbers, make the changes, until we get to a place where it's presented to sometimes the marketing committee but ultimately, it's approval of the LTVA board.

MARSHALL: Did you say 60 or 600?

LYLE: \$6M.

MARSHALL: 6-0?

LYLE: Just \$6M.

MARSHALL: \$6M. Okay. Thank you. Sorry.

LYLE: Yeah. I wish it was larger.

MARSHALL: I just gave you a huge increase!

LYLE: Thank you.

MARSHALL: All right. Okay, moving on. What's the largest number of staff that you've been directly responsible for and the largest number of direct reports that you have been responsible for?

LYLE: Currently where I am, we're a lean team. We're a team of nine full-time staff members plus about four hourly staff that run our visitor centers. I have—I sit on the executive, the three of those, the President, CEO, Senior Vice President and myself. And then I have three direct reports coming up to me.

One is a marketing manager; one is our digital manager and we have a project manager. But at the same time, we have an internal digital committee that I head up which has some staff members. And then through that group of the digital team, we manage our social media agency, our digital agency and to a certain extent our creative agency at the same time.

At Vail Resorts, if I go back, that was probably the next largest where I had four direct reports, but multiple reports underneath that because I was at headquarters in Colorado. We had staff in each resort that we would manage down, but they were under somebody else.

You're looking at a team that's much larger then because we also had a reservations department that specialized in international reservations for tour operators. So, you're looking at something a lot bigger in the kind of 20-30 range, but never more than about four directs.

MARSHALL: Thank you. Moving then to skillsets, what would you see as your strongest skillset? Sales, marketing or management? And is there something you feel that makes you uniquely qualified for this position?

LYLE: Ooh. I think I'm a salesman at heart. I'm all about relationships and getting to know people. It's difficult in destination marketing because ultimately the word sales is used, but there's no final transaction. We really have really marketing and matchmaking the correct people together at the same time.

But I like to meet people. I'm interested in people. I like to listen to people, and I think that's part of sales, so if I had to pick one of the three, I would pick sales.

ROBINSON: Tony, what do you see as the trends in tourism, both domestically and international, because obviously Nevada's a huge international draw. What do you see happening and how would you address those trends?

LYLE: I had an email this morning with a U.S. Travel Association report talking about the continued decline in the U.S. market share of global long-haul travel, and they see that happening. It's a tenth of a percent each year. It's not massive numbers, but the market share is declining, and they see that through 2023.

I think what's important is then to look at Nevada's market share of the visitation to the U.S. and ensure that it does not go parallel with that of the union as a whole. And I've seen examples of this in California, for example, when you look at numbers increase, or

not necessarily decline as much as the whole country, they're clearly gaining market share within the U.S.

I think that is something that really needs to be kept on top of. I'm a big data geek, so I love looking at numbers. It's nothing to be worried about. The forecast is to increase over the next three years; however, you've got to take into account that market share. It could have been bigger. So, you've got to keep a hold of your market share and make sure it's front of mind.

CARANO: Mr. Lyle, Cindy Carano, for the record. I would just like to go back to the last question. What do you feel makes you uniquely qualified for this position, being it travel and cultural affairs?

LYLE: My apologies for not addressing it. Yeah. I think my experience draws on various aspects of tourism, whether it be outdoor activities, whether it be hospitality, lodging and hotels or destination marketing. I think the mix compliments myself with having all these various experiences in my career in the last 17 years or so, and since my resume starts there.

You know, I mix with—in circles with my peers from other destinations and they've come through different ranks. I think being on the other side, when you look at the tourism side, having worked for tour operators as well, I've done both sides, so I've sold product, I've been front of house in front of people, but also worked for the different aspects of a visitors' experience first-hand.

MARSHALL: Okay, so moving to the last question. How would you define heritage tourism and how do you think the Department of Tourism and Cultural Affairs can leverage this type of tourism in Nevada specifically?

LYLE: I did mention that in my White Pine County document. Obviously, heritage tourism is about what people can see, feel and do that is authentic to a particular destination or state, the history, the peoples, the people that are there right now.

People want to meet locals. They want to feel like a local. They want to soak up the whole destination themselves, and for a brief moment, whether it's a couple of hours or a couple of days, they want to feel like a local, that they belong there.

So, really, the three different departments really all play a part because if you look at my perceived definition of heritage tourism, if you have the arts, especially if it's focusing on Nevada artists and art, that's part of the fabric. But when you look at the Indian Commission, well just by definition and it's location, that's part of the fabric. The museums have artifacts that are Nevadan, so it all meshes together, and it's all part of the Nevada fabric and is in my belief heritage tourism.

STODAL: A broader based question, reading the last couple of days about the ski industry, and the massive consolidation. Do you see that continuing and what impact would that have in Nevada?

LYLE: There is consolidation going on for sure. You've got the two largest corporations in the US, both based up at the lake and there are partnerships that are forming on a more informal basis amongst the smaller independents. The independent ones are getting together.

It is affordable, the past products, the season past products of these larger corporations are putting out there, if you buy them in time, it makes skiing extremely affordable and is driving numbers.

Obviously, with the ski industry, the bigger question will be looking at the climate as time goes on, but they are diversifying into more summer offerings. You see these ski resorts now offering mountain bike trails, and roller coasters and things like that, ropes courses.

So, overall, I believe the consolidation is good for the industry, and good for tourism, and good for Nevada.

STOLDAL: One last question. The issue, the challenge we all face with climate change, how is that impacting the ski industry?

LYLE: Well, they need snow to operate, and cold temperatures to make snow. I met someone from the California conservation last week, and we started looking at 100 years ago, the snow was just on the top of the mountains. I think all of us involved in tourism have a responsibility to be responsible and sustainable and look at tourism and whether we're doing the right things for the environment, but also managing our guests at the same time, and our expectations of our guests. We're talking about respect for the outdoors, littering.

And then we look at crowding, the phrase that people use, you know over tourism I think is used too much. But we have to start managing our guests, which is a great opportunity for Nevada, and especially rural Nevada, when you're starting to direct them.

You look at California, Yosemite for example, it gets very crowded in the summer, so you have to start managing those guests and give them other options, and appeal to them to go somewhere else and explore. Everybody is into the hidden gems and off the beaten track attractions and places to go and see, so I think that's where we need to go. Thank you.

MUN: Hi, this is Cynthia Mun. In terms of your leadership, how would your direct reports describe you?

LYLE: Interesting question. Thank you. I'm very approachable. I'm very giving with my time. I run an open-door policy; people can come in anytime. I have a listening ear; I won't judge too quickly. I won't give my opinion or direction quickly, I want to get all the facts, and I ask lots of questions. But I'm not scared of asking the direct questions.

Everybody knows in the office where I am at the moment. I really don't tolerate gossip and rumor and speculation, I'll nip that in the bud straight away, because I'll ask what are the facts? Let's get that person in, and let's go over it, and find out what the real facts are. I'm friendly. I like to have fun, but we get the job done. I think that's what they would say. Thank you.

KROLICKI: Thank you Madam Chair. Tony, good to see you. I have full disclosure, I can confirm that he does like to have fun, but I've known you for many years, and it's just a pleasure to have you here today. And I'm surprised Carol let you out of the office to do this.

You are familiar with NCOT, because you've been part of—you've traveled with it, you've worked closely, but this building is full of incredible people, but you've got the rural Nevada, you've got the international markets, you've got budgets, you've got legislators, you've got stakeholders both here and beyond. My question is, in the first 90 days, besides moving to the State of Nevada, should you get this position how do you envision your first 90 days to be? How would you tackle it? How would you take it one bite at a time?

LYLE: Thank you Commissioner Krolicki. We traveled together in 2004 with then Lieutenant Governor Hunt, when we opened the first office in China, and we went to South Korea and China with our delegation. And thank you for your question.

The first 90 days, I'm not in a rush to prove anything. There's certain aspects of the Department that I need to become educated on, new policies, and procedures and the way things are done, how to find the information that I need to find, but more importantly, it's the people. I need to understand who the staff are in each of the divisions, what they do, how they do it, and looking at strategic plans and guidance, and engaging the staff, but also all of the stakeholders.

That's really my priority before jumping in to make any recommendations or changes or anything like that. I'm not in a hurry to do that.

There's also parts of the State that I'm not so familiar with. I've never done the drive from north to south or south to north on the eastern side. I know, but you know I've done 50 and 80, and the drive to Vegas I've done many times, and then down to LA from Vegas, I'm familiar with that area.

When I say stakeholders, it's also, you know, territory chairs and their stakeholders. I need to understand what the expectations are, not only from Lieutenant Governor and the Commission, but also the Governor, but also what are the expectations of me from

the staff, what are they hoping to see from me, and also from obviously the various divisions, and division heads as well at the same time.

So, I see myself being a sponge, asking lots of questions, how things are done. And throughout the whole process, people will get to know me and understand my capacity and what I'm going to be able to bring and do for Nevada. Thank you.

PAZINA: Hello, this is Julie Pazina from Las Vegas, thank you so much for joining us today. My question would be both what excites you, and what scares you most about the role of Director of Tourism and Cultural Affairs?

LYLE: Let's start with the scary one. It's obviously, government, and it's something that I am not so familiar with. I take everything in my stride, and it doesn't faze me in any way, but it's the unknown, and I know that I've got to understand the way that everything works here.

What excites me is being able to make a difference, and I believe I've got my skills and my talent to offer. And I like to think out of the box. I'm not scared to try things.

I'm okay with failing, so long as there is learning afterwards. And I like to be creative. We've got to stand out from our competition. We have to be truthful to our visitors, totally truthful and transparent. I really do believe that once I get in looking at agencies that you work with and the different departments and what everybody does, and just be able to step back, I have this ability to step back and evaluate and look a ways forward.

My colleagues in the office often make fun of me at staff meetings, because they'll pose an issue or a problem, and I've actually got the solution before they've finished explaining what the problem is, so my brain kind of works that way and I will try to – there's always a solution. We can do anything we want. There is always an answer. So, I'm excited to bring that approach to Nevada.

PAZINA: Thank you very much.

ESTIPONA: Edward Estipona for the record. I'm just kind of curious. You've seen all different parts of the world at this point. What do you think Nevada has at this point, that they bring to the table that nobody else can? What is the unique opportunity from a tourism standpoint that we can sell, that nobody else can sell?

LYLE: I've traveled all over the world, and all over the States as well. And Nevada is—I look at it from new eyes. We see it every day. And we often come up with an answer because we know it, and we're very familiar.

I think someone coming in for the first time and seeing it, especially international guests, and a lot of domestic visitors as well, it's like it's something you've only ever seen in the movies. It's a dream, it's not—they haven't seen it and experienced it before.

You have the mountains, one of the most mountainous states in the country, but you also have the deserts. You have, if you want to call it the Wild West kind of cowboy history that people are intrigued by. I remember taking an Indian fam, we were in Genoa, at the Mormon station, absolutely fascinated by all the artifacts, and there was a docent there that explained what things were there.

People are really, truly interested in the history of what the place is really like. And it's uncovering that and conveying that in the correct way, marketing it in the correct way, so I believe you'll be successful. You're honest, you tell the people what it is, but you scrape down and let people see hidden gems and feel like they're the first person to ever experience that. I've done something that nobody else has done.

MARSHALL: Thank you. So, guys we're on the little time clock there. Mr. Lyle, do you have any concluding remarks you wanted to make?

LYLE: After speaking with you today, thank you. I've enjoyed talking to you all. I truly believe and am excited about the possibility. I believe that I am a qualified candidate, and I'm excited about the opportunity.

Hopefully, I've conveyed my experience and background and passion effectively to you all today. I am highly motivated. I do commit 100 percent. One of the things I've learned is not to be too over-zealous. But at the end of the day, you know I pride myself on what I've done, and I've achieved so far, personally and professionally.

You know I hold myself highly accountable for my actions. I also pride myself on my integrity at the same time. It's probably the most valuable thing I have. Thank you.

MARSHALL: Thank you. I have heard wonderful things about you, and I appreciate it, despite what Krolicki says. I haven't heard anything about your partying techniques.

KROLICKI: I have pictures.

MARSHALL: Anyway, so I appreciate it. What we're doing now is if you have any references, if you could provide those to Katie, if you haven't already. We are interviewing a subset today of the candidates and the Board will make a decision today of three candidates to give to me, and then I will take those to the Governor. Then it's within the Governor's purview what he chooses to do. Does that sound clear?

LYLE: Okay. Do you have any timeline guidelines?

MARSHALL: Well, so I'm hesitant to say, because I have had those, and each one has been dumped off of the edge, so all I can say to you is that it's been a while, and we're really trying to move this forward.

LYLE: Okay. Thank you for your time.

MARSHALL: Thank you very much.

WILSON: Kate Wilson for the record, so we have two options. If you guys look at the discussion Agenda Item J, there is a regulation that we have to discuss. It was posted about two or three months ago, and because of the way that it was posted, it had to be done after 1:00 p.m.

Our next applicant is not technically until 2:30, they're here, we can continue with the applicants, and just go straight through those, and do the regulation at the end, or we can take a break, have the Deputy Attorney General explain the regulation to you guys and pick back up with the applications at 2:30.

MARSHALL: Julie, we're taking a little break of like five, ten minutes if that's okay, and then we're going to do a regulation and then we're going to go back on the interviews, okay?

PAZINA: Sounds perfect, thank you.

BREAK

Public Hearing on Notice of Intent to Act Upon Regulation

MARSHALL: All right, guys we're going to get this show on the road. We only need Krolicki and a couple people.

Okay. Justin is doing the presentation. We're waiting for two people, okay?

TARUC: All right, thanks Lieutenant Governor.

MARSHALL: All right, hold on a second. All right, guys, I'm calling the meeting back to order. Krolicki is here. So, Justin did you want to take it away.

We are taking things out of order guys, we are currently on Agenda Item J, J is the discussion, K is the potential motion on a regulation. And Justin if you wanted to do the explanation.

TARUC: Sure, thank you Madam Chair, this is Justin Taruc, Deputy Attorney General for the record. It looks like this discussion is regarding LCB File No. R080-18. It looks like this specific proposed regulation sets up a procedure as far as if individuals want to petition this Commission to adopt, file or amend, or repeal any of its regulations.

On page two of the packet, it shows the proposed language. And it looks like within 30 days of the petition this Board or Commission will have to either deny it, initiate lawmaking procedures, or accept it.

MARSHALL: Do you want to give us some background what's going on here?

TARUC: I apologize Madam Chair, but I wasn't informed that I should be giving a full presentation on this. I just have the information that was provided to me in this Board packet.

It's my understanding that the Notice of Intent for the regulation was posted last month, and so that's why this is on the Agenda today.

MARSHALL: Okay, guys, I'm going to take a recess for two seconds, please.

RECESS

MARSHALL: All right, I'm going to bring the meeting back to order. Justin, we're going to interview a couple other people. Apparently by law we have to do this by the end of the year. So, I'm going to give you some time.

I understand you were asked to present on this, so I'm going to give you some time that you can go back please, get a hold of another DAG or whatever, but you've got to be able to present, so this Board can make a decision on this by the end, okay?

We're going to go forward with interviews. You can either get a hold of another DAG, go back the AG's office or do something, but we've got to get this done by the end of the year.

TARUC: I understand.

MARSHALL: So, go ahead and get yourself prepped on this, okay? Does that sound good?

TARUC: Okay, thank you. Yeah, thanks Madam Chair.

MARSHALL: Yeah, no worries. Okay.

SANTOS: Can I ask him a question before, so he comes [inaudible] these questions for him.

MARSHALL: I'm going to have one of the Board Members give you a question so you can prepare for that, if that helps?

TARUC: Sure.

MARSHALL: Okay.

SANTOS: Thank you Madam Chair, Herb Santos for the record. One of my concerns is, is that this is amending Nevada Administrative Code Section 231. When I look at Nevada Administrative Code 231, it's entitled Economic Development and Tourism, and there is an entire section under 231, which only addresses the Office of Economic Development.

And my concern is that this amendment is—I just want to get a little bit of a history on this amendment to know whether or not this is going to put a requirement on our Tourism Commission to basically generate regulations as it applies to tourism, and then the inherent conflict within this section that's being proposed that we're supposed to vote on, where it's telling us that we have to act within 30 days of getting a petition, when we only meet four times a year, and trying to get a quorum to be able to act on something within 30 days, which to me is an impossibility. But there is no other administrative code regulations that apply to tourism, unless I've missed it.

So, if you can go back and research something, that's what I'd like you to be able to come back and explain to me.

MARSHALL: The other thing Justin, I know you feel like you're being broadsided, and you are, just so we know. But the other thing is, if you can get the Attorney General's office to say that we don't have to do this until March, whatever you can do, okay. But I can't have the Board taking a motion on something that they don't have a full legal briefing on.

You've got a couple options there that you're going to have to work your way through, Merry Christmas. So, we'll do the other interviews, okay, and then I'll come back to you with whatever your recommendation is for what we do in this meeting, what we have to do in this meeting, what should we do. Does that sound okay to you?

TARUC: That sounds fine, thanks Madam Chair. I'll be right back then.

MARSHALL: Yeah, I get it, okay. Okay, Board is that okay? Because he wasn't...

KROLICKI: Madam Chair, I know you know this, it's Brian Krolicki for the record, you know in statute it has to say that you have the ability to create a regulation. I mean I think you just said that Herb. But just to make sure that—I'm not sure what regulations NCOT or it's maybe within the different divisions there is an ability, but it should specifically state that in that section of statute that thou can do a regulation. So, this confuses me a lot too. I thought your remedy is perfect for the situation.

MARSHALL: Justin, yes.

TARUC: Sorry, Madam Chair, Commissioner Krolicki, NRS 231.200 provides that the Division of Tourism may adopt regulations to administer and carry out the policies and programs of the Division of Tourism. I believe that is referenced in the Board packet as far as the authority.

SANTOS: Did he cite the statute or [inaudible]?

MARSHALL: He cited the statute.

SANTOS: All right.

MARSHALL: Anyway, I'm going to give you time, Justin to sweat it out there, all right. And we'll do the interviews, okay?

TARUC: Thank you.

Applicant Brenda Nebesky

MARSHALL: Okay, so Brenda, let me explain to you the process, so we are here with a subset of candidates are being brought forward today. I'm going to give you an opportunity to make your opening presentation, and then we'll ask some questions.

For convenience sake, I'm asking the questions but it's really the Board that's going to do the follow up, right. And then at the end, I'll explain to you how we're proceeding after that. All the questions are exactly the same for every candidate. I think that's it. Am I saying what I said to everybody, I'm trying to remember? Does that sound good?

NEBESKY: That sounds great.

MARSHALL: Okay. We have had an issue where some of the candidates had to move the mic a little forward, I don't know...

NEBESKY: Is that better?

MARSHALL: Better there? Okay. Let me start by asking you, if you wanted to make any opening remarks to the Board.

NEBESKY: Sure, because I realize though I know many of you, you probably don't know that much about me.

My family has been in northern Nevada for generations, my kids are the fifth. So, there aren't too many of us who have been here that long. In fact, my grandmother actually attended the Fourth Ward School with her sisters. And my dad's side is a ranching family. I feel like I am hard-wired to have a deep understanding of the rural mindset for that reason.

I've graduated from UNR, thinking I was going to be a copywriter. I also have a major in English Lit, so I thought I was going to be a writer. But very quickly within marketing sort of fell in love with graphic software, I fell in love with Adobe, so I ended up jumping over to the visual side of marketing.

Went on to work in marketing leadership at a very big publicly traded company called True Blue that provided temporary work forces, they owned five companies, some of them with national store fronts. And in retrospect that did a lot to inform my job now, because even though we were marketing for all of them, they had very different customers, very different sectors.

When I came here as Art Director, I think I found my calling with Destination Marketing for two reasons. One is, I think I got to finally focus on one product, and it's the product I love, which is Nevada. And the other was, I found tourism as an industry and a community. And it really is something pretty marvelous, I mean it has to do with – you know what we all have in common as humans, it's wonderfully human, and it's tied to the joy of travel.

MARSHALL: That was lovely, thank you. All the applicants were asked to present a writing plan, an action plan and a writing sample, and I wondered if you wanted to speak to what you presented?

NEBESKY: Sure. I brought it with me, just so I could refresh my own memory, if I needed to. So, I chose Lincoln County for a number of reasons. One is, it does not have its own tourism entity to advocate on its behalf. It has proximity to Clark County. It has the maximum number of parks, state—the parks to promote some of them lesser known. And it has you know some really good sort of grassroots efforts within it already. It has one of the, I would say, best Tribal tourism products in some of the petroglyphs in that area are the most unique in the world.

And then I went on to kind of enumerate how I would do it, which is to leverage both programs that already exist within Travel Nevada, and then some of the new initiatives that I believe very strongly in.

So, some of the old ones are—they're not old but you know current are to market it within our existing road trip itineraries, and as you can see if you're looking at it, it touches on several of them. One of the challenges in Nevada is it's a big state, it's vast, so what our road trip campaign addresses is to make the most of the journey. One of our headlines that I think is wonderful is Journey Before Destination.

What can the traveler take in in between those miles, those miles between community, and there is so much? That's one thing is to have Lincoln County—you know, leverage that as much as possible.

And the other are some of these programs that are you know up and coming, are sort of in our future, I hope, one of those being destination development. I really feel like this is something that the Division of Tourism needs to embrace. We've had our marketing grant program in place for decades, which I think is a form of destination development, but this would be different.

This would be a real partnership with economic development, the new office of Outdoor Recreation, and our own cultural agencies with the Arts Council, with our museums, and especially the Tribal Policy Liaison within the Nevada Indian Commission.

And what this would mean is going into communities to listen to them, to listen to residents about what they feel is really missing, and how we could contribute to their quality of life. That really is our mission, you know it's to drive visitors into rural

communities, but that's the outcome we want is to enhance the quality of life of residents.

So, listen to them about how tourism product might contribute to that, and maybe help them think about it too, because many people don't--aren't aware of all the options. How could maybe industrial tourism contribute to their lives? How could agri-tourism? Maybe how could the Arts Council help them build a collaboration of local artisans, etc., etc.

So, it helped them kind of look at tourism through a new lens. And prior to that how -- what incentives through economic development need to be there first, for tourism--of tourism product to even exist. Because I don't think tourism is always the lead, but it's certainly a contributor.

"Discover Your Nevada" is a campaign that we've had in place for a while. It's always been seasonal, and I really think that encouraging Nevadans to travel within Nevada is something that we don't do enough. So, especially in Clark County, I don't think too many people consider traveling north for a vacation.

So, we plan to address that audience all the time now. And one of the partnerships I've initiated is with the Department of Education, so we have approval to distribute a publication in the schools, statewide. Fourth grade students already study Nevada, so we're going to have Nevada magazine produce a very professional, beautifully interactive publication that will give them not only the facts on Nevada history, but then beautifully tie in all of our other agencies here.

So, we'll be able to tell them all about our State museums and western heritage within the State. We'll be able to tell teachers how to take advantage of our arts and education programs, etc., etc.

And then also, you know I was thinking in terms of the international visitor, they don't recognize borders, and neither should we. So, if we could initiate a parks route that was in collaboration with Utah, that would take them through our State Parks and to Great Basin, and then into their Mighty 5. We have the advantage of there are large crowds in all those Utah Parks, and many of ours don't. I mean so it's a wonderful contrast, and I think that is something that could be done fairly easily.

I can talk about any other aspect of it, if you'd like me to. But I'll stop there.

MARSHALL:

Okay, moving then to the second question, if you could talk about your experience in hospitality and/or destination marketing and if you have any administrative or government experience.

NEBESKY:

I do. I don't think I put it on my resume, because I don't believe in going back too far on a resume. But as a much younger person I worked for the Chamber of Commerce, back when they had a separate membership for downtown businesses, downtown core.

I started to learn a lot about hospitality and destination marketing there. I also worked at the city of Reno, managing their event program. That was at a time when—and this prior to Commissioner DeLone’s tenure—but back when our CVA had a robust event’s grant program, and we took full advantage of that. I had to manage permitting and collaboration with other city agencies, then actual management on the street for events.

As I said when I came here, I was you know kind of fully immersed in destination marketing, came here as Art Director, I was promoted to Chief Marketing Officer, then as Deputy, now in my acting role. So, I’ve had all aspects of destination marketing through this agency, starting with building content, which is the center of everything, right? Content is king and as our Director worked with all of our content development manager, and that’s how I learned—that’s how I began to learn about all of the destinations throughout the State, because you have known them well enough to do that.

MARSHALL: Thank you and did you want to talk about administrative, or government experience?

NEBESKY: Well, I would say in my role as deputy, and now as acting, I have definitely had a trial by fire, if you will. But am certainly learning every day more about administration. The agencies are very different. They have different missions. They have different types of people who work there.

And they all have different needs, different legislative needs. So, I’ve not only had to get a grasp beyond marketing, because I think I learned that as the Chief Marketing Officer what their marketing needs were, but maybe other things, like what professional development is necessary within those agencies, how can the Division of Tourism collaborate with them, and help them.

It’s really the integration of all the agencies that is the administration of it, and helping those directors do their jobs better.

MARSHALL: Thank you. You may get less questions because everyone knows you.

NEBESKY: And everyone’s tired.

MARSHALL: I think we know you’re currently employed, and we know you’re not looking to leave. But if you want to explain why you would like this position as Executive Director.

NEBESKY: Well, I’ve been test driving it for exactly a year this week, it’s my anniversary as acting. And I think there are—one thing that isn’t tied directly to me, but I think is very relevant, is I think this agency deserves the continuity of keeping me in the role. We haven’t had an appointed Director in well over two years, and in 18 years there have been seven different Directors.

And I think it is always true that when the leadership at the top has changed, there's a reset. And there probably should be, I mean that person has to you know take ownership of it, but I think now there is so much going on with the new administration, and with just the timing of what's happening here, the next three months is critical for us to just keep the momentum going. So, that's one of the reasons.

The other is I think, you know, really one of my strengths is I'm an alliance builder, and I'm really proud of some of the action I've taken even within this year. Our Memorandum of Understanding with the BLM is something that is the first of its kind in the country, which has given tourism access to public land throughout the State. We have a similar agreement with State Parks, and a wonderful partnership with them. As I mentioned we have this agreement now with the Department of Education, you know that's been sort of kicked around for a long time, what could we do to help students, and how can we build sort of a Nevada brand loyalist from that age? And I think that is the way to do it, you know we have a partnership now, and everybody is excited about it and you know inspired to do it.

I think also you know the Governor has Task Forces in place that are kind of subsets of the Cabinet, and again we'll be partnered with GOED and the Department of Education, not on those projects, but I just am excited about that. And I think that's the way we make each other stronger, as state entities.

SANTOS:

Herb Santos for the record. When the first rounds of interviews went, you didn't apply. And now you've applied this time. Can you explain to us what was it that made you decide not to apply the first time and then you changed your mind and applied this time?

NEBESKY:

A couple of things, I had some things going on in my personal life, that I wasn't sure—this job takes a lot of personal investment, it's a lot of above and beyond, a lot of extra time, a lot of energy. And I just wasn't sure I could do them both, both personally and professionally, to take it on.

The other is, as the Deputy Director, I oversaw the Division of Tourism, which was what I was the most interested in, it was what I knew, it was what I was good at, that's where my people were and I'm very happy in that role. But I think over the past year, I've learned that you know I have more to contribute to this, than I thought I did. And I'm more effective than I thought I might be.

As I said a lot of these initiatives that I take ownership of, I would hate to see them not happen now. It would bother me a great deal.

MUN:

Hi, Cynthia Mun for the record. Brenda, so you've been the Acting Director for the past year and as the person leading the organization, what are your strengths as a leader, and what are the opportunities?

- NEBESKY: Well, my strengths, I think I mentioned one of them, I think I'm great at collaborating, and it's hard always to judge who's willing to make the same investment in a program or project as you are, but I will always ask.
- I will always push into an area that the agency hasn't been before, I'm kind of unafraid of that. I'm undaunted I guess is one of the qualities I have. I'm also someone who I don't just accept our inherited circumstances. As a State agency we have a lot of guide rails, some of them are good, some of them aren't. And you know to act with some latitude within those isn't always easy.
- But I always ask, why are we doing this? Why? Is it something we have to do? Can we do it differently? I always ask, you know, what's next? And in marketing that's always important. We have a lot of website visitation, what happens next?
- So, I think those are some of my strengths, I always push, and I always ask.
- ESTIPONA: Edward Estipona for the record. On the flip side of that, what's been the biggest challenge now that you've been in that seat for the last year, what's your biggest challenge and what do you think at this point are the solutions around those challenges?
- NEBESKY: I think the biggest challenge is the role itself, is odd, that the Department was put together, there was a Department of Cultural Affairs, and a separate Department, you know, for Tourism, and they were put together for some economic savings which were minor.
- Some of it doesn't work quite frankly, but I think the challenge has been to integrate those—and they're all so important, each agency, none is more important than the other, I think is identifying where we all intersect, and how we can best serve one another, but yeah, there's no perfect person for this position. I think it's something of a unicorn. But I think integration is the key, and just communication with the other Directors.
- MARSHALL: Okay, largest operating budget excluding debt service that you've been responsible for, and what year was that?
- NEBESKY: Well, the largest one is definitely here, so the Division of Tourism's budget is right around 32 million. The entire Department is something like 47 million.
- MARSHALL: Okay. Largest number of staff that you've been directly responsible for, and the largest number of direct reports that you've been responsible for over the course of your career?
- NEBESKY: There were 24 direct reports within the Division of Tourism. I think there are currently 117 within the Department, there are some positions unfilled, I think it's more like 125 total.

MARSHALL: You're just giving a rundown of—okay all right. So, what do you see as your strongest skillset if we look at sales, marketing, or management? Is there something you feel that makes you uniquely qualified for this position? I know you kind of were answering that, but we are asking everyone the same questions, so maybe just elaborate where you've already answered.

NEBESKY: Okay. I did—definitely marketing, it's been my career, the bulk of my career. Management would be probably second, sales last, though our agency doesn't do any traditional sales. There's never a "hey I've closed the deal, sign on the dotted line" sort of sales. It's a bit of a misnomer.

As I started to say I think partnerships are definitely my strength. I think I have a very clear sense of our mission, and defending the mission is a big part of the job. It comes up all the time, more than I ever would have guessed. So, overall as a department what's our mission, what's tourism's mission, what is each agency's mission and how to support it.

The other thing I think I have a sense of what Nevada's strengths are as a destination, and they aren't as easy to identify, especially if you're not from here. I think our great strengths are our public lands, and our preserved western heritage, those two things together are incredibly strong, and it also happens to be what ties our department together.

ROBINSON: Hi Brenda.

NEBESKY: Hi.

ROBINSON: Pam Robinson for the record. I listened to you talk a little bit about the destination marketing, and we recognize the RSCVA and LVCVA do that pretty well, and they create districts, and I've got a couple of thoughts here.

So, how would you see trying to develop those types of districts and destinations in the rural community that have not yet been done? And with the new development, with the new division of outdoor recreation, Travel Nevada has done a terrific job I think in promoting outdoor recreation, and how would you see working with DCNR in that new division to enhance and integrate that without duplicative services around, so that we're all working in the same way?

NEBESKY: Well, I think translating the idea of districts to smaller communities is a wonderful way to look at it, because those are all organized around something, so it's either an activity, like an arts district, or it's an audience of you know — of another kind, whether it's culture, or foodie's—and that is one way to do destination development.

The outdoor recreation office I think is still being defined, and needs to kind of evolve into its space, but Travel Nevada promotes the heck out of outdoor recreation

opportunities all the time, but it doesn't get into business development, like helping a community identify hey what outdoor recreation business could we attract here?

That would be economic development's kind of purview, but I think working together and being able to say once that business exists, we can promote it and make it part of our itinerary along a route or promote it in any way possible is an advantage that doesn't always exist.

WINDBIGLER: Kristen Windbigler for the record. You said earlier that content is king, and creating good content is not an easy thing to do. I would like to hear a little bit more about your ideas about content strategy.

NEBESKY: Well, you know we really rely on our tourism partners to kind of spark that for us. So, I know when any Travel Nevada staff is out in the State, they're really looking to meet people, and have conversations that inspire content ideas, or you know there's that. There's just sort of organic creation of content.

And then there's from the other side which is our overall brand and content related to that, basic brand awareness is kind of a broader category, and in many ways is easier to do. But I think it all has to do with talking to the right people and getting the details.

As many of you know our "Don't Fence Me In" campaign was based on the real stories of real Nevadans, and it was the details of those stories that really gave life to all of that content.

As the Folk Life Director, you know that. I don't need to tell you that.

MUN: Cynthia Mun. My earlier question was really specific to leadership, so I'm going to ask you a slightly different way. Having known you for a year, I know you're very well-liked by your staff. Can you tell me what your staff would say about you in terms of your leadership, and what you think would make a great leader? Like what are your ideas on what makes a great leader?

NEBESKY: Well, I hope that they would say that I treat them all as professionals. Our staff has some unusual circumstances in that many of them travel internationally. A lot of our marketing team is out on weekends and working strange hours, and I really never expect to hold anyone's hand. I expect everyone to be a professional.

I expect our Directors to bring a lot of vision about their own departments and, you know, new ideas that we're currently looking at writing a new strategic plan, and I look as much to my staff to help me write that, as I do my own brain, and that's the way it should be in my opinion.

I think the Department Director is there just to facilitate a better work environment and to assist the good people in those leadership positions to do theirs.

STOLDAL: I hope this is not an odd question, but likely it is, if the Commission voted today and the Governor says you got the job, what difference is that going to make in how you approach your job?

NEBESKY: Well, I think it does, being acting is a lot of people aren't sure. Well, the assumption is well why don't you have the real job? So, it kind of removes that layer of—makes you credible in other words, right?

I will finally have the authority to just move forward with as much momentum as I care to give it, instead of—but I never minded—like I explained I never minded the Deputy Director position, because I think that was every bit as exciting and held as much potential, but now I think I can support the person in that role in the right way, and give them more opportunity while still—you know, Commissioner Stoldal I was just with you at the Museum Board Meeting, and there is just another entire world of opportunity there, that if I can help advance that, I would like to.

KROLICKI: Madam Chair may I ask questions, Brian Krolicki for the record. And first, I just want to say thank you. You know we are all grateful for what you've done for this past year plus, and everyone on the team, but it's a unique hardship that you've endured, in not having the full responsibility, but truly grateful for all the keeping together you've performed. So, regardless of what happens today or down the street.

NEBESKY: Thank you.

KROLICKI: But I've been asking people today, you know similar to what Mr. Stoldal just asked, was you know in the first 90 days you've got a building that you know the people, you know their strengths, you know the customers, you know the world, you know our partners, you know the stakeholders. But rather than just having the authority on day one of 90, what are the things that you might envision, if you've got the baton for the next 90 days, what are you aching to do if this not a custodial role anymore, but one of—this is your department to run under the leadership of the Chair and the Governor?

NEBESKY: Well, as I alluded to the timing is such that we have to start building our new budgets for the biennium as of March. And also demonstrate any bill draft intent, so there's—and there's a lot to figure out. What do we want to ask for budgetarily? How do we break it down? We'll have to look at each agency and help them do that.

We also have, as you may be aware, the problem of *Nevada Magazine* being held to an enterprise fund by statute when it is faced, as any print publication in the world is faced with, the problem of operating as a business, that depends on ad revenue.

And we need to change that, it's just time. It's time to change it. And preserve the best of *Nevada Magazine*, make sure *Nevada Magazine* exists but re-imagine what it might be in a very digital era. And that would all before the end of March.

MARSHALL: Okay, the last question then, how would you define heritage tourism, and how do you think the Department of Tourism and Cultural Affairs can leverage this type of tourism in Nevada specifically.

NEBESKY: Well, we always talk to a cultural traveler as an audience, but I think of heritage as something kind of more uniquely specific to—as I mentioned before, our preserved western heritage. We of course think first of our museum system, and one of their tag lines is “The heritage lives here,” which is a tag line technically I authored, because it does. So, you know they’re of course our priority in regard to heritage tourism. But there’s so much else, there’s so much more. You know her historic markers are you know we have more ghost towns than living towns. We really have so much in regard to heritage that is there.

It’s not necessarily staffed or something that we can collect dollars surrounding, but it is part of the experience. And so, to make sure that that traveler understands along each itinerary what’s available to them to enjoy is how I would do it.

MARSHALL: Okay, so, I finished the questions. Did you want to make any concluding remarks? Or did you have any concluding remarks?

NEBESKY: Well, I think I may have already said it. You know I am really an advocate of the people here. The staff here is just really incredible. I mean some of them you couldn’t recruit or train for, people who are as passionate about Nevada as they are. And that’s just a pleasure. You know it’s a pleasure to work with people like that.

I think we have some real vision, and things that I would just be so proud to be a part of coming up. And you know I think it’s an interesting time, with the outdoor recreation office, and some of these partnerships that are available to us, I think we’re going to do more in the next ten years than we have in a long time. And I just feel that.

MARSHALL: Thank you. So, let me explain to you what you might already know. I think we have one more candidate.

NEBESKY: Okay.

MARSHALL: If you have any references, if you could please give them to Katie Wilson.

NEBESKY: Okay, I included mine in my resume, so yes.

MARSHALL: That’s good. The Board is determined to make its recommendations today. They will recommend to me three candidates. And then I will take those candidates to the Governor. Then it is within his purview.

We are, as you know, the process is taking a little longer, so we are trying to move this process along. Thank you for recognizing the one-year anniversary date, that’s lovely.

So, that's where we are. I think that's it, right? Yes, okay, so that's what we're going to do. And everyone, we have one more.

NEBESKY: Okay, thank you everyone for giving me the time. I didn't want to assume that I would be one of the people. I really appreciate you giving me the opportunity. And it's great working with you, even if I shouldn't be the appointed. It's wonderful to work with all of you. Thank you so much.

MARSHALL: Okay, guys, so where are we on timing?

WILSON: In a strange turn of events we are ahead of schedule, but our last applicant also just got here, so I asked him if he was willing to start a little early, and he said yes. So, if you guys are good.

MARSHALL: Okay, then while we're interviewing the last applicant, Katie, if you could find out – so the DAG is not here, okay.

WILSON: Correct.

MARSHALL: And Herb has told me he doesn't want to work for me. So, when we get to discussion part, I think we may be required to have a DAG here? What do you think?

SPEAKER: Oh, we're talking about that.

MARSHALL: Yeah, I think we may – anyway, I'm not sure, but I don't want us to go through this whole process, and then be told that it was for naught.

So, while we interview the last person, because we're asking the same set of questions, and they're providing the answers, I don't really see the exposure, but can you make sure that we are in line with whatever we need to be in line with, right after we finish the next person? Is that okay?

WILSON: Yeah, Kate Wilson for the record, Dee Dykes is going to go and message him, and just let him know to be back within 30 minutes, yes.

MARSHALL: Okay, thanks, okay. All right, so guys do you need a break, or do you want to take the last person? Are we ready to go?

MARSHALL: Okay, let's do that then, all right.

Applicant Jeff Klein

MARSHALL: Hi, how are you? So, my name is Kate Marshall, Lieutenant Governor, and this is our Board, and we have Julie Pazina is also a Board member in Vegas. I'm going to talk to you a little bit about our process, and then at the end, I'll talk to you a little bit more, okay?

KLEIN: Good.

MARSHALL: So, this is like 45 minutes with a cake—so we have like 45 minutes.

KLEIN: My cake made it on time, so that's perfect.

MARSHALL: The cake made it on time...

CARANO: Happy Birthday.

MARSHALL: Look at this.

DYKES: This is from Brand USA [inaudible].

MARSHALL: Oh, very good, good timing on your part.

KLEIN: It's all a part of my plan.

MARSHALL: With the sweets, yeah, okay. What's going to happen is I'm going to let you provide some introductory remarks, and then I'll ask a series of questions. All the candidates are being asked the same questions.

KLEIN: Great.

MARSHALL: For ease of presentation, I'll be asking the questions, but it's really the Board and they'll be following up, okay?

KLEIN: Perfect.

MARSHALL: So, we'll start there, and then when we finish, I'll explain to you the rest of the process, does that sound good?

KLEIN: Great, absolutely.

MARSHALL: So, then to start, did you want to provide some introductory remarks.

KLEIN: Sure. I'm excited to be here. I'm a native Nevadan, so when I saw the opportunity pop up I was excited to throw my hat in the ring, and see if we can give this a try, so I'm excited to be here, and I appreciate the opportunity to talk with you guys.

MARSHALL: Then moving on to the questions. You were asked to provide an action plan, and a writing sample.

KLEIN: Yes.

MARSHALL: I wondered if you wanted to make some remarks or talk a little bit about what you provided to the Board.

KLEIN: Sure, yeah, so for the action plan, I chose White Pine County. I thought the whole area of the State is—it really appeals to me personally, and I think there's a lot—a lot of great items that can be promoted within that region of the State.

In particular, the outdoor, I'm very much into outdoor, so I thought that would be a great thing to promote, and something that Nevada offers a lot of, ranging you know across the entire State.

My strategies were to work hand in hand with the local municipalities for diversification of the tourism opportunity. More programs, more events, and just promoting everything that the County has to offer, so everything from the Christmas railroad that's going on now, which is fantastic to the ghost town adventures, to the Great Basin photography.

So, taking what—not only taking what they have, but adding to that and really pushing it across traditional press. My background is in public relations, so pushing it across traditional press opportunities with print and Align, and also social media as well.

What's that? Cake and music, I brought it all today for you guys. The choir is coming in any second.

So, yeah, with the strategy number one, so it's with the outdoor recreation, obviously it's one of the fastest growing industries in the country, in the world, and I think the County is prime to really promote everything they offer. The Great Basin is one of the least visited National Parks in the country, so it's something that could definitely be pushed a little bit more.

And then just some of the other unique items that I find interesting, I think would be great for promotions is the longest road in America, maybe produce like a marathon across, obviously not the whole thing, I don't think people would make it across, but at least a portion of it. You know ice fishing lessons, ATV tours, that kind of thing.

The second prong of strategy one was the Native American cultural events, really push, we have such a big foundation of Native Americans in the state, so really promote – promote the history, and you know talk about the things that all the Tribes are doing today.

And finally, the historical tours. The ghost town tours and bike tours across Ely, and talk about all the old shops that are there, and that—so, really just encompassing, the first one is talking about everything the County provides, and talk about—hopefully come up with some new opportunities, which is what I've—I have a background in public relations, different clients is coming up with new events and interesting ways to

promote clients that either are new or have been around for a while, looking for a refreshing—a freshening—a freshening of their—the promotional strategies.

For strategy two, was the increased overall awareness, just again, I mentioned this before the traditional media, gateway to the Great Basin National Park, I think that's one of the big ones of the county. It's such a beautiful part of the State, and like I said, it's one of the least visited National Parks in the country.

I think it's something that—I know I would be interested in checking it out more. I'm really into photography and I think that with social media, I think it's prime for Instagram locations and really pushing the stories on that. It's such a visual world now. Everything is pushed on Instagram and social media, and I think there's quite a few opportunities there with Great Basin.

And then strategy three was just continuing the branding and marketing of White Pine. So, kind of wrapping all together any sort of—keeping everything in line together with you know it's the gateway to the—so, there's Great Basin National Park and in the middle of everywhere, and I love that, that's [inaudible], that's kind of the gist of the campaign.

MARSHALL: Thank you. Okay, moving to the next question then. Please explain your experience in hospitality and/or destination marketing and do you have any administrative or government experience?

KLEIN: Nothing with government or administrative, but with the travel and the tourism, I've been working in public relations for about 13 years now, and I've had a huge range of clients, ranging from entertainment to hospitality, and nonprofits and the cannabis industry which I had the pleasure of creating a leading a national campaign for a cannabis client that I have down in Las Vegas.

So, when they kicked off the recreational end—we started with them, with the medicinal and moved into recreational. So, we had media members from around the world come in, and really led that campaign.

So, everything I've done over the last 13 years in public relations is really focused on driving tours not only to my clients, but to the — I'm based in Las Vegas, so to the City and to the State as a whole, and it's something I'm really enjoying, I'm passionate about it.

MARSHALL: Okay. I take it you're currently employed. And if so, why are you looking to leave your current organization?

KLEIN: It's not so much that I'm looking to leave. I think this is a great opportunity. Like I mentioned, I'm a native Nevadan, my roots are in the State, I was born in Vegas, went to college in Reno, met my wife in Reno, got married in Tahoe and had my kids in Vegas. So, all across the State, and I'm truly passionate about the State, I love it. And this whole process has been fun, I've really gotten to research more of the State than I've

done in a while. It made me realize how much I love living here, and how unique it really is here.

So, it's not so much that I'm looking to leave my current position, but I feel like this is a great opportunity, and something I was interested in.

MARSHALL: Okay. What's the largest operating budget excluding debt service, some organizations and public entities [inaudible] have debt service have you been responsible for, and what year might that have been?

KLEIN: To be honest, I haven't been responsible for an entire budget. I've worked within larger budgets of clients, depending on where they land in terms of size of the client, and how that works.

I've worked for several hotels and casinos down in Vegas, so the public relations or marketing has been a portion of their budget, right anywhere ranging from you know a couple thousand dollars a month to you know some of the bigger properties can provide a little bit more, but in terms of the overall grand scheme, I haven't been in charge of a budget, but I've worked within budgets of different clients.

MARSHALL: Thank you. What's the largest number of staff that you have directly responsible for, and what is the largest number of direct reports that you have been responsible for?

KLEIN: Sure, the firm that I work for now, there is only currently there is only six of us there. So, it's lean and mean we say. I'm one of the three senior account executives and there's two coordinators below us. So, we all kind of work hand in hand, depending on the client and the need of that client, how big they are, and you know how many people we have staff each one.

So, for example I have an art exhibition right now that I have a coordinator working under me, so at any given time, either one or two coordinators and the sole owner is the direct – who I directly report to.

MARSHALL: Okay.

CARANO: That's the largest?

KLEIN: I mean for currently. So, the previous firm that I worked prior to that, even then there was about probably 40 people total in the firm. So, the two firms I've worked for have been relatively small, and then above me just the sole owners.

MARSHALL: In the previous entity that you worked for where there were 40 people in the firm, how many people would report to you directly?

- KLEIN: I would say, I started, my career there, so probably just a couple. So, that was my first few years there I was at the first firm, so really my senior level has been at this current firm with the smaller in-house.
- MARSHALL: What do you see as your strongest skillset, sales, marketing or management, and is there something that you feel makes you uniquely qualified for this position?
- KLEIN: I would say marketing. I focused mainly on public relations and marketing over the last 13 years. I really do enjoy it. Because I've had such a wide range of clients, it's helped me be able to adjust and give—cater myself to different clients, which I think would be fitting for the State. Because each County is different and has its own unique advantages and promotional opportunities, so I think it's something that I could adjust and help promote, depending on which county is—we're focusing on at any given time.
- STOLDAL: It's on your resume that you—Stoldal for the record—orchestrated a national publicity campaign for Essence.
- KLEIN: Sure.
- STOLDAL: Give me an example for the Today Show, and some of the others are these that you initiated and said hey we've got this thing or were they producers that called from these various media outlets and said we'd like to do a piece. Which way was it?
- KLEIN: For the most part, it was me pitching it out, so we were there from the beginning, we were with Essence from the time they were still medicinal, and we kind of navigated them publicity-wise through that, and then leading into—transitioning to recreational, and once we switched to recreational we reached out to the national programs, the Today Show, MSNBC, Fox News that sort of thing, and let them know that hey we—you know, this is a big moment not only in Nevada, but in the country, that is—this is a historical moment, and invited them to come out and not only visit the dispensary, but check out the cultivation programs they have, and really get a good idea of what they're offering and how sophisticated the program really is. So, it was definitely something that we initiated to them.
- STOLDAL: Great, thank you.
- PAZINA: Hello, this is Julie Pazina in Las Vegas and I see that you have some great tourism and hospitality experience through your clients and PR. I was wondering if you also had any trade show experience or background.
- KLEIN: Actually, recently we've had a few trade show clients in the past, I haven't directly created a trade show, but I've done publicity for several over the last year – the last few years.

We recently had a trade show called Big Boy's Toys. It was basically an extreme toy, cars, and boats, and yachts and that kind of thing. That was recently just a couple months ago, that we put the campaign together.

PAZINA: Where was the trade show held?

KLEIN: At the Convention Center, Las Vegas Convention Center.

PAZINA: Thank you. Thank you.

ROBINSON: Pam Robinson for the record. Thank you for being here.

KLEIN: Of course, thanks for having me.

ROBINSON: So, your resume has focused a lot on the PR and marketing side, and so from the tourism perspective, what do you see, and have you followed what the trends are in tourism nationwide, and specifically to Nevada, and how would you address those types of things. And specifically, how do you go out to the rural communities and help them with those trends and changes.

KLEIN: Sure. I know with the rural counties, I know like I was mentioning before, was I think a lot of the younger crowd is getting them out with social media, using a lot of visual Instagram ads, Instagram stories and visuals.

The younger crowd gets excited about going to take that Instagram moment, and I think for example, the White Pine, which I did the report on is perfect for that, because the Great Basin National Park is such a fantastic photographer opportunity.

So, for the rural I would, depending on which county it was choose a few items that we want to highlight and really promote that via social media and traditional press.

In terms of tourism numbers, I know speaking of Vegas, I know the tourism numbers are there, but a lot of people are not spending as much money down there it seems. I think again that's just highlighting some of the great, the great aspects of each city or county, depending on which we're focusing on at the time.

MARSHALL: All right, so the last question then is how would you define heritage tourism, and how do you think the Department of Tourism and Cultural Affairs can leverage this type tourism in Nevada specifically?

KLEIN: To me, the heritage tours then would be promoting basically how Nevada began, how each county began, what's the history behind them, what is—what's fascinating about each individual city or county, and for the cultural tour, or for the—I'm sorry, the separate part of your question was how the...

MARSHALL: I'm sorry, how do you think the Department of Tourism and Cultural Affairs can leverage this type of tourism in Nevada specifically?

KLEIN: Yeah, it's all about highlighting what's unique to each individual area. Me, personally when I was reading about White Pine, a lot of the things I didn't know about a lot of the history, the little—you know, some little shops and that kind of thing. I find that stuff fascinating. And I believe other people do as well.

Learning where we came from is always an interesting part of visiting or learning about how a city began is always interesting when you're visiting somewhere, so I think that we can—depending on which city or county it is, it's all about highlighting how it began, how we can push it and use whatever means necessary whether it's traditional media, or social media, or you know contest, or depending on what we're doing, and then trying to really push that – push it out.

STOLDAL: Stoldal for the record. Just a quick question. What was the transition from Doaks to where you are now?

KLEIN: I'm sorry, what was that?

STOLDAL: The transition from Kirvin Doaks to where you are now?

KLEIN: What was it, I was at Kirvin Doak for a few years and I had the opportunity to move to—I'm at PR Plus now, switched the firm. I like the boutiqueness of the smaller feel of the firm, I liked working hand in hand with the owners a little closer, and it was something which is a little different atmosphere —I loved my time at Kirvin, but it was just a different feel to the firm, I wanted something a little more boutique that I can a little more invested into the clients, and the atmosphere there.

STOLDAL: Great, thank you.

KLEIN: Sure.

SANTOS: Herb Santos for the record. One of the things is the administrative component of this job. And under our job description it says, to create and manage the overall department budget, implement appropriate internal controls, and evaluation processes, recommend changes, if necessary, and produce thorough financial reports for public accountability and transparency so that the Department's fiscal integrity is protected.

With not having a whole bunch of experience, convince me that you would be the right person to be able to meet that duty and responsibility.

KLEIN: Absolutely, you know it's funny, when I was preparing for this, there is always that what's your biggest weakness questions and I fully understand that with this job, would be my biggest weakness would be the budget.

You know I'm a hard worker, and I'm dedicated to everything that I've ever done. I feel like it's something that I'm—I took a lot of classes in college years ago, that was a little more of the marketing/buying side of things, so I definitely have experience with budgets in terms of projects, not real life, but more projects. And I think it's something that I know I can do, and I'm passionate about promoting the State and I would be willing to you know do whatever it takes to learn how and prove myself at it.

KROLICKI: Hi, Brian Krolicki for the record. Welcome, thank you for being with us today, I know it's a fun exercise to be doing.

KLEIN: Yeah, you know it's been a while since I've been in Carson, so I'm excited to be here.

KROLICKI: You know my question really tracks on what you just said, just inserting yourself here. So, what I've been asking the different applicants is about the first 90 days. This is a new realm for you, it's a big bite as we've discussed, but you've got a building full of extraordinary people who have a great handle on tourism, that's hospitality, and you've got the different cultural pieces, the heritage pieces and the different divisions. For the first 90 days, you've got stakeholders, you've got legislators, you've got other convention and tourism professionals, you've got the whole world. You've got rural Nevada, but remember we promote on the other side of the planet, but how do you tackle that? How do you come in for the first 90 days?

KLEIN: I've always had the idea that you surround yourself with people that are better, if there's something you don't know exactly how to do, surround yourself with people that are better at it.

So, there's really no choice but just dive in, and you know invest 100 percent of myself, and be here, and pick people's brains that have more experience in the things that I lack in. I feel like I provide a lot with the public relation side, and the marketing, and the promotions.

The budget side of things would be something that I really have to just dig in, and invest in, and then study the people on the team that have done it more than me.

MARSHALL: Okay, so we've finished our questions and I wondered if you had any concluding remarks that you wanted to make?

KLEIN: You know this whole process has been a lot of fun for me. Like I mentioned I'm a native Nevadan, my father was born here, I was born here, my brother, my kids, I was married here, and it's something that I'm passionate about, the State of Nevada, I love living here. I love how you can be on the strip in one hour and fly up and snowboarding the next—and it's something that I really enjoy.

I love living here, and I think there's things about the State that a lot of people don't know, and I think with my background in public relations, it's something I can help and promote. And I appreciate you guys, your time in having me up here, and everything.

MARSHALL: Thank you. So, let me explain to you the rest of the process. What's going to happen now is we interviewed a subset of the applications that we received. The Board is going to discuss and make a decision to recommend three applicants to move forward. They will give me three recommendations, and then I will take that to the Governor.

The choice for the Executive Director is within the Governor's purview, okay. Timing wise, we're trying to move this along, it's been a little bit of a process.

KLEIN: Yeah.

MARSHALL: We're trying to get things done, so I don't have like a moment in part, because it's the Governor's decision, but we are trying to move it along.

If you have any references, if you could provide them to Katie, if your application didn't include your references already. And I want to thank you for the time.

KLEIN: Thank you.

MARSHALL: Did you fly up today, for this?

KLEIN: I did, yeah, I flew up this morning.

MARSHALL: Oh, thanks, that's very nice. What's the weather like in Vegas right now?

KLEIN: It was nice today. I think it was in the 50s I think when I left it was in the 40s. I think we had a high in the 50s today, but it's all right, I'm going to use it to do some Christmas shopping down at the student store, so I'm going to knock that out, two birds with one stone.

MARSHALL: Shop local.

KLEIN: Not Nevada stuff, not the Wolf Pack stuff as much!

MARSHALL: Anyway, thank you very much, we really appreciate you taking the time.

KLEIN: I appreciate it, thank you.

MARSHALL: I'm going to give you like five minutes, think about your top three, okay, because it may be that everyone is settled, right. I'm just going to give you five minutes to take a sip of water or collect your thoughts, and then we'll start again.

Justin, the reason I wanted you to come back at this moment was because once the Board members start their discussion I wanted to make sure there was a DAG here in case there becomes any question of whether we followed the process properly or what we did, right?

I know that I jammed you, I'm a lawyer, such is the life of a lawyer, except for Herb. So, we'll do the process here first with the candidates, and then I'll see where you're at, and I apologize for jamming you, but I didn't have much of a choice, buddy. Okay? So, five minutes and then we'll come back, okay, guys?

TARUC: All right, thanks Lieutenant Governor.

BREAK

MARSHALL: Okay, guys, so we're going to come back to order. Here's what I want to propose, and you tell me if you don't like it, it's all good, here's what I want to propose.

If everyone wants to write their top three on a piece of paper, I will look at those. If there are three that have floated to the top, I will announce those three publicly here, and then if there are any objections, people can say that they have objections.

If there are no objections, if in fact it is what it is, then I will ask people if they can give me comments, and feedback that they would like me to forward to the Governor when I make the recommendation.

How do you feel about that? Do you like that? Do you not like it?

PAZINA: From Vegas, should I email someone my top three?

MARSHALL: So, you're going to text Katie.

SANTOS: Is this a public, like do we have to...

MARSHALL: I'm going to announce the top three, so I'm just looking, guys, all I'm doing is looking, all right. Write down three pass, three pass. You do not have to put your names on it. I didn't ask for that. Okay. The Governor has asked for three. You're not forced to do three, but there has to be three, okay.

WILSON: Kate Wilson for the record. You guys are also welcome to have a discussion if you so choose, I know it's a strange forum because it's a public meeting, but historically and again, Commissioner Krolicki, I will defer to you somewhat on institutional knowledge here, but from the minutes it looks like this is how they've done it in the past, where you were able to pass—you can either do it, the Lieutenant Governor can call a person's name, and you can do it by a roll call vote, or a hands vote, or you can do it on a piece of paper. So, again, I sort of defer to you guys on your comfortability.

STOLDAL: I'm going to check with the [inaudible]

MARSHALL: Just, you won't pass them forward? Thanks, I'm glad you're there, Bob.

CARANO: It's not going to make it in.

MARSHALL: All right, I need the south, right, I need the south, and then you're going to have to give me two seconds for my math. Oh, okay, you're so nice, all right.

SANTOS: I feel like this is like Survivor right now.

MARSHALL: You're voted off the island. No rose for you.

PAZINA: So, this is for Kate Wilson, this is Julie Pazina for the record. I did just text you my three.

MARSHALL: Thanks, and then if you want to just write it on a piece of paper, or whatever. Let's see, I have one, two, three four, so what was the other one? Oh, Jeff. Let me see here, Melissa, Ari, yes...

WILSON: Commissioner Pazina?

PAZINA: Yes.

WILSON: Just for clarification, are these in preference order?

PAZINA: It was a tie between the first two followed by the third.

WILSON: Great, perfect thank you.

PAZINA: Thank you.

MARSHALL: We'll see how that works out. I'll ask people to put preferences if they have them. Does that sound fine? Melissa, Tony, Brenda, Tony, Brenda, Melissa, Brenda, Tony, Klein...

And am I voting on this too? Justin, am I voting on this also?

TARUC: Madam Chair, as long as you're a voting member of the Commissions yeah, you're welcome to vote on this as well.

MARSHALL: I'm recommending to myself to recommend myself—okay, so I will add mine there. Okay, all right guys. So, I think I've added everyone up. Herb has been watching me with eagle eyes.

All right, so I have the top three are, envelope number one – in no particular order: Tony Lyle, Brenda Nebesky and Melissa Evans. Do I hear any objections?

ROBINSON: When you say objections, I mean what does that mean?

MARSHALL: Does anybody say that they absolutely, that they're uncomfortable with those three being forwarded to the Governor.

ROBINSON: I would be uncomfortable with Melissa being forwarded to the Governor. I don't think she had the skillset at all for this.

STOLDAL: I second that.

MARSHALL: Okay, so I have two people uncomfortable with Melissa, so we will have to take—is everyone comfortable with Tony and Brenda?

GROUP: Yes.

MARSHALL: What?

SANTOS: Three for Melissa.

MARSHALL: Three Melissa. Okay, so I'm going to take a vote now, for the third person, I will start with the individual that received the highest votes.

So, now we are taking "no" votes, do you get it? I'm going call out a person's name, we're taking no votes, are you're comfortable with that?

SANTOS: I don't understand.

MARSHALL: Okay, you just voted on two people. Two people are going to the Governor. The statute says we must send three people to the Governor, okay. I have objections to the person that received the next highest votes. So, one way for me to handle that is to provide a name and how many nixes do I get.

SANTOS: Got it.

MARSHALL: Or I could provide a name and how many positives do I get? What do you guys want to do? Nixes?

KROLICKI: Madam Chair, I'm agreeing with the process but just confirming that there's no discussion on these other people. I mean if there is something that is known or relevant or we wish to be shared, perhaps it's important for others to hear.

MARSHALL: Well, I think what I was going to do for the two that everyone has agreed with, I was then going to ask for comments that people wanted me to forward to the Governor, right?

Because when I go to the Governor, and I give him the names, he's going to say well, so who are these people, right? I will say here is what the Board recommended, Joe Blow

and here's what they had say about Joe Blow. The Board recommended Jane Doe, and here's what they had to say about Jane Doe, right.

KROLICKI: Again, respectfully, if there's something material or insightful into one of these three people, I would like to know it prior to me saying that would be a great name to provide the Governor, other than the two. Does that make sense?

MARSHALL: Other than the two.

KROLICKI: No, the two that are on their way, we know impeccably well, or at least I think I do, because I know them personally, but you know I don't know all...

MARSHALL: You want to discuss the other three before we vote.

KROLICKI: Yes, if possible.

MARSHALL: Got it. All right, guys I agree, if people feel comfortable with that. We have three names left, they are Melissa Evans, Ari Levin, Jeff Klein.

If there were things that people wanted to say about those three, that they felt was pertinent to whether or not they'd be recommended to the Governor, I open the floor. Please state your name for the record, and what person you're commenting on.

SANTOS: Herb Santos for the record. First, let me just comment a couple little red flags popped to me regarding Ms. Evans.

MARSHALL: Ms. Evans, okay.

SANTOS: The first is, when she described the type of leader she would be, I just had some red flags regarding some of her comments whether she would be a good match, but I think what was important was when you prepared the questions that we wanted these folks to answer, one of the most important things is how well people follow instructions.

And the instructions says pick a county. And she wrote about all the counties which not following the instructions, and it makes me wonder if there was direction from you, Lieutenant Governor, the Commission or whatever asking her to do something is she going to follow that instruction? Is she not going to follow instruction and do what she wants to do? So, it just popped up a red flag regarding that.

I also unfortunately, I was in support of Mr. Levin, because I saw two things on his resume that I thought showed great success, one of them being importantly of the Star Trek experience, having seen that also, but you know when you have to do an interview by telephone it's tough. I don't think he was able to really convey to us his—or just the interview process is not the same as when you're in person, so I thought he was a little bit behind the ball, but when you look at what he's done, it seems that he's had great success. Part of this job also is as a spokesperson for the Commission, and I just

thought that he looked like he had those skills. So, that's why he was my third person, and why Melissa didn't have my support, or Ms. Evans didn't have my support thank you.

MARSHALL: Other comments?

PAZINA: This is Julie Pazina from Las Vegas. I think my challenge with Ari Levin was that he seemed to put no real work into the homework. And that was frustrating for me. I don't know if maybe I just didn't get it, but I didn't see any actual action plan, and then his budget seemed to be something that wasn't real world, realistic. I believe the Vice Chair had commented on that as well.

And then his letter which was supposed to be to the Senate Finance Chair was to the wrong individual, which I also felt like wasn't following instructions and so easy to see on the State's website. It just seemed to me he didn't put the work into the homework, and so that's why he was not my third choice.

I will say I was a little concerned, even though I did initially with Melissa I made my third choice, my concern with her was that she seemed to not take Las Vegas, and I say this as someone located in Las Vegas, as seriously when she had made the comment well Las Vegas needs no work. And I think we all know that if you're not expanding, if you're not putting in the effort than you're surpassed by Orlando, Chicago, so many other destinations.

While the entire State is important, so is Las Vegas. And when she said Las Vegas needed no work, that was my frustration with her, but she was still my third choice, given our candidates.

MARSHALL: Other comments?

STOLDAL: Stoldal for the record. I was concerned with Ari in the sense that he seemed to be so event driven, and his plan was simply for a 1.6-million-dollar art festival. He didn't really seem to have solid grasp beyond putting events on. Despite the fact that he had a great deal of experience in putting events on, he didn't fit.

And then Melissa compared to Tony, who was just so authentic, that's just such an overused word, but he is just so honest and direct in his questions, and she didn't seem to have that sense of leadership that I think is so important to this position.

That left me with the young—I shouldn't say, it's inappropriate to go into age or gender or whatever, but he—

MARSHALL: Jeff?

STOLDAL —the last candidate, I think he just had a good sense, so I would move him ahead of those two.

MARSHALL: Okay.

ESTIPONA: For the record, Edward Estipona. When I was looking at it, and again, that's why I asked three—can we just do two, because I saw problems with the other three candidates.

When I looked at Ms. Evans I felt like as a marketer, and this job, a lot of it is marketing, she did not comprehend it very well. You can tell me you worked on the Super Bowl, but you had a bunch of team members that worked on the Super Bowl, and it didn't seem like she was the one leading the charge and had that comprehension.

With Ari, I, myself, felt like Bob that he was so event-driven, that his answer to everything was an event. And his lack of understanding—or the budget even though I know it's just a proposed budget, you should have a clear understanding what you think, and is it realistic, you know I think that's—anybody can dream, but there is realistic things tied to it.

And Mr. Klein, I love his enthusiasm, but I just don't think he's got the administrative experience or the budgetary experience at this point, but from a marketing standpoint he does get it, he does understand it, but he's missing the other two components, which he'll drown I think in this environment without those. Thank you.

MARSHALL: Other comments?

KROLICKI: Madam Chair, it's Brian Krolicki. Again, I appreciate the ability to have this conversation, it's always difficult to do this in a public setting, and covered by our friends in the media, but I appreciate everyone coming through this process.

I think certainly, Brenda, you know she's already demonstrated her abilities profoundly under difficult circumstances. Tony certainly has the chops to do this job too, so I again, we're comfortable.

With the interviews today, I'm just not sure. They're wonderful people, but Melissa and Jeff, I just don't see them have the chops for this tomorrow. Perhaps, some day they can grow into it, or they can be a part of it, but you know it's just limited.

I think Ari has chops, but perhaps not the right ones for this, and I think that's what I'm hearing. I mean it's all events, and he's done some extraordinary things.

I think it might be difficult to get this third name. So, Madam Chair I give you my proxy for that third name. I think you have certain opinions on these folks, but I think we've got the right two people. Hopefully, we can package the recommendation that we've got one or two in a different tier, but complying with the rules of engagement, you know here is a third name, but I yield to you on that, at least from my standpoint if you have a person that you prefer.

MARSHALL: Okay, other comments? Pam?

ROBINSON: Pam Robinson. I was frustrated a little bit by Ari, and I think it's because he wasn't here, partly. It's a very difficult thing to do. I think that Jeff Klein has got a lot of potential, but not necessarily as the top person at this point, but I could see him bringing tremendous energy, and expertise and enthusiasm to the department.

The other part about this job is that it's so unique, because it sits on the Governor's Cabinet. We're the Commission on Tourism, but we're not the Commission of the Department for the other agencies. And that person, although tourism has to be part of their biggest focus, there are those other agencies that they have to make sure that they take into consideration, and that as they manage them, they've got the management ability to do it, and give you and the Governor the appropriate advice and recommendations for budgeting and management and staffing, and for all of the other things that go into it.

So, it's a comment, I put mine in order as I gave them, but the number three I would probably go with Jeff but with the idea that he's got potential, but not necessarily the right person at this point.

MARSHALL: Okay, other comments?

CARANO: Cindy Carano for the record. I do agree that I'd be very comfortable for you to present to the Governor the top two. The third one should be prefaced to the Governor that the Commission was not in agreement and consensus with this third one.

Ari Levin I would think could be the most qualified, actually I didn't put him down, because of the fact that--well, the budget, he didn't put the work into it. And he didn't discuss the rurals at all, and I just don't think that he has an idea of what actually the Department of Tourism and Cultural Affairs does.

So, tourism in Las Vegas, I agree Las Vegas needs help, but they have the Las Vegas Convention Authority with a bigger budget than we have here. So, our job is to concentrate on the rurals, and use Las Vegas and Reno as the entre into the rest of Nevada, and how do we get our visitors to do that.

I really can't go with Jeff because he's not qualified, as far as I'm concerned, and I just wouldn't even put him forward. So, I am going to stick with Melissa as my third, and I agree that she's not going to be my top pick.

MARSHALL: Justin, it has to be three, is that right? Can it be a number different than three?

TARUC: Lieutenant Governor, it says in the statute it must be three, three persons submitted, so it has to be three.

MARSHALL: It says three what, read it to me.

TARUC: So, it must be appointed by the Governor from a list of three persons submitted to the Governor by the Lieutenant Governor from the recommendations made to the Lieutenant Governor by the four entities.

MARSHALL: Okay, more comments?

STOLDAL: Well, mine would only be that I just follow the Lieutenant Governor, you have my proxy, and how—if it gets down to a push and shove...

KROLICKI: You said it.

CARANO: Yes, the diplomat over here. He was giving you the proxy.

MARSHALL: Proxy.

CARANO: I agree.

MARSHALL: You agree? Yes.

CARANO: Yes. The third...

MARSHALL: Kristin? [Inaudible]

WINDBIGLER: Yes at this point.

MARSHALL: Okay. Talk to me a little bit about what you would like me to say to the Governor with respect to the top two?

STOLDAL: Stoldal for the record, you start off with [inaudible] there's a whole bunch of things, [inaudible] a year on the job and I think will move forward in a very positive direction with acting [inaudible] recently [inaudible] together to...

TARUC: Lieutenant Governor, this is Justin Taruc down in the South. Mr. Stoldal we couldn't hear you, your mic wasn't on.

STOLDAL: I've got to learn to turn the green light on. Brenda has been there for the past year; things have moved forward in a very positive way. We recently had an opening – we have an opening for the Director, Administrator of all the State Museum systems, she went through a process, a professional process to come up with a selection, worked closely on that process.

The budget is due in 90 days. I mean it's a quick turnaround. And administratively that's going to take somebody that already knows the system.

I don't want to say that's the number one reason, because it's not, but I think she's done a solid job, and she knows marketing.

MARSHALL: Other comments on the top two?

ESTIPONA: Edward Estipona for the record. I like both of the candidates because I think they're both genuine people. And I think that represents us as a State, we're genuine people. And I think that's a good point from the leadership.

But when I start thinking about if I had to pick one of the two, I think I would have to go with Brenda myself, mainly because I've had the opportunity kind of serving on the Arts Council Board for I think I'm in my sixth year now. I've seen it where there's been no conversation and no collaboration, and it started with David where the collaboration started, and Brenda has taken it to the next level.

And you know we're a part of the whole family. And we always were, I think, the other divisions or the other departments were always treated a little bit like a stepchild, so to speak. I think between David and Brenda, they've really started creating that connection. I think that's excellent.

And I think for the same reason that Brenda had stated, I think we need more continuity now, we have momentum, we need continuity, and she is the right person. Though if Tony was in that position, he would do a great job, but I think from speed and just getting going it makes sense, at least for me, that Brenda would be the one out of the two, but I like both of them a lot.

MARSHALL: Okay, Cynthia?

MUN: Cynthia Mun. My two candidates were Brenda and Tony. And of those two, I've had the opportunity to work with Brenda, and I've seen what she can do. I think in terms of the speed of onboarding, she already has done the job.

There are opportunities for her, but then there would be another Deputy Director, and I think with someone that you know she would be able to hire to complement her skills, that she could become a very good leader, and with some mentorship, she'd be an excellent leader.

MARSHALL: Other comments, Pam?

ROBINSON: I agree with Cynthia, and I think that a couple of the things that people who haven't worked in the public lands arena, and I have for most of my career, but for her to have spearheaded, and this is small, but it's big, an MOU with the BLM is really a very, very good thing, and the outreach with partnerships and that kind of collaboration spirit that she brings, I think is really important. Because I think particularly as we go into the new division of outdoor recreation and it's going to be integrally tied with tourism, and some of the other things, she's already started to make some of those inroads.

I think that there are some things that if she is ultimately selected by the Governor, that—because she hasn't had the same kind of leadership experience on a big level, but those are some opportunities to get new skills, and to help enhance that. So, I would probably Brenda – I would put Brenda first, probably.

KROLICKI: Madam Chair, thank you. You know I've always been in praise of people who have just earned it, who have been part of a team, who've gone through battle just because they're supposed to, and they excel.

This building, you know, the Nevada Commission on Tourism, and the divisions and the department folks in Las Vegas, you know it's been tough. You know we've had this interim situation for two years. I think curing this leadership vacuum as quickly as possible, especially with some of the hard deadlines, you know Brenda has absolutely earned you know this opportunity.

You know it's not for us to make the final decision, but if the Governor does decide that Brenda you know is not only just deserving, but in fact the best candidate, and I hope that's how it's approached, you know you've not asked the question, and I'm just going to put it out there, but I hope if there is a vacancy at a senior level in Nevada or the department that Tony would be approached. Because I think he would be an extraordinary addition to this team, and again that's beyond my pay grade, and it's not a question being asked, but it would give me great joy to see Tony being part of this.

MARSHALL: Okay.

SANTOS: Herb Santos for the record. I agree with everything that's been said, and my one thought was, do we have a Deputy Director right now?

ROBINSON: Brenda is.

SANTOS: No, no, no, I know. So, exactly what you said, we've got two good people that know their stuff, and I know that the Deputy Director is not appointed by the Governor, but I would hate to lose this opportunity to maybe snatch two good people. So, however that gets done, I don't know.

Being put in a position where you're just sort of thrown into it, I know it was tough on the last acting director, and the acting director we have right now, and you know it seems like things have gone pretty smoothly. We had a great Governor's conference. I think Brenda would be my first choice too, with the hope that we could somehow figure out a way for Tony to be able to join our team.

MARSHALL: Okay. Any other comments.

- WINDBIGLER: Kristen Windbigler for the record. I would just like to say that I wholeheartedly agree regarding Brenda and I would hope that she would be the top candidate, and I also think that Tony is a very strong candidate.
- MARSHALL: Okay. All right, so here is what I'm hearing. I'm hearing that we have two top candidates to recommend to the Governor. A great scenario would be if both of them ended up working for the Commission on Tourism.
- I'm hearing that Brenda has earned it, that there is continuity, experience, some of the things she's done in the last year, people are very impressed with. And that people also feel that Tony would be a great addition.
- I'm also hearing that with respect to the third candidate, nobody settled on someone. You'd be willing to give me the proxy, as long as I was clear with the Governor that there is a gap there between number two and number three.
- If that's the case and people are comfortable with that, I will accept a motion to forward the first two with the proxy for the third being on me recognizing that I must explain to the Governor the gap between the first two and the third. So, do I have a motion?
- KROLICKI: So moved.
- SPEAKER: So moved.
- TARUC: Lieutenant Governor—I'm sorry, Lieutenant Governor this is Justin Taruc. I guess my concern with that for the interest of transparency is we might want to state the third person on the record.
- WILSON: Kate Wilson for the record. I have the recommendations from Sarah Bradley before she left, and this was sent to all of the Commissioners, but one of them says that the Chair could arguably receive recommendations for 12 people from the Commission, and ultimately the recommendation comes from the Lieutenant Governor of three people as necessary. So, theoretically from this meeting, you could say like we're going to say that it's the list of five, and then who you choose to ultimately suggest to the Governor is your prerogative.
- MARSHALL: It looks like by statute, I could receive a recommendation of five, with two starred for the top two, knowing that I will put forward to the Governor three.
- TARUC: That's a reasonable understanding for the statute, so that's okay then.
- MARSHALL: All right, then I'll accept a motion, if people are comfortable with that.
- KROLICKI: Move to approve.

MARSHALL: Second?

MUN: Second.

MARSHALL: Okay, so the motion on the floor is that five people will be forwarded to me for recommendation, with the caveat that Brenda Nebesky and Tony Lyle are the top two, and so I have a motion, I have a second. Do I have any discussion?

STOLDAL: I'm not sure – the statute says that we've got to vote on who the three people are.

MARSHALL: No, you can vote to send five to me, if you want.

CARANO: But he said because he's not a voting member.

STOLDAL: But I don't know if I can vote on the motion to...

KROLOCKI: No, he said can a non-voting member vote?

STOLDAL: Yes.

MARSHALL: Can a non-voting member vote?

SANTOS: It's voting on the names that are being submitted, on Commission business.

TARUC: Lieutenant Governor, the way that I read it is the non-voting members can recommend the names that you're going to submit. But I don't read it as they can vote on Committee action.

SANTOS: Herb Santos for the record. We have to submit names—the Commission, the heads of the Departments, the Museums, we have to submit names. And the only way we can submit the names is if there is an action from us that's in the agenda that we have to vote to submit the names to the Lieutenant Governor.

MARSHALL: So, the motion could be that there is a motion to submit five names to the—excuse me for speaking of myself in the third person, to the LG, with two of the names underscored as recommended for the Governor. So, I think Bob can vote to recommend, right?

TARUC: So, my interpretation is he can recommend them. I don't see that it requires a vote for him to recommend anybody.

MARSHALL: So, you're telling me not to take a vote today?

KROLOCKI: No, Madam Chair, if I could...

MARSHALL: Yes.

KROLICKI: You know I think we are all in agreement, so just to make sure there is no come-back to this process, maybe only the voting members vote on this, but with an indication that there is unanimous support of the non-voting members for that motion.

MARSHALL: For the non-voting members, I would like to hear publicly your recommendation, okay? Because I need to hear your recommendation.

For the voting members, you can vote on the recommendation, if you would like which is on the table, if you're comfortable to recommend to me five names with the top two starred. If you are a non-voting member, I understand the DAG to say you can't vote, but I need to hear your recommendation. Is that good?

TARUC: That's correct.

STOLDAL: Stoldal for the record, what I'd like to vote on...

MARSHALL: I would like you to recommend.

ESTIPONA: Recommend.

SANTOS: Herb Santos for the record. Who do you recommend for the names to be submitted to the Lieutenant Governor?

KROLICKI: Or do you support the motion?

STOLDAL: Okay, well, I'm voting, because that's what the statute says that we will—I'll vote, and that's...

MARSHALL: Justin, you've got to rule. I don't know what to do, buddy. You've got to rule on how the process goes.

STOLDAL: I think the confusion is the five. And if there is three that we can recommend to vote on the three—and the third one, you're certainly going to explain what the issues are to the Governor.

WILSON: Kate Wilson for the record. Again, and speaking to this at length with Sarah Bradley, and again, Justin, correct me if I'm wrong. Technically, there doesn't have to be a vote at all, it's just the recommendations.

The casting of the vote by the Members is simply—that is your vote is what you casted to the Lieutenant Governor. What the Lieutenant Governor takes forward, she could honestly not have taken any recommendations—or, I mean, the people who came here, you can give your recommendations, but she doesn't even necessarily have to follow those depending on who she wants to go forward to the Governor.

STOLDAL: Yes, but I'm sorry. Did you just say that if we send the Lieutenant Governor three names, she doesn't have to use that list?

WILSON: There can be more than three names. So, if you guys came forward with 15 names, if each Member brought three names that they are recommending, the Lieutenant Governor ultimately has to pull three names from those recommendations. Your act of voting according to this conversation with Sarah Bradley, is making your recommendation. That is, you're casting of a vote is the recommendation that you are making.

Again, ultimately who the Lieutenant Governor moves forward with, it could be a list of 12 names that she pulls three from. It can be a list of five, or ten, or what have you. So, again, you're not being—you're—and again, Justin, correct me if I'm wrong. The statute [inaudible] your position in this is to make a recommendation as the Board Member of the Department of Museums. So, that is the recommendation, that is your "vote."

TARUC: Justin Taruc for the record. That is my understanding of my reading of the statute is, yeah, you guys can make your recommendations, but it doesn't require a vote I don't believe.

MARSHALL: Okay, so...

TARUC: An official...

MARSHALL: Then to be clear on the record, should I accept a recommendation from each person on the Commission?

TARUC: Madam Chair, if those papers that you were handed, I believe those were their recommendations.

MARSHALL: Okay. Are you okay, Bob?

STOLDAL: Sure, you have my recommendations.

MARSHALL: Okay. I want to make sure that we don't have to come back and redo this. So, are we good here, if I take the piece of paper, which I have kept, and I go forward with that, are we good?

STOLDAL: We didn't put our names on them.

MARSHALL: It's still everyone right?

KROLICKI: I'm not sure if you want to go down the line, just to avoid confusion that you've [inaudible]

STOLDAL: Okay. Got it – well, see I want to...

MARSHALL: But I'm going to go down the line just to avoid confusion, okay. I don't want us to have to come back and then it was all a mess, okay? All right. Pen, blank sheet of paper, all right. Julie, go for it.

PAZINA: My recommendations were Brenda and Tony and then my number three was Melissa.

MARSHALL: Kristen, go for it.

WINDBIGLER: Brenda and Tony.

MARSHALL: Edward, go for it.

ESTIPONA: Brenda, Tony and if I had to do a third, it would be Ari.

MARSHALL: Bob.

STOLDAL: Brenda, Tony and Ari.

MARSHALL: Herb.

SANTOS: My three are Brenda Nebesky, Tony Lyle and Ari Levin.

MARSHALL: Wait, I forgot Cindy, hi. Cindy.

MUN: It's Brenda and Tony, and a proxy for third.

MARSHALL: Okay. Cindy.

CARANO: Tony, Brenda and Melissa.

MARSHALL: Krolicki.

DELONE: Top two would be Brenda and Tony, as a third alternate, Melissa.

WILSON: And just for clarification that was Commissioner DeLone.

MARSHALL: Phil. Oh, that was Phil, I wasn't looking, Brian.

KROICKI: Krolicki recommends and Madam Chairman, thank you for indulging the process, Nebesky, Lyle and you have my proxy on number three.

MARSHALL: Pam.

ROBINSON: Brenda Nebesky, Tony Lyle and I think I wrote down Jeff and Ari. So, my third is not necessary, proxy if you'd like.

MARSHALL: Okay, I have written down all the recommendations, you're verifying?

SANTOS: Yep.

MARSHALL: Okay, are we good?

STOLDAL: Yes.

WILSON: Kate Wilson for the record, we have more than three recommendations going forward, so we've met the statutory requirement for three.

MARSHALL: Okay, good. Okay. Good, all right. Now, we're going back to our--what time is it, 4:12.

CARANO: It's happy hour.

MARSHALL: Hold on I have to email my husband, just hold on a second, please. Let's go--thank you very much for indulging me on that.

Public Hearing on Notice of Intent to Act Upon Regulation - continued

MARSHALL: So, now we are back to Item J and K. Justin, first off, did anyone want to give us a little background on Item J and K?

TARUC: Lieutenant Governor, this is Justin Taruc. I spoke with Sarah Bradley, who is the Senior Deputy Attorney General who was working with I believe Dave Peterson, who is the interim Director prior to Ms. Nebesky.

I guess it was their discussions that precipitated the proposed LCB File No. R080-18. What that basically was is the history that I understand is it was filed with LCB in April of 2018, and so if the regulation is to be adopted has a two-year statute of limitations, essentially, I don't want to use that term, a legal term I guess, but it's kind of like that. Either it gets approved in two years, or it just dies.

But basically R080-18 was drafted because pursuant to NRS 233b.100, it requires, and I'll read it.

"Any interested person may petition an agency requesting the adoption, filing, amendment, or repeal of any regulation, and shall accompany the petition with relevant data, views, and arguments. Each agency shall prescribe by regulation the form for such petitions, and the procedure for their submission, consideration, and disposition. Upon submission of such a petition, the agency shall within thirty (30) days either deny the petition in writing, stating its reasons, or initiating regulation-making proceedings."

So, the reason why R080-18 was, I guess, proposed is to comply with NRS 233b.100 that the State Agency have some sort of process for the petitions. I understand in a prior

discussion that Commissioner Santos asked where the 30-day time limit came from. And that's stated in NRS 233b.100, and so we can't really digress from that, or change it, because it's specifically stated in 100, that it's 30 days from the date that the petition is received.

And looking at the public notice that was published in last month, in November, it looks like in that notice, it was required that the Commission or someone on their behalf issue responses in that notice. And it says that there is really no anticipated economic effect on businesses, or the public based on the adoption of this specific regulation.

I mean it doesn't seem like they anticipate any cost for the enforcement in the regulation, and they really honestly didn't anticipate that many petitions being filed, that would address it under this, but again, under 233b.100, the agency has to adopt a way for someone to address a petition before the Board.

KROLICKI: Madam Chair?

MARSHALL: Yes.

KROLICKI: Just a quick, I heard everything you said. I'm not sure why we need to take action if NRS says that this is the case, why do we need to approve the reg, if it's already...

TARUC: Sorry.

KROLICKI: Or if we don't take any action today, what happens? I mean what's the repercussion.

TARUC: I guess the repercussion is that R080-18 just won't be enacted, and so there's really no petition in the regulation stated for this agency. 233b.100 just says that you have to prescribe the form for the petition and the procedure, so because it says each agency shall prescribe by regulation the form for such petitions, and the procedure for the submission, I guess that's why this reg is coming into play.

SANTOS: Herb Santos for the record. When you look at NRS 233b.100, it says that under paragraph one, upon submission of such a petition, the agency shall within thirty (30) days either deny the petition in writing, stating its reasons, or initiate regulation-making proceedings, that's inconsistent with number four that says, the Commission will notify the petitioner in writing of the Commission's decision regarding the petition within thirty (30) days of the date when the petitioner filed the petition.

That in and of itself it going to be impossible for us to do, because that would require us to schedule a meeting within that 30 days to rule on that. That language, if we're going to have this, has to be consistent with 233b.100, where I think you could put in there that regarding the petition—the date in which petitioner filed the petition—but it's got to be something where it's going to say that it's going to put on the next Commission meeting as an agenda item.

Because what 233b is the Administrative Code, and basically looking at the agencies that have like the division of industrial relations, things like that, to where they have a process, and they have actual regulations. We have no regulations.

But if you look under the Administrative Code, this would be the only thing sitting in there. This is for someone to want to either repeal or even create a regulation, so we get a bunch of people now submitting regulations, they want the Tourism Department to do, there's no way that we're going to be able to do that within 30 days.

So, the language in this reg has to be able to reflect the reporting, and advance notice requirements of this agency, because we're acting as a Commission, as opposed to a department agency that's acting through its department heads.

I don't know – hopefully, that made sense. I don't know if it did.

TARUC: No, it does. And I guess the only response I had for that is and with speaking with Sarah Bradley as well, is I guess under OML, the Commission is able to hold telephonic special meetings that could address this. And that's all we've got for you.

SANTOS: So, if you're saying that if someone submits a petition on January 1st and how long do we have to—what's our notice for a meeting, is it 17 days?

TARUC: It's three working days.

SANTOS: Oh, it's only three days. Oh, well, then...

MARSHALL: No, it has to be posted and anyway we need a week.

SANTOS: It's got to be posted and you have non-employees but Commissioners that would have to adjust their calendar –I mean I think it's just a procedural nightmare.

MARSHALL: Also, the problem is, is that we don't have any regs. So, the only reg you're going to get is where someone is going to come forward and submit a reg. So, they're going to ask us to adopt a reg, so then we're going to need a legal analysis on whether or not that reg fits in with the statutes that cover this agency.

The question comes back to not only can this Board rule in 30 days; but can the Attorney General provide a legal analysis of the effect of the reg and its concurrence with our statutory obligations and duties. And I'm guessing that the answer to that is a hearty no.

We don't have any regs. The only thing that happens here is somebody submits a reg. You've got a brand new reg, Joe Blow comes in off the street, here's a reg, we've got 30 days, we can't move unless we have a legal analysis, that's a written analysis. If you go back to the AG's procedures, right, and you say I don't want an email, I need a written analysis of the AG's recommendation.

The AG is going to tell you, it's 90 days minimum. Sometimes, they take a year to do that. That's the problem here, that you're not going to get that in 30 days, and I don't understand how that works, right? How does it work? And then it says that we, the Commission will notify – I don't understand how it works.

SANTOS: Yeah, when you look at this reg, it shouldn't be the Commission, it should be the agency will notify the petitioner in writing that they either—it's got to be initiate regulation-making proceedings.

MARSHALL: Yep, yep.

SANTOS: Because that's what the statute says. It says or initiate regulation—it says, the agency shall within thirty (30) days either deny the petition in writing stating its reasons, or initiate regulation-making proceedings.

So, it should say that the agency shall notify the petitioner that they will initiate regulation-making proceedings—I just don't know if we want to deny it, that's the...

KROLICKI: You know the opportunity for abuse by you know –by a mischievous person, you know they could introduce a reg every day. So, you just need to control your own destiny.

MARSHALL: And gum up the process.

KROLICKI: But I agree, I mean you know I did as the question if we did nothing today, what happens?

MARSHALL: But then are we in violation of some law that the legislature passed?

KROLICKI: Well, that's the question, are we in violation of the law, or can we amend—well, can we groove our response to be that the department shall notify the Commission and be considered by the Commission at its next regularly scheduled meeting or something like that, but there has to be order in the process.

MARSHALL: The Commission will notify the petition in writing of the Commission's decision regarding the petition, if the Commission approves the petition, the Commission will initiate a regulation [inaudible] but did LCB write it? LCB wrote it?

KROLICKI: That's why.

MARSHALL: Okay, so here's the deal – no, it's a statute of limitation that it dies. So, here's the deal. We're in December, yadda, yadda now, right. What's today? The 11th, okay. What has to happen for that last paragraph to be written in a more refined way?

TARUC: Lieutenant Governor, I believe that we can resubmit if there's any comments based off of the comments back to LCB. I believe this draft has already been submitted to LCB, and it's being brought back to the Commission for a final review.

Based off of the comments on today's meeting, we can take those, and I guess modify the proposal and send it back to LCB.

MARSHALL: And then does that put us outside the statute of limitations, if we don't do something by end of the year?

TARUC: So, my understanding is that if the process isn't completed within the two years, someone from the Commission has to appear in front of LCB to explain why it didn't occur within two years.

KROLICKI: The first [inaudible].

SANTOS: Herb Santos for the record. If we approve something can we edit it?

MARSHALL: Can we edit it?

SANTOS: Or do we have to accept that language?

TARUC: If it's a major change, then you would have to resubmit.

MARSHALL: It's just a clarification.

CARANO: Cindy Carano for the record. I move that we do not approve this regulation in its current form. And if we can't just modify it by our timetable that we actually meet, then just not approve it, and I'll be happy to go and talk to the scary LCB.

SANTOS: Here's another thing we can do. We could go ahead and approve this today, work on the language, and then one of us submits a proposal to modify the existing reg, using the reg that's right there.

MARSHALL: So, at the next meeting we submit a reg?

SANTOS: We submit our own reg.

MARSHALL: Under the home process.

SANTOS: Under the home process.

MARSHALL: Then we have 30 days to eat up our own reg. I like it.

- KROLICKI: This may be the first contested vote we have today—this is Brian Krolicki. Any time you approve a reg, it's really hard to unwind, you know it has a life unto its own. And sometimes it mysterious.
- I get what you're saying, but why approve a reg that we cannot comply with? I think that's a really good reason not to approve the reg, to say, hey LCB, if we approve this, we cannot comply because our schedule doesn't you know comport to that. Yes, we can have a noticed phone call meeting or something like that, but it just – I think there must be a better way.
- So, if there's no punitive if we're not approving it today – if there's a punitive, I want to hear it, but I'm still not hearing it, then I just think we're much wiser to do nothing until we know what we wish to do.
- MARSHALL: Justin, I think if we can take this back to LCB, and explain that the Board could not get a clear understanding of whether or not, it could meet the requirements of the reg, and of the reg—let me get specific here—of Section 1.3 and 1.4, is that right?
- SANTOS: No, no, Section 3 and Section 4.
- MARSHALL: I'm sorry, Section 3 and Section 4 on page 2 of the draft of proposed regulation R080-18. So, because we could not get clarification on what exactly we were doing, we can't take a vote, because there's no meeting of the minds.
- Under that scenario, we would respectfully request maybe someone from LCB could come here and walk us through how this works –LCB staff.
- WILSON: Kate Wilson for the record. Another option in the same vein as what Sarah Bradley did for the hiring process, I'd be more than happy to reach out to LCB and see if we can circulate a memo or something to that effect, just with the implications of not voting on this by the end of the year, or any concerns there, and if there is some sort of punitive...
- MARSHALL: We can call an emergency phone call.
- WILSON: Then we can do a call and try to get quorum that way. I agree both on the concern of voting on something that we aren't sure what you're voting on, but also if there is a hard deadline, which no offense Justin, it's just that no one can really tell us on December 31st I also would hate for the Board to not be in compliance.
- MARSHALL: Right.
- ROBINSON: This is Pam. We're not even a regulatory agency—
- MARSHALL: I know.

ROBINSON: –which I mean because then this goes to Leg Commission, and there's a long process with regulations. So, I think that not voting—I think we'd better know what we're doing.

MARSHALL: Also, we don't want to expand powers we don't have.

ROBINSON: No, right.

SANTOS: Herb Santos for the record. Can we also ask LCB, it really shouldn't be the Commission that is looking—it should be investigated and everything by the agency, and then the agency gives the report to us, and then we make a decision based on that. I don't think that's part of what the Commission would be doing.

So, instead of using the word "Commission", they should be talking about the agency receives it, the agency reviews it, and then they prepare a report for the Commission to vote on with the appropriate recommendations and supporting documentation.

WILSON: And within the appropriate timeline of the Commission.

ROBINSON: The other part of that is if they can provide an example of other Commissions. I mean I know there is the Environmental Commission and some of those, but they are all Commissions over regulatory agencies, and so this just sounds like it's something that was scatter-shot out to everybody. I think that we really need to have specifics on it.

MARSHALL: Yeah, I think they're trying to do a broad application for all these agencies. So, I've put you through the ringer today, Justin, I apologize, but I think we—you can take it out on me later, okay.

But is the Commission—are you guys comfortable with us not moving forward on this?

GROUP: Yes.

MARSHALL: Okay. And I apologize for that, that you now have Justin. All right, so the next thing that we're doing here is I think we're adjourning. I think people want to adjourn.

CARANO: Public comment.

Commissioner Comments

MARSHALL: Public comment, Commissioner comments, Agenda Item L? Yeah. No kidding.

CARANO: Cindy Carano, Merry Christmas and Happy New Year.

MARSHALL: Merry Christmas, Happy New Year, Happy Holidays.

Public Comment

MARSHALL: Okay, public comment. Do I have public comment in Carson? Are we still what? Muted. Oh, how's that phone going.

SPEAKER: Is anybody on the phone?

MARSHALL: People are on the phone okay. Do we have public comment in Vegas?

PAZINA: No.

MARSHALL: Do we have public comment on the phone. They've probably given up on us.

Adjournment

MARSHALL: Then for possible action, we have adjournment. Do I have a motion?

ROBINSON: So moved.

MARSHALL: So moved, do I have a second?

SANTOS: Second.

MARSHALL: All right, all those in favor of adjourning.

GROUP: Aye.

MARSHALL: Any opposed? Motion passes, thank you Julie, thank you Kristen on a little bit of a rocky meeting.

PAZINA: Thank you.

The meeting adjourned at 4:32 p.m.

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



Coronavirus Travel Sentiment Index

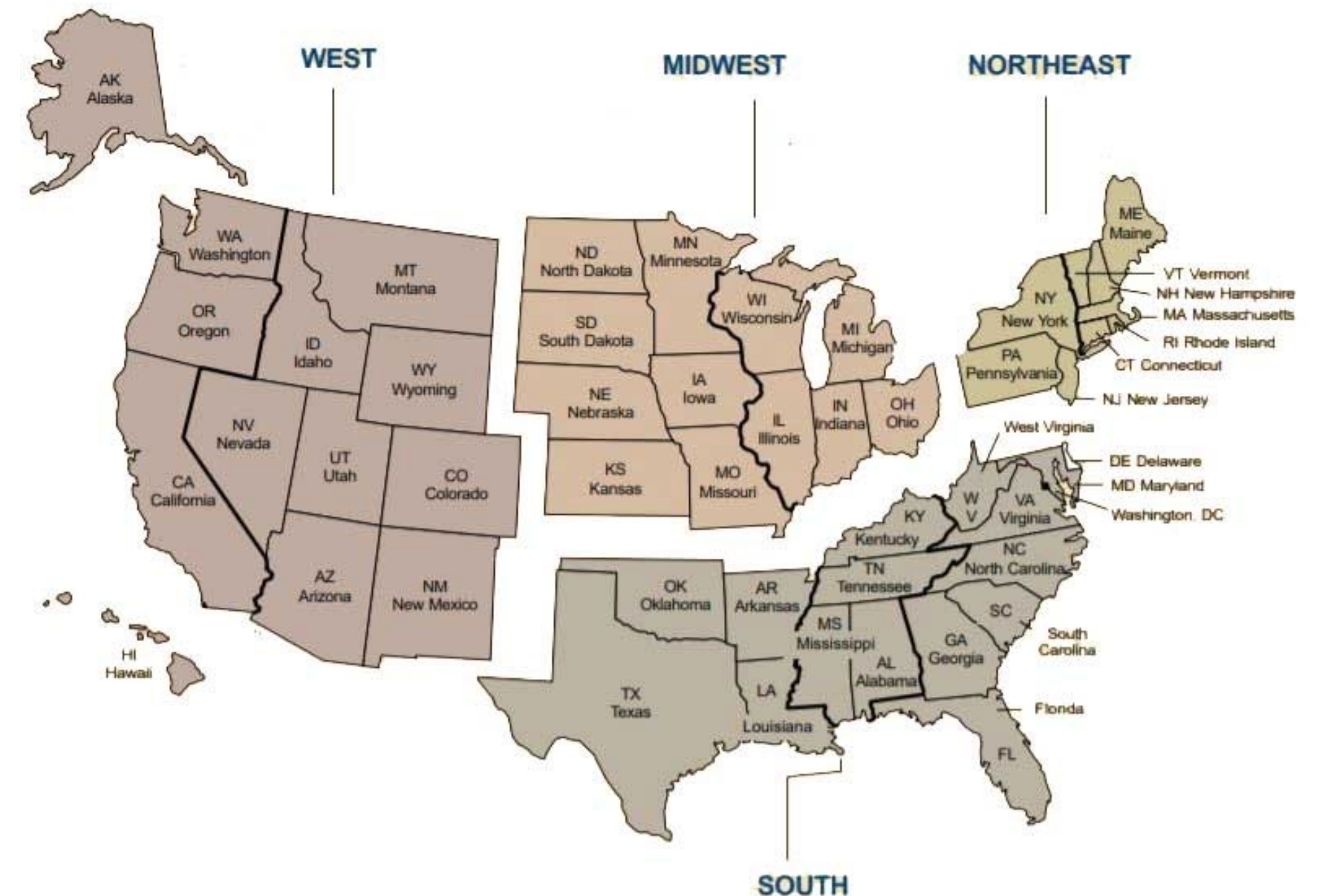
Presentation of Findings
Week of June 14th

Destination  Analysts

Research Overview & Methodology

- **Weekly tracking survey of a representative sample of adult American travelers in each of four U.S. regions**
- **Designed to track traveler sentiment and generate insights into when tourism businesses can expect demand to return and from whom**
- **Week 14 data (fielded June 12th-14th) will be presented today**
- **1,200+ fully completed surveys collected each wave**
- **Confidence interval of +/- 2.8%**
- **Data is weighted to reflect the actual population of each region**

U.S. Regions



A man wearing a straw hat, sunglasses, and a blue and white striped shirt is smiling and making an 'OK' hand gesture. He is carrying a brown suitcase over his shoulder. The background is a solid olive green color.

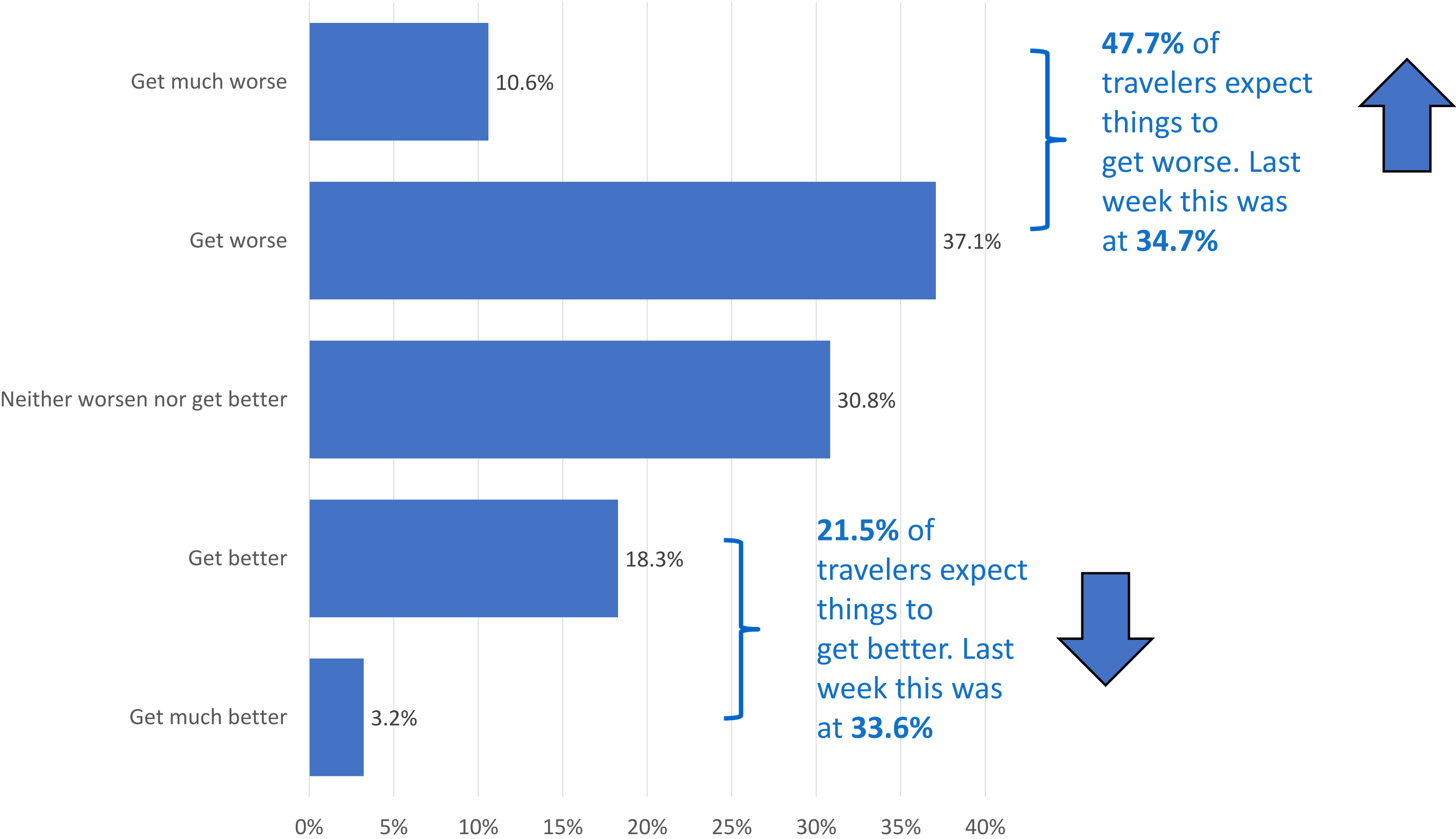
How Safe Do We Feel to Travel?

Expectations for the Coronavirus Outbreak

Question: In the NEXT MONTH, how (if at all) do you expect the severity of the coronavirus situation in the United States to change? (Select one)

In the next month the coronavirus situation will _____

(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)

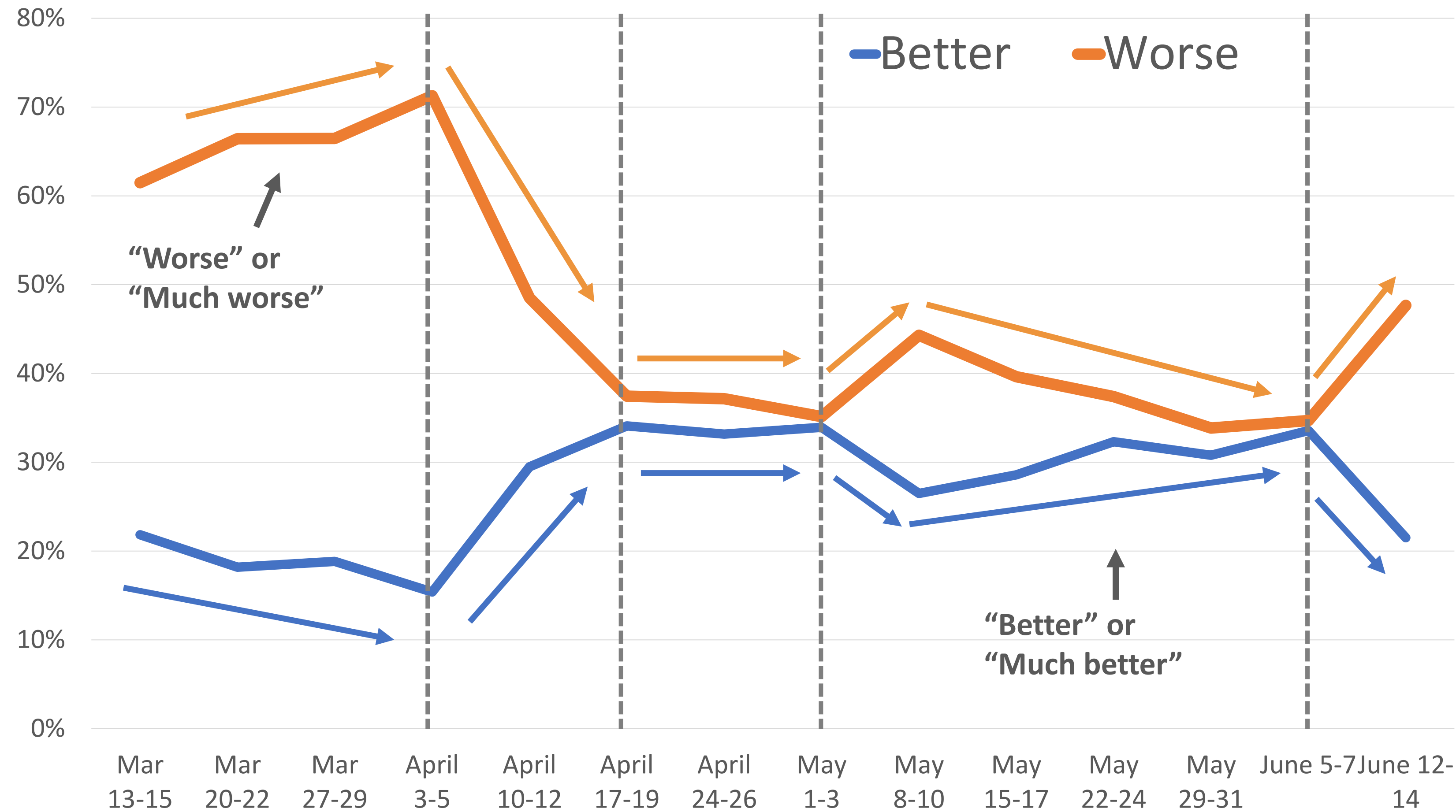


Expectations for the Coronavirus Outbreak

Question: In the NEXT MONTH, how (if at all) do you expect the severity of the coronavirus situation in the United States to change? (Select one)

In the next month the coronavirus situation will

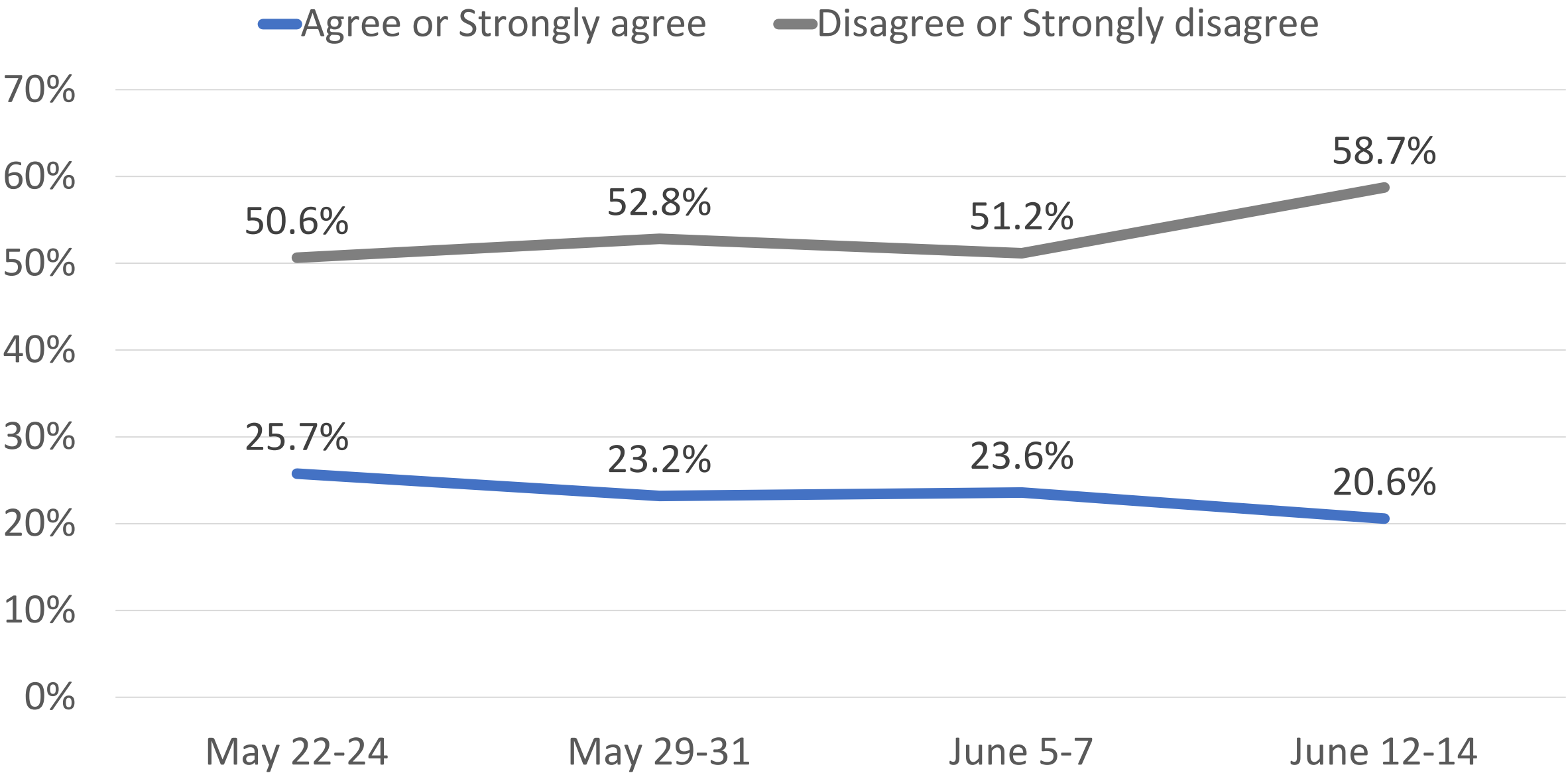
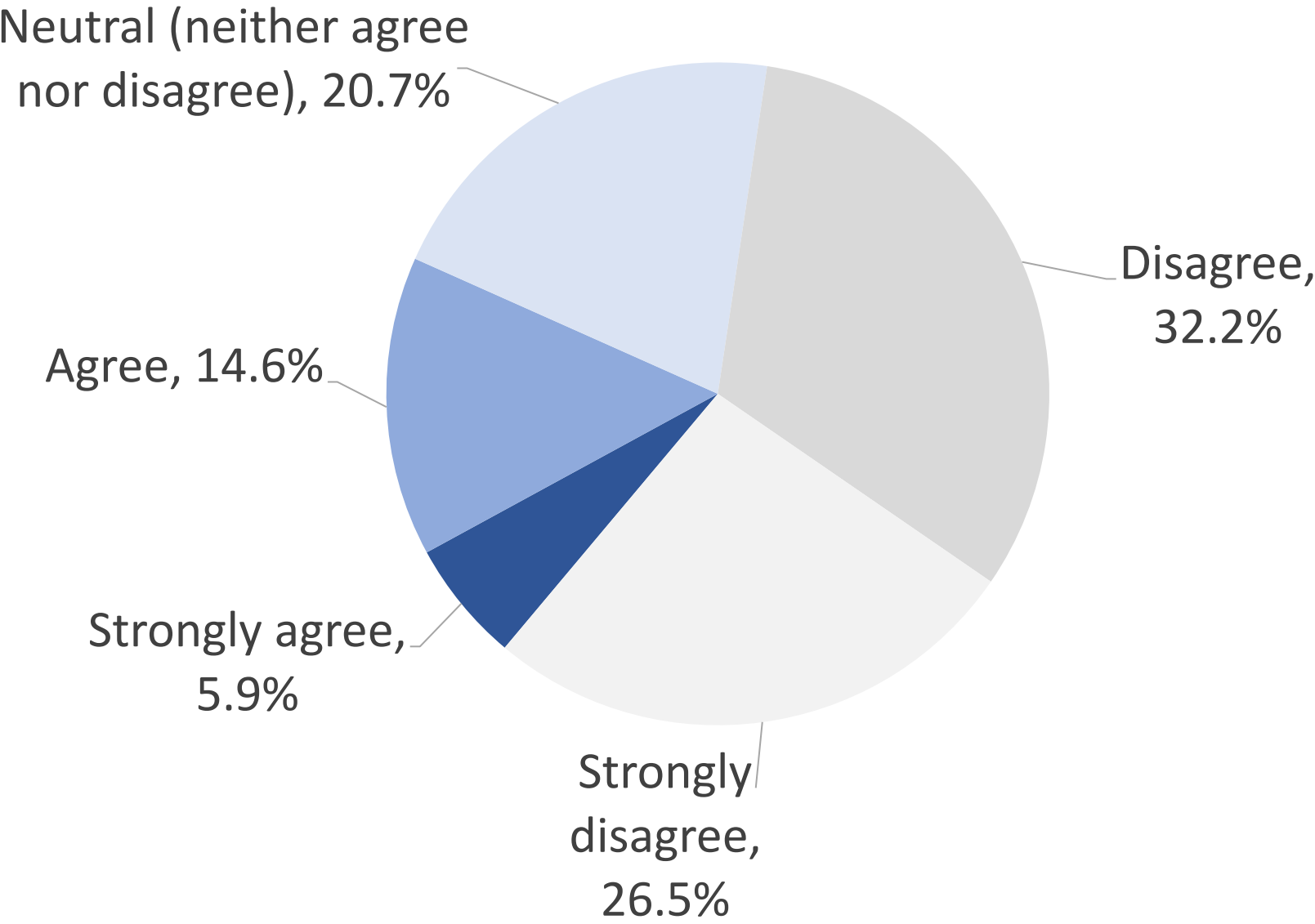
(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14 2020)



Expectations for Fall

How much do you agree with the following statement?

Statement: I expect the coronavirus situation will be resolved before Fall begins.

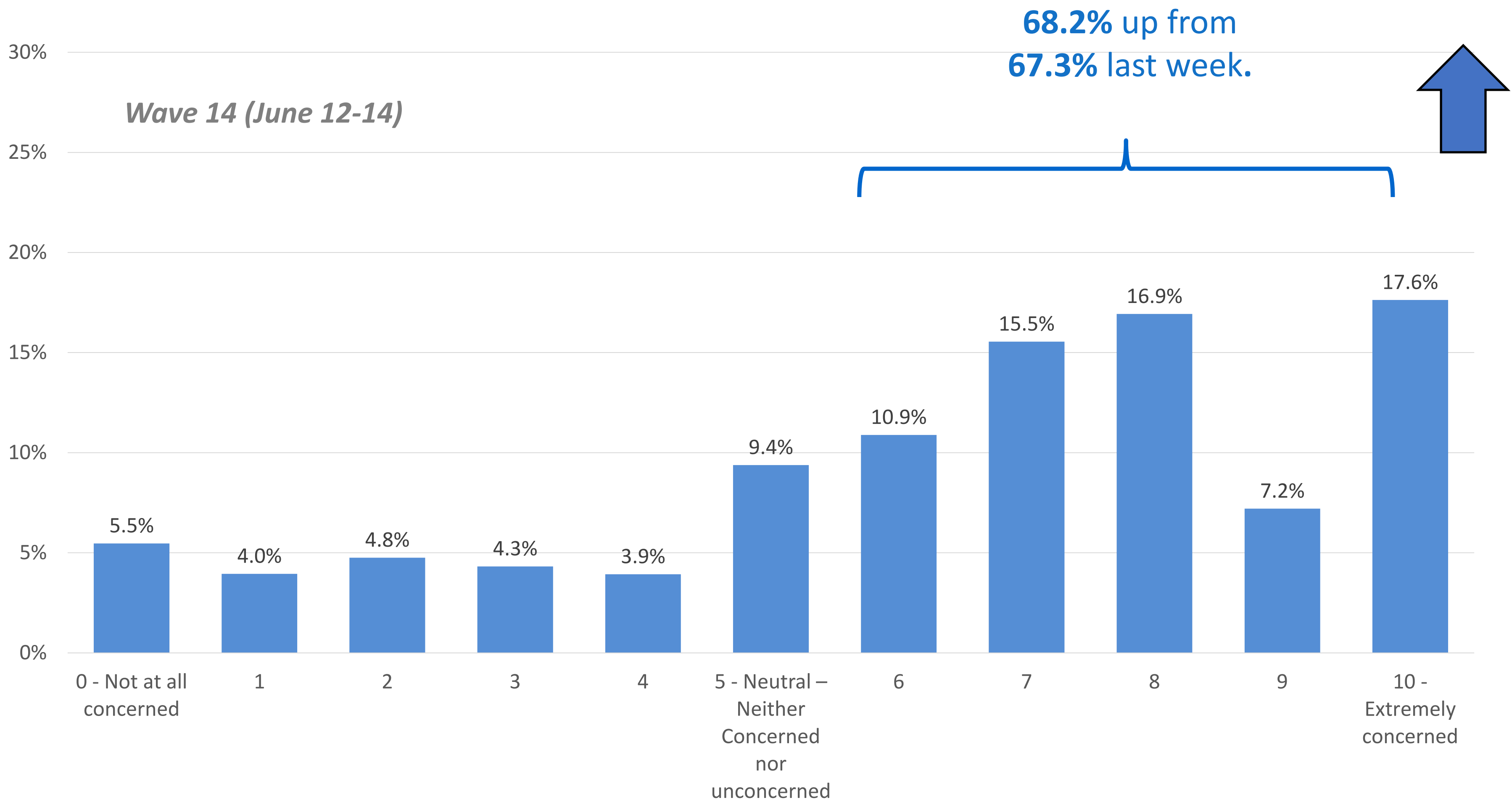


(Base: All respondents, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected, May 22-24, 29-31, June 5-7 and 12-14, 2020)

Personal Health Concerns

Question: Thinking about the current coronavirus situation, in general, HOW CONCERNED ARE YOU PERSONALLY about contracting the virus? (Please answer using the scale below)

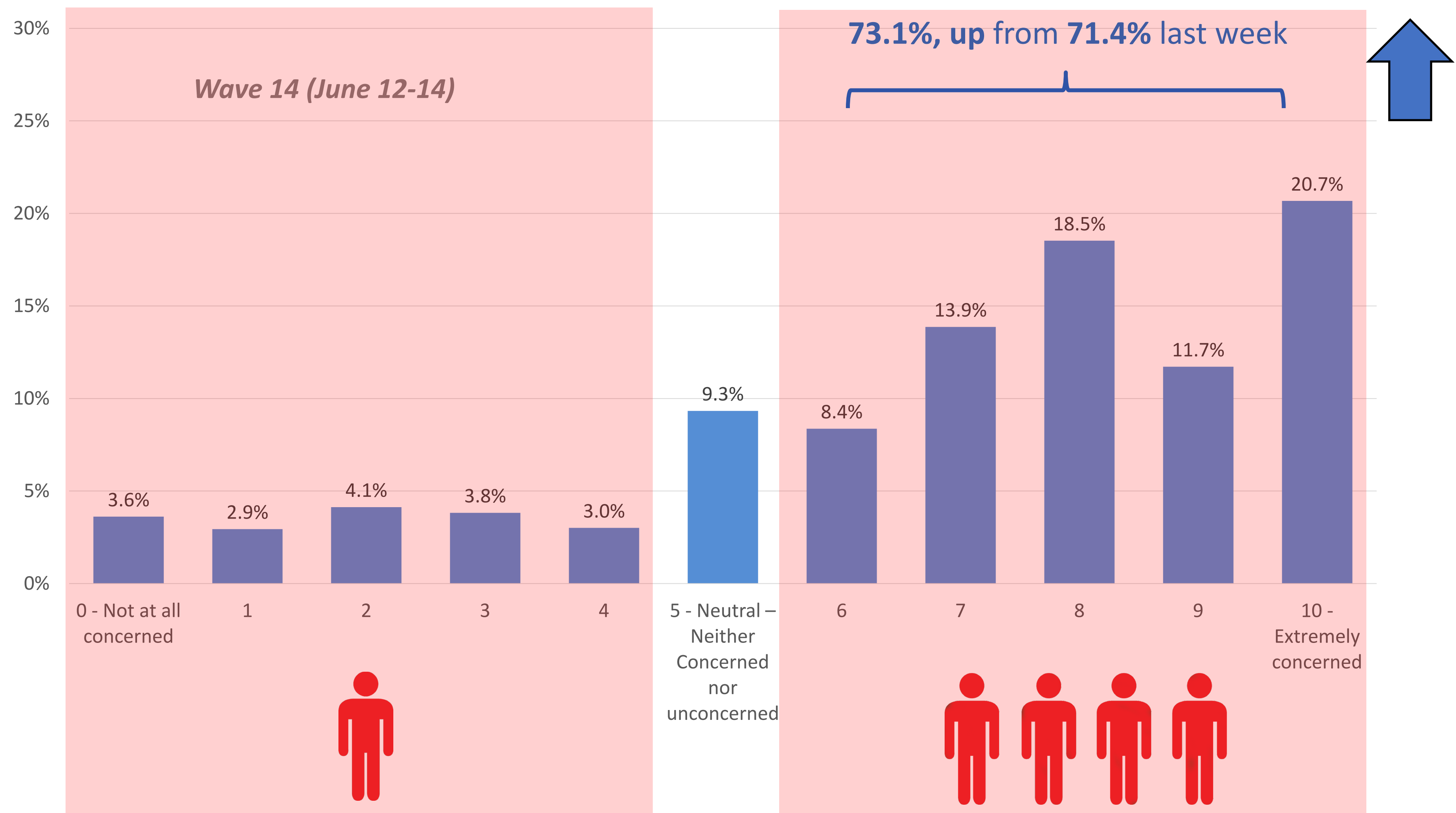
(Base: Wave 14 data. All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



Health Concerns (Family & Friends)

Question: Thinking about the current coronavirus situation, in general, how concerned are you about your **FRIENDS OR FAMILY** contracting the virus? (Please answer using the scale below)

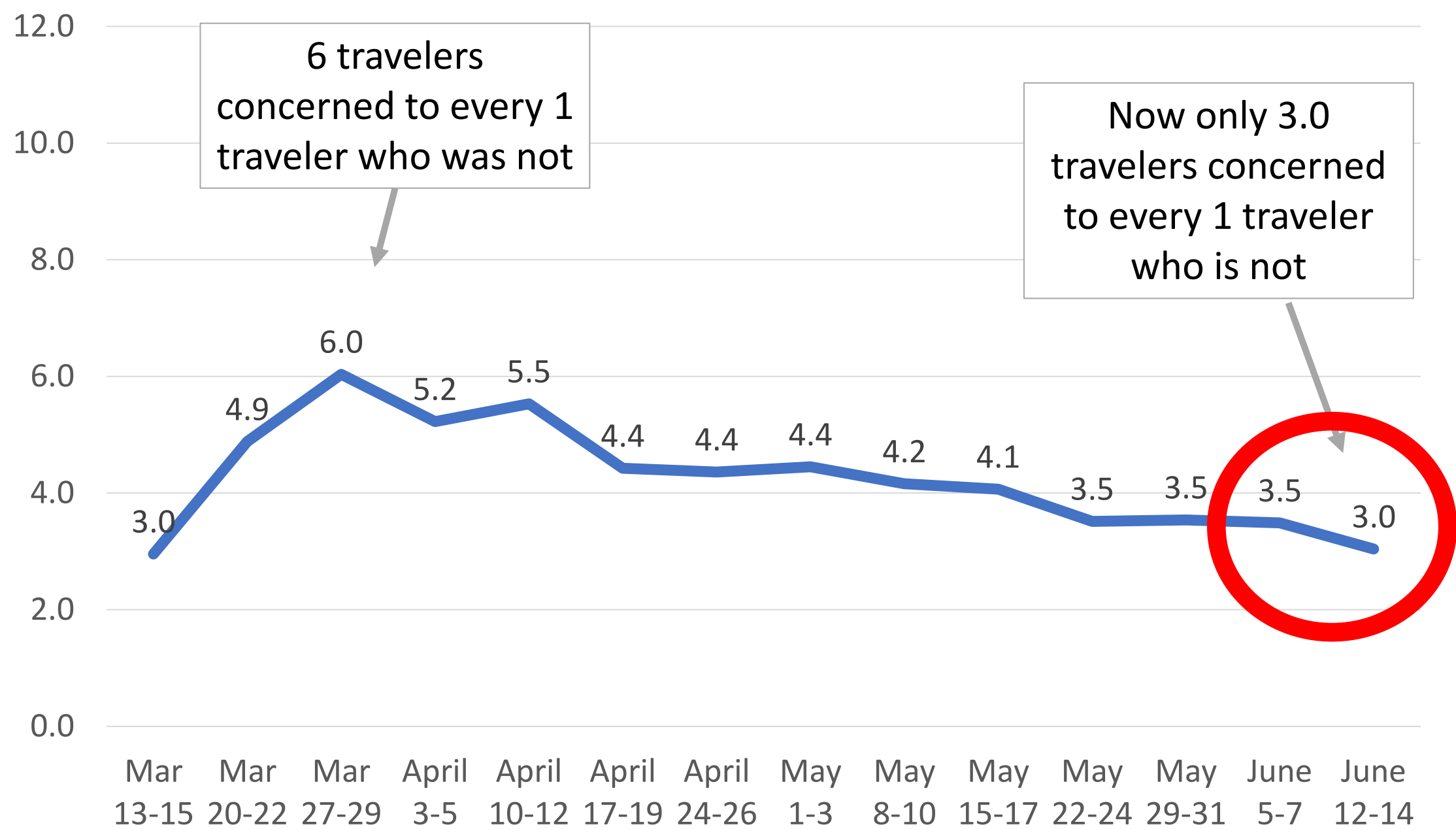
(Base: Wave 14 data. All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



Ratio of Concerned to Unconcerned Travelers: Safety

Personal Safety

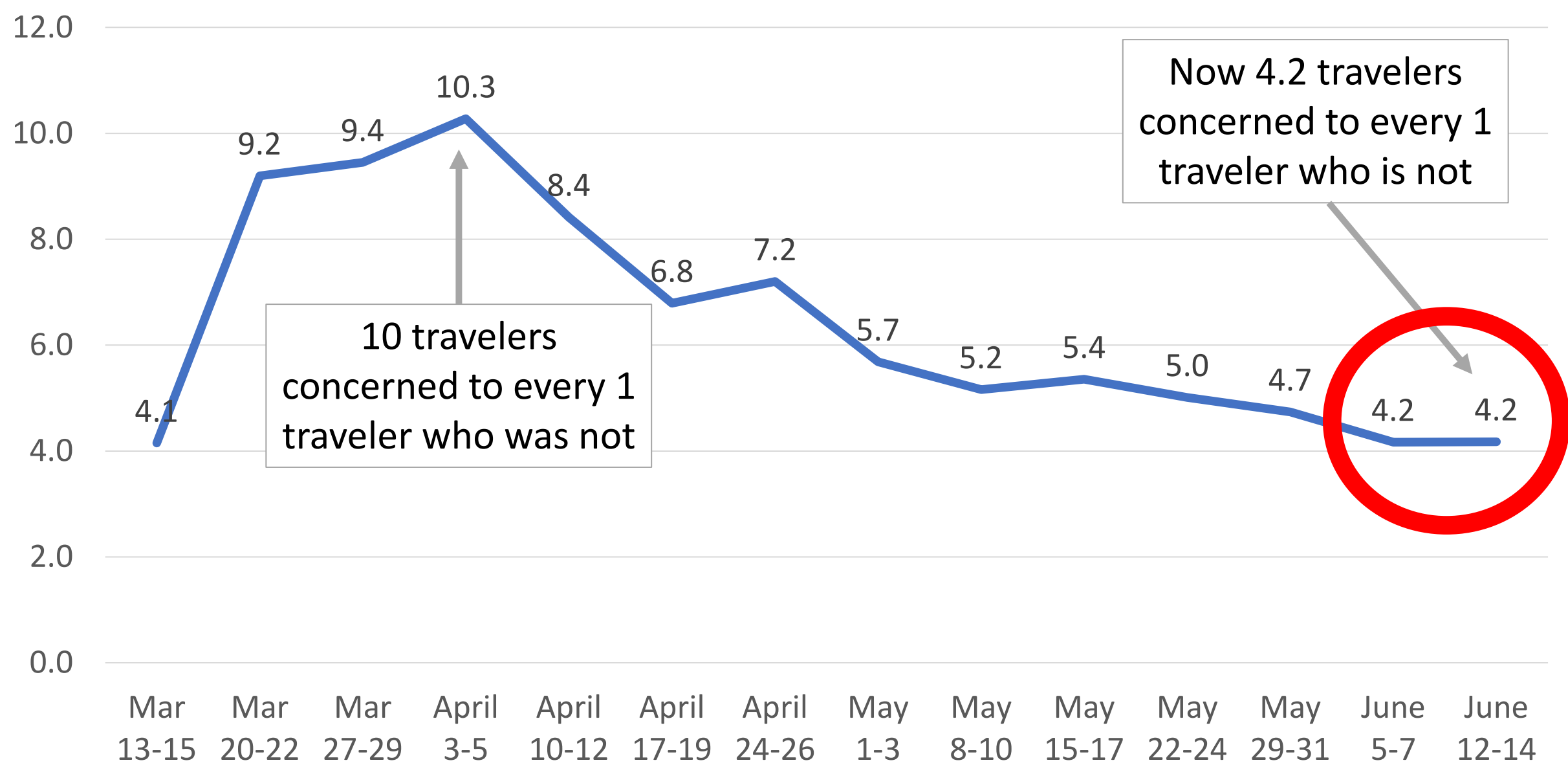
Ratio of concerned (10-6) to unconcerned (0-4) on 11-point scale)



Question: Thinking about the current coronavirus situation, in general, HOW CONCERNED ARE YOU PERSONALLY about contracting the virus? (Please answer using the scale below)

Safety of Friends and Relatives

Ratio of concerned (10-6) to unconcerned (0-4) on 11-point scale)



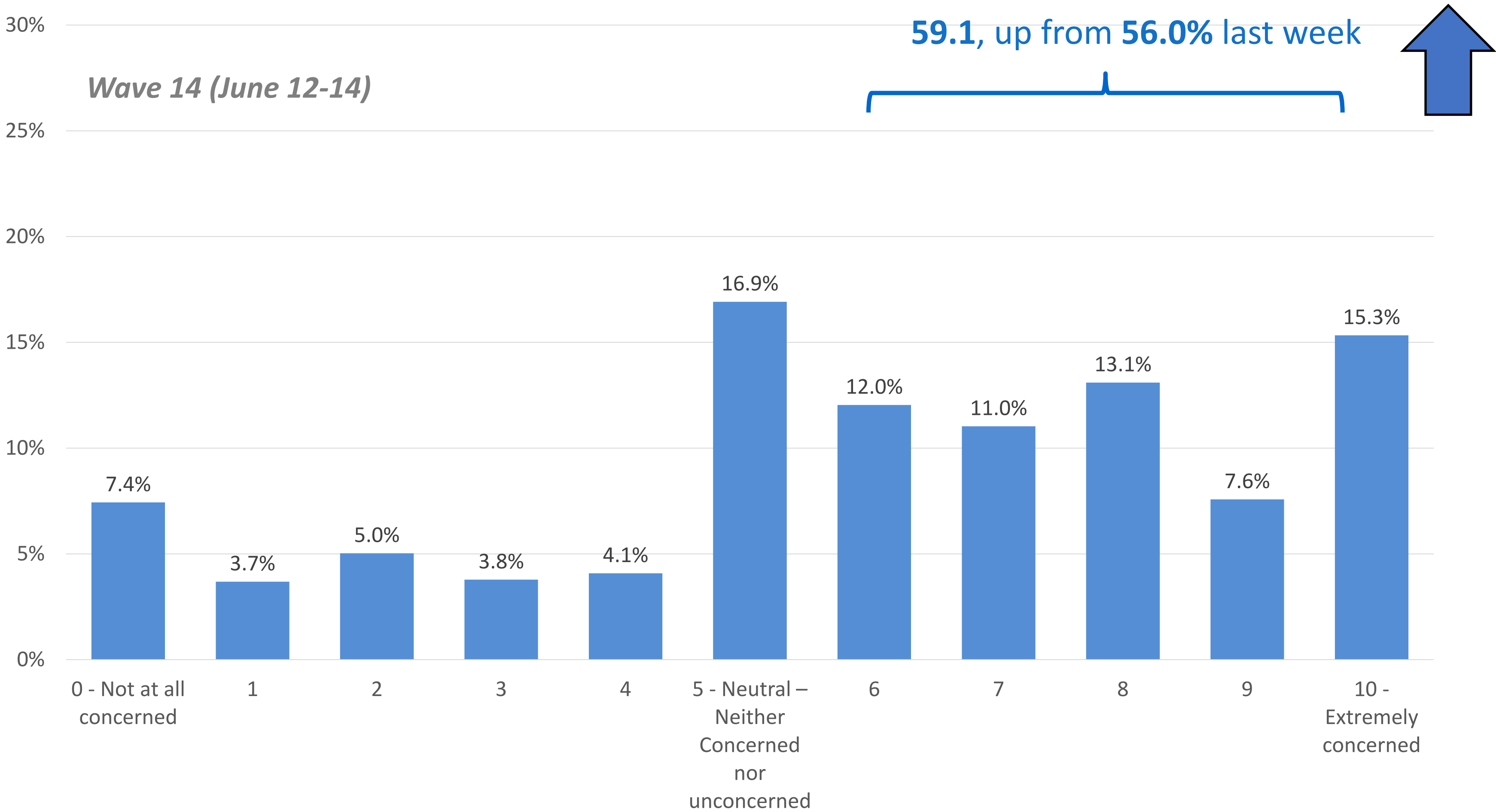
Question: Thinking about the current coronavirus situation, in general, how concerned are you about your FRIENDS OR FAMILY contracting the virus? (Please answer using the scale below)

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14 2020)

Concerns About Personal Finances

Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on your **PERSONAL FINANCES?** (Please answer using the scale below)

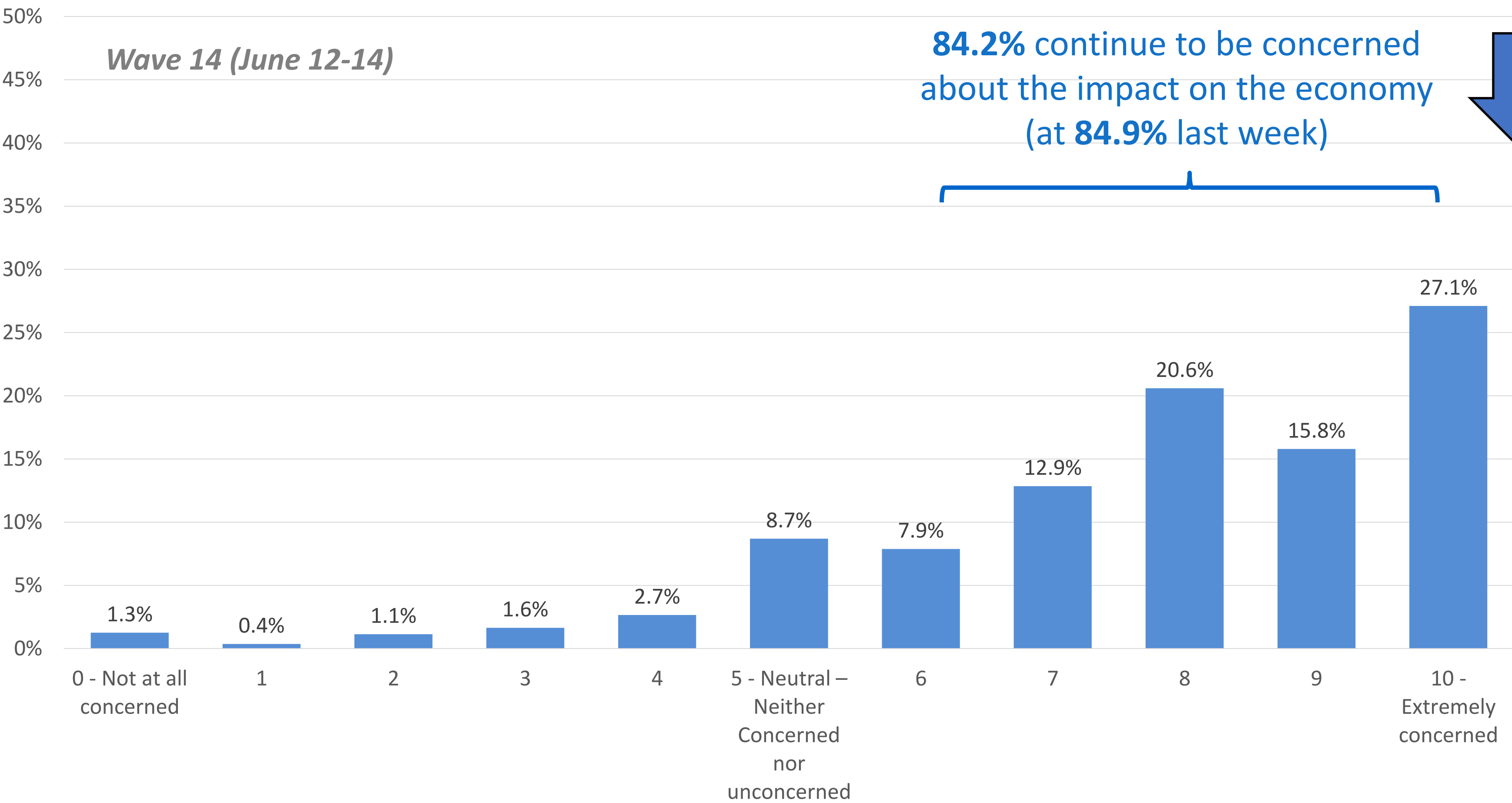
(Base: Wave 14 data. All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



Concerns About National Economy

Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on the NATIONAL ECONOMY?

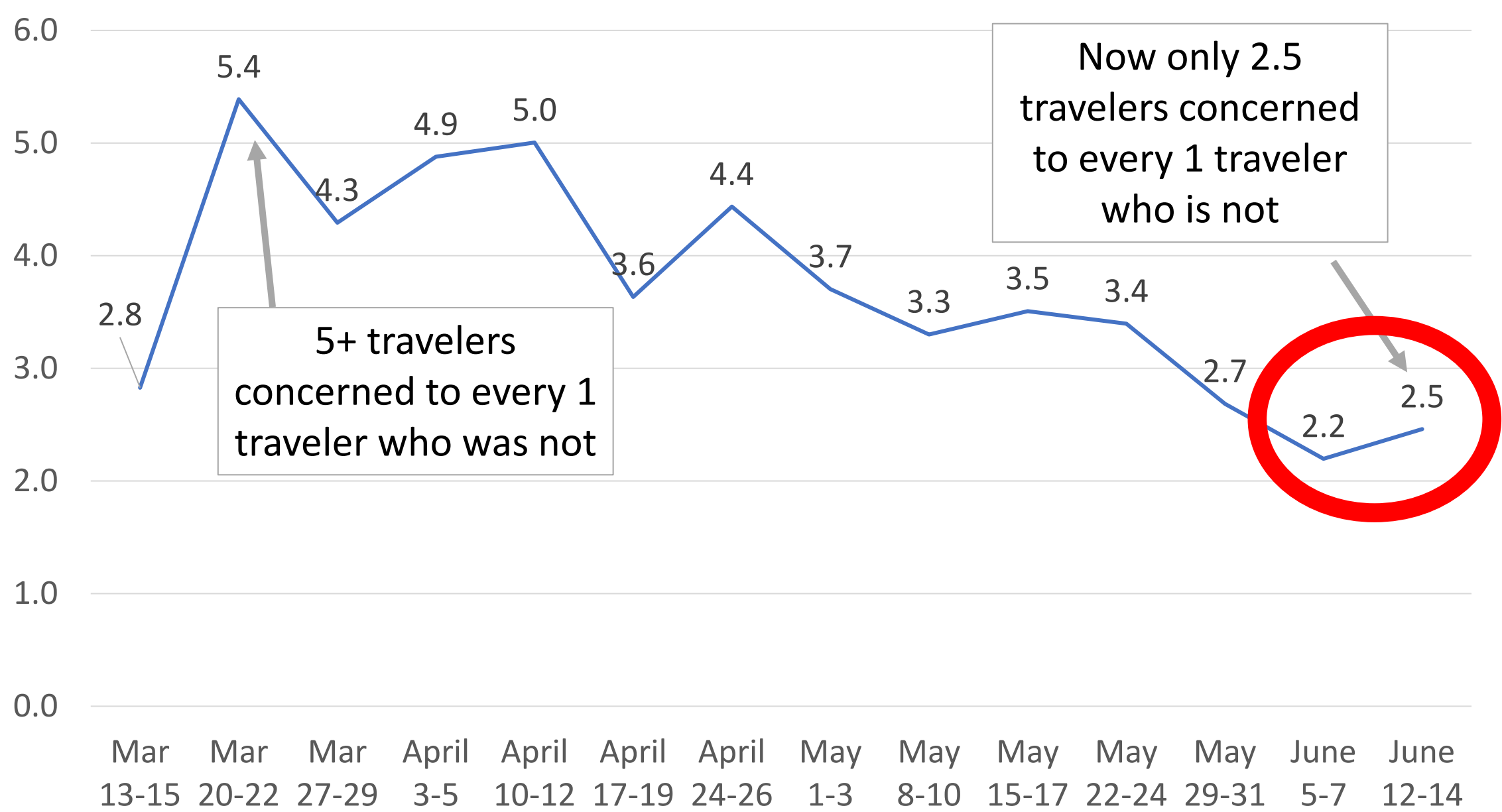
(Base: Wave 14 data. All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



Ratio of Concerned to Unconcerned Travelers: Economic Concerns

Personal Finances

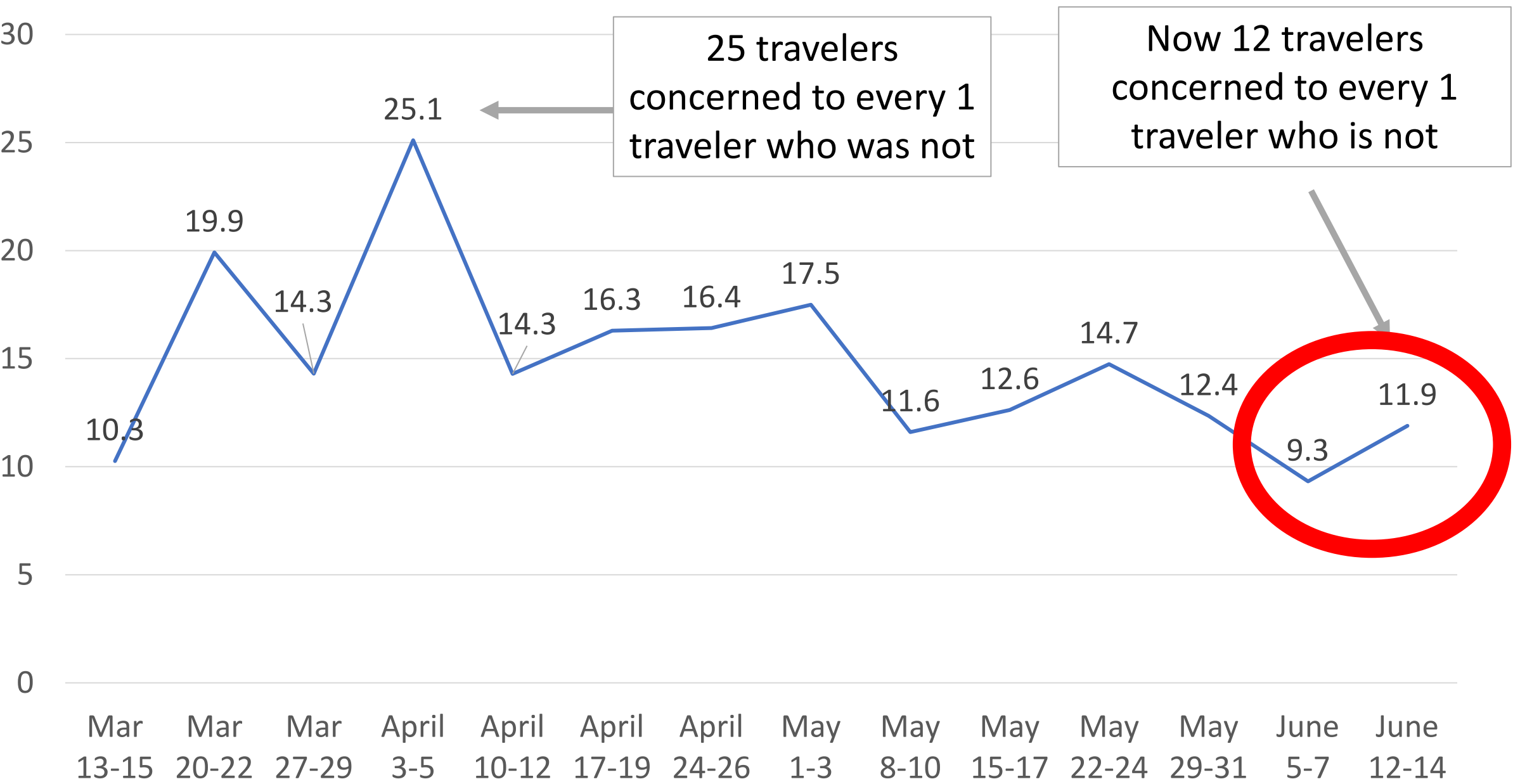
Ratio of concerned (10-6) to unconcerned (0-4) on 11-point scale)



Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on your PERSONAL FINANCES? (Please answer using the scale below)

National Economy

Ratio of concerned (10-6) to unconcerned (0-4) on 11-point scale)



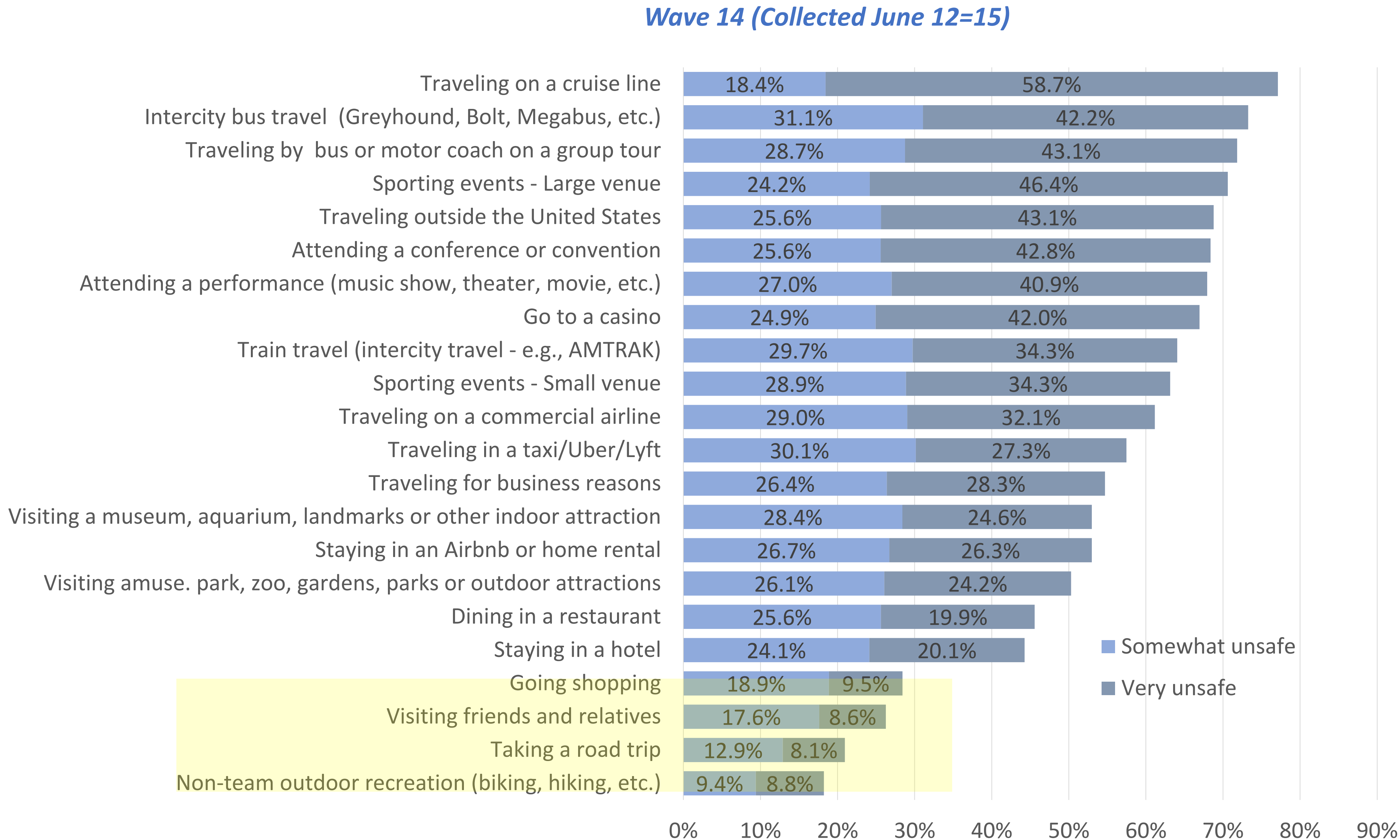
Question: Thinking about the current coronavirus situation, how concerned are you about the impact it may have on the NATIONAL ECONOMY?

(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14 2020)

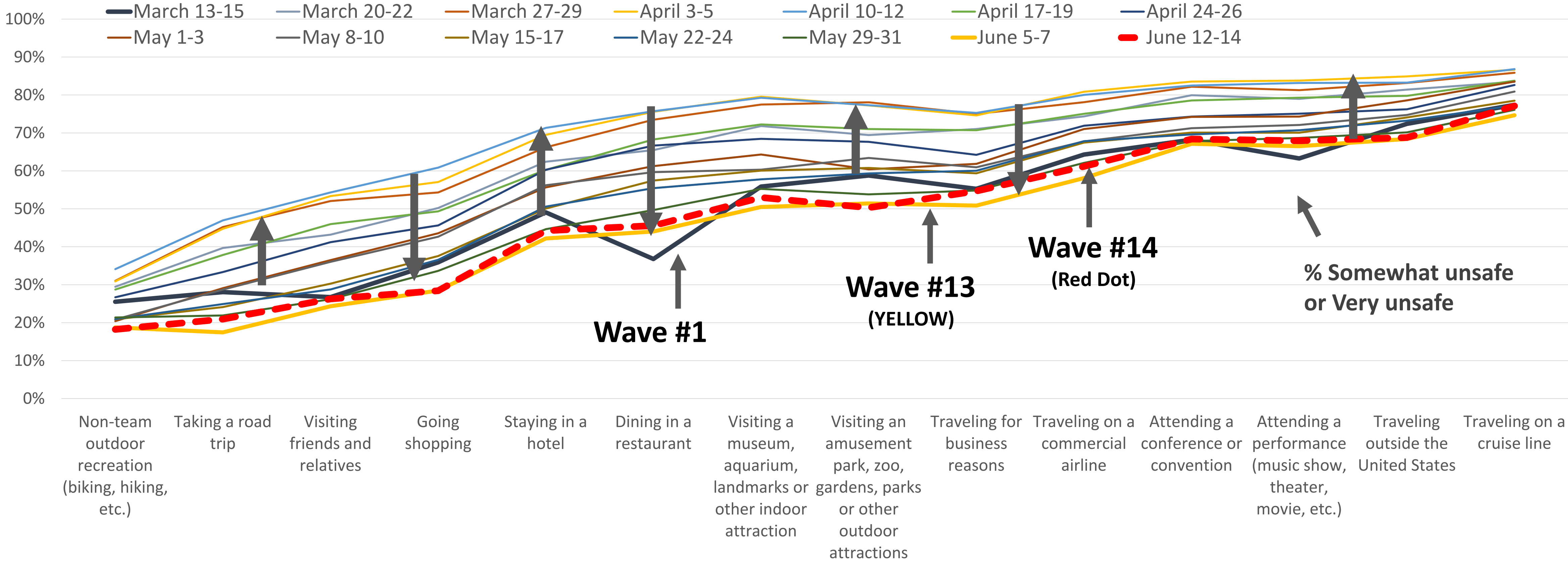
Perceived Safety of Travel Activities (Wave 14)

Question: At this moment, how safe would you feel doing each type of travel activity?

(Base: Wave 14 data. All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)

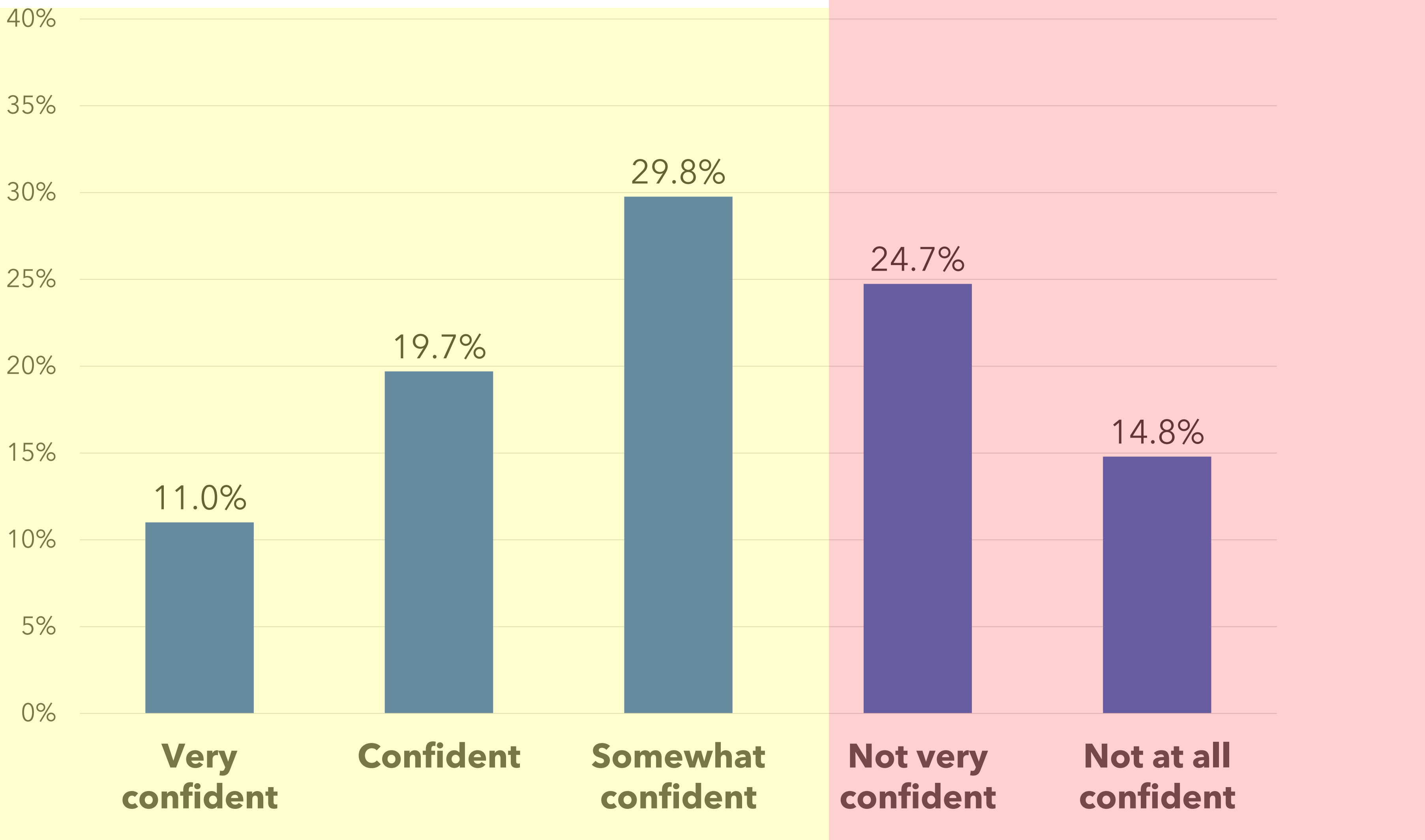


Perceived Safety of Travel Activities (Waves 1-14 Comparison)



Question: At this moment, how safe would you feel doing each type of travel activity?

Confidence in Traveling Safely

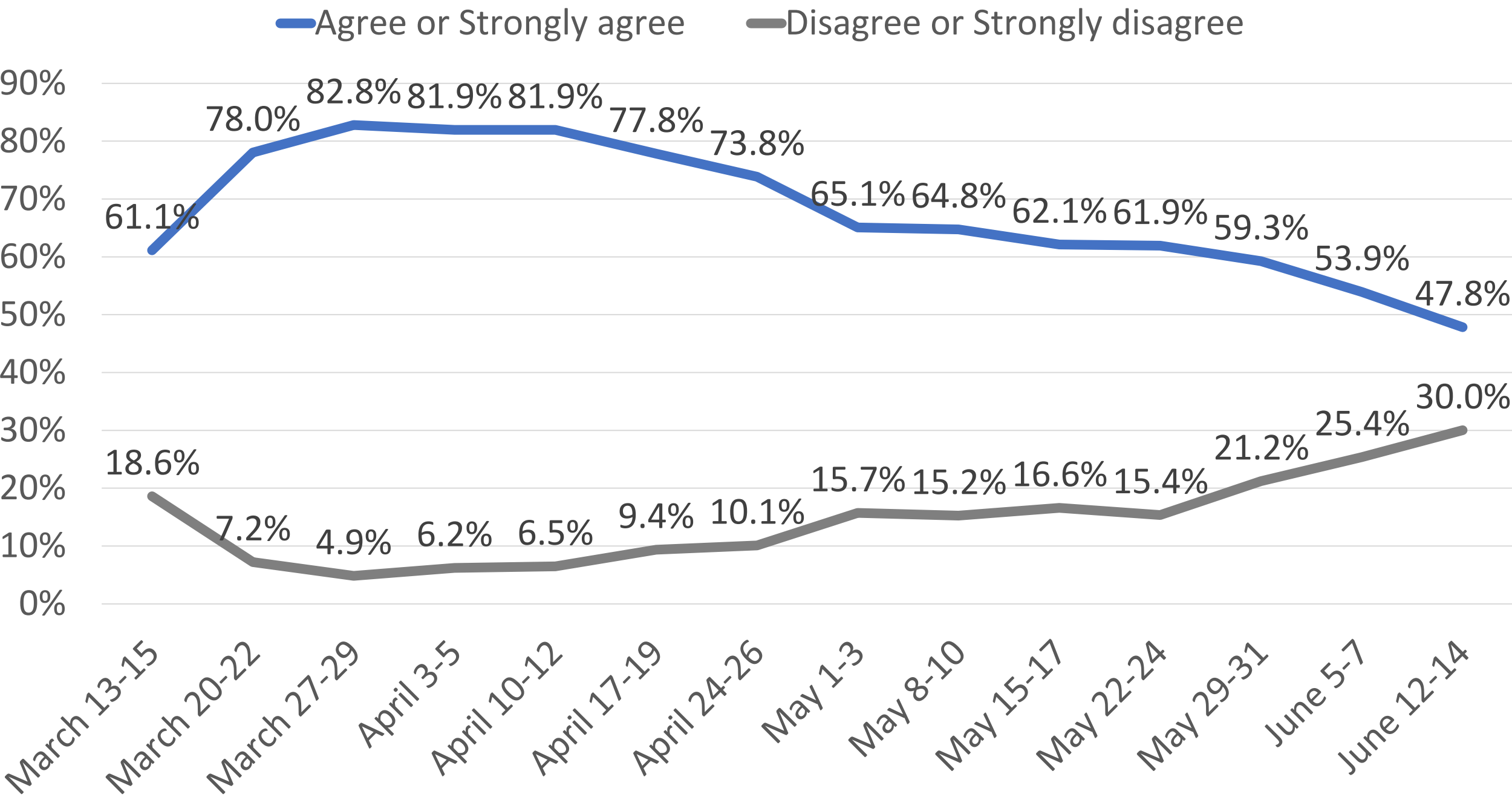
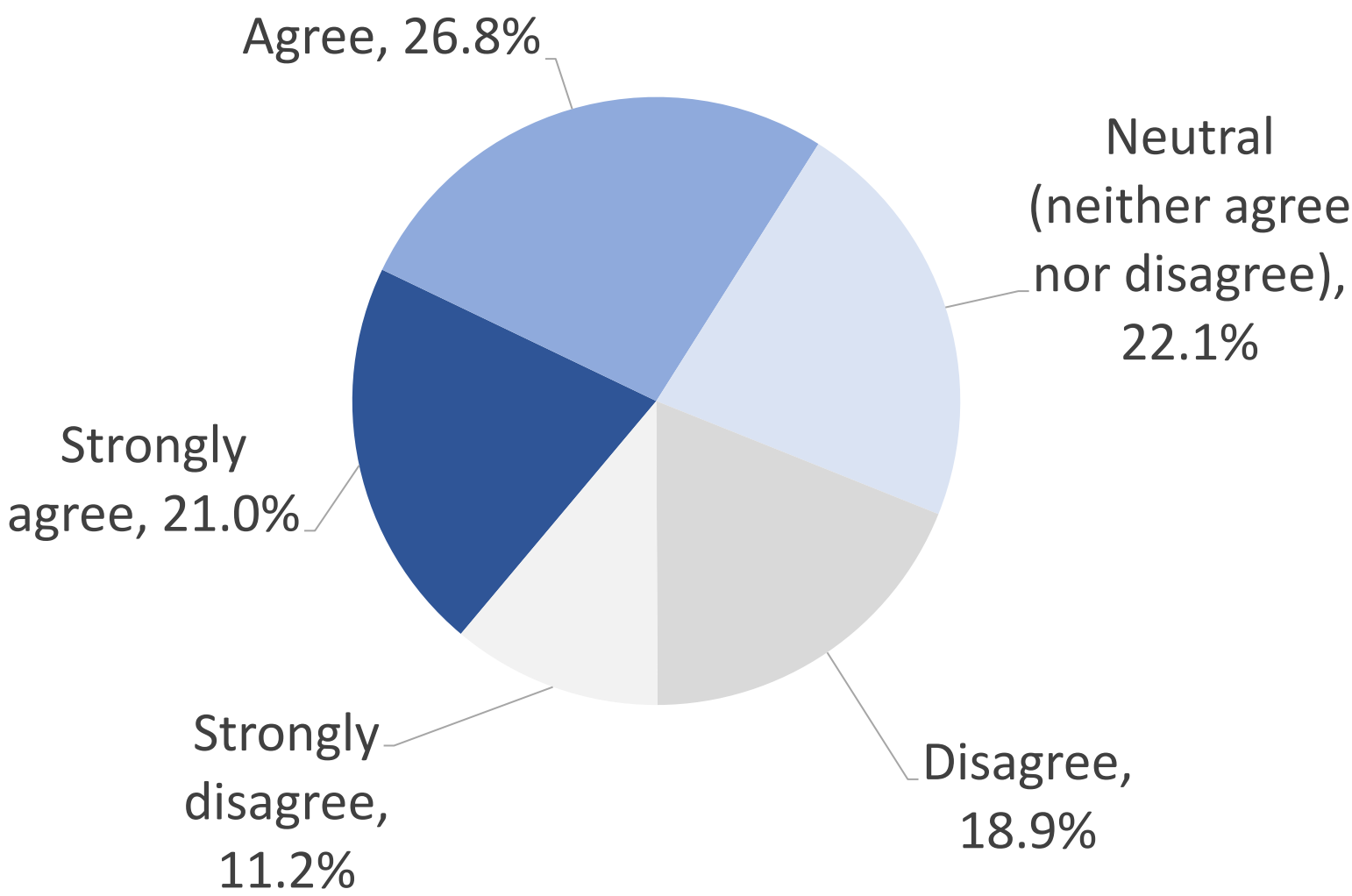


Question: How confident are you that you could travel safely in the current environment? *(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)*

Avoiding Travel Until the Crisis Blows Over

How much do you agree with the following statement?

Statement: I’m planning to avoid all travel until the coronavirus situation blows over.

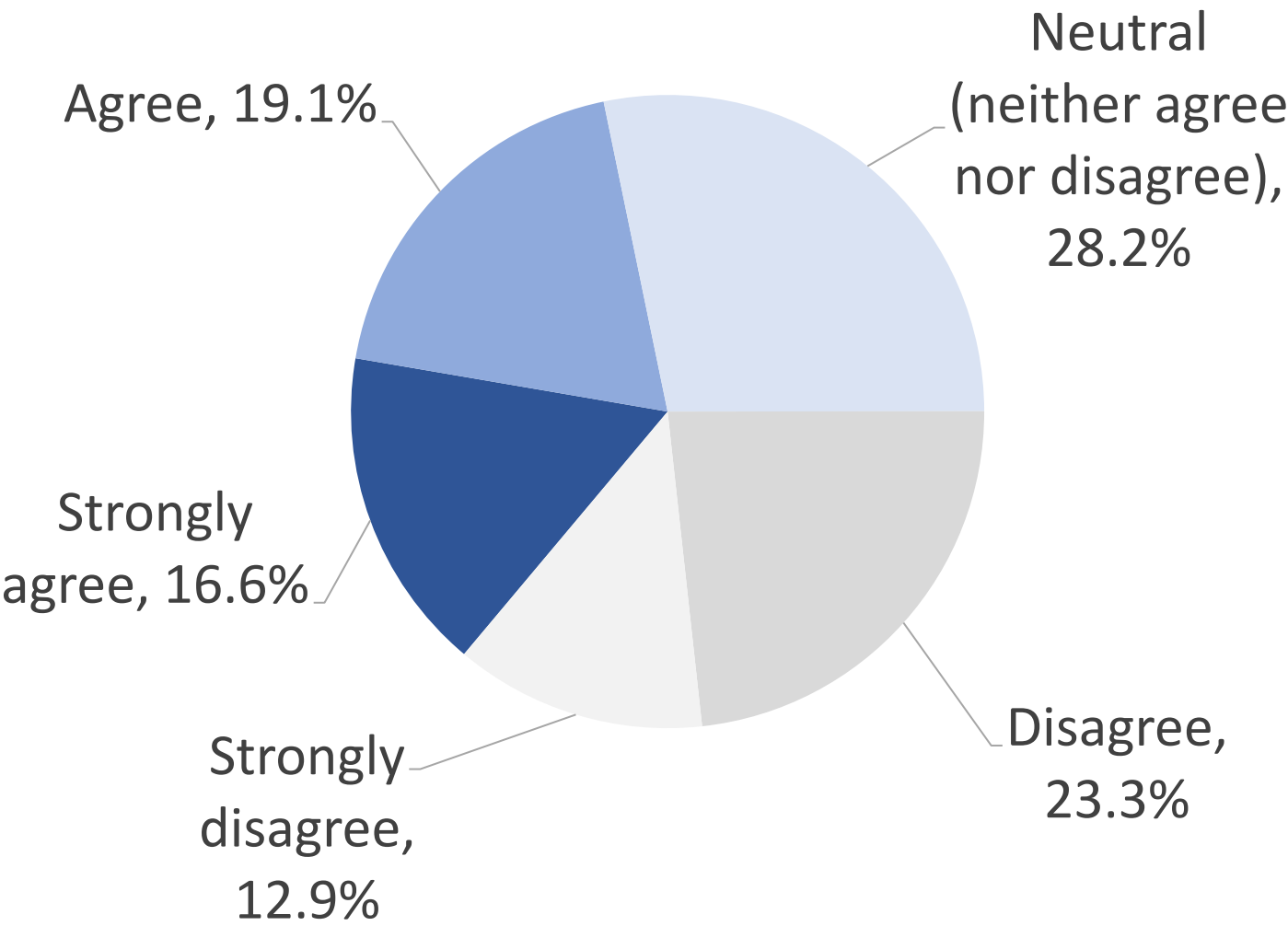


(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)

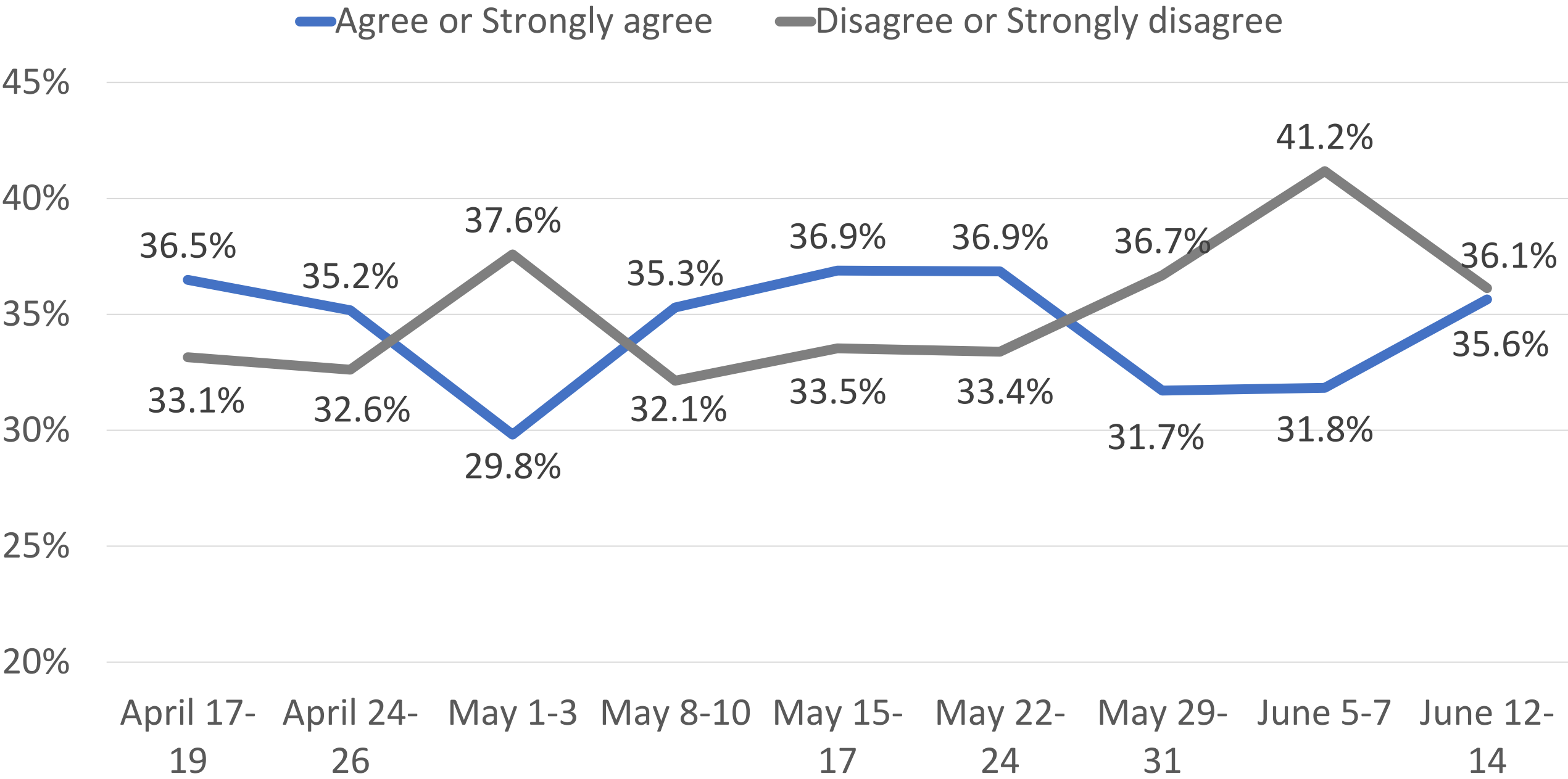
Won't Travel Without Vaccine

How much do you agree with the following statement?

Statement: I'm not traveling until there is a vaccine.



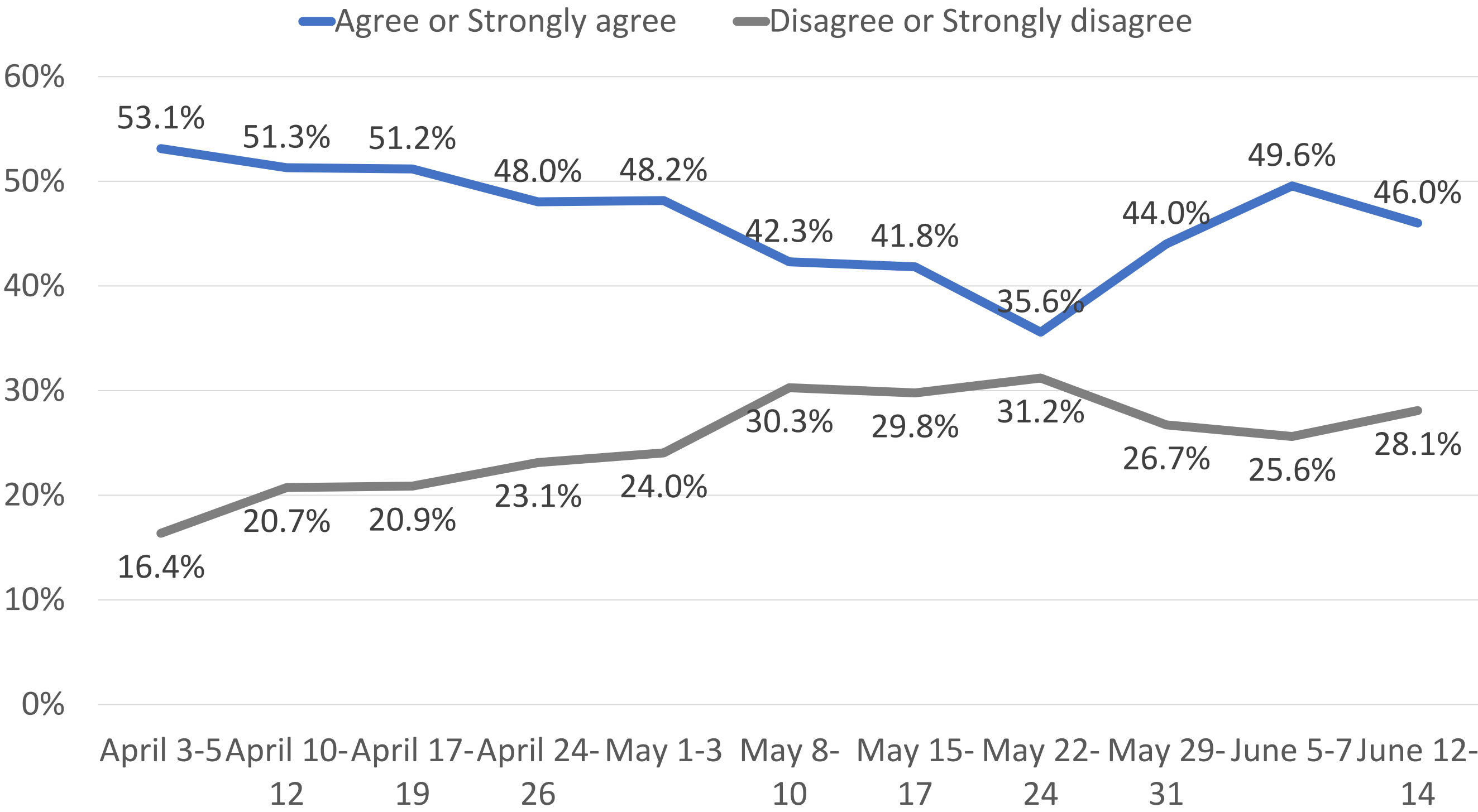
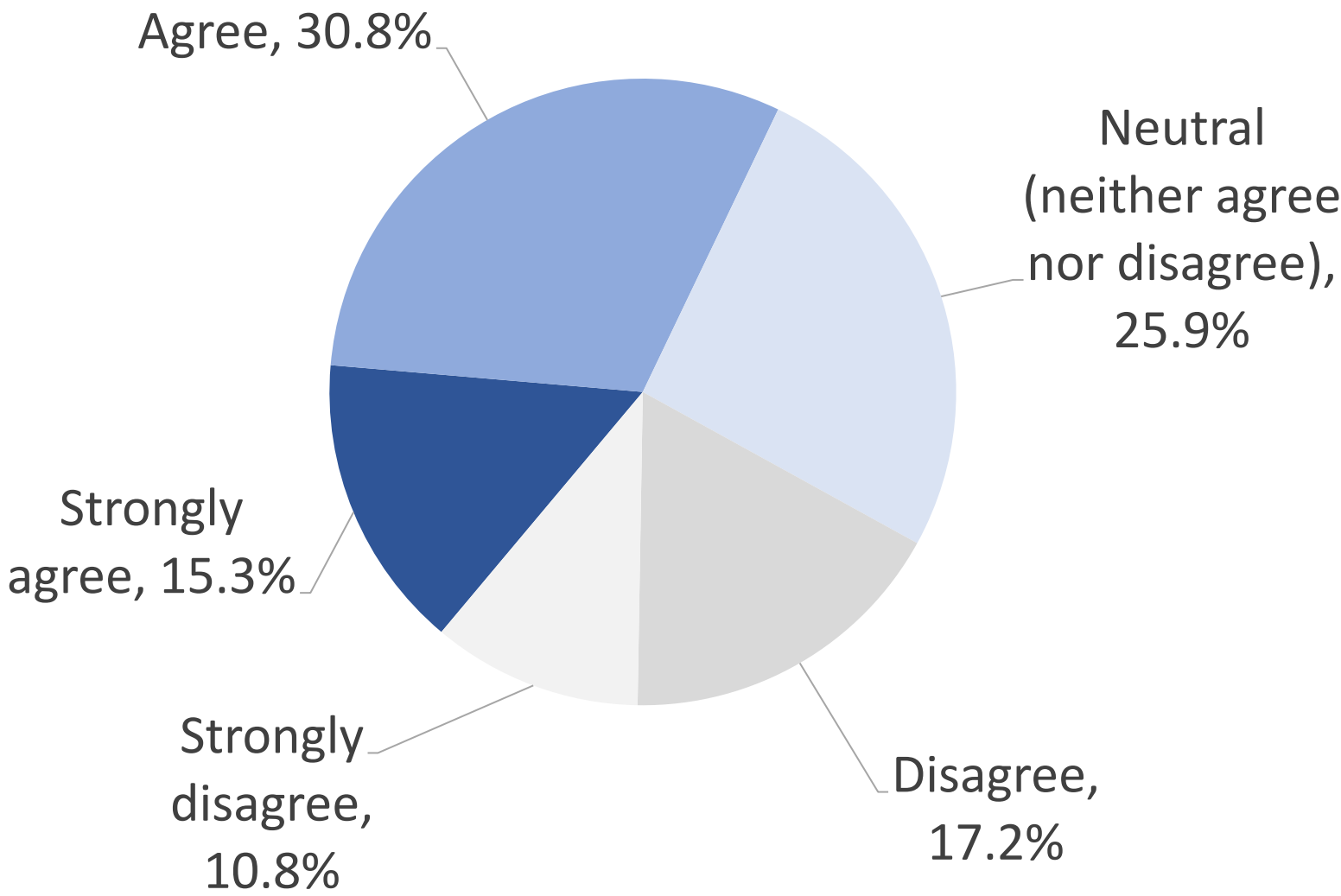
(Base: All respondents, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected April 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)



Expectations for Traveling in the Fall

How much do you agree with the following statement?

Statement: I expect that I will be traveling in the Fall of 2020.



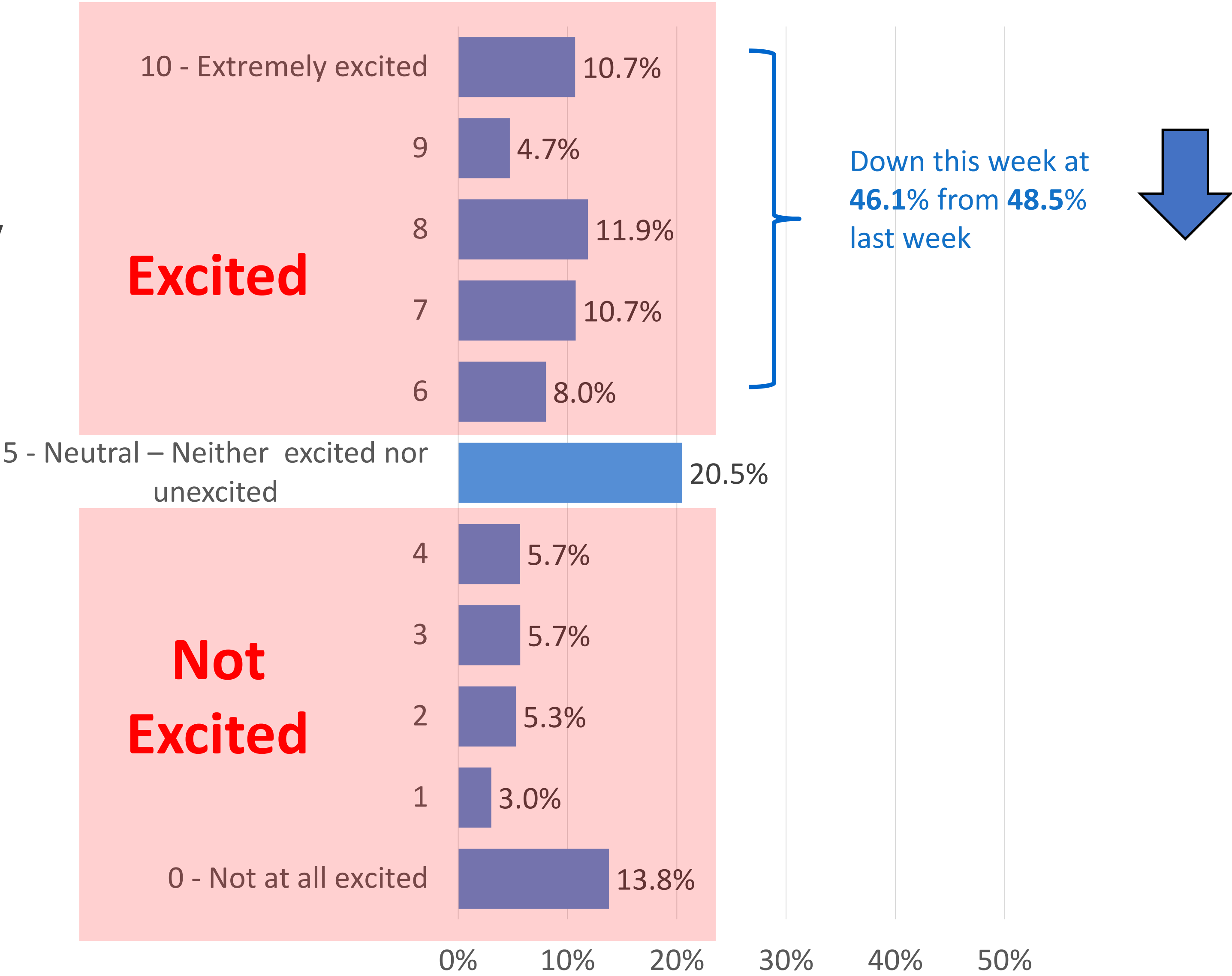
(Base: All respondents, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)

Excitement to Travel Now

Question: Imagine that a good friend (or close family member) asks you to take a weekend getaway with them sometime in the next month.

How excited would you be to go? (Assume the getaway is to a place you want to visit)

(Base: All respondents, 1,214 completed surveys.
Data collected June 12-14, 2020)

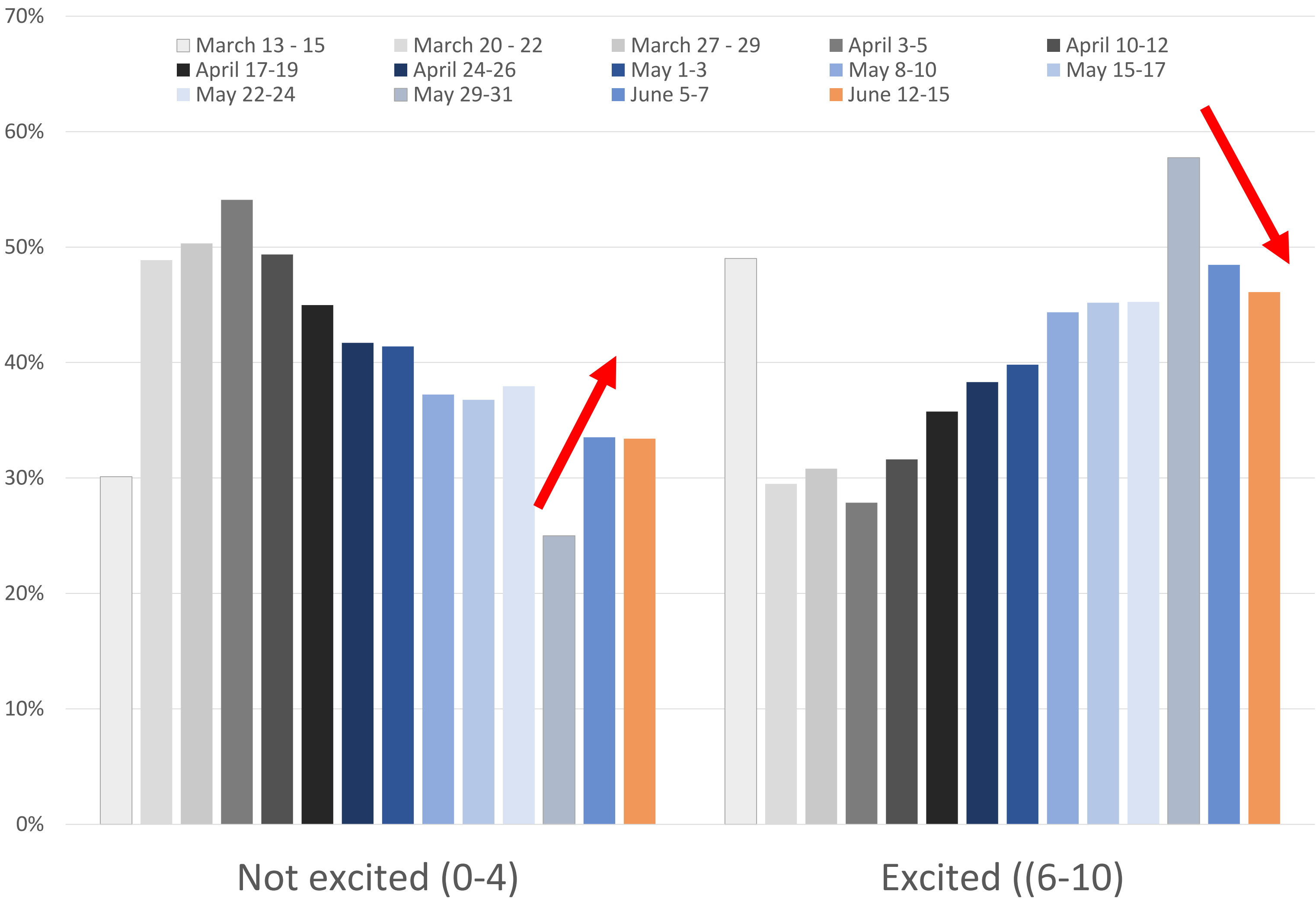


Excitement to Travel Now (Excited vs. Not Excited)

Question: Imagine that a good friend (or close family member) asks you to take a weekend getaway with them sometime in the next month.

How excited would you be to go? (Assume the getaway is to a place you want to visit)

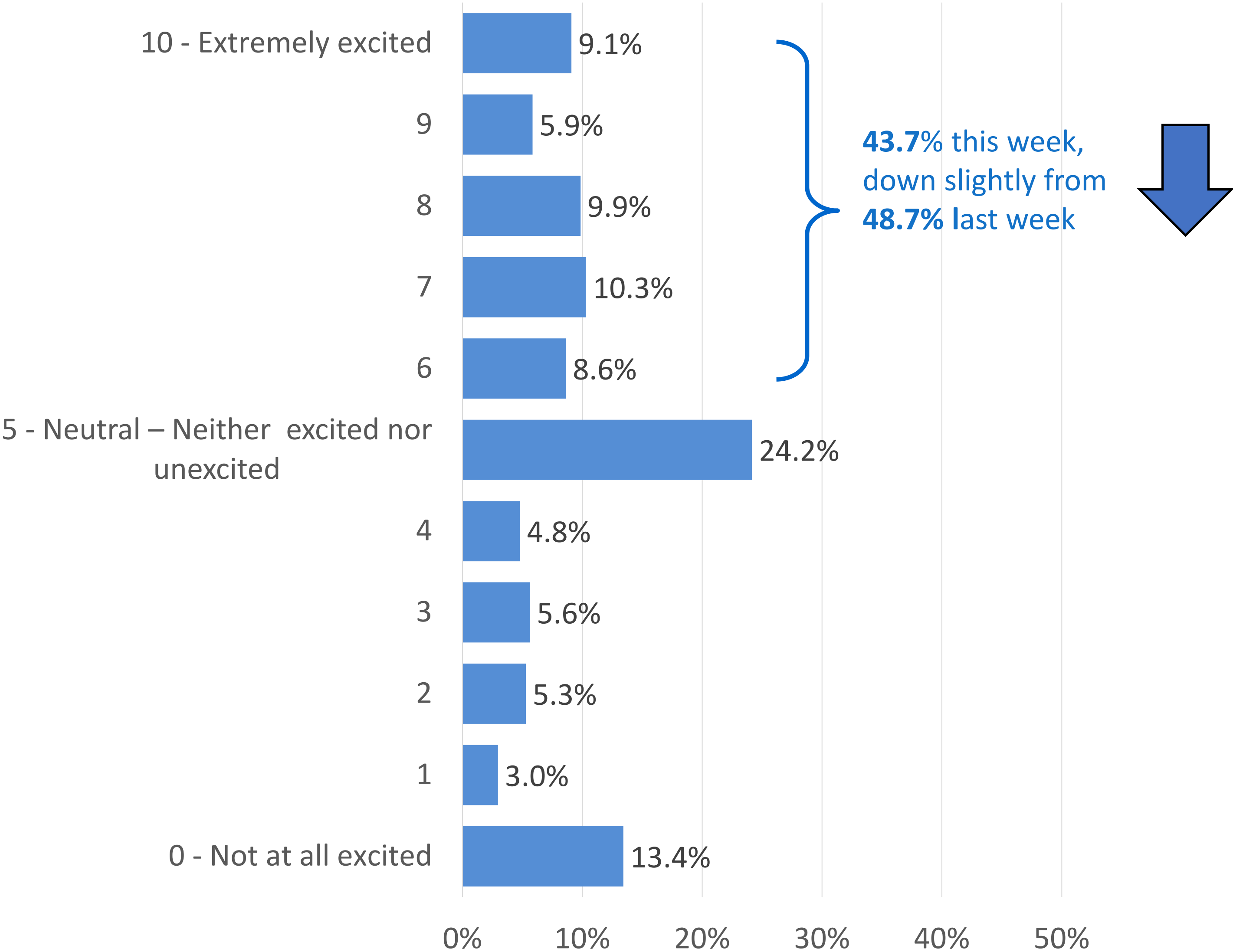
(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14 2020)



Openness to Travel Information

Question: At this moment, how excited are you in learning about new, exciting travel experiences or destinations to visit?

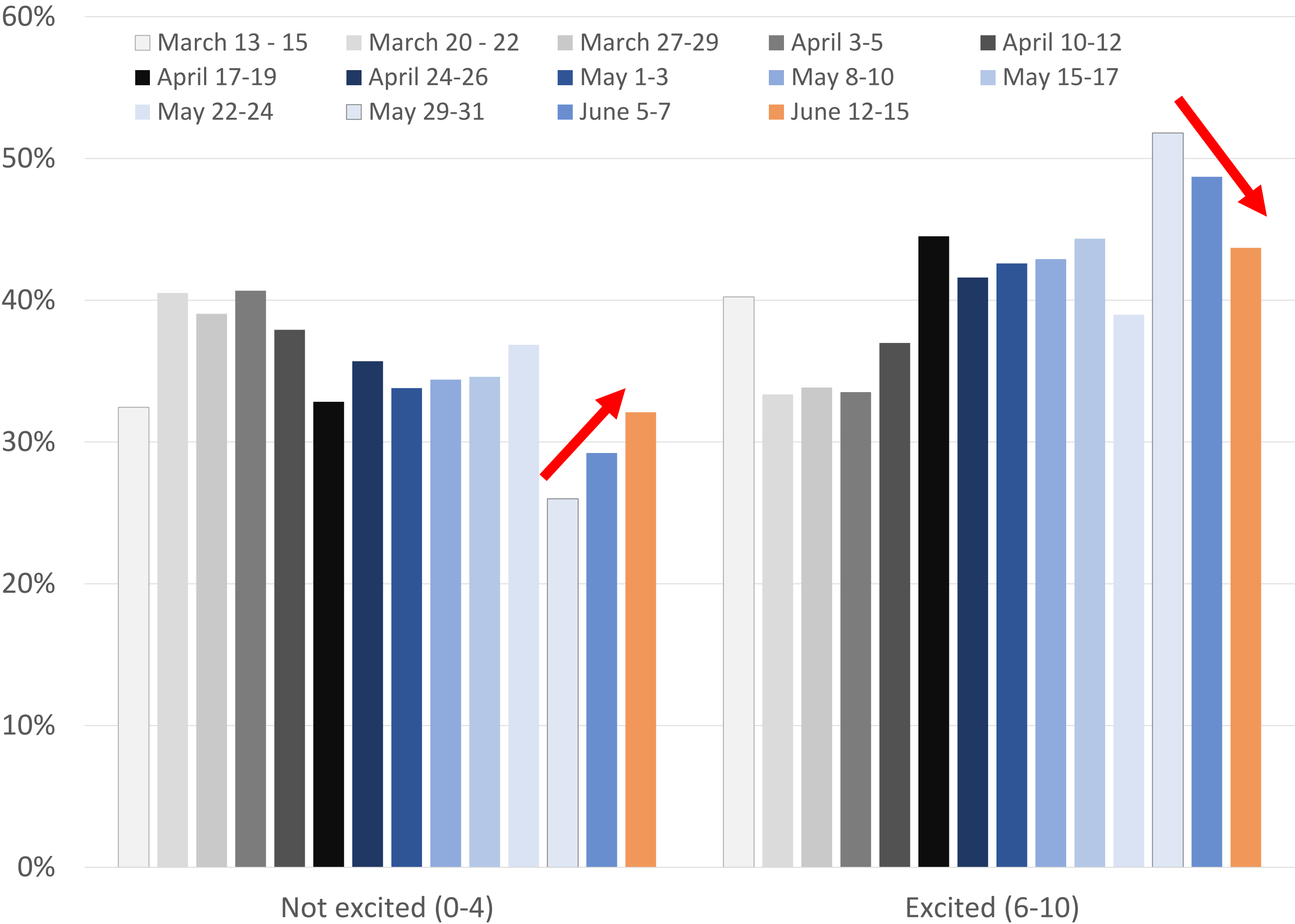
*(Base: All respondents, 1,214 completed surveys.
Data collected June 12-14, 2020)*



Openness to Travel Information (Excited vs. Not Excited)

Question: At this moment, how excited are you in learning about new, exciting travel experiences or destinations to visit?

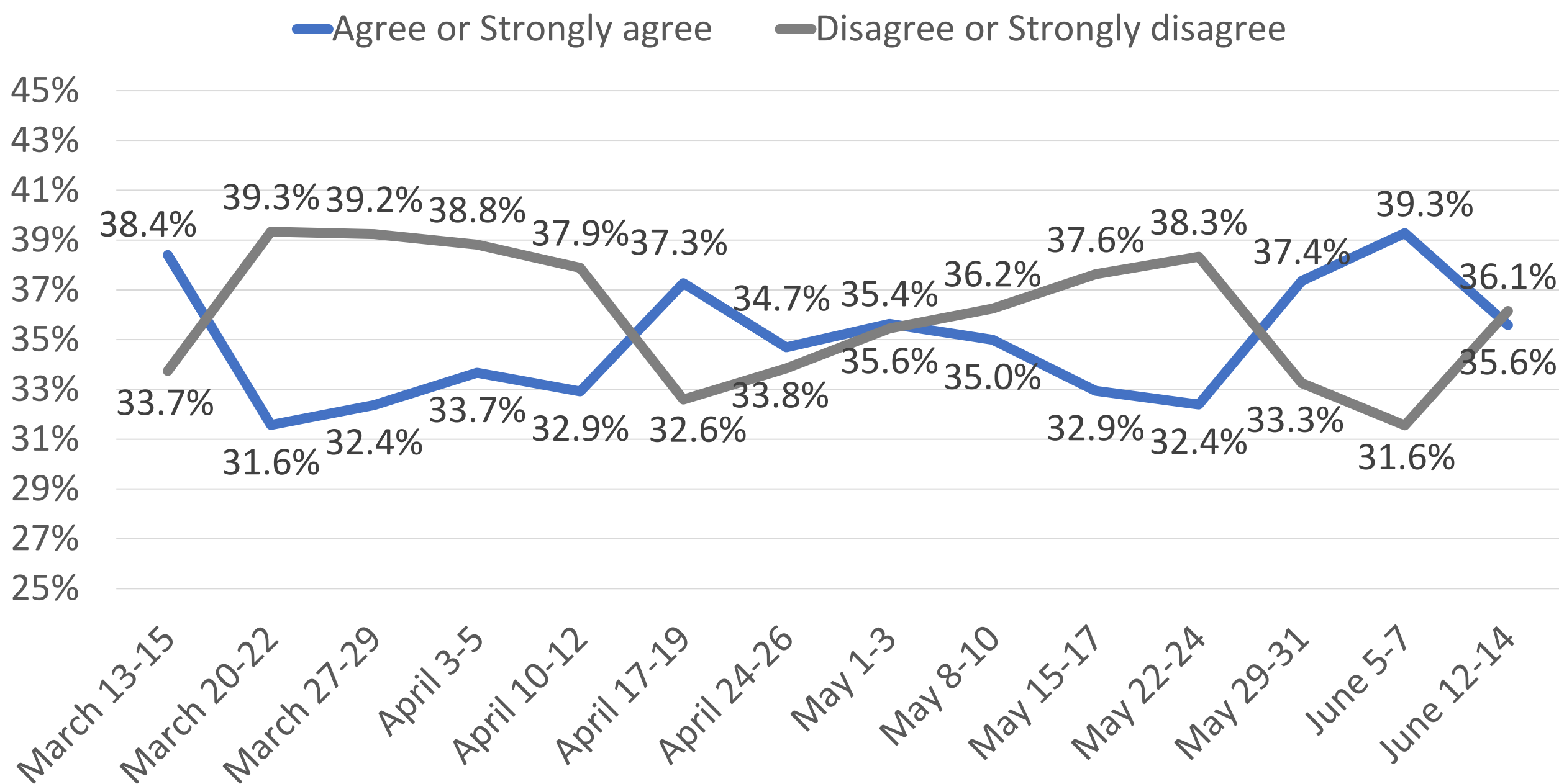
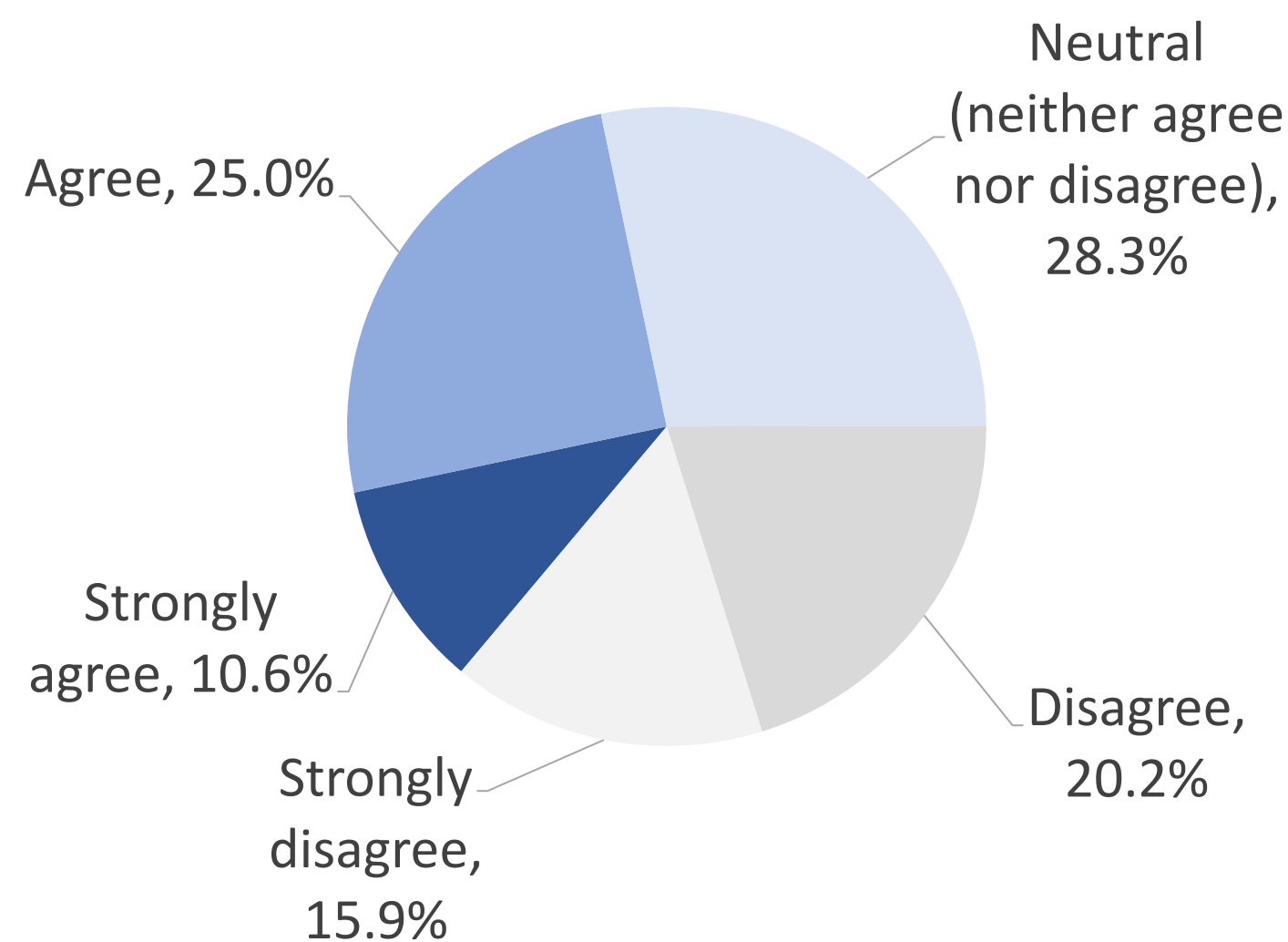
(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14 2020)



Discounts and Price Cuts

How much do you agree with the following statement?

Statement: The coronavirus has led many travel providers to cut their prices. These discounts and price cuts (airline, hotel, etc.) make me more interested in traveling in the NEXT THREE (3) MONTHS.



(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)



KEY TAKEAWAYS

- **Expectations that the Coronavirus situation will worsen in the US over the next month increased dramatically this week**
- **More Americans reported concerns about finances, the economy and contracting the virus**
- **The consistent improvements we had seen in safety concerns for individual travel activities stopped this week**
- **4 in 10 American travelers remain lacking in confidence that they can travel safely in the current environment**
- **Enthusiasm for near-term travel, destination inspiration waned, and discounts loss some ability to motivate travel**

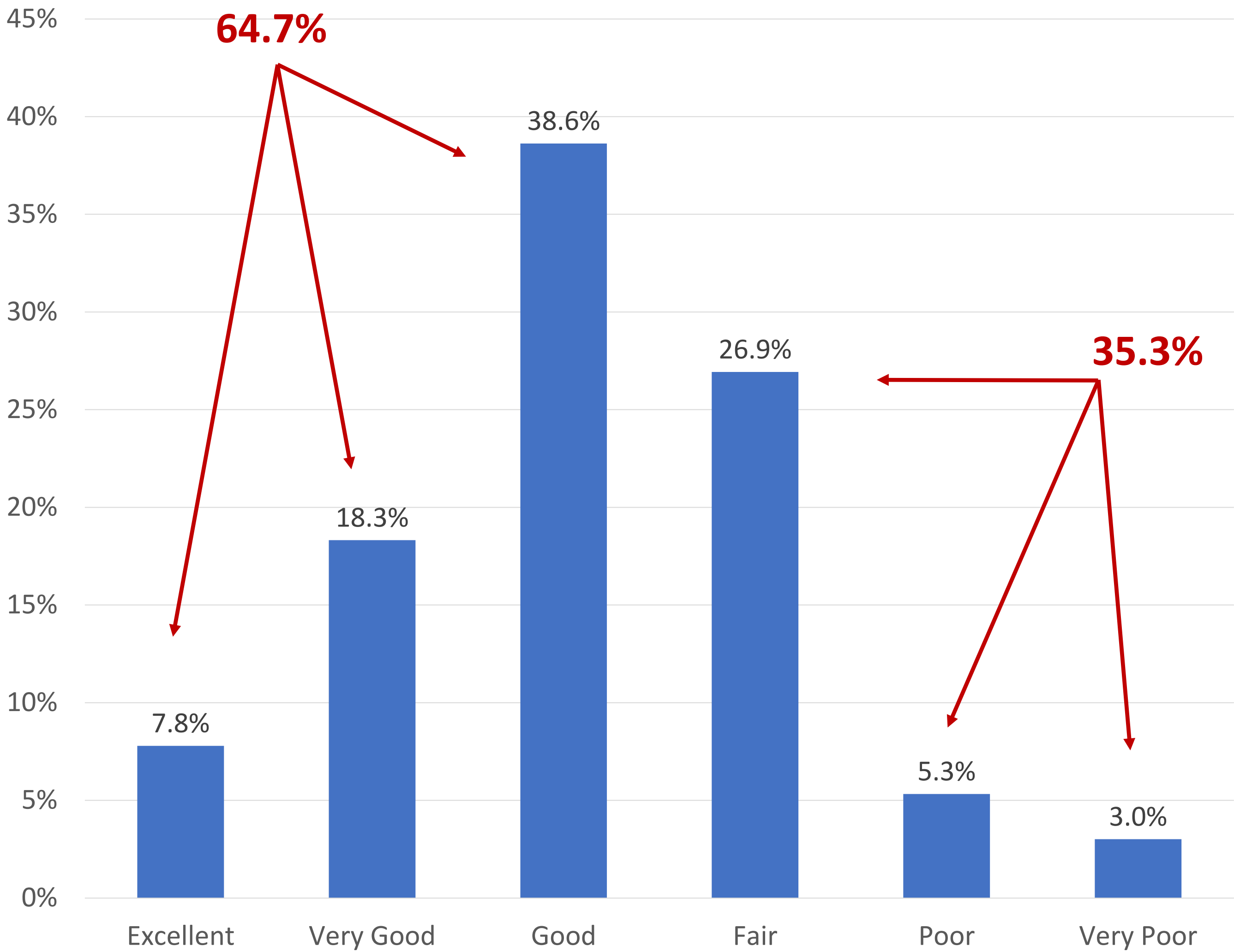
Performance in Pandemic-Related Management & Communication



Hotel Industry: Communicating Safety Measures

Question: Please rate the overall performance of the hotel industry in communicating measures they have taken to keep travelers safe from the Coronavirus.

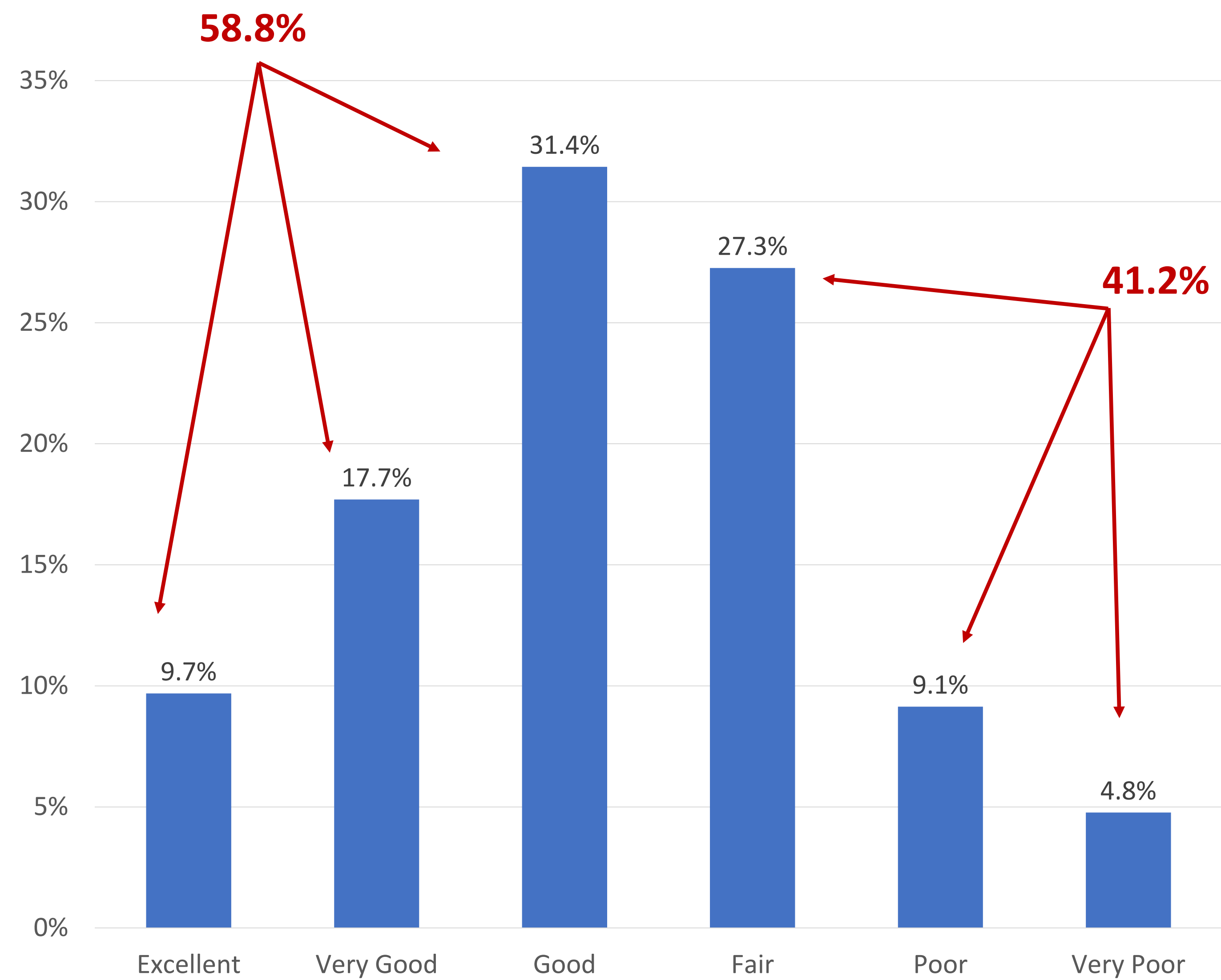
(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



Airline Industry: Communicating Safety Measures

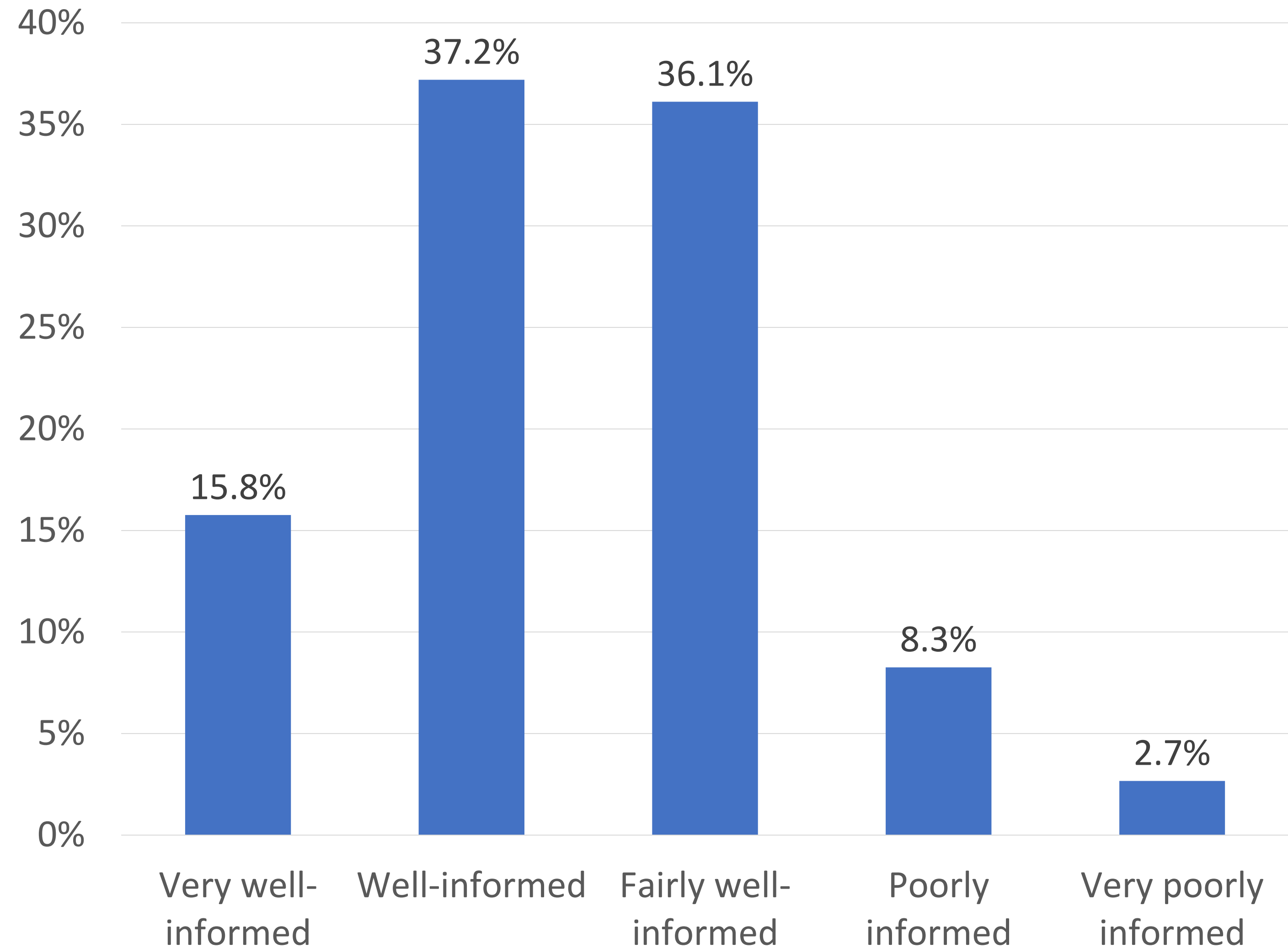
Question: Please rate the overall performance of the airline industry in communicating measures they have taken to keep travelers safe from the Coronavirus.

(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



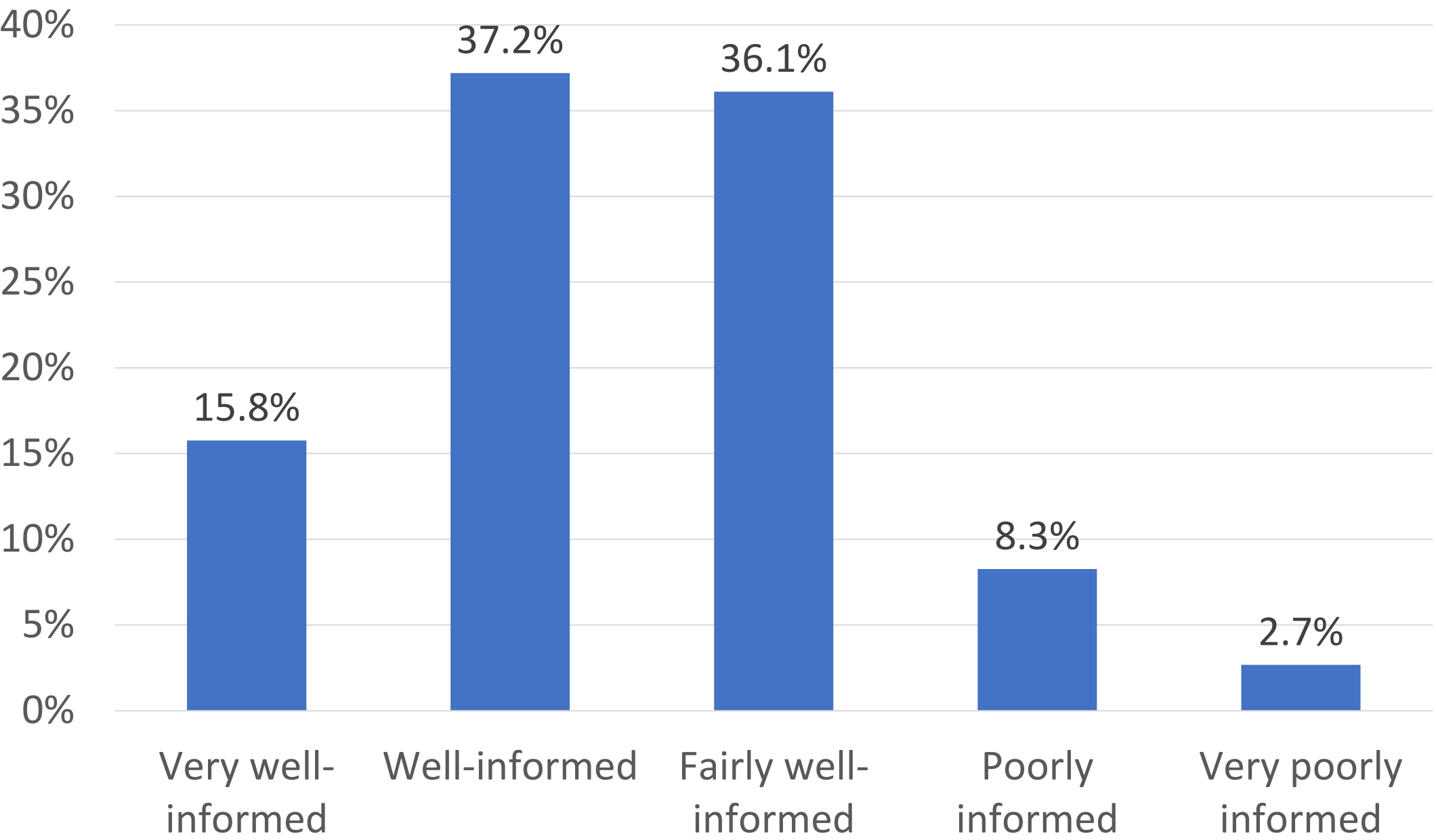
Personal Knowledge of Coronavirus Risks While Traveling

Question: Overall, how well-informed do you feel you personally are about any potential Coronavirus-related risks involved with traveling?

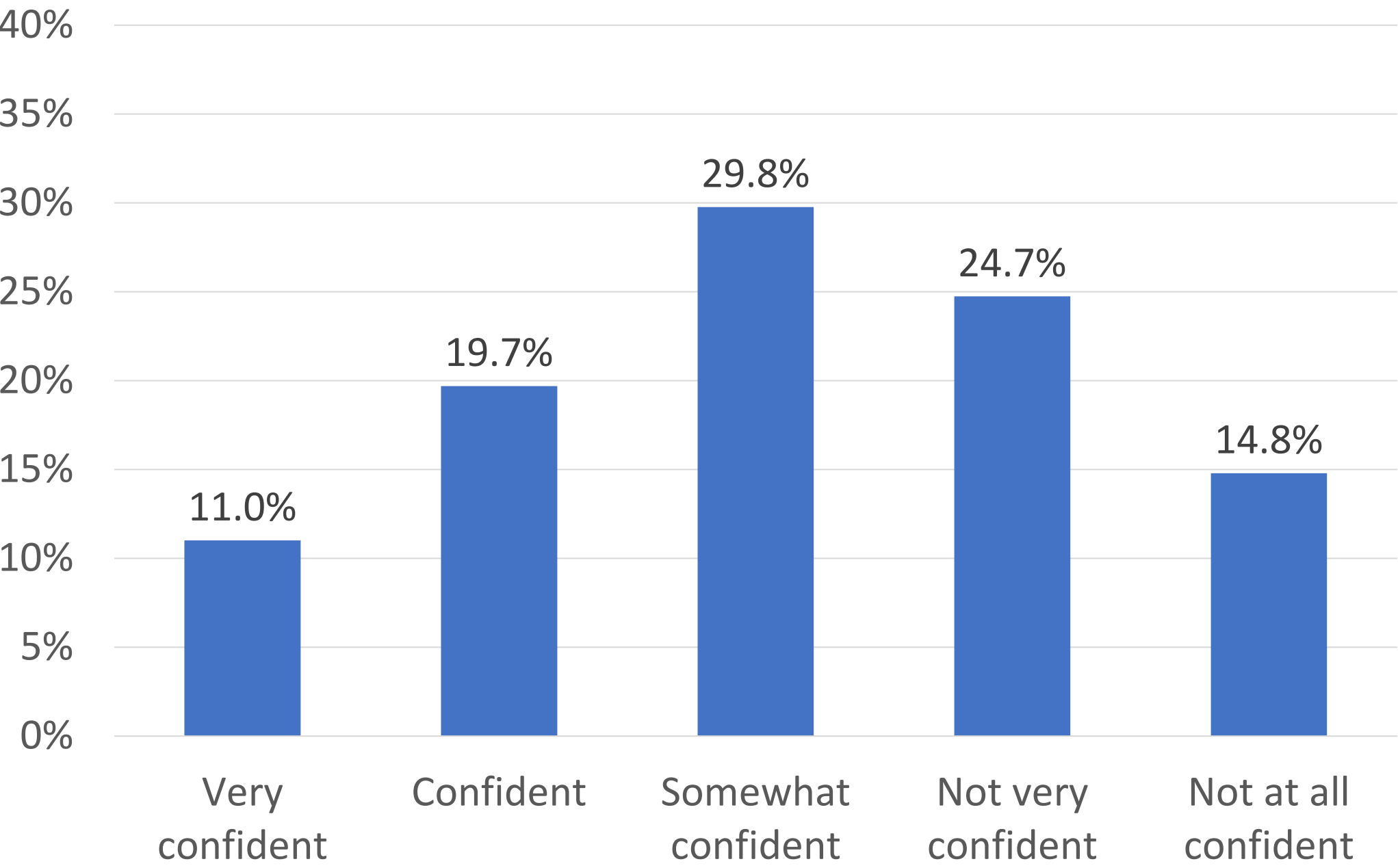


Personal Knowledge and Confidence in Traveling Safely

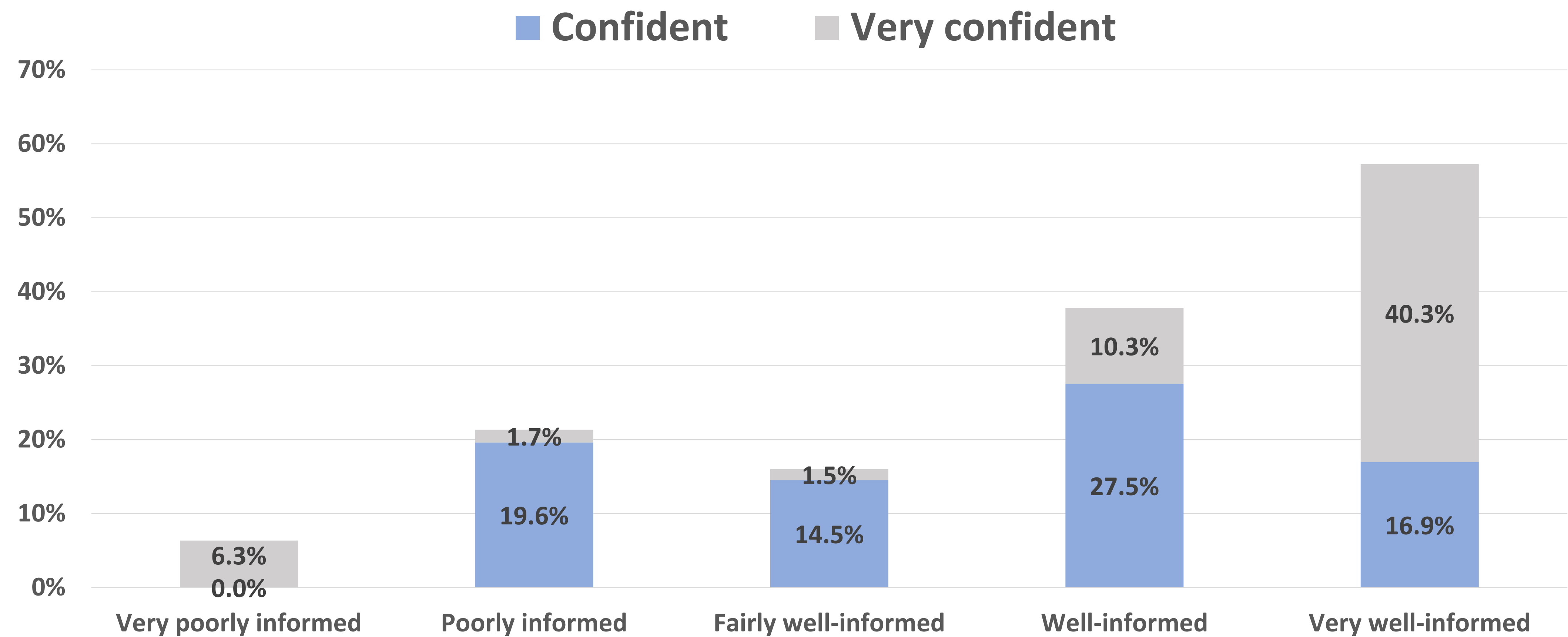
Question: Overall, how well-informed do you feel you personally are about any potential Coronavirus-related risks involved with traveling?



Question: How confident are you that you could travel safely in the current environment?



More Information = More Confidence



KEY TAKEAWAYS

- **For most travelers, the hotel and airline industries were seen as effectively communicating measures they have made to keep travelers safe**
- **More knowledge leads to greater travel confidence**

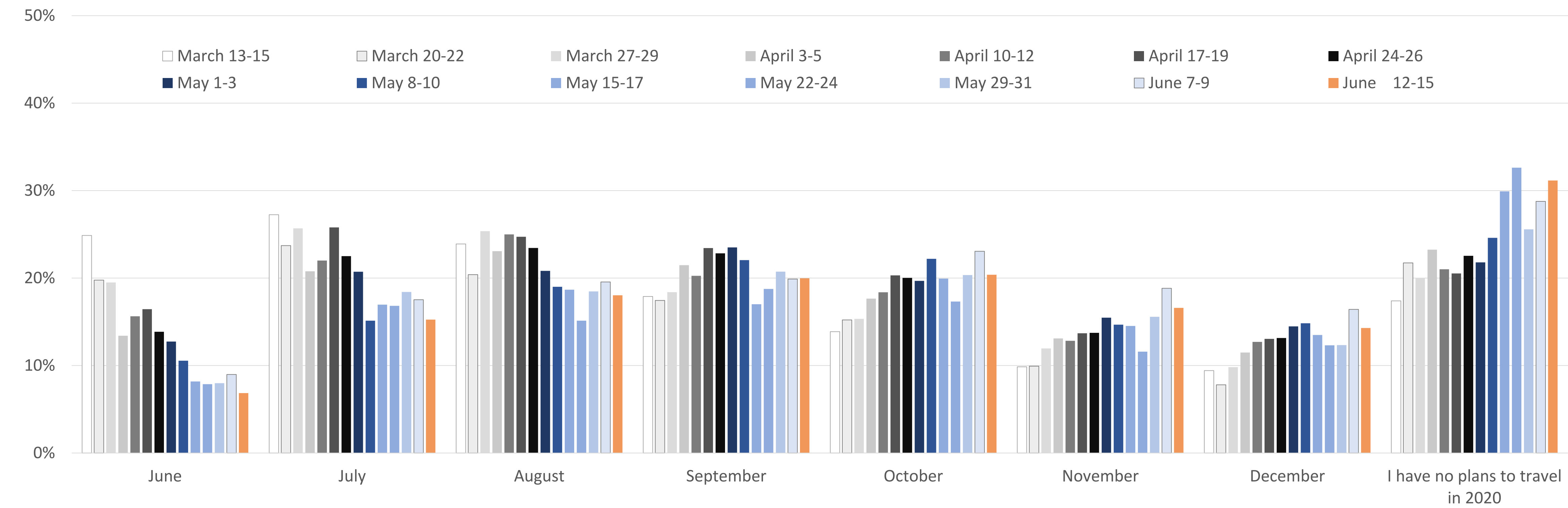


Traveling in the Pandemic



Upcoming Travel Plans

Question: Even if only tentatively scheduled, in which months of this year do you currently plan to take any leisure trips?



(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)

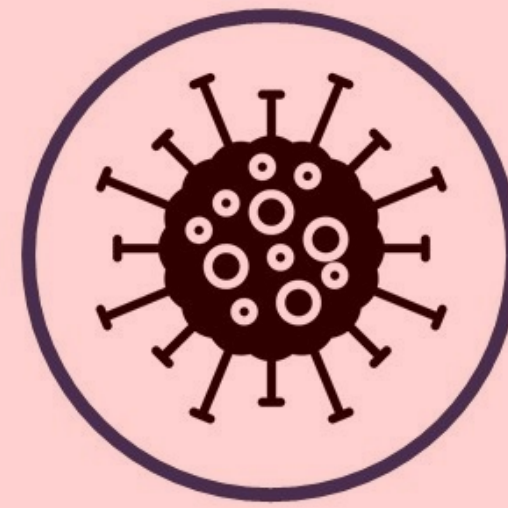
THE PANDEMIC'S INFLUENCE ON TRAVEL:
WHAT AMERICANS SAY THEY WILL **AVOID** WHEN
TRAVELING THIS YEAR



CRUISES
(55.6 %)



**CROWDED
DESTINATIONS**
(52.6 %)



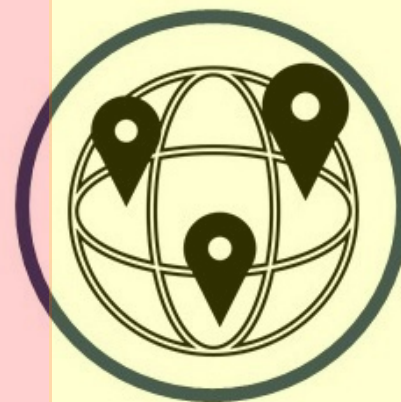
**AREAS HARDEST HIT
BY CORONAVIRUS**
(48.1 %)



**ATTENDING
CONFERENCES**
(45.9 %)



**PLACES WITH
SANITARY
ISSUES**
(43.8 %)



**SPECIFIC
FOREIGN
DESTINATIONS**
(38.7 %)



**AIR
TRAVEL**
(34.0 %)



**SPECIFIC U.S.
DESTINATIONS**
(32.2 %)



**DESTINATIONS
SLOW TO SOCIAL
DISTANCE**
(25.9 %)

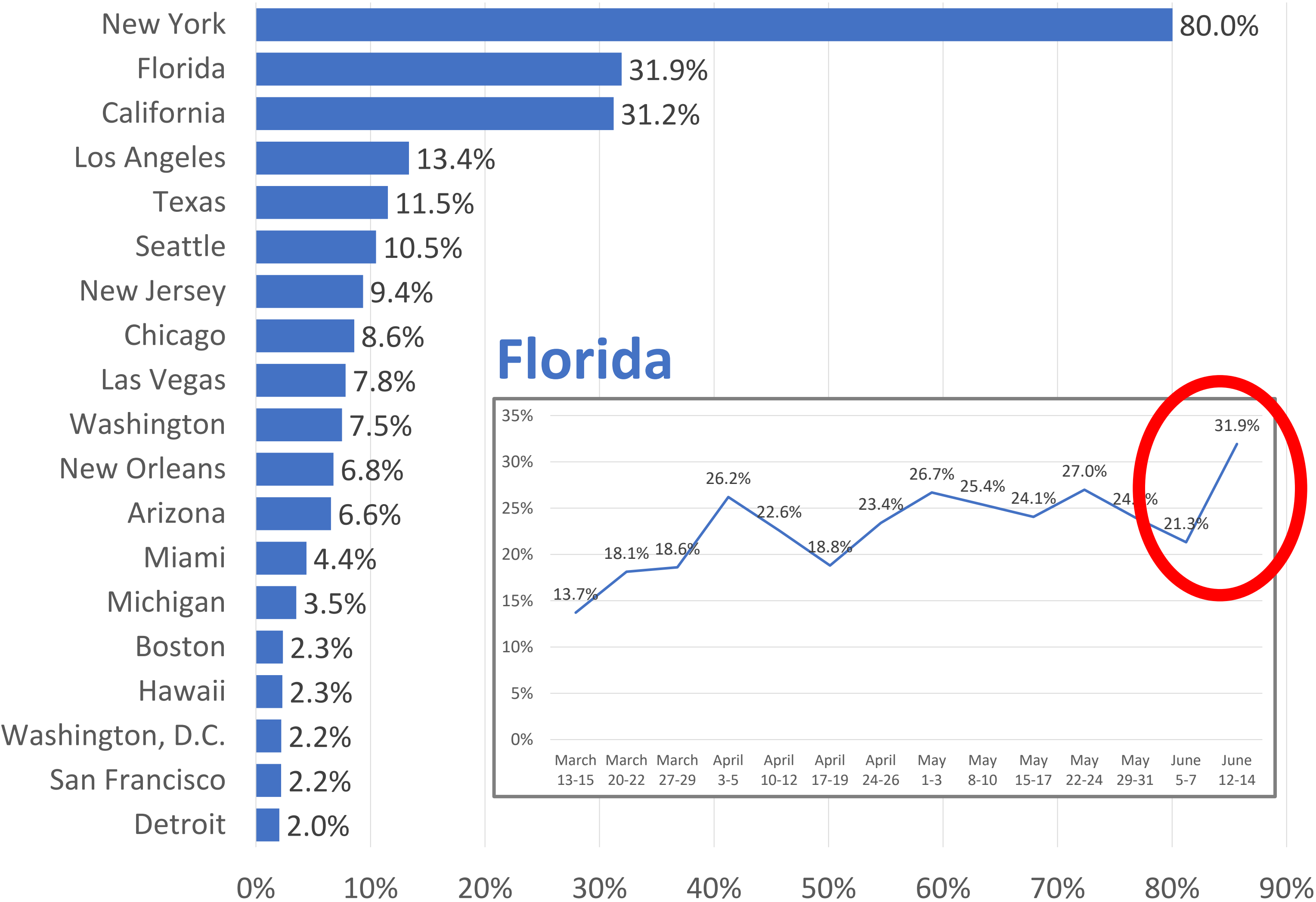



**CITIES &
URBAN
AREAS**
(25.4 %)

Most Talked About Coronavirus Hotspots

Question: What are the THREE (3) U.S. travel destinations (if any) that have been most talked about as places with coronavirus issues?

(Base: Wave 14: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



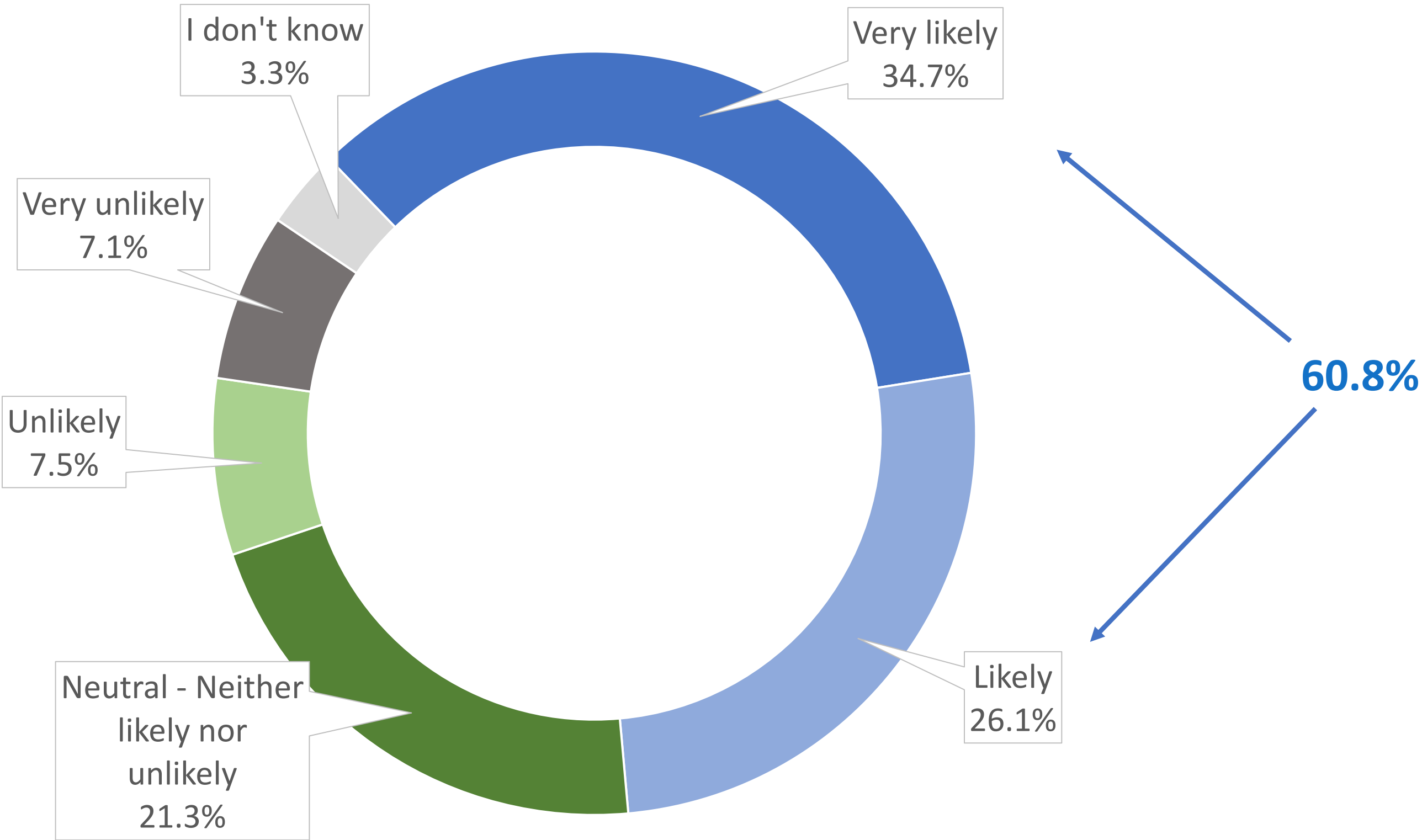
A group of four young people, two men and two women, are gathered on a sandy beach. They are all looking at a large map that one of the men is holding. The group appears to be in the middle of a conversation, with some of them pointing at the map. The background is slightly blurred, showing the beach and some distant structures. The overall mood is one of exploration and discovery.

Are travelers looking for new destinations or seeking the comfort of ones they already know?

Next Leisure Trip: New Destination or One Already Visited

Question: On your NEXT LEISURE TRIP, how likely is it that your primary destination will be one you have visited before?

(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)

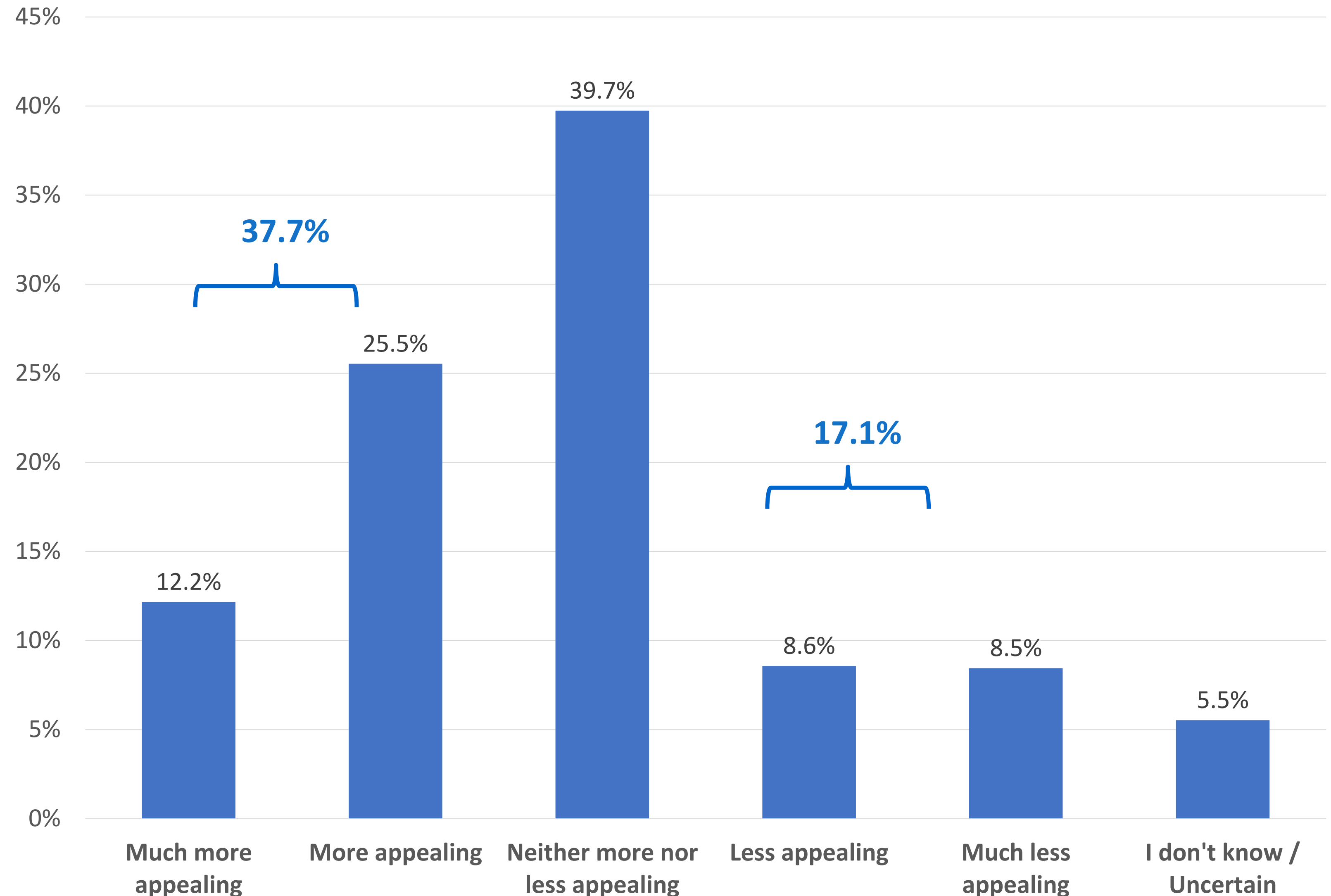


The Appeal of Familiar Destinations During the Pandemic

Question: Please think about your interest in visiting destinations for the first time versus destinations you are familiar with (because you previously visited).

In the current environment, destinations I am familiar with are _____

(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



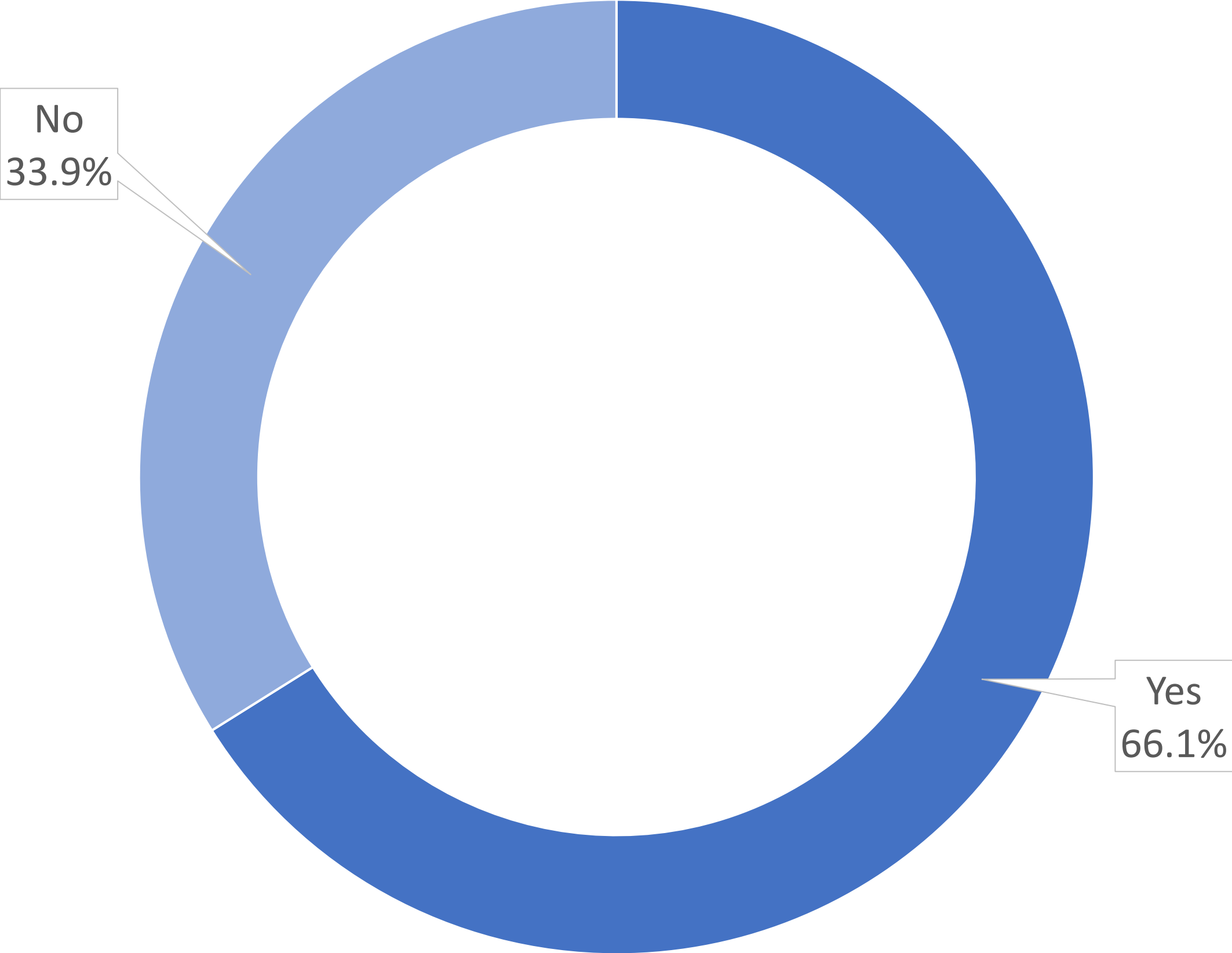
A high-angle, wide shot of a crowded swimming pool at night. The pool is filled with people, many of whom are floating on colorful inflatable rings, including large yellow duck-shaped rings. The pool is surrounded by a dark deck area where more people are standing and socializing. The overall atmosphere is festive and crowded.

**How does media coverage of crowding
impact a destination?**

Recall of Media Coverage of Crowded Travel Destinations

Question: Have you seen any recent media coverage of travel destinations that were crowded or where people were not maintaining appropriate distance from each other?

(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)

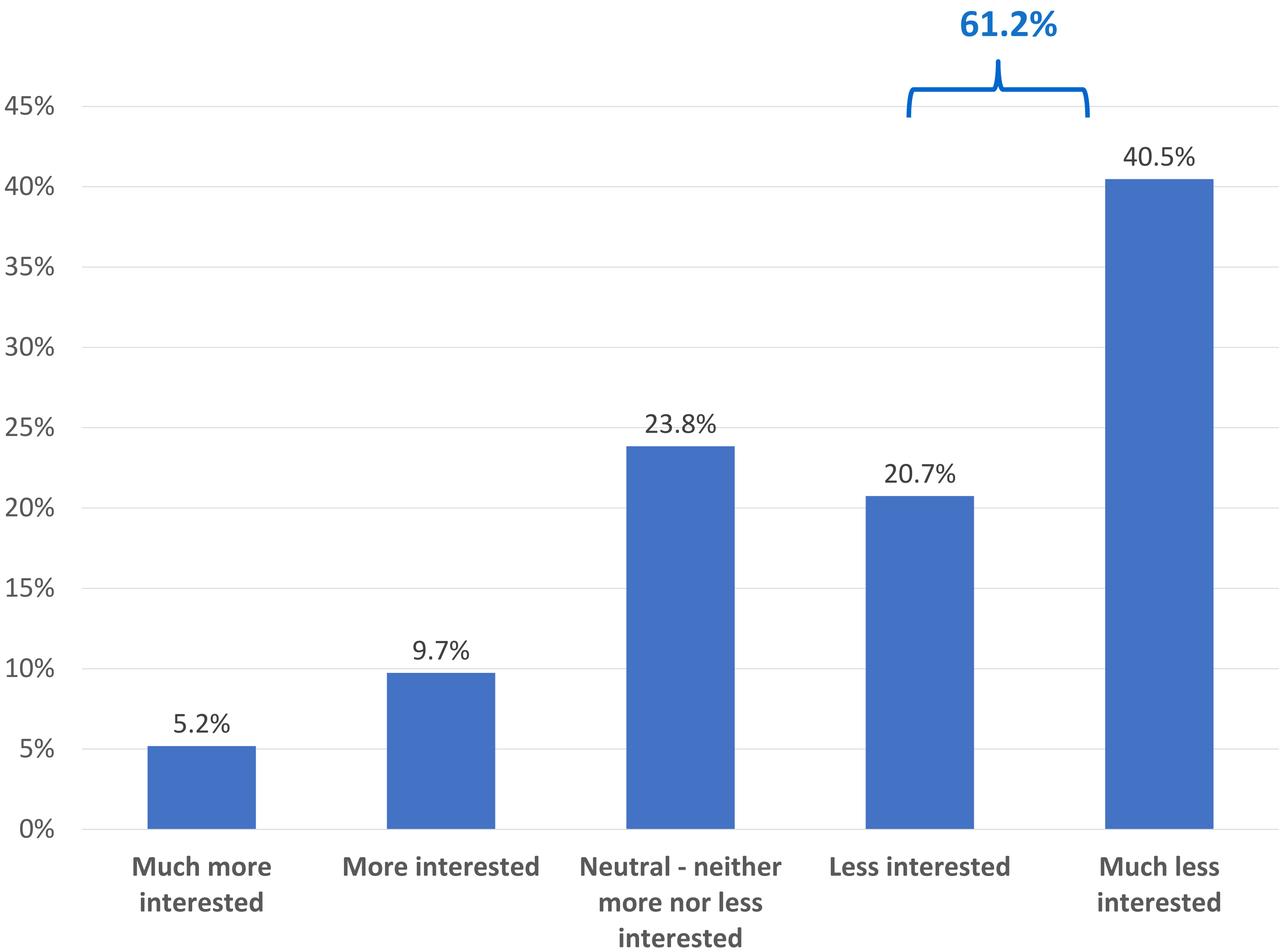


Effect of Crowding on Interest in Visitation

Question: Think of a destination you are interested in visiting. If you saw media coverage of that destination being crowded or where people were not maintaining appropriate distance from each other, how would it affect your interest in visiting? (Fill in the blank)

I would be _____ in visiting.

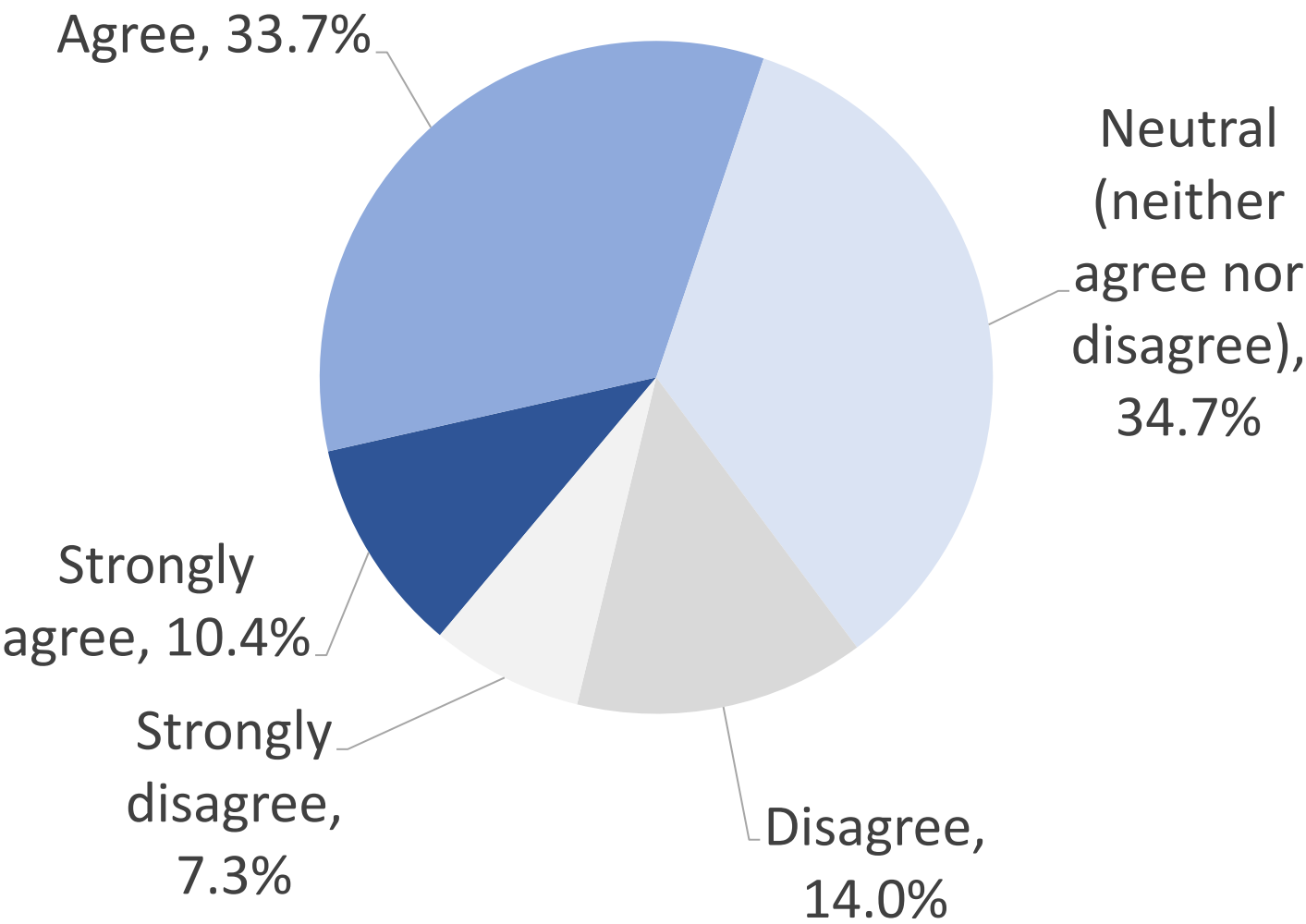
(Base: All respondents, 1,214 completed surveys. Data collected June 12-14, 2020)



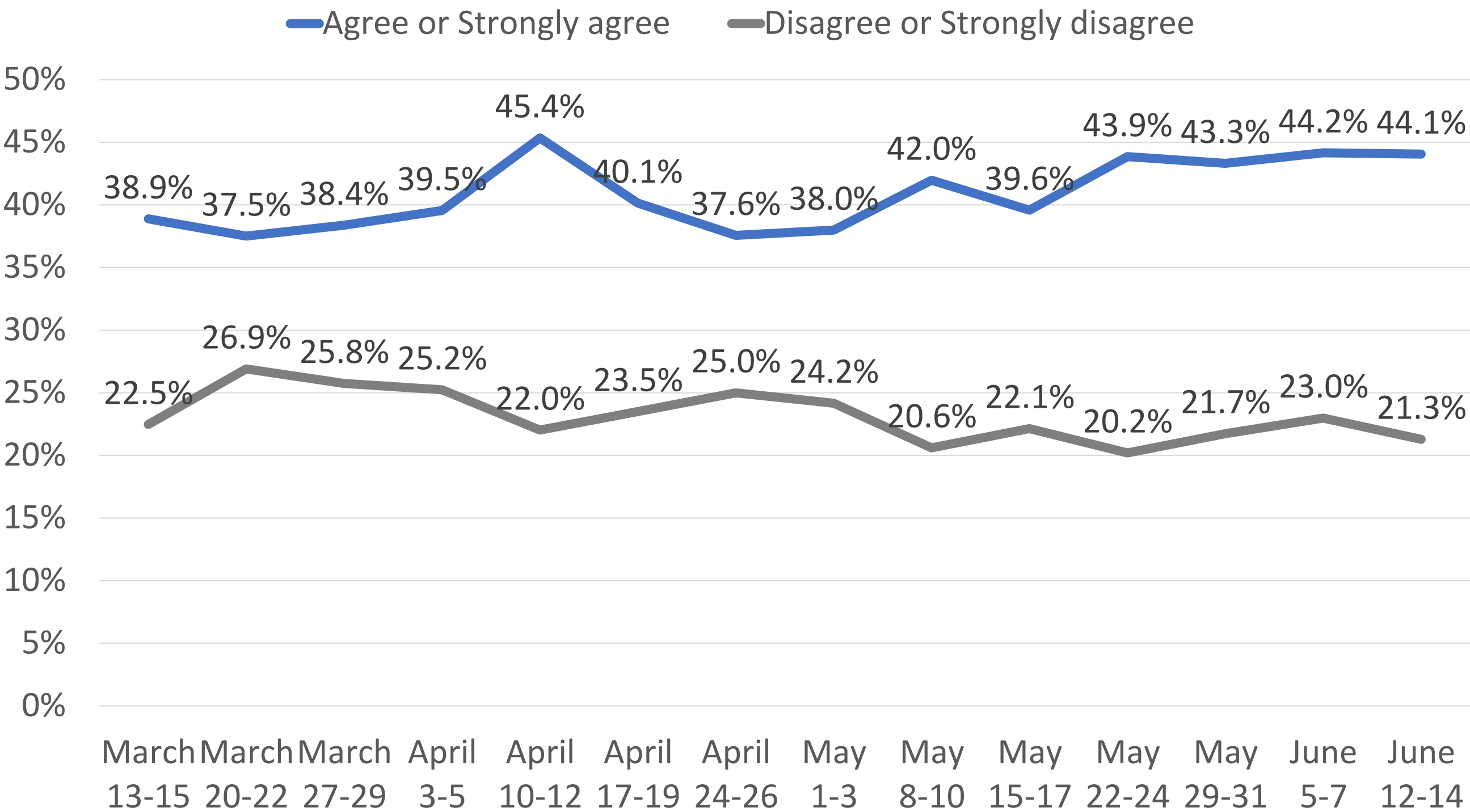
Replacing Air Travel With Road Trips

How much do you agree with the following statement?

Statement: Because of the coronavirus, I'll probably be taking more road trips this year to avoid airline travel.



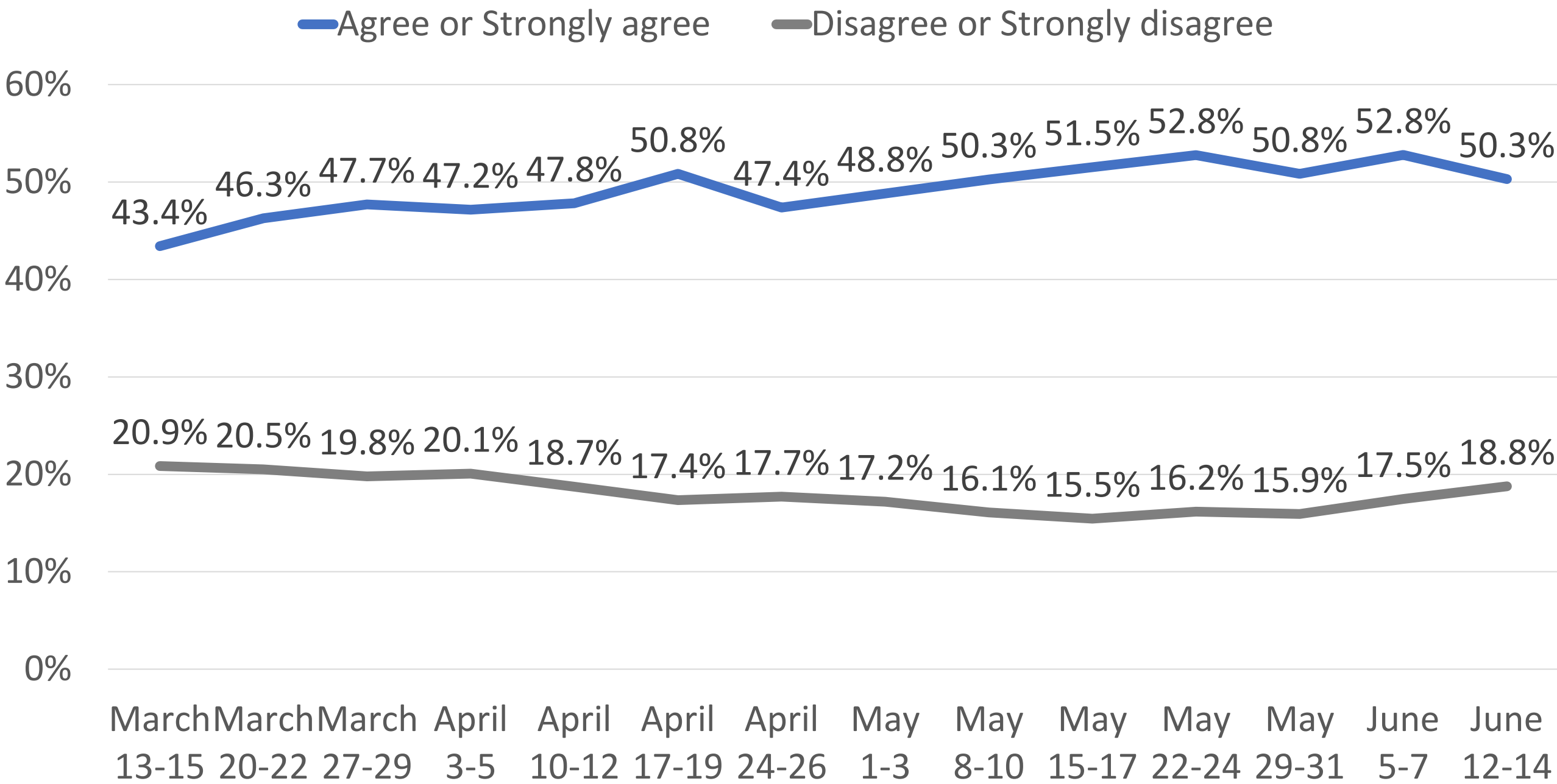
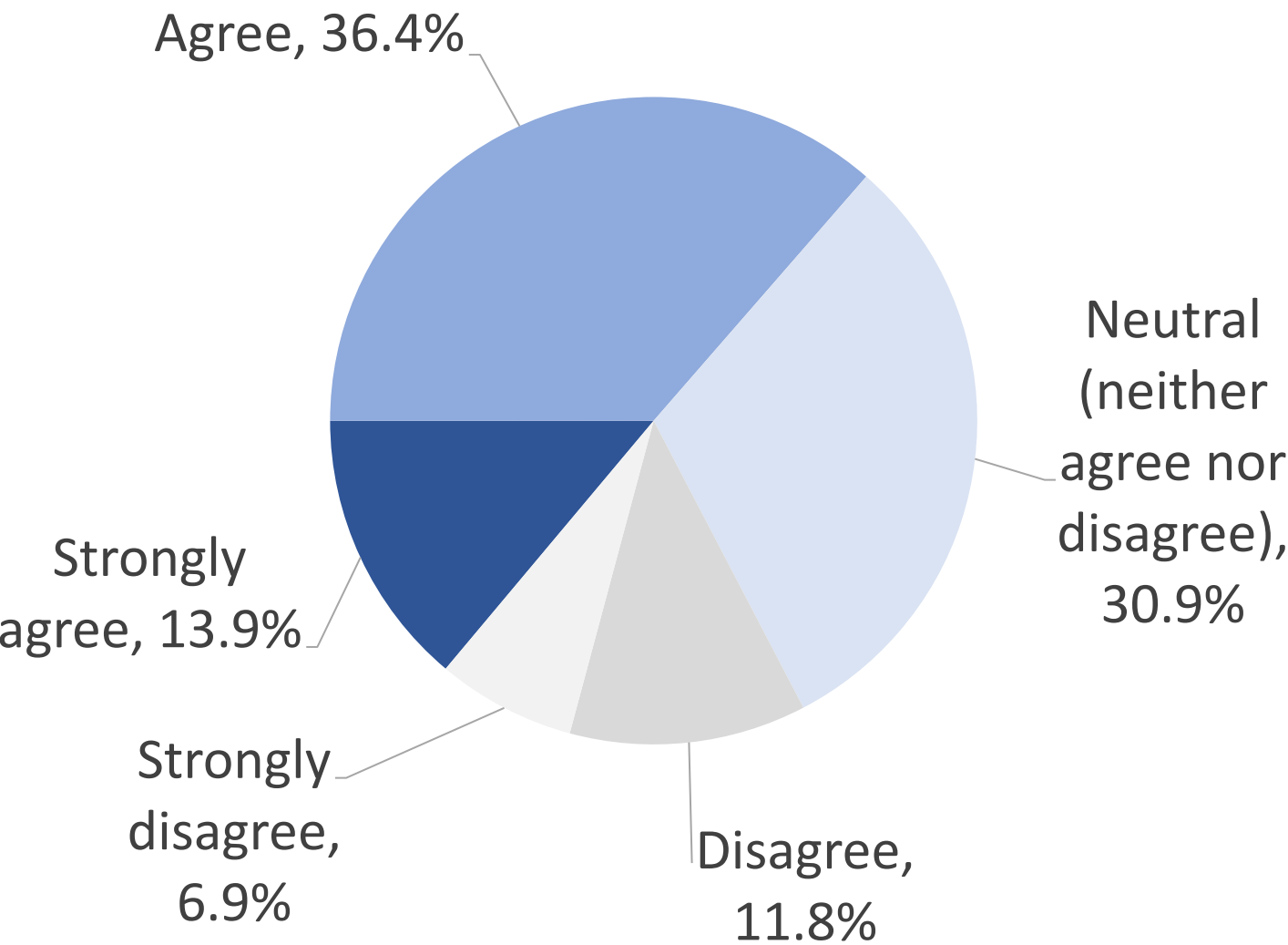
(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)



Replacing Long-Haul Travel with Regional Trips

How much do you agree with the following statement?

Statement: Because of the coronavirus, I'll probably be taking more regional trips (near my home) and avoid long-haul travel (further from home).



(Base: All respondents, 1,201, 1,200, 1,201, 1,216, 1,263, 1,238, 1,208, 1,204, 1,200, 1,212, 1,223, 1,257, 1,214 and 1,214 completed surveys. Data collected March 13-15, 20-22, 27-29, April 3-5, 10-12, 17-19, 24-26, May 1-3, 8-10, 15-17, 22-24, 29-31, June 5-7 and 12-14, 2020)



KEY TAKEAWAYS

- **During the pandemic, the comfort of knowing a place seems to be highly-valued. Much travel in the upcoming year will be to destinations with which travelers are familiar**
- **As Americans continue to want to avoid crowds while traveling, being portrayed as a crowded place (or one where safety protocols are ignored) is indeed bad news for a destination's brand**
- **Staycations, road trips and regional travel continue to be likely summer options for many. Smaller proportions see international or convention/conference travel as options this year.**

Who Is Most Ready to Travel?





THOSE WHO ARE READY TO TRAVEL:

- **Skew Caucasian suburbanites**
- **Expect the coronavirus situation in the U.S. to get better in the next month**
- **Feel comfortable going out into and experiencing their community**
- **Likelier to feel the federal government has done a good job of managing efforts and communicating with the public**
- **Feel the hotel and airline industries have well-communicated measures they have taken to keep travelers safe**
- **They personally feel that they are well-informed about Coronavirus-related travel risks and are confident that they could travel safely in the current environment**



THOSE WHO ARE READY TO TRAVEL:

- **At this moment, nearly all would feel safe taking a road trip and visiting friends and family**
- **Expect to travel this Fall and have plans to take a leisure trip this year, with the highest percentages reporting planned trips in August and September**
- **40 percent will not avoid any of the travel activities tested in the current or post pandemic period**
- **Would be comfortable taking a bus tour this summer**
- **Say that discounts and deals make them more interested in traveling in the next three months**

COVID-19 Economic Briefings



Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Economic Advisory Group

Contributing Economists

DETR

David Schmidt

Christopher Robison

Alessandro Cappelo

DHHS

Kyra Morgan

Henry Agbewali

GOED

Bob Potts

Chelsea Walburg

Taxation

Hayley Owens

Jeff Hardcastle

Tourism

Kyle Shulz

Private Sector

John Restrepo (RCG Economics)

Roland Stephan (SRI)

Economic Advisory Group Discussions

- Economic Statistics Updates
- COVID-19 Economic Impact Survey
- Phased Opening Analysis
- Consensus Forecasts
- Health and Economic Data Integration

Economic Updates



Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Weekly Updates

- Health Dashboard Update
- Labor Force Statistics
- Unemployment Insurance Initial and Continued Claims
- Tax Collections Data (Public Data Only)
- Survey Updates (Opentable and Nationscape)
- Private Sector View of the Situation (Business Anecdotes, Local Articles, etc.)
- National Statistics (GDP, Stock Market, etc.)
- Global Economic and Health Statistics
- Travel Survey Updates, Passenger Counts, Room Rates, Occupancy Rates and Internal Estimates

COVID-19 Business Survey



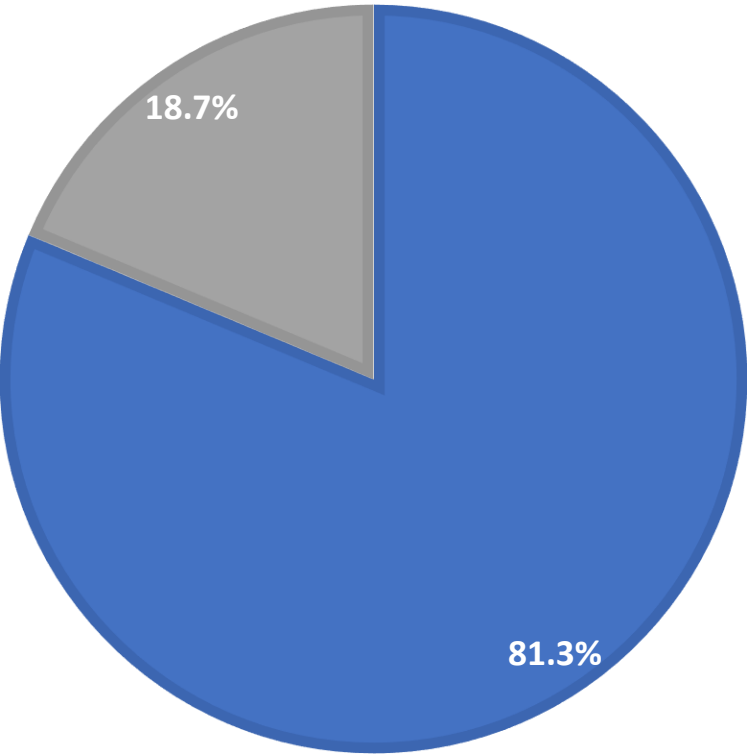
Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Essential and Nonessential Business Distribution

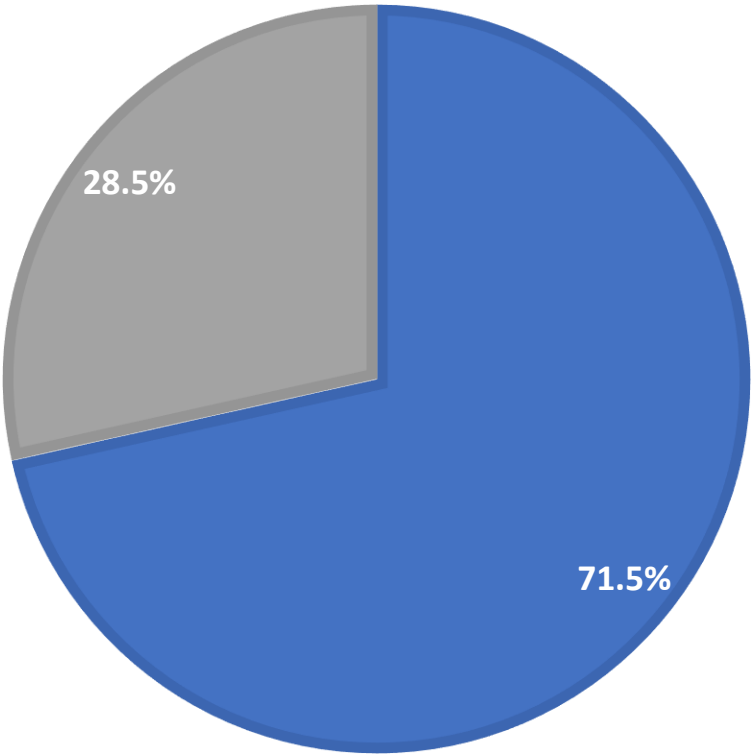
Aggregate Economy

■ Essential Businesses ■ Nonessential Businesses



Survey

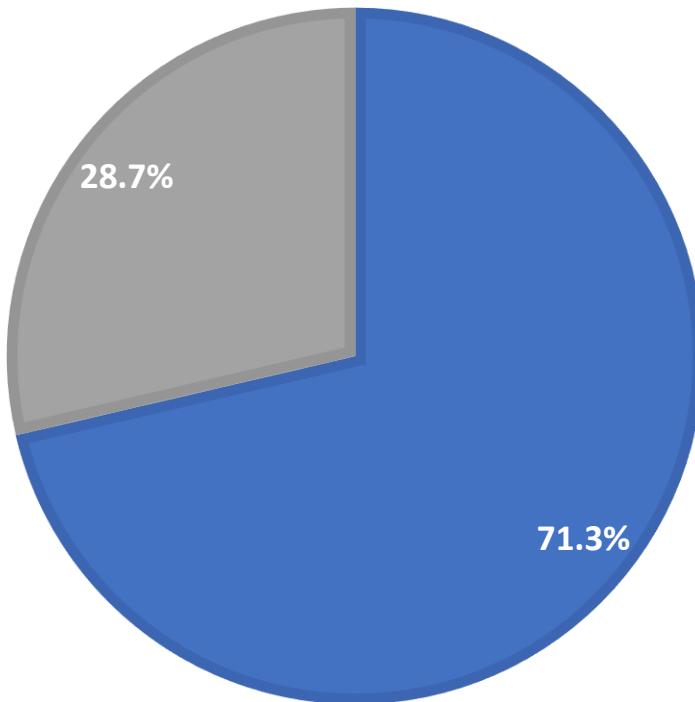
■ Essential Businesses ■ Nonessential Businesses



Essential and Nonessential Job Distribution

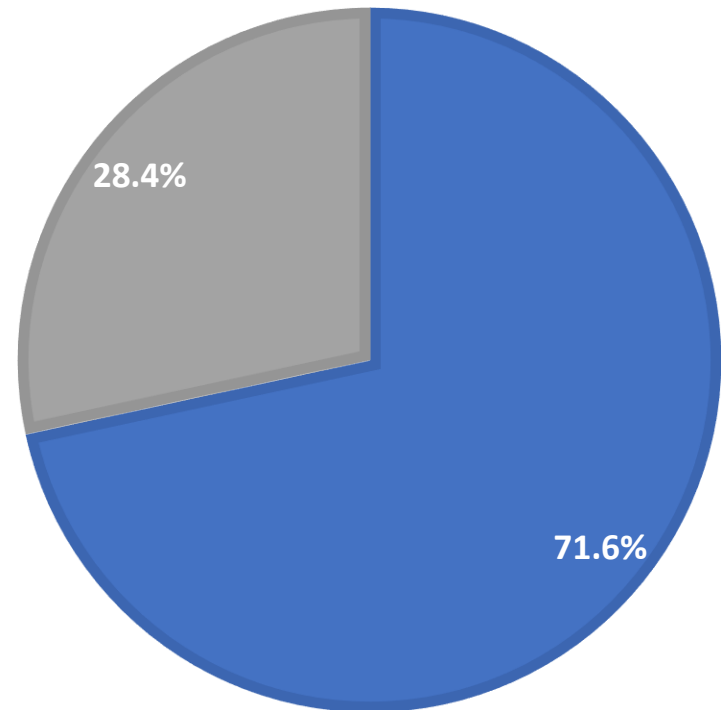
Aggregate Economy

- Essential Employment
- Nonessential Employment

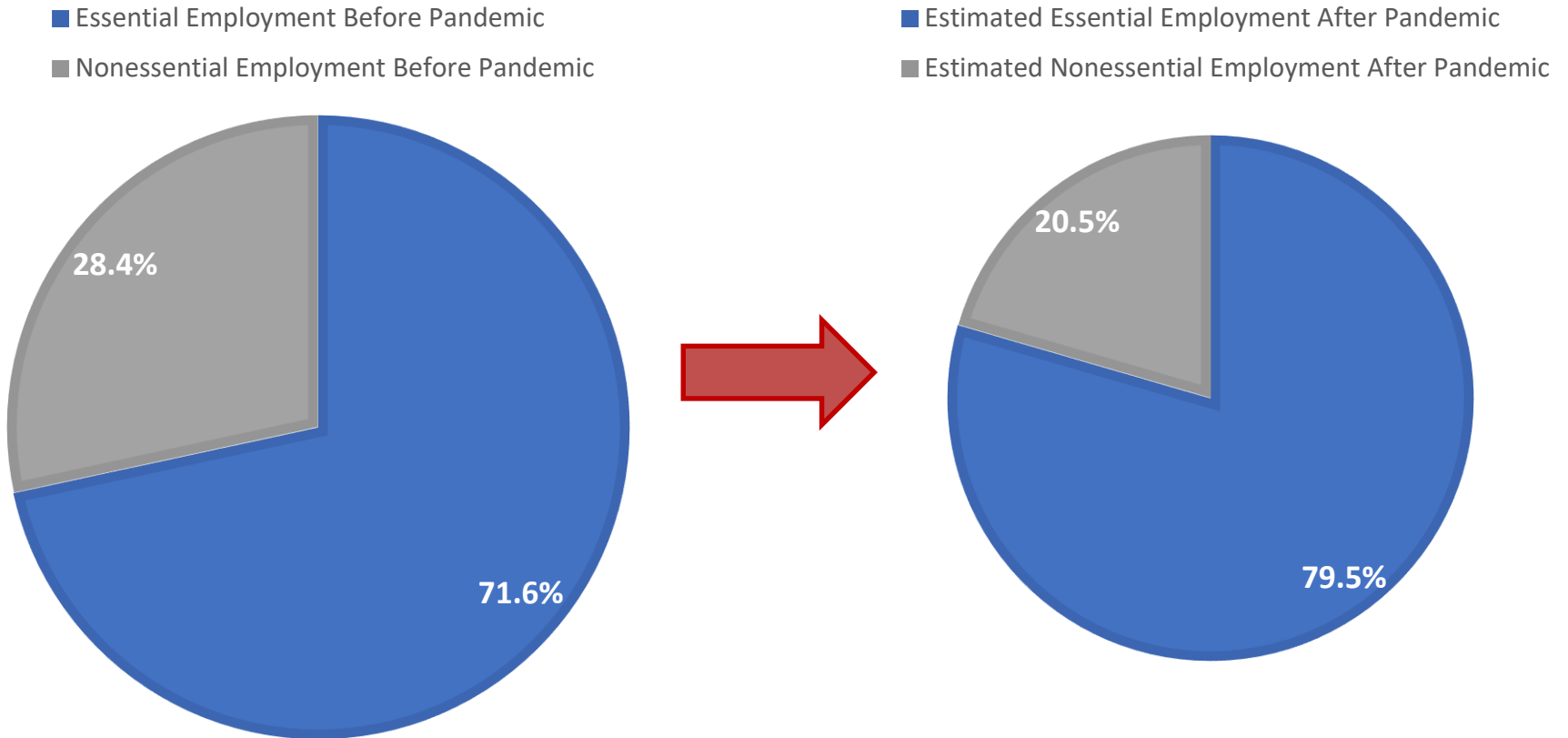


Survey

- Essential Employment Before Pandemic
- Nonessential Employment Before Pandemic



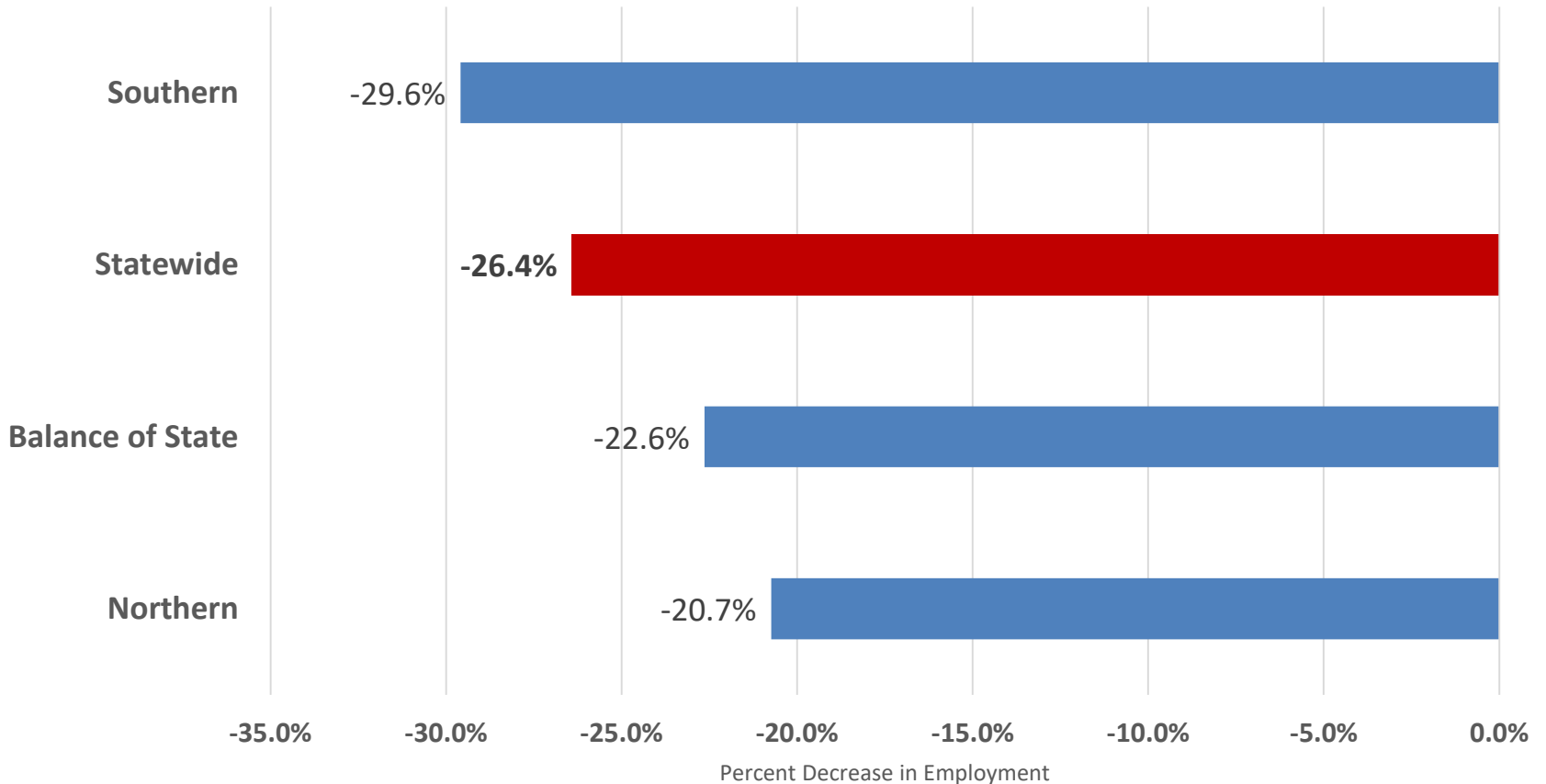
Survey Essential and Nonessential Job Mix



Survey Questions: “How many employees did you have prior to the Covid-19 pandemic?” and “What is the expected number of employees after the pandemic?”

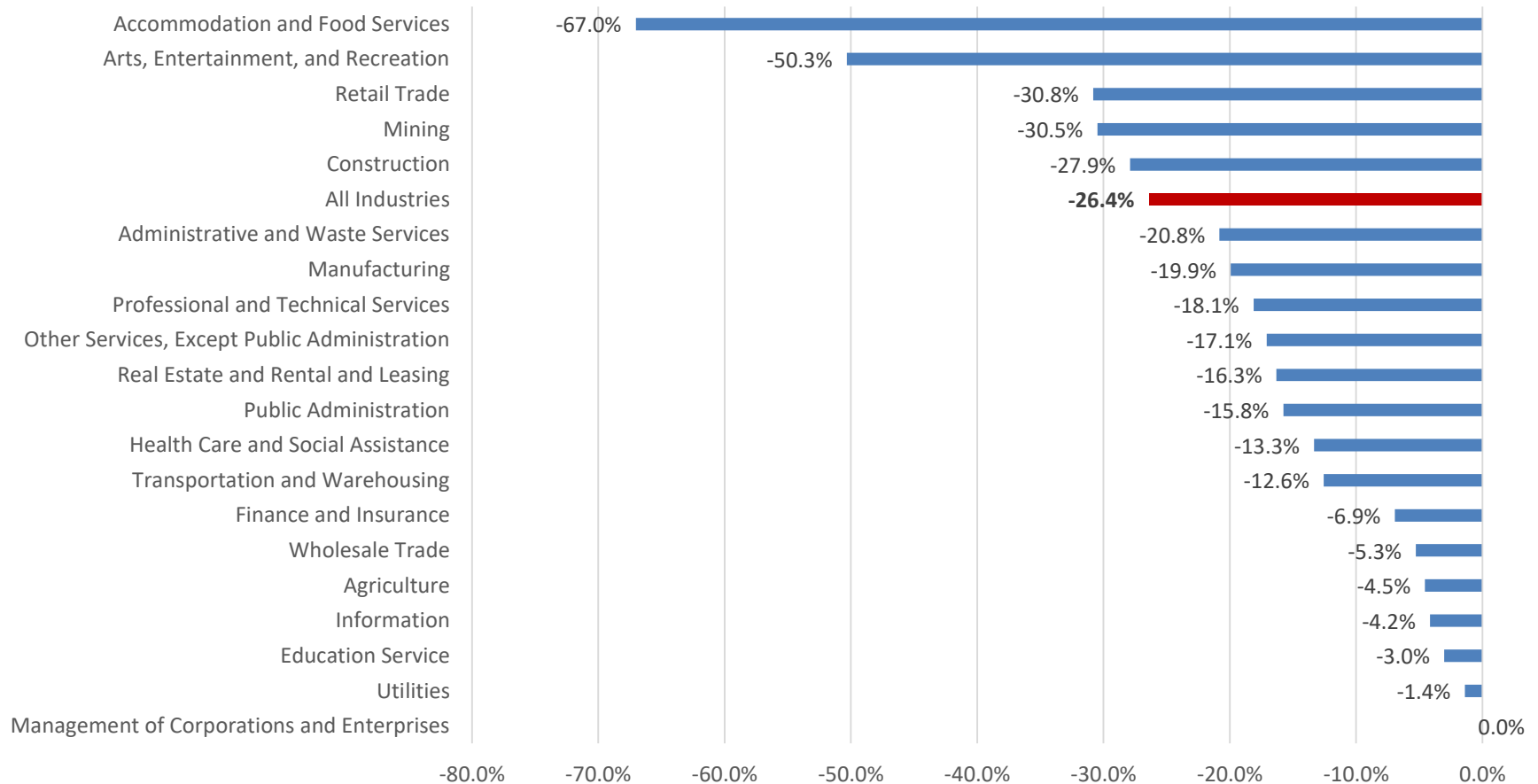
Employment Contraction by Region

Of 950 Companies with Known Employment During Disaster



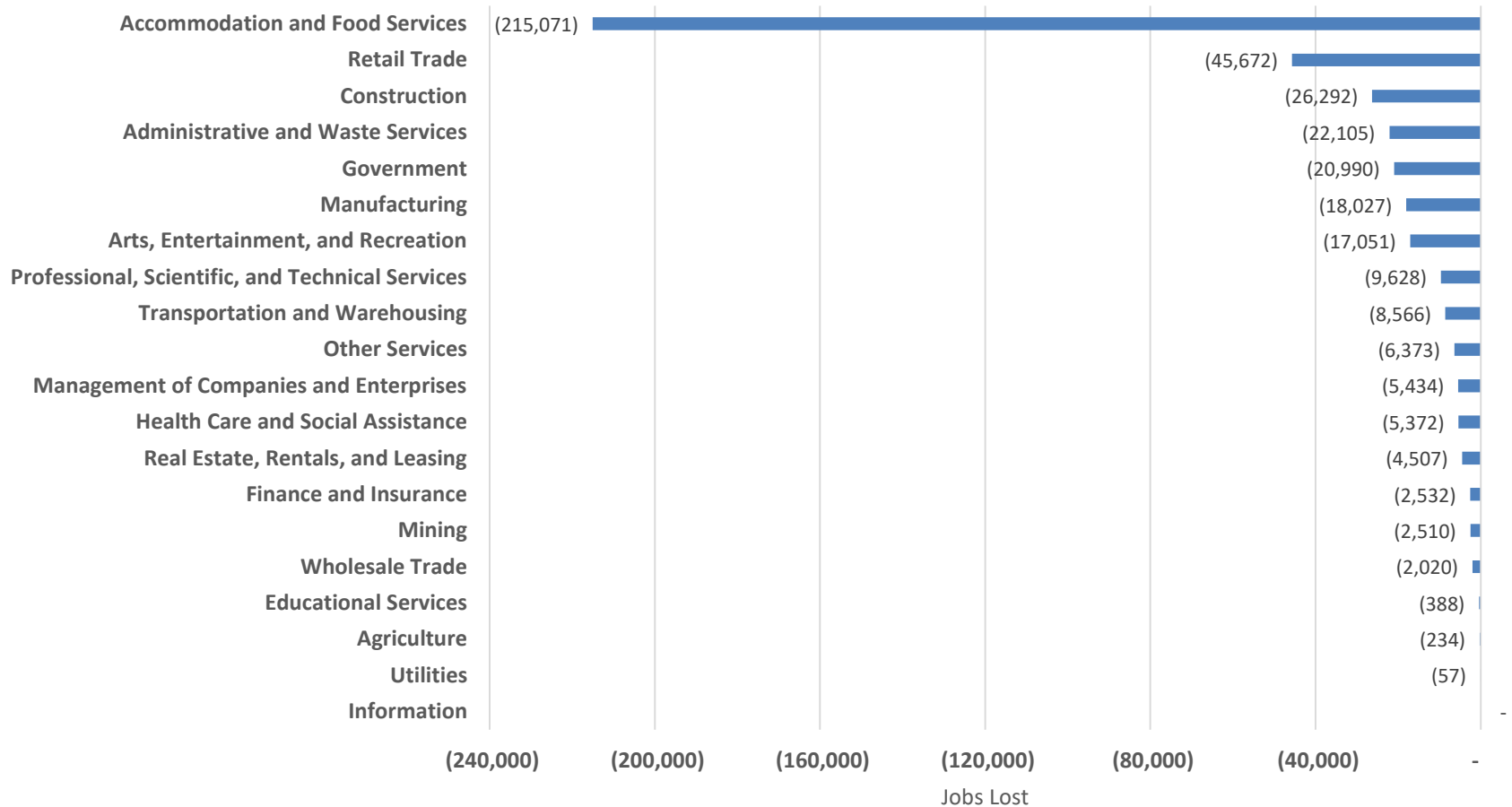
Statewide Job Contraction by Industry

Of 950 Companies with Known Employment During Disaster



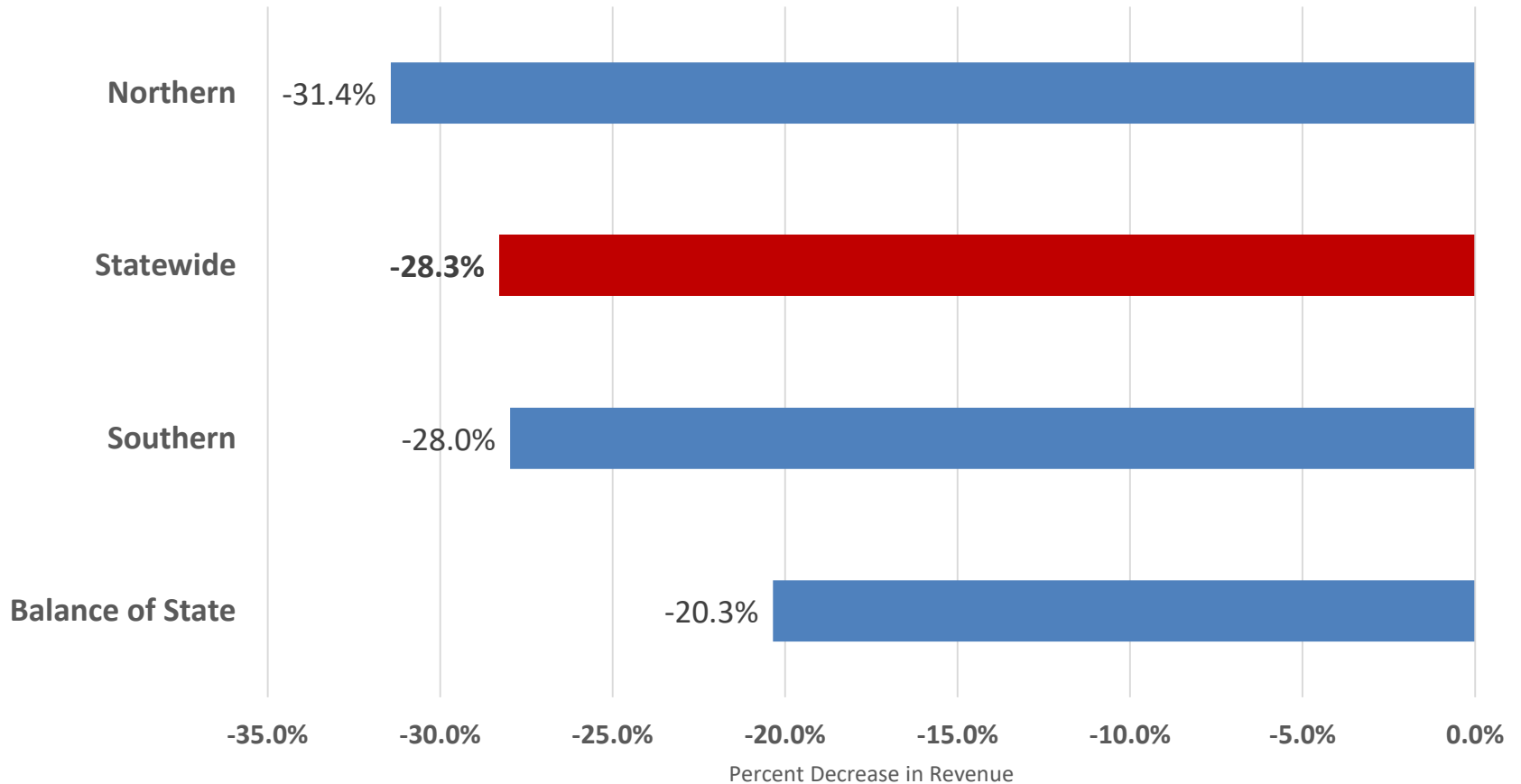
Inactive Job Estimates by Industry using Survey Distribution

Estimated 415,000 “Inactive” Jobs in Phase 0



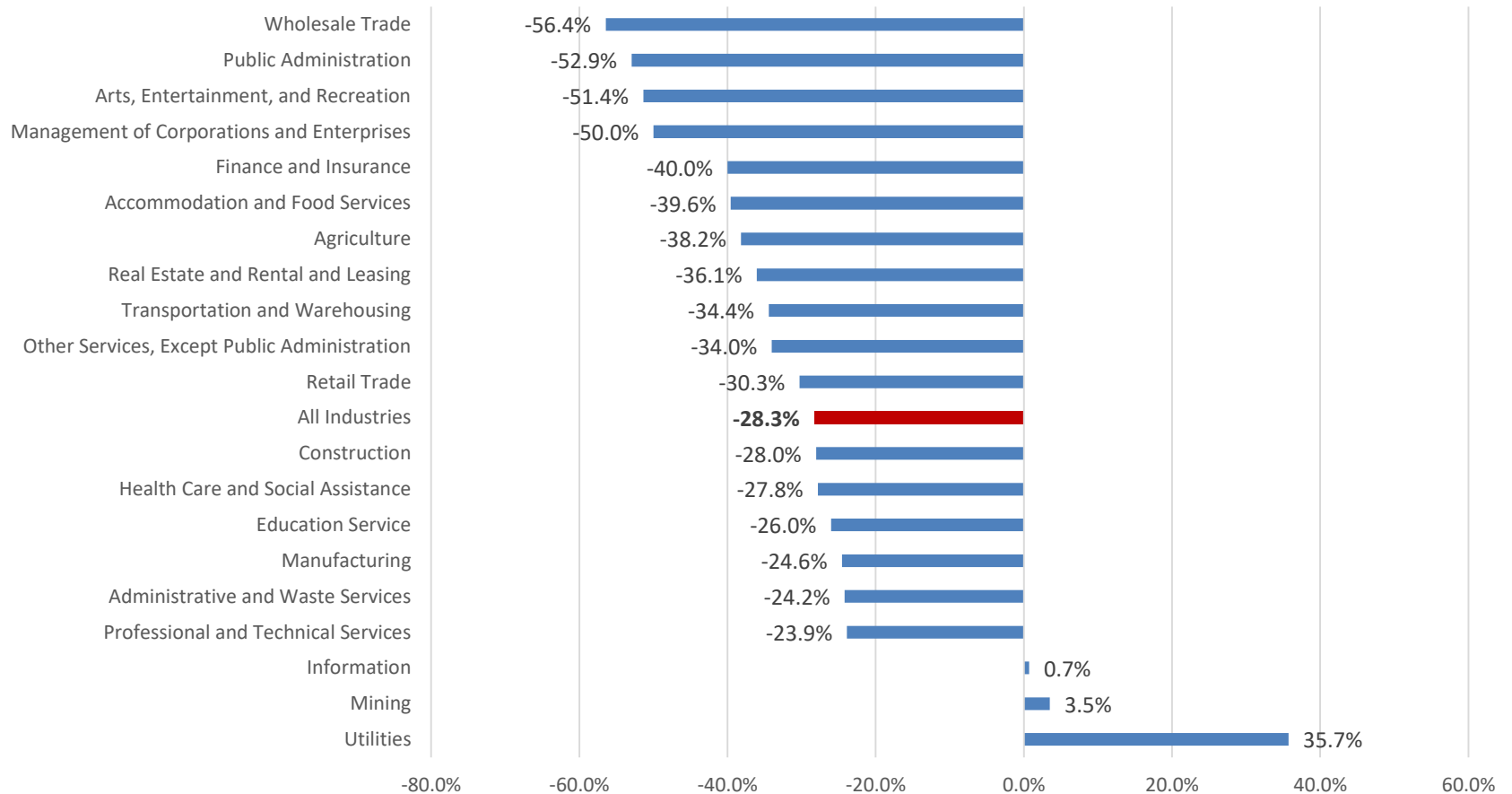
Revenue Contraction by Region

Of 750 Companies with Known Employment During Disaster



Statewide Revenue Contraction by Industry

Of 750 Companies with Known Employment During Disaster



Phased Opening Analysis



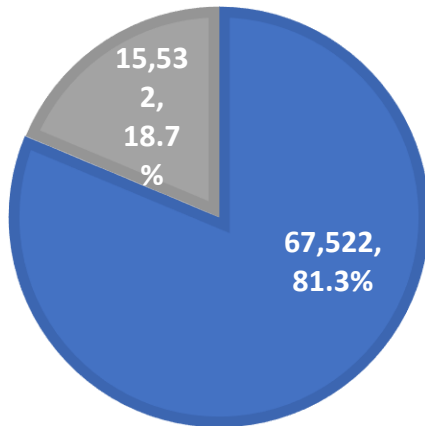
Nevada Governor's Office of
ECONOMIC DEVELOPMENT

Business Closures

Total Businesses (Includes Self-Employed)

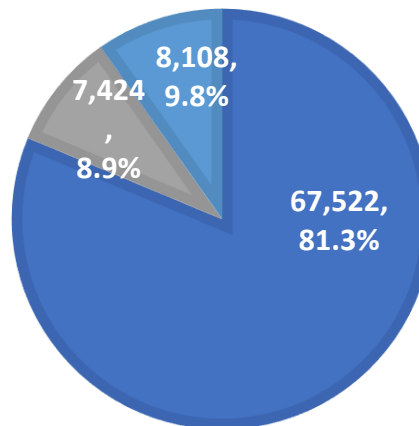
Phase 0

■ Open ■ Closed



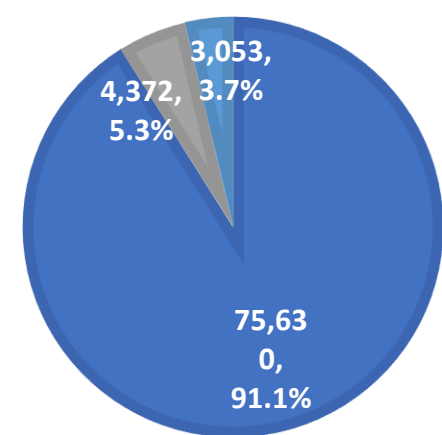
Phase 1

■ Remain Open
■ Remain Closed
■ Reopen



Phase 2

■ Remain Open
■ Remain Closed
■ Reopen

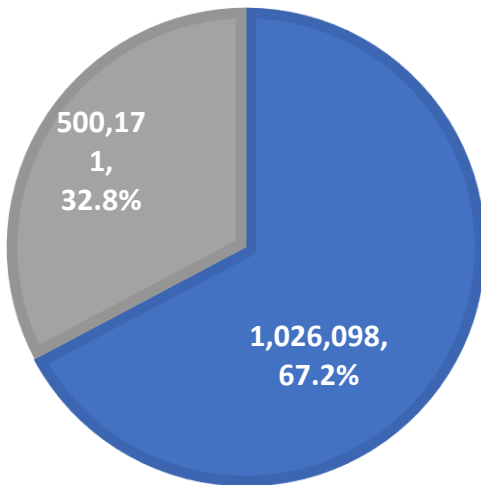


Employment Levels due to Business Closures

Total Employment (Includes Payroll and Self-Employed)

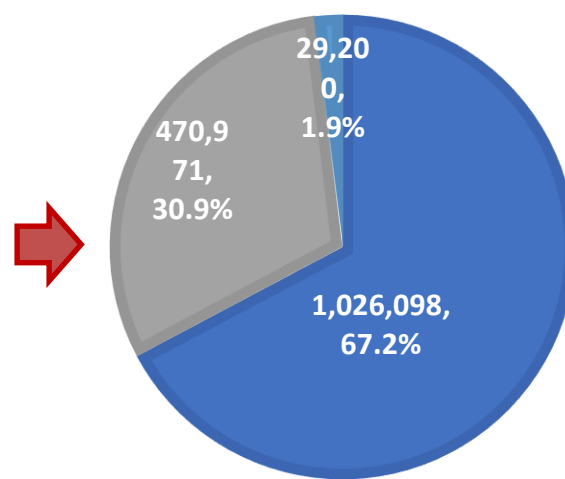
Phase 0

■ Active ■ Inactive



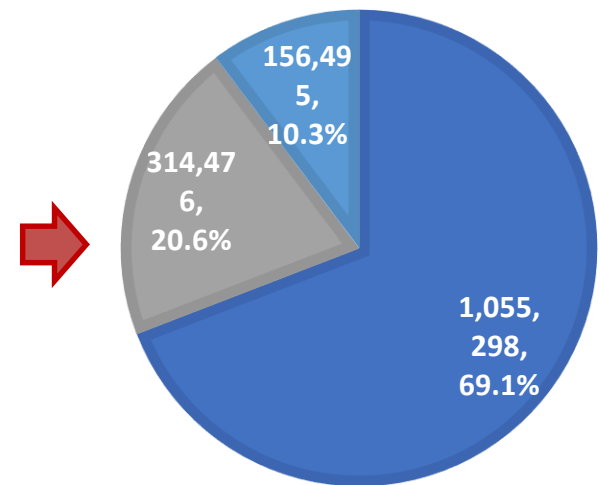
Phase 1

■ Active ■ Inactive ■ Newly Active

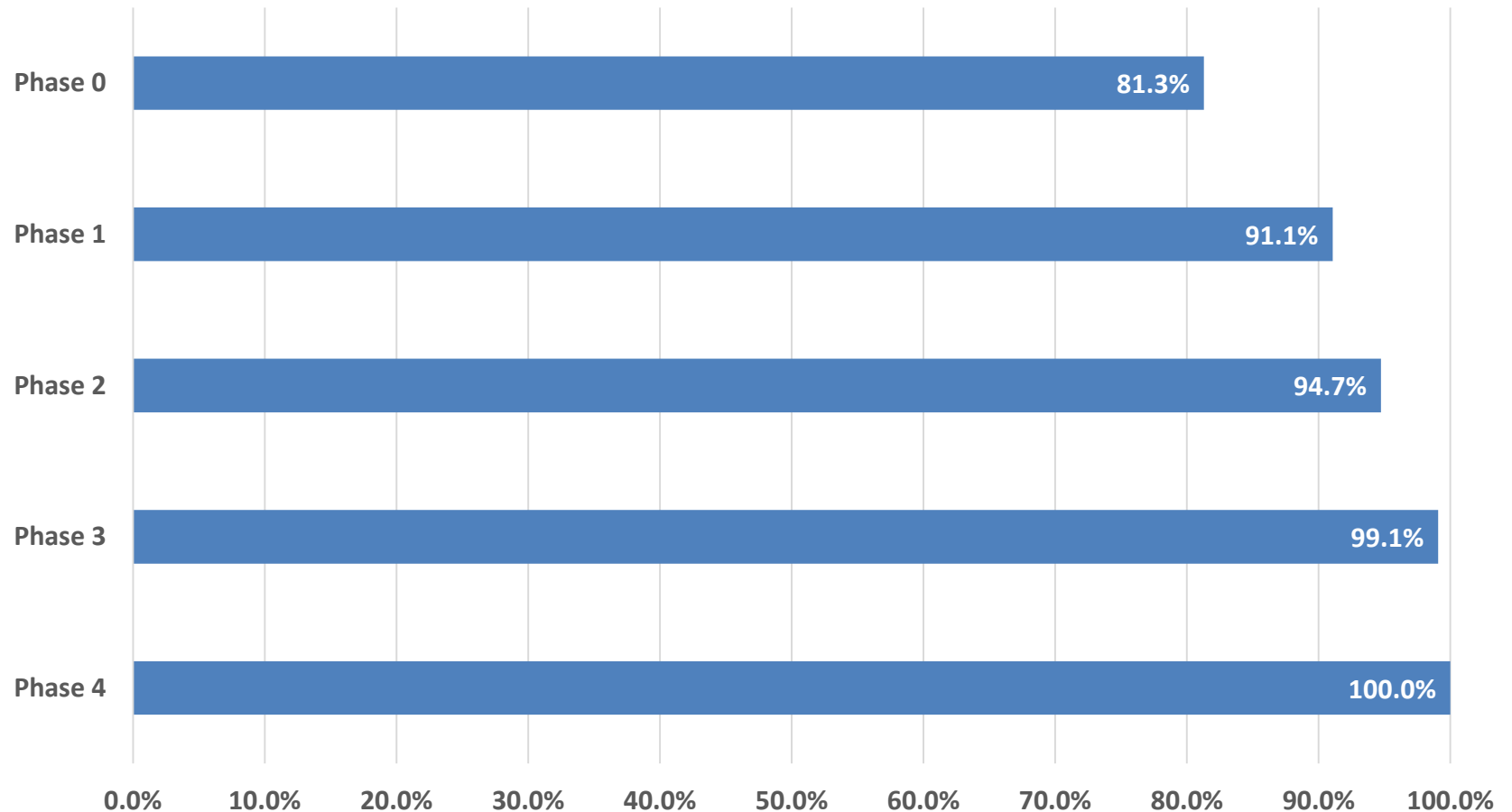


Phase 2

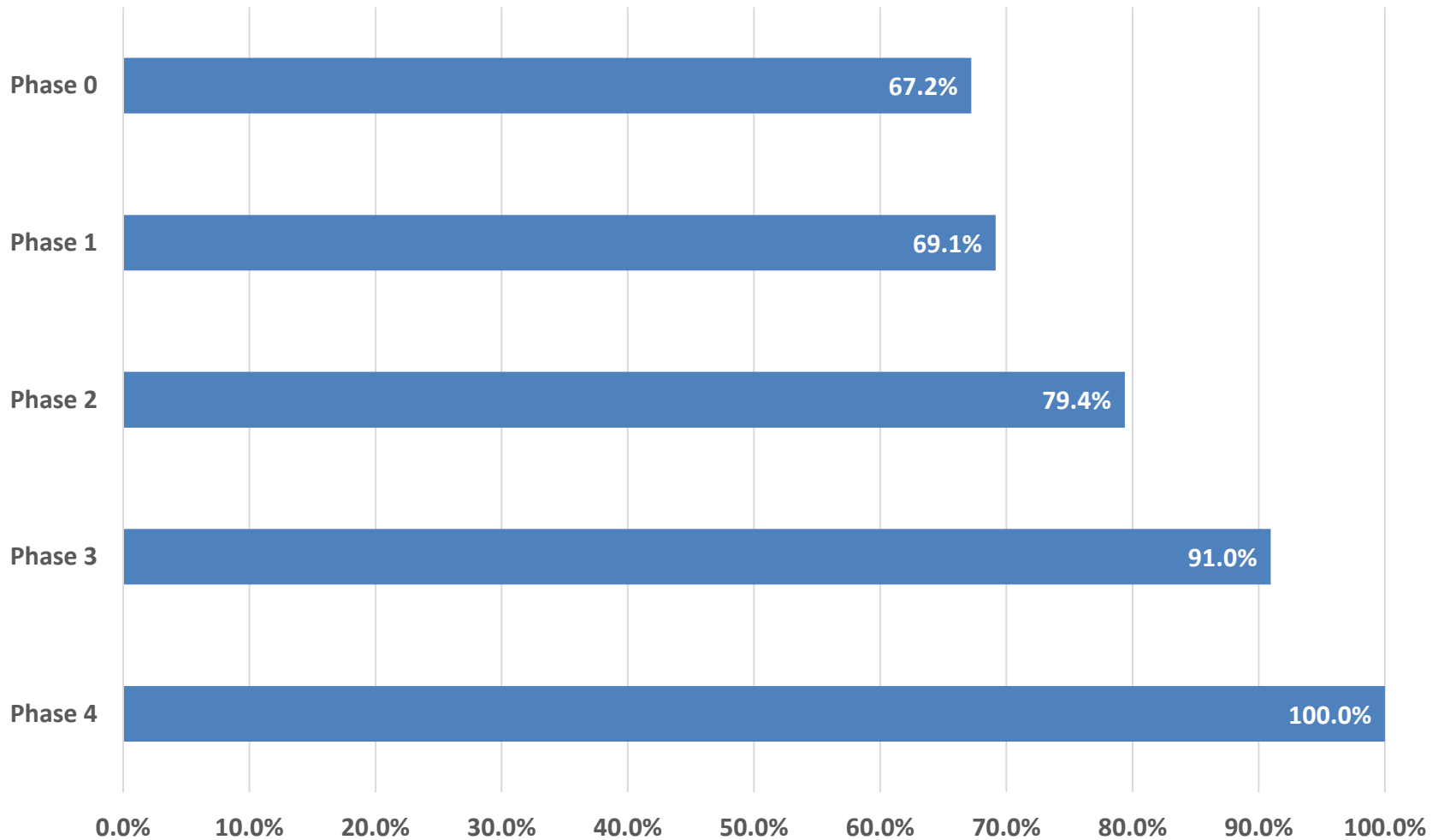
■ Active ■ Inactive ■ Newly Active



Percent of Businesses Open by Phase



Percent Active Employment by Phase



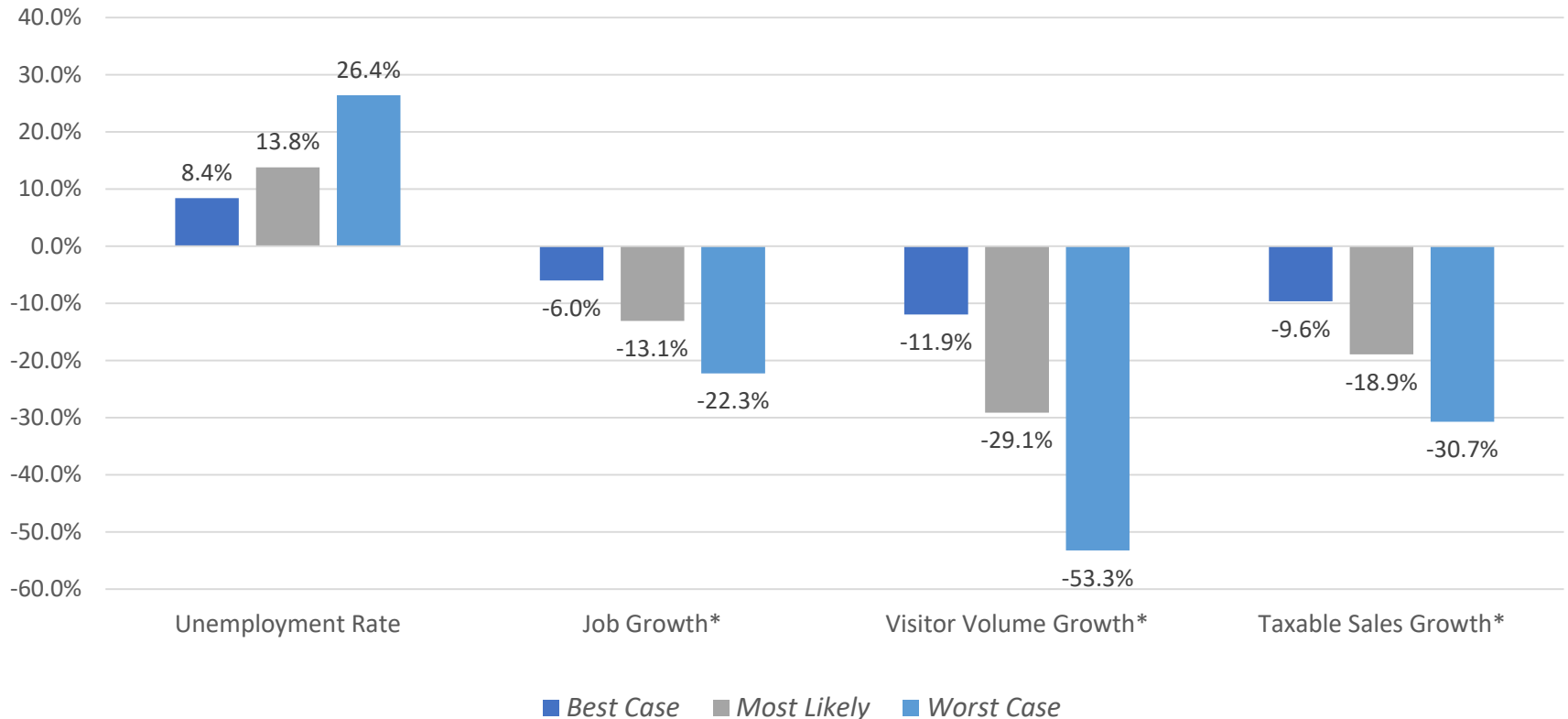
Consensus Forecasts



Nevada Governor's Office of
ECONOMIC DEVELOPMENT

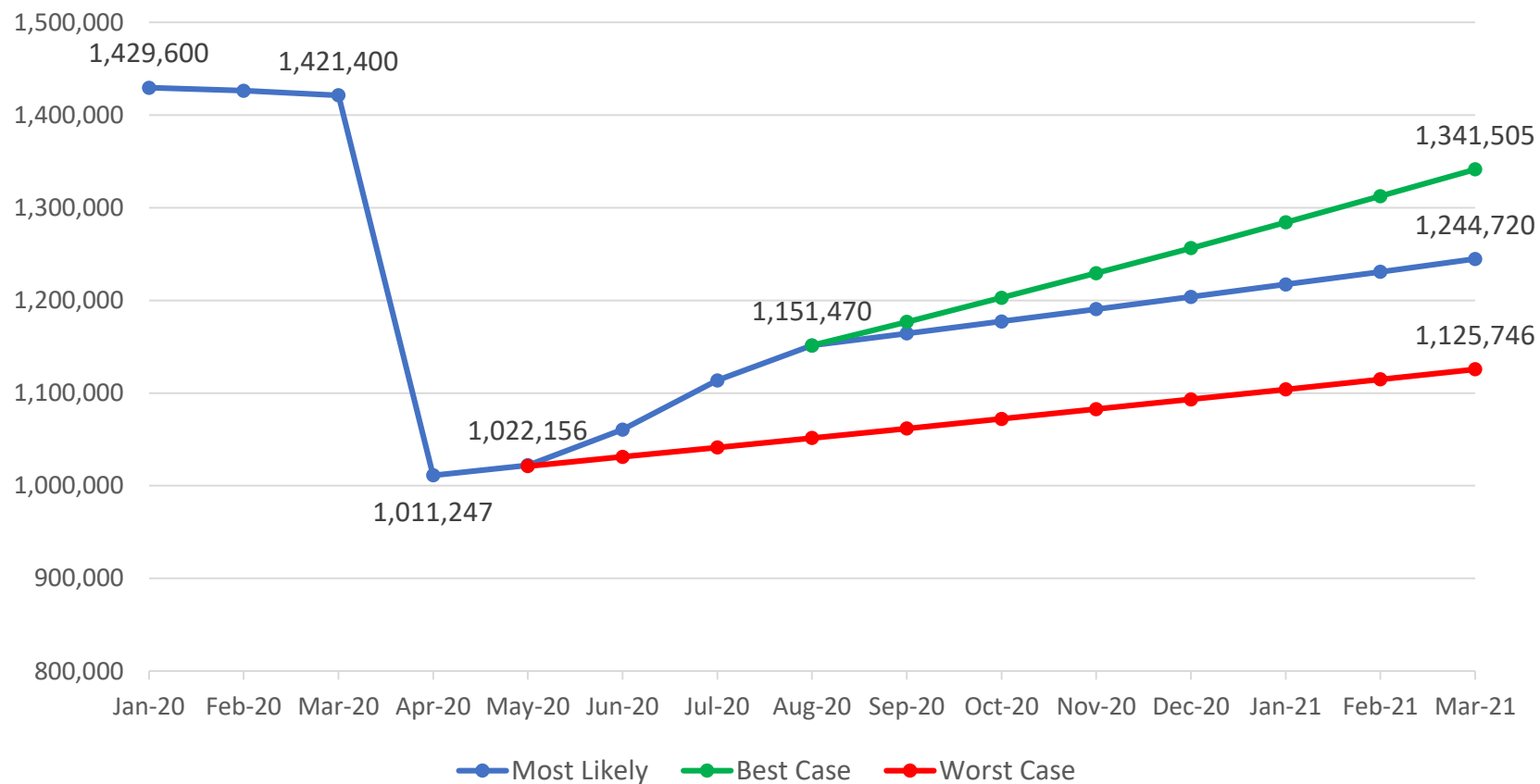
Nevada Governor's Office of
ECONOMIC DEVELOPMENT

March 2021 Consensus Scenario Projections Based on Pandemic Conditions as of 6/11/2020



Note: Growth rates as compared to February 2019.

Active Workers by Phased Openings and Consensus Scenario Projections



Governors Office of Economic Development

Main Number: 775-687-9900

Nevada Governor's Office of

ECONOMIC DEVELOPMENT

NEVADA

M A G A Z I N E

Final Scenario Report

June 15, 2020

Prepared By: Coraggio Group





Table of Contents

Executive Summary	04
Introduction & Methodology	06
Evaluated Scenarios	08
Insight Report	19

This report reflects an evaluation of data and survey responses based on information gathered from Nevada Magazine employees, readers, and key stakeholders. Coraggio’s interpretation and analysis of the data throughout the report is based on information provided through June 12, 2020. Several reasonable assumptions are made about the future of Nevada Magazine, and these assumptions should not be considered guarantees of future performance and undue reliance should not be placed on them. These assumptions and analysis necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future. The reader is cautioned not to place undue reliance on these forward-looking statements.

Executive Summary

Nevada Magazine and the Nevada Department of Tourism & Cultural Affairs recently undertook efforts to evaluate potential future scenarios for the publication. Trends in the magazine industry and falling subscriptions have made it harder for Nevada Magazine to maintain enterprise status and continue to deliver its valued and historic publication. Through stakeholder interviews, reader surveys, secondary research, and planning sessions with key Nevada Magazine and Nevada Department of Tourism & Cultural Affairs staff, the team has arrived at the following recommendations:

- 1

Nevada Magazine should shift to a quarterly schedule, or four issues per year. This shift will reduce costs and ensure content is fresh and unique across every issue.
- 2

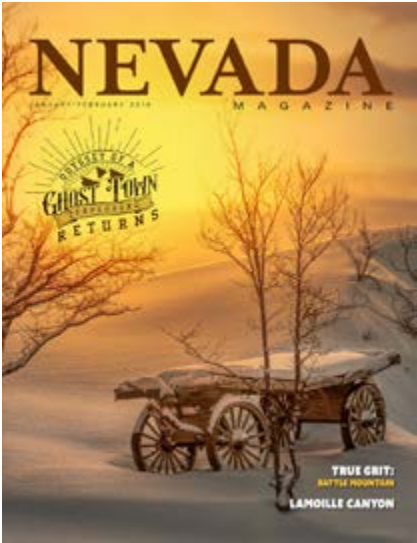
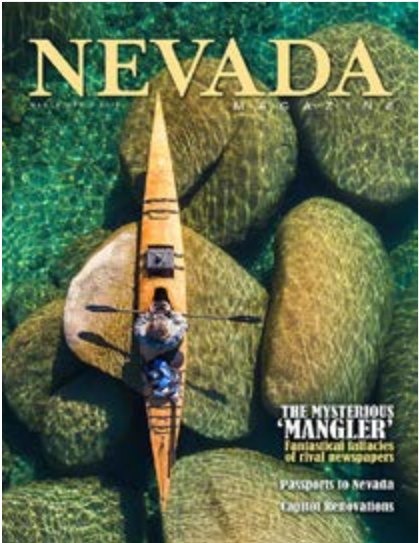
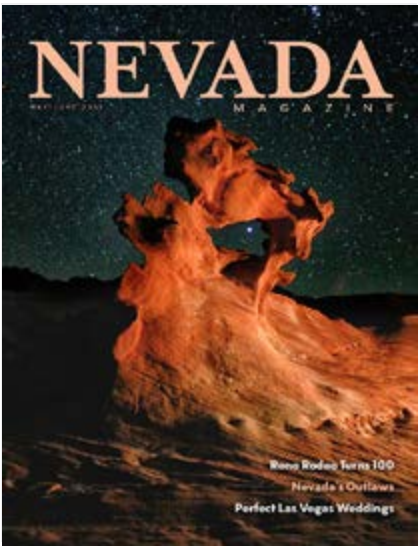
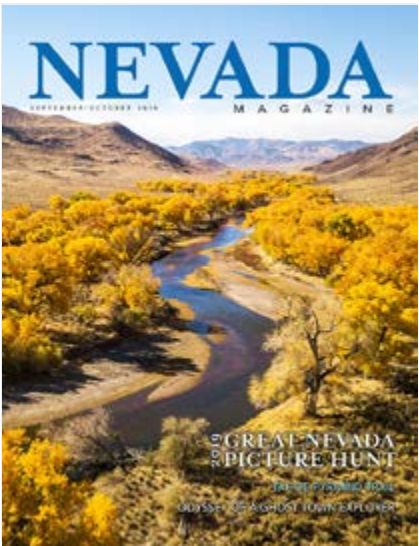
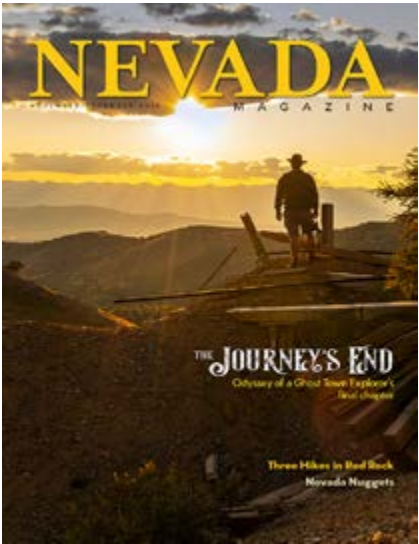
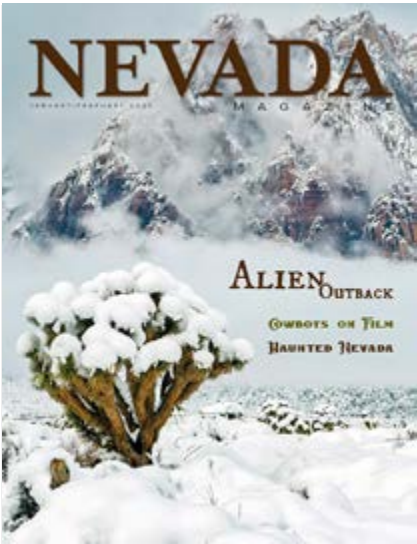
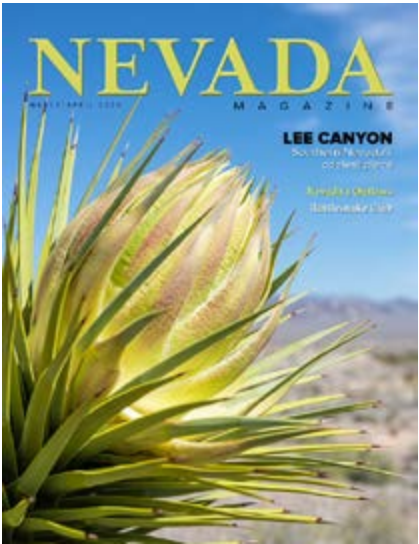
Legacy magazine topics such as ghost towns and Nevada history need to be broadened, while maintaining brand authenticity, in order to reach beyond the magazine's primary reader, a segment that is shrinking by 2% every year.
- 3

Digital capabilities need to be enhanced to provide digital advertising opportunities, extend the magazine's reach, and maintain engagement between printed issues.
- 4

Larger advertisers and broader audiences need to be attracted to the magazine through strategic partnerships with national magazine agencies (i.e. Meredith Publishing, etc.).
- 5

The magazine needs to increase its publications (i.e. Nevada Ghost towns c.2013) in its product portfolio. These present unique revenue opportunities that leverage the brand.

These changes are recommended as they minimize internal operational change, increase the magazine's lowlihood of maintaining its enterprise status, and bridge the gap between legacy readers and the next generation of Nevada enthusiasts. The following report outlines the details of the market insights, evaluated scenarios, and ultimate decisions referenced above.





Introduction & Methodology

Nevada Magazine and the Nevada Department of Tourism & Cultural Affairs commissioned this report and the work required in its completion to evaluate potential future scenarios of Nevada Magazine. This effort began with data collection and outreach efforts to better understand the current state of the magazine, its value to readers, and potential solutions to increase the magazine’s effectiveness over time. With insights in hand a cross-functional group of Nevada Magazine, the Nevada Department of Tourism & Cultural Affairs staff, and key partners participated in a series of workshops to create, evaluate, and select future state scenario(s) that would inform the strategic direction of the magazine. This report summarizes those efforts.

Outreach and Insights Methodology

Stakeholder outreach was conducted to assess Nevada Magazine’s current state, the challenges and opportunities it faces as a marketing asset, and to help identify potential evolutions of the publication. Insights were developed by assessing current market trends, reviewing Nevada Magazine financials, and surveying and interviewing Nevada Magazine staff, stakeholders, readers, and advertisers on the following topics:

- | | |
|--------------------------------|--|
| 1. Magazine Purpose | 5. Advertisement Effectiveness |
| 2. Content Quality | 6. Challenges and Opportunities for the Magazine |
| 3. Reader Behavior | 7. Potential Future Scenarios |
| 4. Advertiser Opinion and Need | |

This outreach included:

17 one-on-one interviews conducted with Nevada Magazine Stakeholders.

822 respondents to an online reader survey.

26 respondents to an online advertiser survey.

Scenario Identification and Evaluation Methodology

The scenarios covered in this report were identified by Nevada Magazine, Travel Nevada, Meredith Publishing, and Coraggio Group. These scenarios outline and describe potential future states for Nevada Magazine, specifically its brand, financial outlook, content, and customers. In order to effectively evaluate each scenario, the planning team also identified decision making criteria prior to the development of the scenarios. These decision criteria describe the ideal outcomes a scenario should achieve to be a viable consideration for Nevada Magazine.

Decision Criteria: A viable scenario should do the following:

- Satisfy Nevada Magazine’s legal requirement and statute to operate as an enterprise business, generating enough revenue to cover its operations
- Align with and support Travel Nevada efforts
- Influence Nevadans to travel within the state
- Increase advertising revenues, while enhancing advertisements quality
- Appeal to a broader readership base

Each scenario includes a brief description and a Profit and Loss (P&L) financial model. The model attempts to illustrate the potential impacts to Nevada Magazine from a financial and market growth perspective. Each model is developed using a number of variables and baseline assumptions collected from Nevada Magazine’s 2020 FY Budget, 2017-2019 financial statements, advertising accounts receivable, subscription back logs and other information directly sourced from Nevada Magazine and Travel Nevada staff. Additionally, growth variables are a function of staff input, past performance, and some assumed outcomes of each scenario.

Each scenario operates on the following standard assumptions:

- Assumes implementation in the fiscal cycle 21/22
- 96 page issues
- COVID-19 effects on the market will still be felt in fiscal cycle 21/22, but recovery will begin to take hold
- All cost items are assumed to grow year over year at 3% where applicable



Evaluated Scenarios

Scenario One: Shift Magazine to Quarterly Issues, Broaden Content, Enhance Digital Capabilities and Formats, and Improve Print Quality.

1. Nevada Magazine will shift to a quarterly magazine. This shift will reduce print costs and postage savings to help the organization ensure enterprise stability, while allowing the magazine to ensure fresh and engaging content in each new issue.
2. Content of the magazine will broaden beyond its current core topics (history, ghost towns, etc.) to appeal to larger readership, one which is interested in a wider range of all things Nevada. Potential new content includes outdoor recreation, culinary, and other Nevada travel and culture topics. While content will broaden, the quality of articles, photos, and authenticity that the magazine’s readership values will continue to be the magazine’s core competency. A successful shift should increase subscriptions, newsstand sales, and reinvigorate Nevada Magazine’s pipeline of readers.
3. Digital capabilities, content, and advertising opportunities will grow over time. Nevada Magazine will begin to redefine its digital strategy to respond to increasing demand for, and potential efficacy of, unique digital content. Enhanced digital capabilities will allow Nevada Magazine to increase advertising revenues via new digital advertising opportunities, while keeping readers engaged between issues and reaching a wider audience.
4. Advertising revenues will grow as a result of increases in readership, subscriptions and increased advertising space. Nevada Magazine will offer advertorial options and pursue a partnership with Meredith Publishing to attract larger, national advertisers.
5. To honor the magazine quality readers have come to love, print savings will be diverted to increase paper quality to leverage and help preserve its reputation as a valuable, “coffee table like” publication.
6. Nevada Magazine will expand its book publication efforts (ex. Historical Nevada c.2013) to reposition these successful products as an important source of revenues. Broader content opportunities will allow the magazine to create a more diverse set of publications of this quality and drive consistent revenues.

The Model

FY 2020 Budget Baseline		Revenues:					
		Year 1		Year 2		Year 3	
		% Change/ Count	\$\$	% Change/ Count	\$\$	% Change/ Count	\$\$
Beginning Cash	127,874		\$ 127,874		\$ 116,089		\$ 137,249
Editorial Service	60,000		\$ 60,000		\$ 60,000		\$ 60,000
4002 Newsstand Sales	15,000	0%	\$ 12,196	10%	\$ 13,415	20%	\$ 16,098
Calendar Sales	53,500		\$ 53,500		\$ 53,500		\$ 53,500
Events & Shows Sales	0		\$ -		\$ -		\$ -
Merchandise Sales	1,400		\$ 1,400		\$ 1,400		\$ 1,400
Publication Sales	60,000	2500	\$ 42,375	2500	\$ 42,375	2500	\$ 42,375
Total Advertising Sales	394,630		\$ 331,882		\$ 420,102		\$ 535,628
Magazine Advertising Sales		-10%	\$ 165,690	25%	\$ 207,112	25%	\$ 258,890
Advertorial Sales		2	\$ 7,000	4	\$ 14,000	8	\$ 28,000
Other Advertisting Sales			\$ 159,192		\$ 198,990		\$ 248,738
Prior Year Refunds	0		\$ -		\$ -		\$ -
Miscellaneous Revenue	7,800		\$ 7,800		\$ 7,800		\$ 7,800
Total Subscriptions	123,000		\$ 110,833		\$ 133,000		\$ 159,600
Print		-10%	\$ 100,207	20%	\$ 120,248	20%	\$ 144,298
Print and Digital		-10%	\$ 8,095	20%	\$ 9,714	20%	\$ 11,657
Digital		-5%	\$ 2,532	20%	\$ 3,038	20%	\$ 3,646
Transfer from Tourism	66,666		\$ 66,666		\$ 68,666		\$ 70,726
Total Revenues	909,870		814,526		916,348		1,084,376
		Expenditures:					
Personnel Services	388,137		\$ 388,137		\$ 399,781		\$ 411,775
Digital Coordinator			\$ -		\$ -		\$ 56,784
Meredith Publishing			\$ -		\$ 50,000		\$ 50,000
In-State Travel	8,998		\$ 8,998		\$ 9,268		\$ 9,546
Operating	206,426		\$ 195,976		\$ 201,855		\$ 207,911
Postage			\$ 10,450		\$ 12,558		\$ 15,069
Total Printing Costs	80,000		\$ 57,837		\$ 67,488		\$ 80,917
Magazine Printing Costs			\$ 38,733		\$ 46,545		\$ 57,529
Publication Printing Costs			\$ 9,850		\$ 10,146		\$ 10,441
Other Print Costs			\$ 9,254		\$ 10,798		\$ 12,947
Contract Services	5,700		\$ 5,700		\$ 5,871		\$ 6,047
Information Services	13,586		\$ 13,586		\$ 13,994		\$ 14,413
DHRM Cost Allocation	3,151		\$ 3,151		\$ 3,246		\$ 3,343
Purchasing Assessment	776		\$ 776		\$ 799		\$ 823
SWCAP	13,825		\$ 13,825		\$ 14,240		\$ 14,667
AG Cost Allocation	0		\$ -		\$ -		\$ -
Total Expenditures	720,599		698,437		779,099		871,295
Operating Income/(Loss)	189,271		116,089		137,249		213,081
Margin	0		14%		15%		20%
Cash Balance	189,271		116,089		137,249		213,081

Model Assumptions & Findings

Subscriptions and Newsstand Sales

Nevada Magazine will experience a loss in subscriptions and newsstand sales in year one, primarily driven by reducing from six to four issues a year, a past history of subscribers not responding well to brand pivots, and the continuing negative impacts of COVID on the travel industry and disposable incomes. We assume a gradual recovery of newsstand sales as readership grows as a result of the brand shift and the travel market recovers. Subscriptions will begin to rebound in year two with a successful brand and content shift, a larger reader base, a refocus on the magazine's digital capabilities, and the assistance of Meredith Publishing in helping to drive awareness of the magazine. Year three revenues are assumed to return to 2017-2019 levels due to the success of Nevada Magazine's continued partnership with Meredith Publishing and an addition of a full time digital coordinator.

Advertising Revenues

The magazine's shift to a quarterly magazine will further decrease print advertising revenues in year one due to an overall decrease in advertising space and target advertisers still being in a stage of COVID recovery. We forecast recovery in year two and three with a return to 2017-2019 average advertising revenues at the end of the third year of this scenario. This success is assumed to be dependent on a successful advertorial launch, increased digital capabilities, more lucrative advertising space and customers, and an effective Meredith Publishing partnership.

Publication Sales

Publications are assumed to continue at a conservative rate, selling 2500 copies a year.

Costs

The main driver of costs savings has been recent reductions in magazine overhead. However, the magazine's shift to a quarterly publication continues to contribute to the organization's cost containment strategies through postage and printing cost savings. Increased costs in year two and three, for both Meredith Publishing partnerships and digital hires, are assumed to generate positive ROI by year three.

Increased Print Quality

A shift to increased print and paper quality was proven to be too cost prohibitive in years one and two. The cost savings associated with this choice were redirected to expand pages per issue to 96, allowing for more content and advertising space per issue and increased margin.

Margin

Profit Margin will be lower in the first two years of transition, returning to fiscal year 2020 forecasts by the end of year three. With 14%-20% forecasted margins, the magazine should have sufficient operational cash to cover some variance and uncertainty in the preceding assumptions relating to the magazine's repositioning.

Scenario Risks and Challenges

Reader Revolt

Subscriptions could drop more than anticipated given Nevada Magazine's legacy subscriber base, their past behavior and response to change, and current market disruptions. Mitigating this will depend on the successful pivot to broader content and generating awareness of Nevada Magazine across a wider consumer segment that attracts a new generation of magazine readers and subscriptions. A substantial loss in subscriptions would have a compounding effect and could result in a loss of advertising revenues, jeopardizing the magazine's ability to meet enterprise obligations.

Siloed Brand

The magazine's attempt to shift content to attract a broader audience may not have the intended impacts on newsstand sales, subscriptions and advertising sales. The magazine's brand reach and brand growth opportunities may be more siloed than anticipated, resulting in slower growth in sales and increasing risk to the magazine's enterprise status.

Cash & Costs Management

Managing beginning cash and minimizing overhead will be imperative to scenario viability. Year over year performance will have to be monitored through the first two years of implementation to ensure cash reserves are adequate enough to support the organization through transition and costs are not rising at a pace greater than revenue recovery. Should growth rates average 10% or less year over year across revenue categories, the organization will become more dependent on its cash reserves.

Scenario One Conclusion

Under current assumptions, shifting to a quarterly magazine while re-thinking the magazine's approach to content and expanding its readership results in a cash positive business. Savings generated from the shift to quarterly issues help the organization control costs while ensuring content is fresh and engaging to its readers. Costs aside, the success of this scenario depends on the magazine's ability to respond to the times while stabilizing and growing its foundation of paying readers and advertisers who are becoming less engaged and committed to the magazine's legacy.





Scenario Two: Shift to a Free Magazine to Increase Distribution and Impressions.

- 1. Nevada Magazine will shift to a free magazine. This shift will decrease barriers to engagement and increase distribution and advertising impressions while simultaneously making the organization's success mostly dependent on its advertising revenues.
- 2. Like Scenario One, content of the magazine will broaden beyond its current core topics (history, ghost towns, etc.) to appeal to larger readership that is interested in broader topics. Potential new content includes outdoor recreation, culinary, and other Nevada travel and culture topics. The magazine's authenticity will remain intact and continue to be the magazine's core competency. A successful shift should increase the magazine's distribution and appeal to advertisers.
- 3. With a free publication, opportunities expand for Travel Nevada to leverage Nevada Magazine in their outreach and awareness efforts throughout the state. One opportunity includes free distribution through the State of Nevada Department of Education. These opportunities would allow the Travel Nevada to continue assist the magazine with transfers, while helping to increase distribution and advertising revenues.
- 4. Increased distribution and readership will attract new advertisers, bolstering the magazine's advertising revenues. Similar to Scenario One, Nevada Magazine will offer advertorial options and pursue a partnership with Meredith Publishing to attract larger, national advertisers.
- 5. Nevada Magazine will expand its book publication efforts (ex. Historical Nevada c.2013) to reposition these successful products as an important source of revenues. Broader content opportunities will allow the magazine to create a more diverse set of publications of this quality and drive consistent revenues.

The Model

Revenues:							
FY 2020 Budget Baseline		Year 1		Year 2		Year 3	
		% Change/ Count	\$	% Change/ Count	\$	% Change/ Count	\$
Beginning Cash	127,874		\$ 127,874		\$ 31,420		\$ 3,027
Editorial Service	60,000		\$ 60,000		\$ 60,000		\$ 60,000
Calendar Sales	53,500		\$ 53,500		\$ 53,500		\$ 53,500
Events & Shows Sales	0		\$ -		\$ -		\$ -
Merchandise Sales	1,400		\$ 1,400		\$ 1,400		\$ 1,400
School Sales	0	80,000	\$ -	80,000	\$ -	80,000	\$ -
Publication Sales	60,000	2,500	\$ 42,375	2,500	\$ 42,375	2,500	\$ 42,375
Total Advertising Sales	394,630		\$ 467,249		\$ 566,299		\$ 711,374
Magazine Advertising Sales		-15%	\$ 234,727	20%	\$ 281,673	25%	\$ 352,091
Advertorial Sales		2	\$ 7,000	4	\$ 14,000	6	\$ 21,000
Other Advertising Sales			\$ 225,522		\$ 270,627		\$ 338,283
Prior Year Refunds	0		\$ -		\$ -		\$ -
Miscellaneous Revenue	7,800		\$ 7,800		\$ 7,800		\$ 7,800
Transfer from Tourism	66,666	10%	\$ 73,333	10%	\$ 80,666	10%	\$ 88,732
Total Revenues	909,870		833,531		843,460		968,208
Expenditures:							
Personnel Services	388,137		\$ 388,137		\$ 399,781		\$ 411,775
Meredith Publishing			\$ -		\$ -		\$ 50,000
In-State Travel	8,998		\$ 8,998		\$ 9,268		\$ 9,546
Operating	206,426		\$ 169,532		\$ 174,618		\$ 179,857
Postage			\$ 36,894		\$ 39,665		\$ 43,914
Total Printing Costs	80,000		\$ 161,512		\$ 178,952		\$ 204,201
Magazine Printing Costs			\$ 68,475		\$ 81,109		\$ 100,250
Publication Printing Costs			\$ 9,850		\$ 10,146		\$ 10,441
Other Print Costs			\$ 14,919		\$ 17,382		\$ 21,084
School Printing Costs			\$ 68,268		\$ 70,316		\$ 72,425
Contract Services	5,700		\$ 5,700		\$ 5,871		\$ 6,047
Information Services	13,586		\$ 13,586		\$ 13,994		\$ 14,413
DHRM Cost Allocation	3,151		\$ 3,151		\$ 3,246		\$ 3,343
Purchasing Assessment	776		\$ 776		\$ 799		\$ 823
SWCAP	13,825		\$ 13,825		\$ 14,240		\$ 14,667
AG Cost Allocation	0		\$ -		\$ -		\$ -
Total Expenditures	720,599		802,111		840,433		938,586
Operating Income/(Loss)	189,271		31,420		3,027		29,622
Margin	0		4%		0%		3%
Cash Balance	189,271		31,420		3,027		29,622

Model Assumptions & Findings

Margin

Shifting to a free magazine has large negative impacts to the stability of the magazine’s margin, averaging 2% a year through a three-year strategic transition. The loss of subscription revenues and market impacts on advertising revenues reduce cash reserves into year three, jeopardizing the organization’s enterprise status.

Advertising Revenues

Advertising revenues continue to slip as a result of COVID-19 with legacy advertisers having less disposable income. Even with optimistic growth assumptions in year two and three and the assistance of Meredith Publishing in year three, the magazine would struggle to remain in a sustainable financial position.

Publication Sales

Assumed publication sales are imperative in this scenario as they subsidize and soften the impact of the loss of subscription revenues. Even if all other assumptions prove true, any decrease in forecasted publication revenue could push the magazine to be unprofitable, impacting its status as an enterprise organization.

School Programs

Distribution to the Nevada Department of Education as modeled is not bottom line significant. Even assuming transfers from Nevada Magazine as reimbursements for this program, the 7% margin does not create enough impact to account for loss in subscription and newsstand revenues. Magazine margins only return to +10% if all printing costs of such programs are covered by external sponsors.

Travel Nevada Contribution

As the free magazine becomes a tool of Travel Nevada and helps the state advance tourism to drive economic impact, Travel Nevada would transfer a portion of this investment to Nevada Magazine. Similar to publications, variances in this transfer can have significant impacts on the magazine given all other assumptions. Even at 10% growth year over year, this transfer only accounts for 50% of the loss of subscription revenues.

Scenario Risks and Challenges

Advertisers Don’t Bite

With the magazine’s main revenue source now being advertising, any failure of increased distribution to drive advertising and advertorial sales will put the magazine at risk. A 10% year over year advertising revenue growth rate would absorb all cash reserves and turn the organization’s margin negative in year two.

Publications and Transfers Can’t Cover Losses: Similar to the risk above, should forecasted publication revenues and/or transfers from Travel Nevada fall, the organization would suffer losses. This combined with the aforementioned risk could mean significant losses for the magazine.



Scenario Two Conclusion

Under current assumptions, shifting to a free magazine does not generate enough revenue to offset operating costs. Subscription revenues are too significant of a revenue contribution to remove under the magazine’s current cost structure. This scenario would require unrealistic growth in advertising revenues during a recession in the travel industry to turn Nevada Magazine into a sustainable enterprise business.





Decision Criteria Crosswalk:

	Scenario 1	Scenario 2
Satisfy Nevada Magazine’s legal requirement and statue to operate as an enterprise business, generating enough revenue to cover its operations	X	
Align with and support Nevada Office of Tourism efforts	X	X
Influence Nevadans to travel within the state	X	X
Increase advertising revenues while enhancing advertisement quality	X	X
Appeal to a broader readership base	X	X

Scenario Choice:

Scenario One: Shift Magazine to Quarterly Issues, Broaden Content, Enhance Digital Capabilities and Formats, and Improve Print Quality.

The team recommends Scenario One as the best future state scenario for the publication. This scenario and its assumptions meet all decision criteria, result in a smaller shift in current operations, and provide more financial security and protection of enterprise status. Additionally, this approach ensures the preservation of the brand as something of value, while shifting the brand slightly to appeal to a younger and growing population of readers. Nevada Magazine believes these course corrections, based on the data gathered, offer the best and most sustainable path forward.

Scenario One: Implications for the Organization

Ensuring the successful implementation of this scenario will require Nevada Magazine to focus on both the financial drivers of success and the organizational implications during implementation.

What are the drivers of success for this scenario?	What are the implications for the organization?
Content Change: Nevada Magazine will have to effectively change the magazine’s content and topics its covers to appeal to a broader readership, one that may have limited awareness of and less loyalty to the brand. This shift is key to increasing revenues through increased readership (both subscription and newsstand).	<ul style="list-style-type: none">• This shift will require a change in organizational mindset. The Nevada Magazine team will have to effectively balance the content approach to attract new readership, while not losing the value of legacy readers.• Article development will have to change or evolve in order to generate enough content to cover a wider portfolio of potential topics. This includes evaluating travel expenses and evaluating opportunities in free-lance.• A review of current layouts and branding may be required to successfully transition the brand and attract new advertisers.• A successful implementation of this model may require additional staff over time.
Change Management: As a legacy brand, effective change management will be key to this transition. The magazine will have to ensure confident messages are sent to advertisers and subscribers to inform them about why the magazine is shifting and what their expectations are of this shift.	<ul style="list-style-type: none">• Nevada Magazine will have to develop a Public Relations strategy to communicate this change internally and externally. Change management tools may be helpful to effectively communicate to different stakeholders.• Current marketing and promotion strategies will have to be reconsidered as a part of this shift.• An evaluation of current advertising sales tools and tactics will be required to generate the scenario’s assumed advertising growth rates.
Legacy Subscriber Care: Nevada Magazine has the strong support of legacy subscribers. The care of and attention to these subscribers is invaluable to sustain the magazine.	<ul style="list-style-type: none">• The magazine will have to evaluate possible extension of subscriptions given a reduction in issues per year and a long backlog of subscriptions.• More focused sales approaches may be necessary. These include the evaluation of CRM tools and increased outreach and engagement with subscribers.• This driver of success is closely tied to previously mentioned change management requirements.
Digital Capabilities: Enhanced digital capabilities will be required to appeal to new audiences, while enhancing the attractiveness of the magazine’s digital advertising opportunities.	<ul style="list-style-type: none">• A digital content plan is required across channels to ensure complimentary and integrated content.• This capability will have to be stood up internally, leveraging existing resources until profitability affords the magazine the ability to hire an FTE in year three.• Training opportunities will need to be evaluated to ensure internal capabilities are keeping pace with external demands.

What are the drivers of success for this scenario?	What are the implications for the organization?
<p>Advertorials: The magazine will have to focus on implementing advertorials into their advertising product.</p>	<ul style="list-style-type: none"> • Advertorial guidelines and frameworks will have to be developed and communicated. • Internal education and training on selling and managing advertorials may be required. • Staff job descriptions and responsibilities will have to be updated in order to assign staff resources to this responsibility. • Alignment with Discover Your Nevada & editorial plans will be required for maximum efficacy.
<p>Strategic Partnerships: An effective Meredith Publishing partnership that drives more valuable advertising revenues and readership.</p>	<ul style="list-style-type: none"> • Nevada Magazine will have to explore poly-bag opportunities and their potential impact, while standing up the internal capacity to handle this program's management. • Meredith's role in growing Advertisers will have to be clarified and evaluated.
<p>Publication Sales: A refocus on publication production and sales is required to help support revenues through years one and two.</p>	<ul style="list-style-type: none"> • The production and publication of books will need to become an ongoing part of Nevada Magazine operations. • New content and book topics will have to be sourced and published as the magazine's brand changes.

Nevada Magazine Insight Report

Nevada Office of Tourism

March 12, 2020

Prepared By: Coraggio Group



NEVADA
MAGAZINE



Table of Contents

Introduction & Methodology	04
Magazine Publishing Trends	10
Nevada Magazine History & Performance	12
Key Themes	16

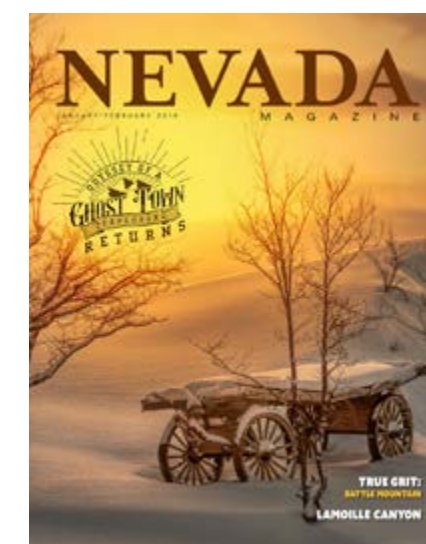
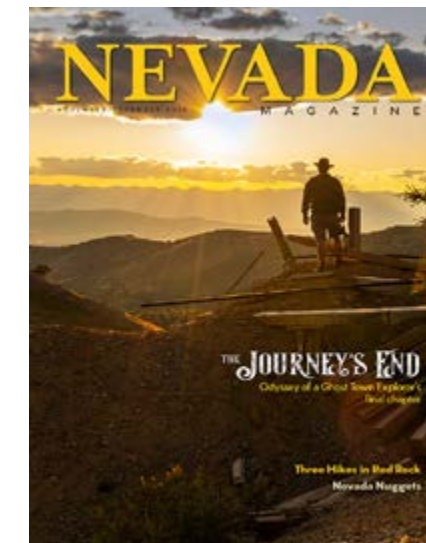
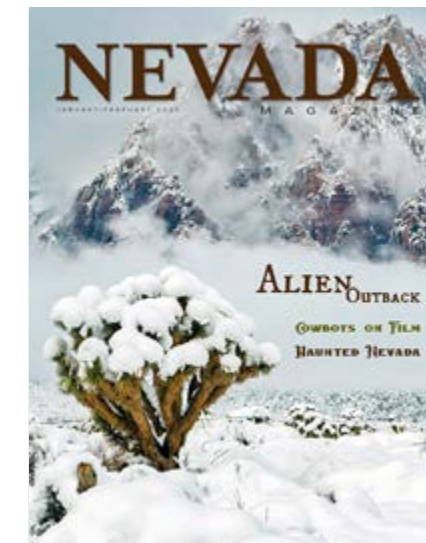
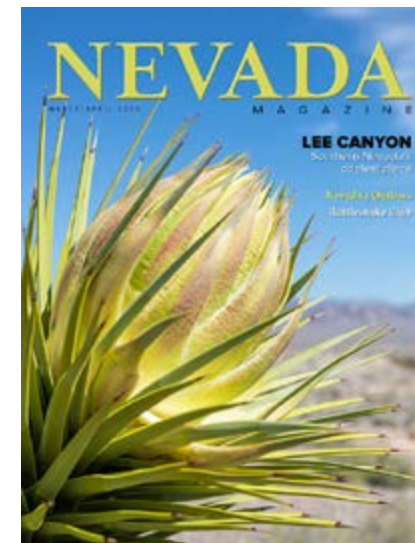
About this Report
This report reflects current perceptions of those who responded/participated in the assessment process based on the questions they were asked. Coraggio’s interpretation of perceptions are noted throughout the report as Themes and Insights, whereas quotations were captured as stated by respondents without attribution to protect their anonymity. In some cases, respondent perceptions varied, thus Nevada Magazine may need to undertake further exploration in order to identify potential improvement action.



Introduction & Methodology

This report summarizes the data collection and outreach efforts conducted on behalf of Nevada Magazine as the organization creates a business plan for the future of its publication. The purpose of this outreach was to assess Nevada Magazine’s current state, the challenges and opportunities it faces as a marketing asset, and to help identify potential evolutions of the publication. This report was developed by assessing current market trends, reviewing Nevada Magazine financials, and surveying and interviewing Nevada Magazine staff, stakeholders, readers, and advertisers on the following topics:

1. Magazine Purpose
2. Content Quality
3. Reader Behavior
4. Advertiser Opinion and Need
5. Advertisement Effectiveness
6. Challenges and Opportunities for the Magazine
7. Potential Future Scenarios

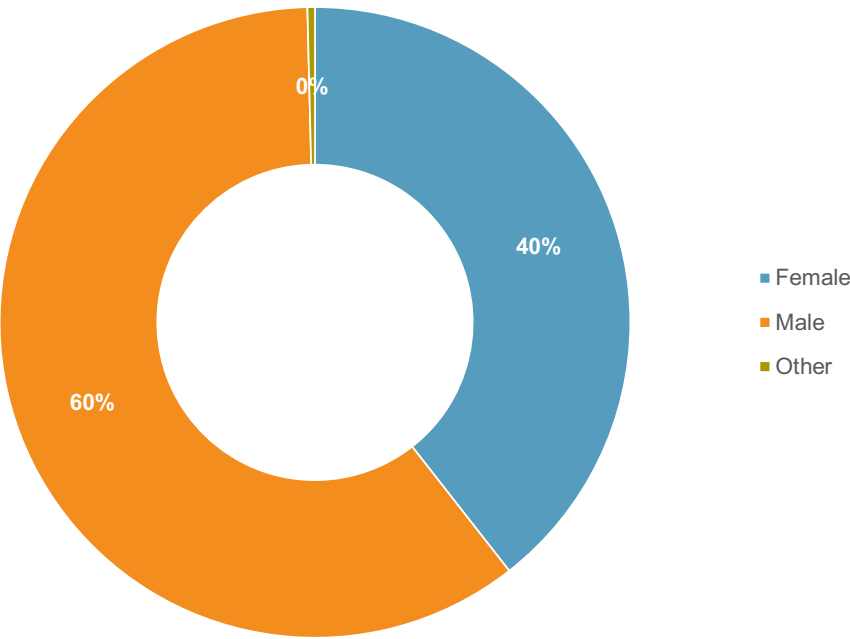


The Outreach Included

- 17 one-on-one interviews conducted with Nevada Magazine stakeholders
- An online reader survey with 822 respondents
- An online advertiser survey with 26 respondents

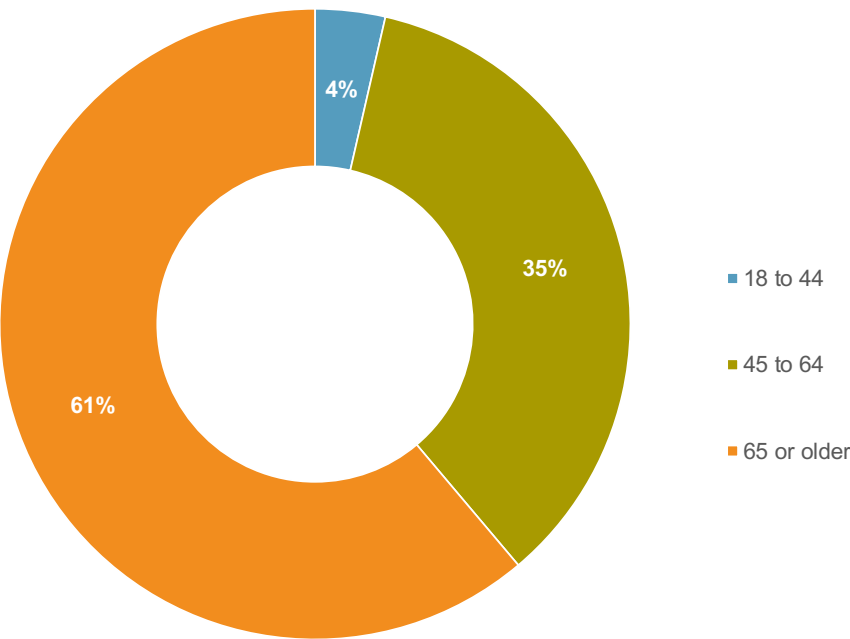
Respondent Gender

What is your gender? N = 781



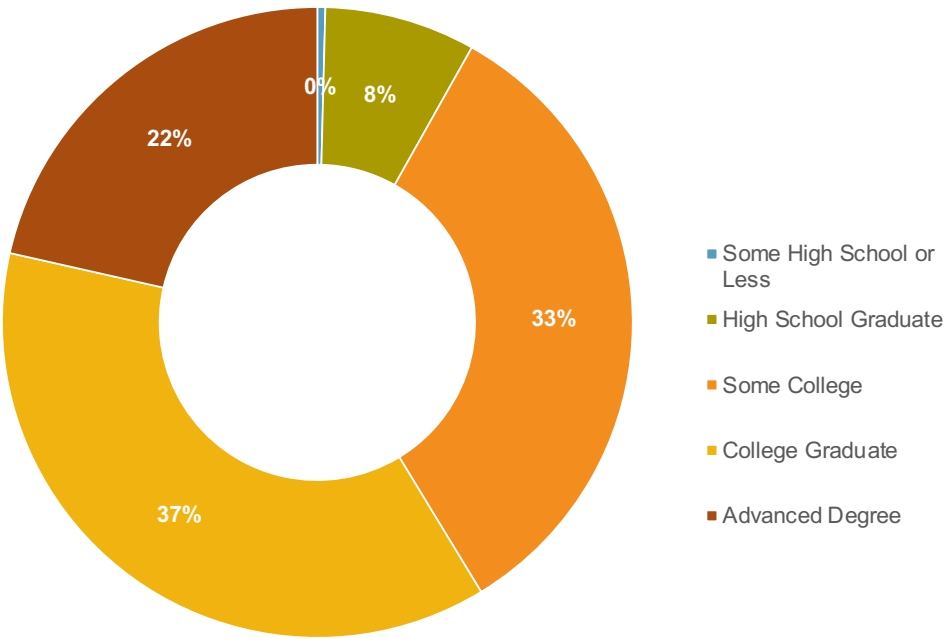
Respondent Age

What is your age? N = 780



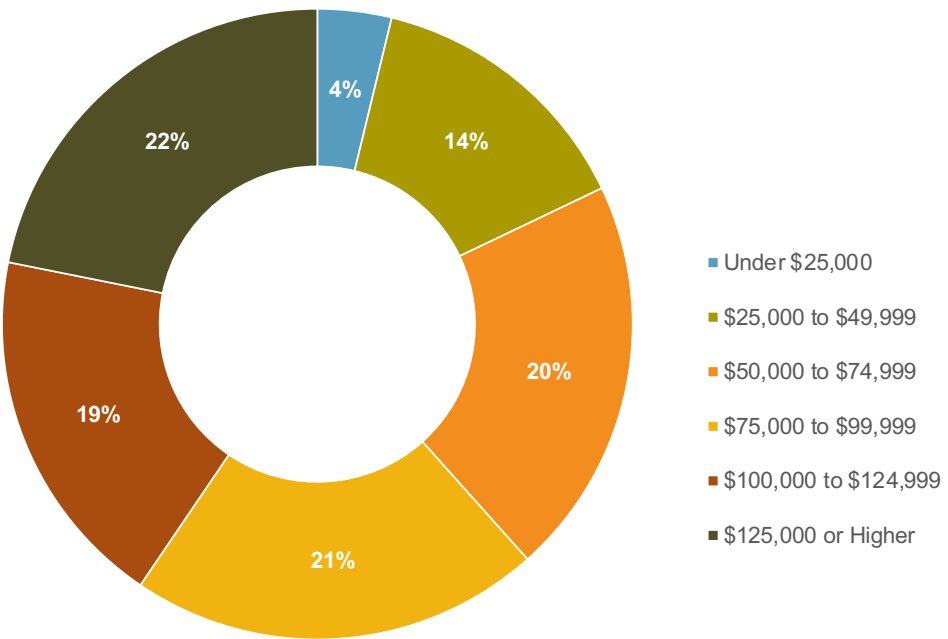
Respondent Education Level

What is the highest level of education you have completed? N = 736



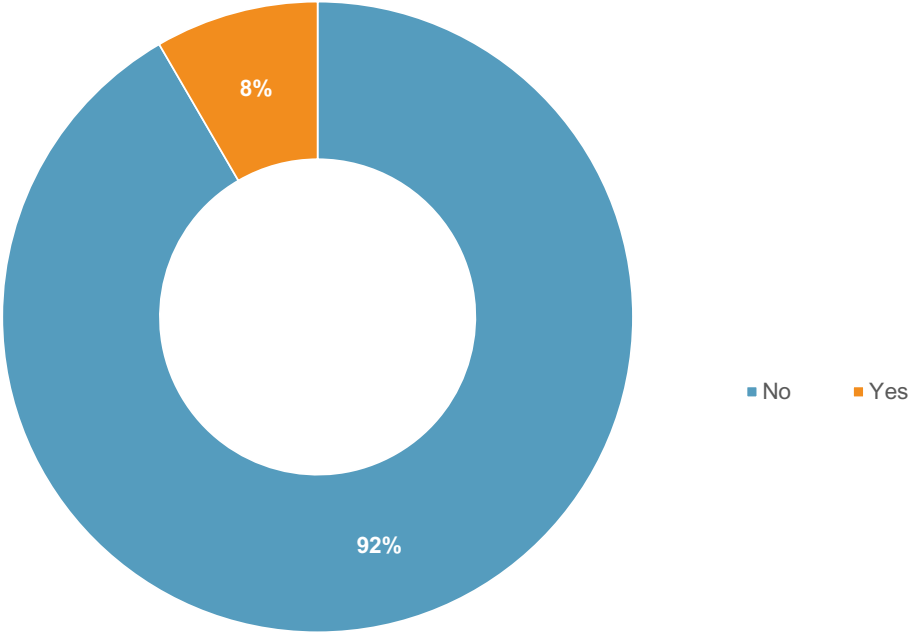
Respondent Income

What was your estimated combined household pre-tax income last year? N = 659



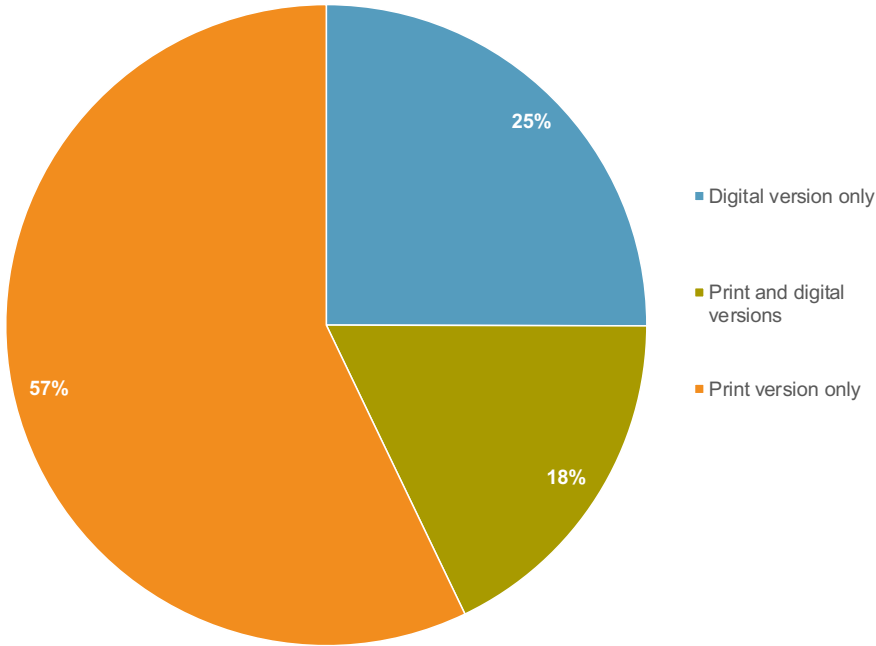
Children Under 18?

Are there children under 18 in your household? N = 728



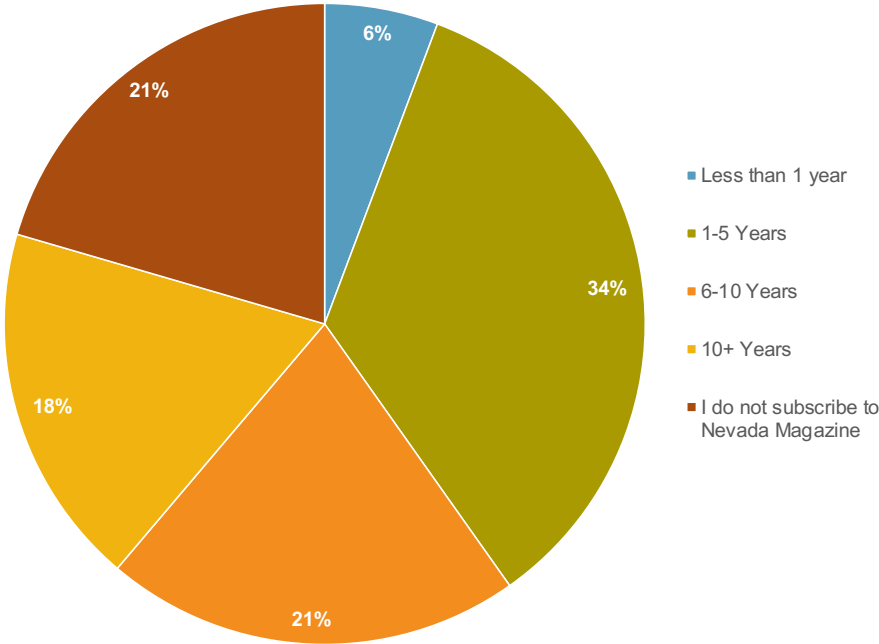
Subscription Type

How do you subscribe to Nevada Magazine? N = 611



Subscription Tenure

How long have you subscribed to Nevada Magazine? N = 808





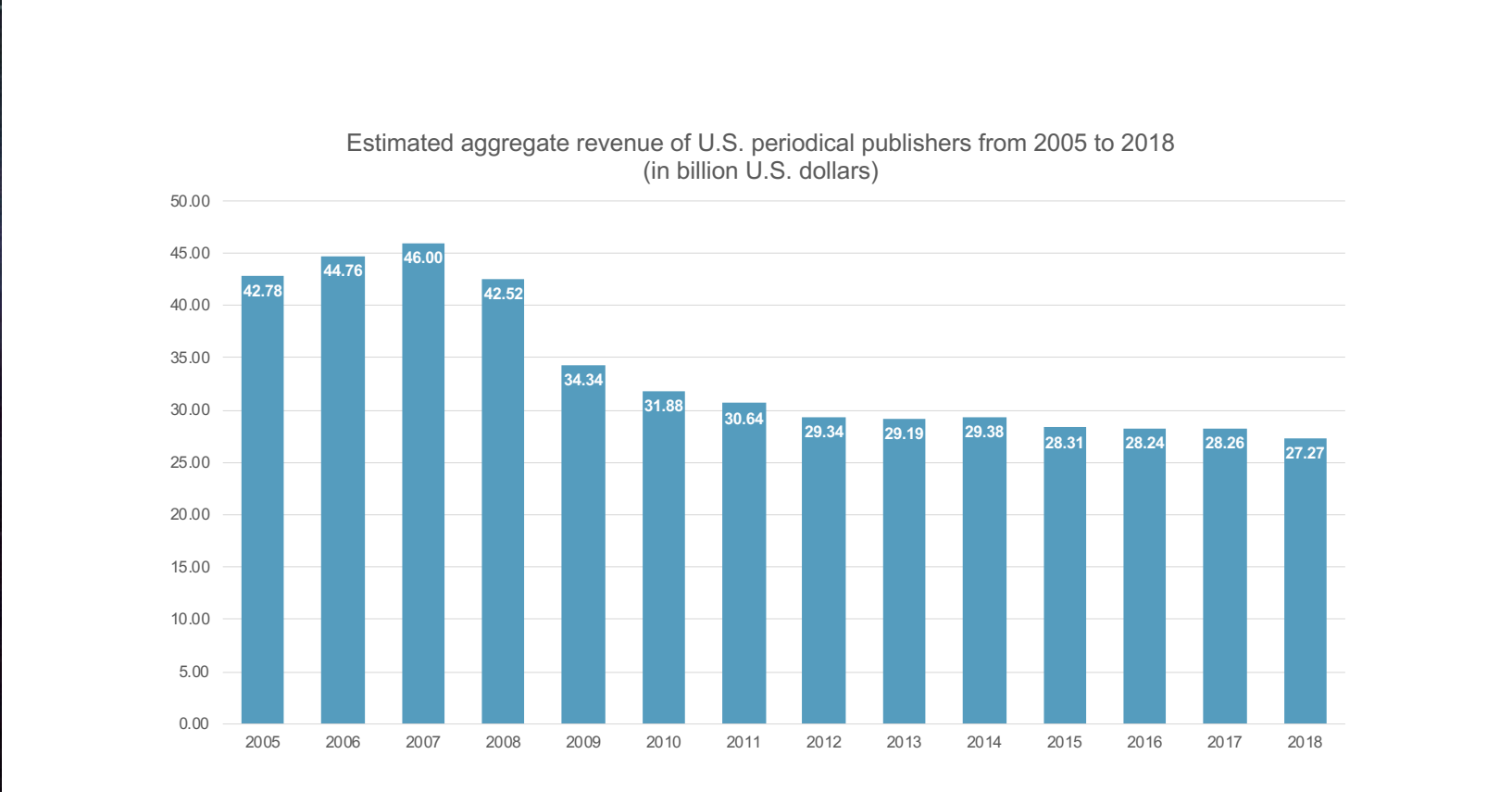
Magazine Publishing Trends

Since the introduction and **proliferation of digital media in the 21st century**, the print media has experienced significant disruption. This disruption has led to a \$18 billion decline in aggregated revenues through 2017¹, a decline that is expected to continue into 2020 with -3.9% growth.² This market loss has been driven by the introduction of new forms of media, many available either **online or for free**, and a **reduction in overall advertising space and spend**.³

The response to this market evolution has been predominately led by business closures. Those that remain have seen the industry shift to being **more niche focused**, dedicating entire periodicals to covering specific topics and interests. This strategy has been accompanied by a **consolidation of content** focused on removing unnecessary content that could just as easily be found online and reduction of runs and frequency to help reduce printing costs.⁴

Despite industry downturns, all is not lost. In 2018 there were still **225MM magazine readers**. While this population dropped 600,000 people over the course of 2017⁵, still **68% of the U.S. population are magazine readers**. Additionally, the form of print publications still holds value. The physical format of **printed books seems to be something that readers see as a benefit** rather than an inconvenience, but to make print work, publishers need to deliver **high-quality publications**.⁶

¹ Statista, Magazine Industry in the U.S.
² IBIS World: Magazine Publishing Industry Report 2020
³ <https://www.foliomag.com/forecast-2020-publishing-trends-watch/>
⁴ <https://www.foliomag.com/forecast-2020-publishing-trends-watch/>
⁵ Statista, Magazine Industry in the U.S.
⁶ <https://www.foliomag.com/forecast-2020-publishing-trends-watch/>



Statista, Magazine Industry in the U.S., 2020





Nevada Magazine History & Performance

Nevada Magazine has long, deep roots Originally designed in 1936 by Nevada’s state highway department and titled “Nevada Highways and Parks,” the magazine was intended to be a AAA-like road trip magazine, highlighting all the possible travel options in the state while simultaneously leveraging the power of Nevada’s recent legalization of gambling. Since then it has evolved and found a home in Nevada’s Office of Tourism, but still intended to influence travel and promote the great state of Nevada through quality, homegrown photos and articles.

Over the years Nevada Magazine has worked to grow its revenues, primarily through its circulation, subscription base, and advertorial space. To this end the magazine has attempted to grow subscriptions and advertising dollars through a number of strategies, while simultaneously managing costs, each with its own outcome. They include:

- Increased direct distribution that resulted in less than ideal performance
- Content changes that transitioned the magazine to a lifestyle publication, an effort that led to the loss of 50% of subscribers.
- Cutting costs in writers, photographers, and travel, or soliciting free services, all key inputs into the magazine’s value.
- Increasing subscription rates
- Going digital, resulting in good initial success with a 200% increase in Facebook followers, photo of the day popularity, and increased organic reach.

Despite these efforts, circulation and subscriptions have continued to decline (2% yoy), newsstand sales are down -11% over a three years period, ad response has decreased, and advertisers have been lost (-20% count/-2% value 2017-2019). This loss in revenue has resulted in a negative net income operation with a number of subsidy-like investments (grants, advertising, etc.) by the Nevada Office of Tourism (NOT) keeping the magazine on the plus side of net income in 2019. In total, NOT contributed \$291k in 2019 or 28% of Nevada Magazine’s total revenues, of which \$80k was not budgeted.

Subscriber Profiles (based on survey):

Macro-Subscriber Profile

The primary subscriber/reader of Nevada Magazine is an older (65+) male, educated, middle to upper middle class, history buff who appreciates the magazine for its historical content and rich photography, but is not web or social media savvy. They tend to be Nevadans with a high awareness of all things Nevada and the magazine inspires them to travel in the state of Nevada and improves their perception of Nevada in the process.

- Leans Male (63%)
- Is getting older year over year (62% 65 or older in 2020 vs. 18% in past surveys)
- Is middle class (62% make 75K or more) and educated (59% college or higher)
- Primarily empty nesters (92% don’t have children under 18)
- Are very brand loyal (49% have been subscribers for 6+ years)
- Primarily reads print (57% print subscribers)
- Not web oriented (70% never visit the webpage or only do so 1-3 times per year)
- Not social media oriented (73% don’t use social media or visit Nevada Magazines social assets)

Print Subscriber Profile:

Print subscribers follow a similar profile as the primary subscriber profile.

- 57% of all subscribers
- Leans Male (63%)
- Leans older (65% 65 or older)
- Is middle class (64% make 75K or more) and educated (60% college or higher)
- Primarily empty nesters (91% don’t have children under 18)
- Loyal to Magazine (61% have been subscribers for 6+ years)

Digital Subscribers:

Digital subscribers also tend to follow the profile of their print subscribing colleagues; however, they are mainly new subscribers of Nevada Magazine and their interest in national and state parks slightly outweigh their interest in historical content, an inverse when compared to their subscribing colleagues.

- 25% of all subscribers
- Leans Male (59%)
- Leans older (58% 65 or older)
- Slightly less educated than their peers (52% college or higher)
- Incomes are slightly more dispersed across income categories than other subscriber types
- Primarily empty nesters (93% don’t have children under 18)
- Represent your newer subscriber (78% < 5 years; 51% < 1 year)

Print + Digital Subscribers:

Print and digital subscribers tend to make more money and are more educated than other subscribers. They are loyal subscribers and slightly appreciate state and national park and outdoor adventure content more than others.

- 18% of all subscribers
- Leans Male (67%)
- Leans older (60% 65 or older)
- The most educated subscriber (65% college or higher)
- Higher incomes than print or digital subscribers (73% make 75K or more)
- Primarily Adult Households (91% don't have children under 18)
- Loyal to Magazine (59% have been subscribers for 6+ years)

Do not Subscribe to Magazine:

- Leans slightly male (52% to 48%)
- Leans older (96% 45 or older, 56% 65 or older)
- Educated (90% at least some college, 59% college or higher)
- Leans slightly High Income (51% make 75K or more)
- Primarily Adult Households (92% don't have children under 18)





Key Themes

Key themes were identified from one-on-one interviews, surveys, and financial reviews. Each theme is supported by survey data and relevant quotations. These themes were developed using the following methods:

- Quantitative questions were analyzed using category means, percentage rates, and frequencies
- Qualitative, open-ended questions were analyzed by assigning themes influenced by response content and Coraggio's interpretation of those responses.

Themes included in this report were identified by the frequency they were mentioned, by the number of groups and individuals who mentioned them, and Coraggio's analysis of their strategic importance. Given the sample size of the reader and advertiser survey, insights and implications in the following report are not intended to, and may not be, statistically representative of Nevada Magazine's readership or any referenced subscriber segment. Themes include:

- 1 Nevada Magazine is seen as a high-quality, history-focused travel magazine that exists to increase awareness, entertain, and influence readers to explore destinations that are off-the-beaten path in Nevada.
- 2 Nevada Magazine's reader is aging, and younger readers are interested in different topics and value the magazine less.
- 3 Nevada Magazine does a good job of driving awareness of Nevada travel experiences and influencing travel among its core subscription base.
- 4 While Nevada Magazine's advertisers appreciate the magazine's content and quality, concerns are growing on distribution and actual return on investment.
- 5 In the face of less than satisfactory financial results, Nevada Magazine's primary strategy to maintain positive margins has been cost cutting and subsidies. Many believe this strategy is unsustainable and change is required to remain relevant.
- 6 While many believe a digital magazine is the future, data may suggest otherwise given current conditions.
- 7 Increased marketing support has the potential to expand readership and revenues, but other subscription barriers exist.

Theme One

Nevada Magazine is seen as a high-quality, history-focused travel magazine that exists to increase awareness, entertain, and influence readers to explore destinations that are off-the-beaten path in Nevada.

Within Nevada Magazine's primary reader group, the magazine performs well. Its content is valued by those who appreciate and feel nostalgic about Nevada's history. The articles and vibrant photos depict an authentic Nevada experience that inspires readers to explore the state's authenticity, backroads, and hidden gems.

Key Insights:

- Readers and staff alike perceive Nevada Magazine as a travel magazine designed to influence travel to the lesser known areas of Nevada (destinations other than Las Vegas, Reno, and Tahoe). (Figure 1.1)
- Readers appreciate the magazine's content and rate it a 4.18 out of 5.00, a sentiment shared by Nevada Magazine's staff. (Figure 1.2)
- Appreciation is driven by the magazine's historical content, its unique, well-written articles that reflect personal experience with the destination, and quality photography and imagery that make the magazine a coffee table worthy publication. (Figure 1.3)
- Readers also view the magazine as a vehicle that inspires travel by building awareness of Nevada and learning about new experiences the state has to offer. (Figure 1.3)

Implications:

The heart of Nevada Magazine goes beyond just the content. Its roots and differentiation lie in how it tells an authentic story about the Silver State. Regardless of the path forward, Nevada Magazine's strategy needs to ensure the preservation of this core competency and to continue to produce quality, heart-felt, experience-based articles and photography.

Figure 1.1 - Magazine Perception

Do you consider Nevada Magazine a travel magazine or an entertainment magazine? N = 597

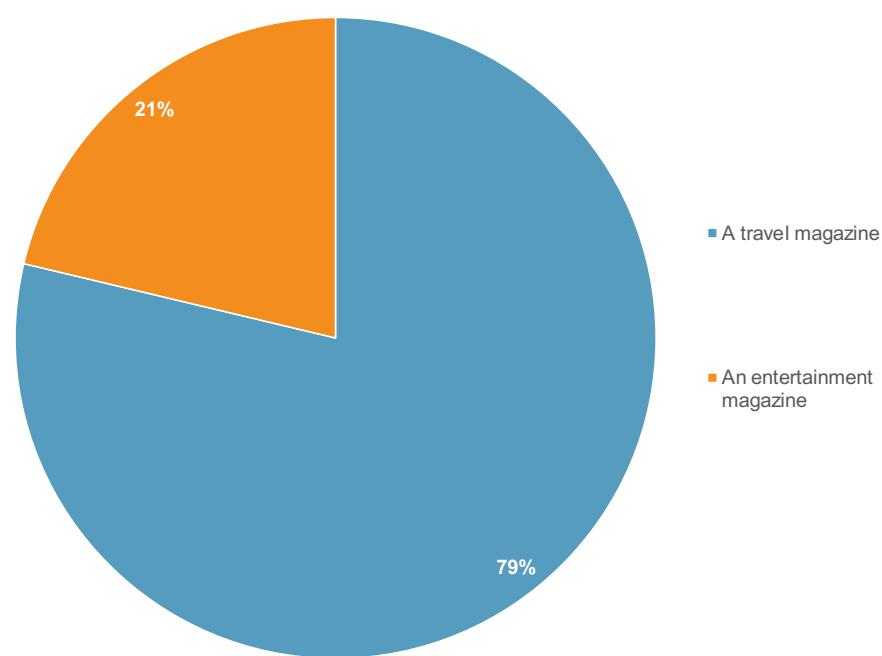


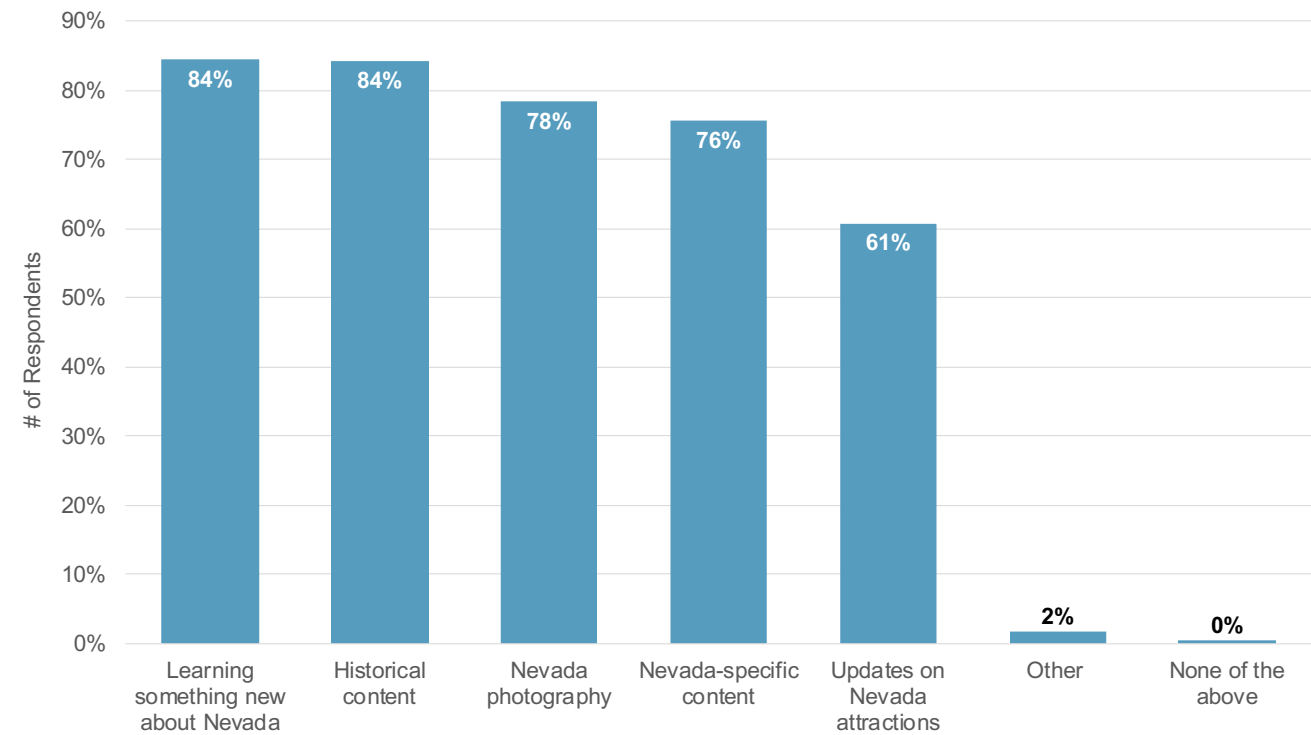
Figure 1.2 - Value of Magazine to Readers

Please indicate how valuable Nevada magazine is to you. N = 601



Figure 1.3 - Uniqueness of Nevada Magazine

What is unique about Nevada Magazine? N = 601



“Nevada magazine is here to entertain, educate and encourage readers to get out and explore Nevada. We are an 84-year-old publication that has had two different focusses over the years. Currently we are trying to encourage people to visit and explore Nevada. That is our sole reason for being.”

“They appreciate that the magazine is created by people who love and know Nevada and see Nevada as worthy of visiting. The magazine has always been published by people that live here. We are here, we are exploring and then telling those stories, it is not just coming from third party partners.”

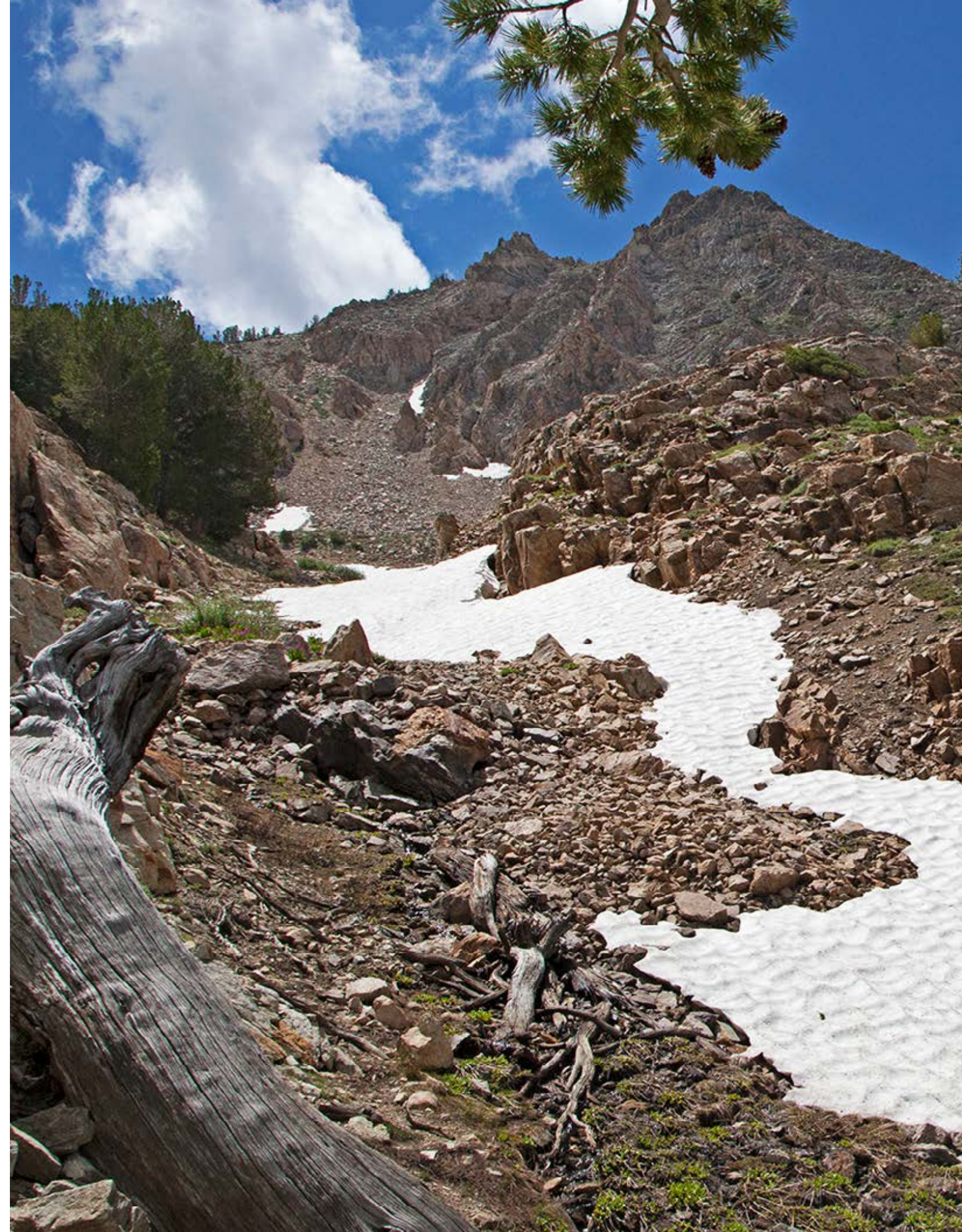
“I think that they appreciate inspiring stories...the real Nevada, the space beyond Las Vegas and Reno. People appreciate the discovery piece; it is real pieces written by Nevadans.”

“Their covers are great, when we showcase Nevada with amazing photos and lush mountains, and water, etc.. Show the beauty in the deserts. Their photography assets can be a great strength.”

“There are a million little gems, it’s our job to bring those to the people and promote and preserve those.”

“We work to ensure we have compelling covers that make you want to pick up the magazine. The pictures are beautiful, and our stories are experience written in market, not sourced out of market.”

“The instate audience is a record keeper of that state and informing them about things going on.”



Nevada Magazine’s reader is aging, and younger readers are interested in different topics and value the magazine less.

Nevada Magazine’s primary subscriber has been getting older. Not only are younger people (18-44) not subscribing and backfilling Nevada Magazine’s subscription base, they have different interests and prioritize content differently than the magazine’s core reader. They are interested in different content and are harder to please given the amount and quality of information they are accustomed to getting in the digital age. The magazine’s core reader values the magazine more as their interests are more aligned with the magazine’s focus - history and western culture. The only problem is their share of circulation is shrinking by 2% each year.

Key Insights:

- Nevada magazine’s primary reader is getting older. In 2011, 18% of Nevada Magazine’s readers were 65+. Today, this group represents 62% of all readers (Figure 1.4).
- As the average age of subscribers has grown, the magazine has not backfilled subscribers with younger generations. Today, readers under 44 years of age represent only 3% of readership vs. 31% in 2011 (Figure 1.4).
- Nevada Magazine’s older readers value and expect different things from Nevada Magazine than their younger peers. They appreciate the magazine’s focus on history, western culture, & ghost towns and are the magazine’s legacy subscribers (Figure 1.5).
- While younger subscribers make up only 4% of readership, they exhibit different interests, profiles, and behaviors(Appendix 1.48) They are:
 - More likely women (62%)
 - More educated than primary subscriber (75% completed college or higher)
 - More likely to have children in the household (53%)
 - Newer subscribers
 - More interested in national/state parks, outdoor adventure, and unplugged experiences
- Regardless of interest, younger readers are slightly less likely to be influenced by Nevada Magazine. They are also more social media oriented, as 29% visit Nevada Magazine’s social media 1-3 times a month vs. 7% for 65+. Despite this orientation, they still are drawn primarily to print subscriptions (67%) (Appendix 1.48).

Key Insights (continued):

- From a content perspective this group is looking for more variety. 80% are looking for Nevada-specific content in the following areas: (Figure 1.5)
- 67% interested in culinary options vs 44% of 65+ segment
 - 56% interested in family activities vs 23% of 65+ segment
 - 52% interested in arts and culture vs 43% of 65+ segment
- These varying expectations, interests, and profiles could be the cause of lower satisfaction scores (Figure 1.6).

Implications:

- Nevada Magazine needs to consider how it positions and formats its content to appeal to a broader, younger audience. As the magazine’s readers grow older, they need to be backfilled with new, younger readers. Not nurturing younger readers could result in the continued gradual decline of Nevada Magazine’s entire readership, perpetuate the struggles associated with being an enterprise business, and contribute to the magazine losing touch and, at worst, becoming irrelevant.
- Evaluating opportunities to leverage the magazine’s core competencies through authentic articles and intriguing photography across new topics such as outdoor recreation, family activities, and culinary experiences could help with a gradual transition that invites new readers without alienating legacy readers.
- Better understanding existing readers and potential readers should be explored in order to more effectively generate content, target readers, and drive subscriptions.

Figure 1.4 - Reader by Age Comparison

What is your age? N = 814 (2020)

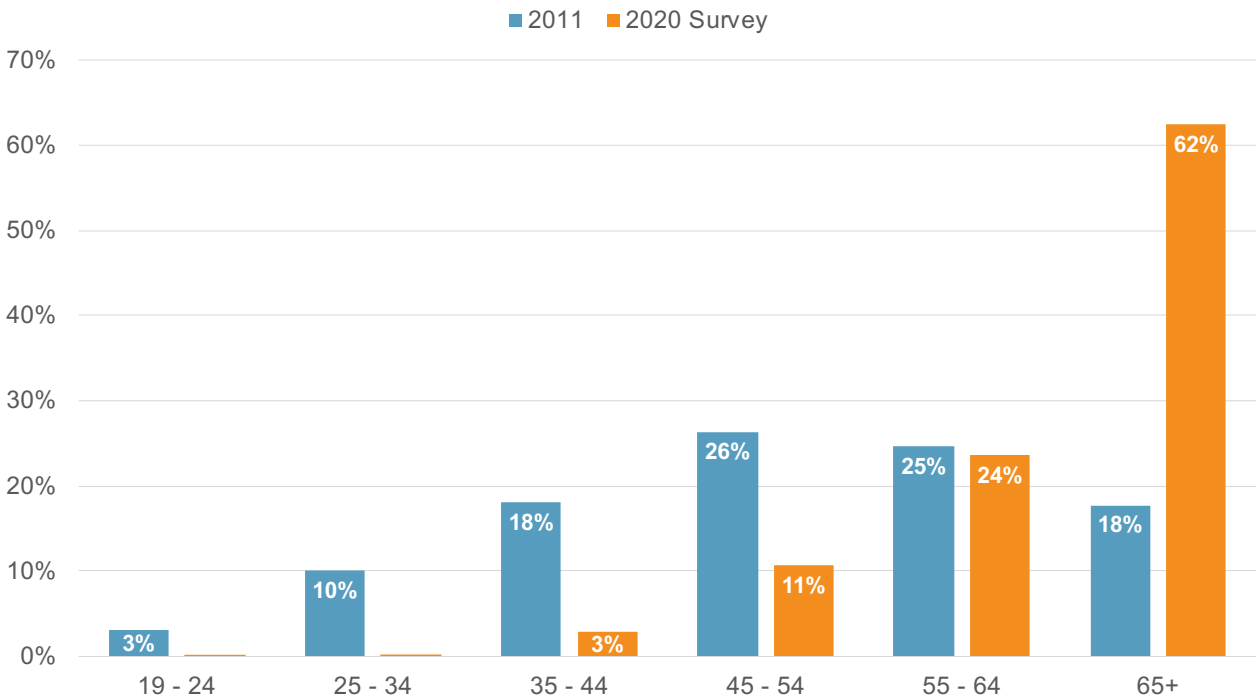
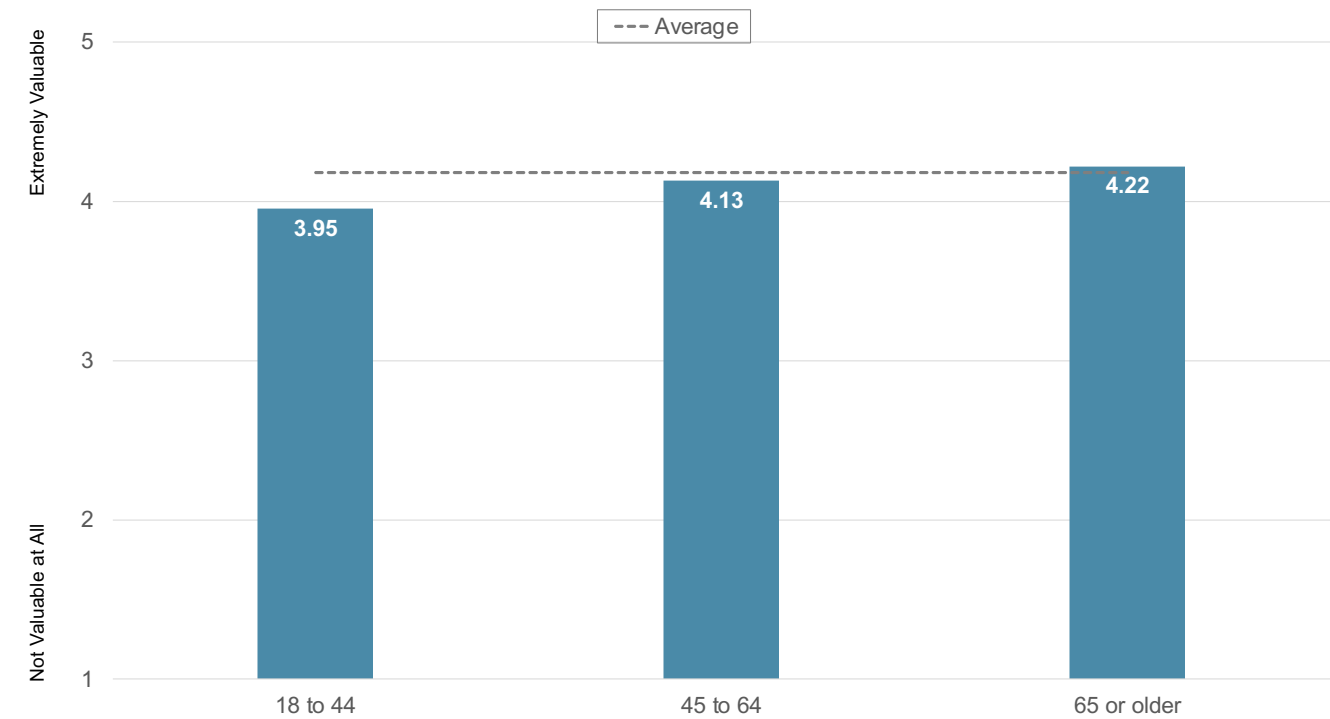


Figure 1.5 - Readers Topics of Interest by Age
Which of the following content topics are of interest to you? N = 746

	18 to 44	45-64	65 or older	Total Average
History and museums	74%	85%	87%	86%
State and national parks	96%	90%	83%	86%
Ghost towns	70%	83%	83%	83%
Western heritage and tradition	59%	78%	82%	80%
Wildlife	74%	73%	72%	72%
Outdoor adventure	96%	73%	60%	66%
Hot springs, stargazing, and unplugged experiences	81%	65%	53%	58%
Culinary options	67%	54%	44%	48%
Arts and culture	52%	50%	43%	46%
Family activities	56%	34%	23%	28%
None of the above	0%	0%	1%	0%

Figure 1.6 - Value of Magazine to Readers by Age
Please indicate how valuable Nevada magazine is to you. N = 601



“Realistically, old timers or people that have been around for a long time appreciate the magazine. They appreciate the content.”

“Most print media is struggling because you have generational differences, older [people] prefers print, others digital. The magazine needs to shift younger; our audience is dying.”

“[We have] new residents, younger residents and new subscribers might not value a historical magazine.”

“Our challenge is we have too small of a subscriber base. We haven’t reached enough new subscribers to keep us viable.”

“The best approach would be to establish an identity with a balance between arts & culture, outdoor rec, culinary, etc. They are so focused on history.”

“When you look at other state magazines, it’s supposed to be about the people, the culture, the heritage, the history. People go to those magazines for lifestyle. It’s like a LIFE magazine for the state.”

“We need a clear idea of who our reader is and the value and ROI they receive and how they interact with it.”

“Readers value the longtime multi-generational approach. There was some rebellion on shifting to a Sunset Mag type thing. There was a call to keep it historical.”

Nevada Magazine does a good job of driving awareness of Nevada travel experiences and influencing travel among its core subscription base.

If Nevada Magazine is designed to influence travel, the evidence shows it is doing its job well. The magazine inspires travel across the majority of its readers, influences positive perceptions of Nevada as a destination, and increases brand awareness. The hard work of the magazine’s staff has resulted in most, if not all, of their readers having visited one or more of the destinations the magazine showcases, with many visiting 3 or more in the last year alone.

Key Insights:

- Nevada Magazine is effective in educating its readers about Nevada and driving positive brand perception. 95% of subscribers indicate they learned something new about Nevada (Figure 1.7) and another 69% suggest they have a more favorable perception of Nevada as a result of reading the magazine (Figure 1.8).
- Most Nevada Magazine readers already have some degree of knowledge of Nevada as a destination due to their residency as Nevadans. In addition, the longer a reader has a subscription, the less likely the magazine is to shift opinions of the state as readers already have a wealth of Nevada travel knowledge (Figure 1.7 & 1.8).
- Readers appreciate the magazine more for how it inspires them to travel (74%) than how it provides content for planning travel (57%) (Appendix 1.17).
- The vast majority of readers (95%) have visited a destination or experience highlighted in Nevada Magazine, and the likelihood of visitation increased with length of subscription (Appendix 1.33).
- In the last year alone, 48% of readers have visited three or more featured destinations/paid advertisements in the magazine. Readers with longer subscription tenures are more likely to visit more locations than their newer subscribers (Figure 1.19).
- Print and digital readers are also more likely to visit more locations than print or digital only subscription readers (Appendix 1.15).
- Younger readers are more likely to visit four or more locations advertised in the magazine (40%) (Appendix 1.16).

Implications:

- The efficacy of Travel Nevada’s content in influencing and converting readers to travel is high. Nevada Magazine’s staff should consider how to position the magazine to get broader reach and expand this efficacy to a larger audience.
- While younger readers are a small sample set, they appear to be more travel-oriented. This, combined with their interest in a wider set of topics and experiences (outdoor rec, culinary, etc.), could be an asset which could influence more visits to more places.
- The longer that readers remain Nevada Magazine subscribers, the less new information they seem to learn, both in content and advertisements. There appears to be diminishing returns to increasing reader’s positive perceptions of Nevada over time. The frequency of the magazine and its content could be evaluated to ensure an engaging and effective publication.

Figure 1.7 - Destination Education by Subscription Tenure

How much would you say you learned about travel destinations in Nevada from reading Nevada Magazine? N = 595

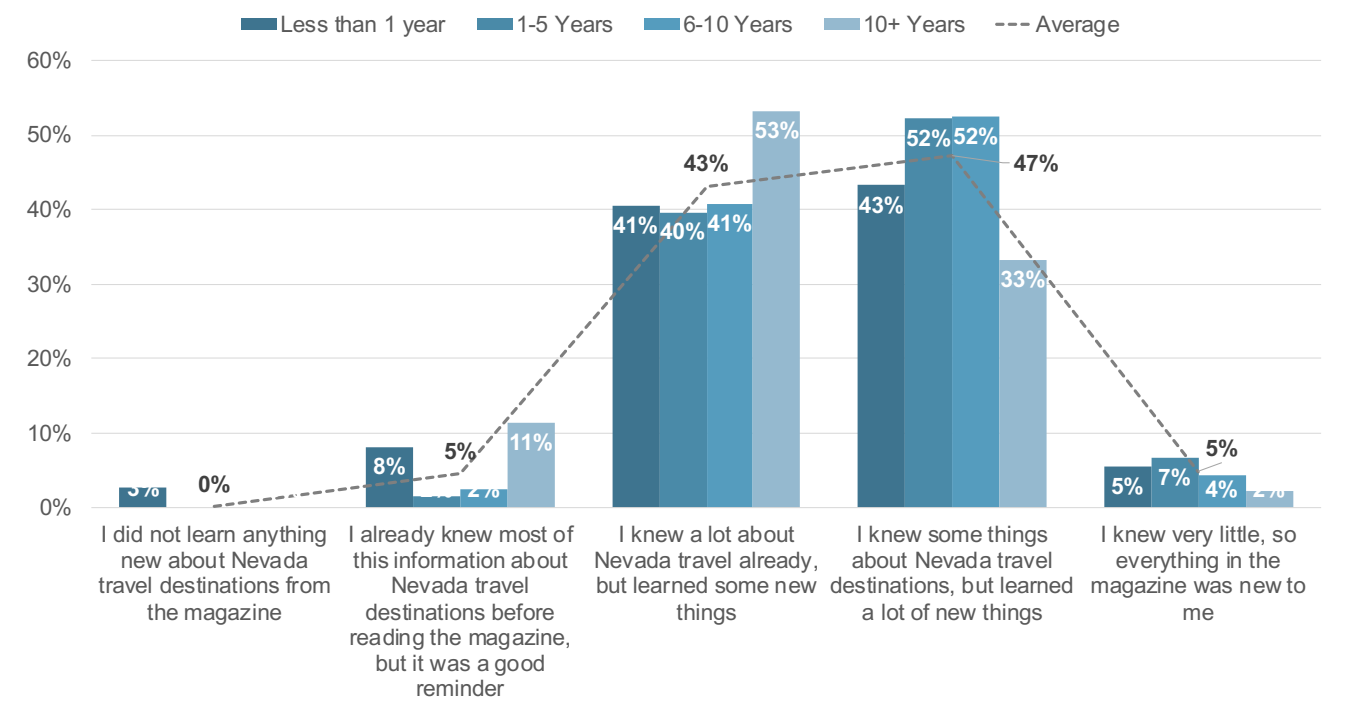


Figure 1.8 - Magazine Impact on Destination by Subscription Tenure
 After reading Nevada Magazine, how has your opinion of Nevada as a travel destination changed?
 N = 594

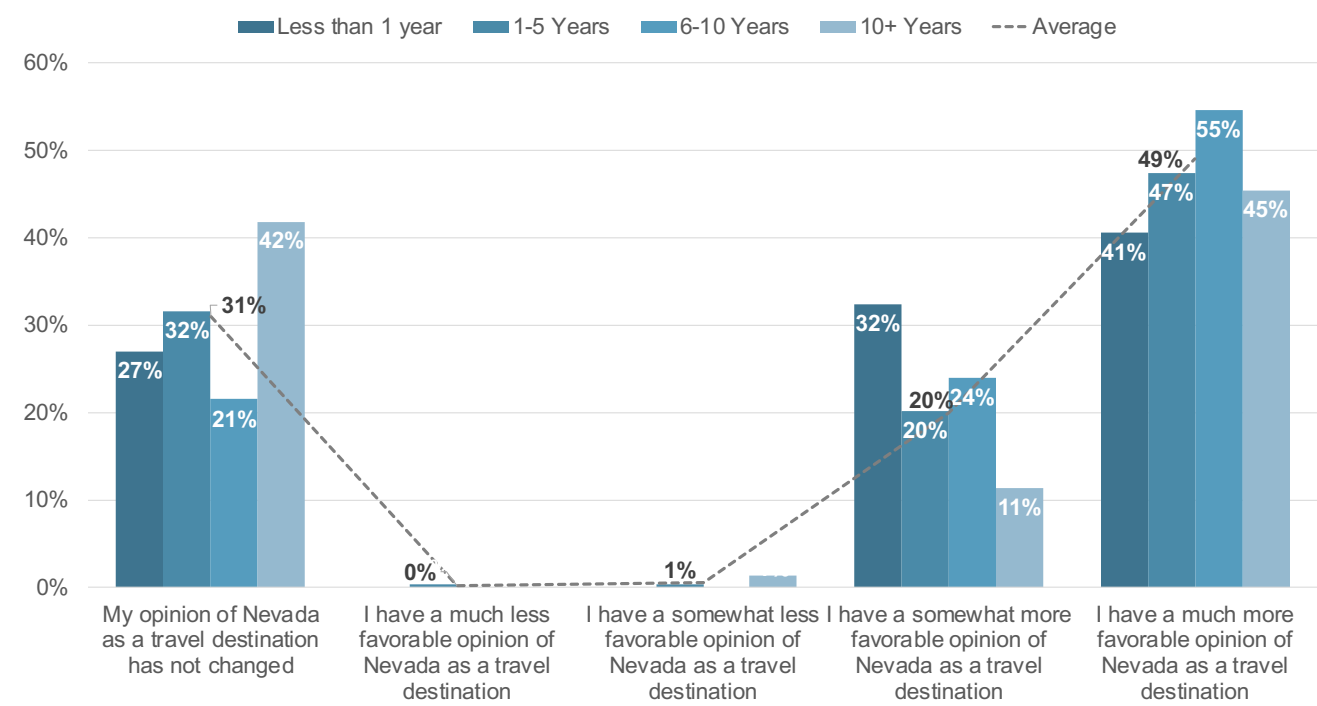
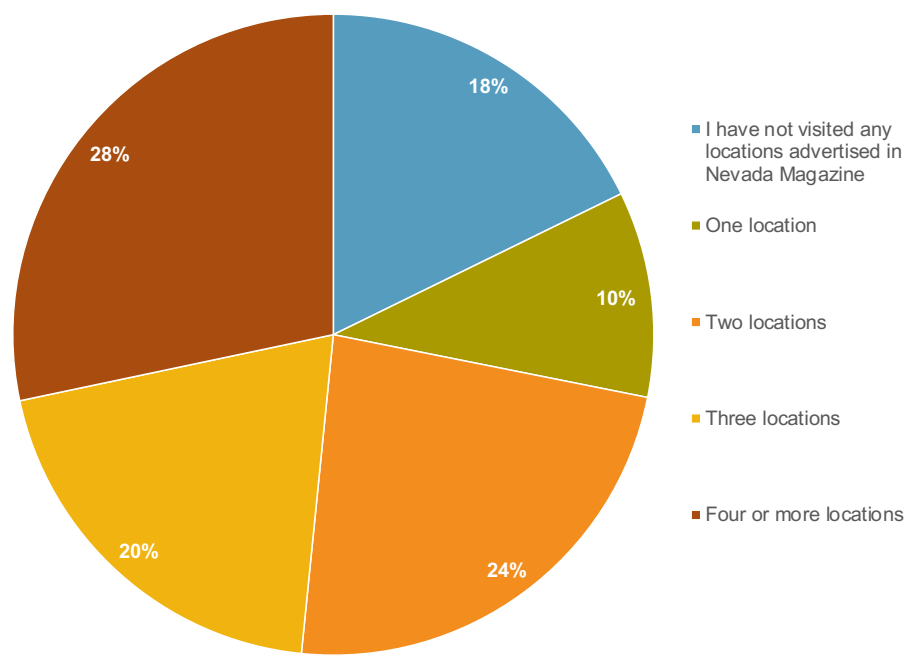


Figure 1.9 - Number of Advertised Locations Visited by Readers
 In the last year, how many locations advertised in Nevada Magazine have you visited (whether to a destination, museum, etc.)? N = 597



“The biggest thing I hear from people is I had no idea it existed.”

“[Nevada magazine is] a good way to get content out to people about Nevada that they might not know or appreciate in a broader sense, especially for people that live here.”

“Nevada magazine is for people that live here or people that used to live here and want to stay in touch.”

“Nevada Magazine has been a part of Nevada for so long. The advertising in there isn’t really anything new. A lot of it is not new, it’s the same year after year.”



While Nevada Magazine’s advertisers appreciate the magazine’s content and quality, concerns are growing on distribution and actual return on investment.

With ad space in print media declining and the expansion of direct to consumer digital targeting, advertisers are looking for more “bang for their buck.” Overall, Nevada Magazine has loyal, legacy advertisers who appreciate the magazine and its rural focus. This sentiment may be shifting as advertisers begin to question their return on investment in the face of declining circulation and subscriptions, as well as a less than ideal web platform. This sentiment could be a false perception, however, as many readers indicate advertising in the magazine influences their travel to many of the destinations represented in the magazine.

Key Insights:

- Overall, advertisers are satisfied with the magazine. (Figure 1.10)
- Like readers, Nevada Magazine’s advertisers tend to be legacy partners (48% have advertised for over 10 years, 20% over 5 years) (Appendix 2.1) who value the content, quality, ad design, and magazine format Figure 1.11).
- Advertisers are mainly concerned with the magazine’s falling circulation, its website, and a lack of understanding of return on investment (Figure 1.11).
- Newer, repeat advertisers (2-5 years) are more concerned about the magazine’s circulation and website, and its ability to reach its target audience. Veteran advertisers (10+ years) are most focused on ROI and understanding the magazine’s ability to generate business (Figure 1.11).
- Advertisers who are more accustomed to tracking ROI do so in relation to their other digital and social marketing campaigns - their primary marketing channels outside of Nevada Magazine. (Appendix 2.9)
- 80% of advertisers who have collaborated with other magazines on creating advertorials would be interested in participating with Nevada Magazine to create advertorials (Appendix 2.7).
- Readers have a more positive perception of advertising in the magazine. 89% look at advertising found in the magazine, 90% find the advertising useful, and 67% indicate that their travel decisions are influenced by the magazine’s advertising (Figure 1.12).

Key Insights (continued):

- Digital readers have a slightly less positive reaction to, and are less influenced by, advertising found in the magazine (Appendix 1.24 & 1.37).
- Advertisers may be surprised by how well the magazine influences travel (79%), even though only 57% use the magazine for planning purposes. This may suggest the magazine is more effective at driving visitation to a place, rather than a hotel, restaurant, or other specific monetized travel experience (Appendix 1.17).
- Regardless, readers suggest advertising is effective in influencing them to action and getting readers to take trips multiple times a year (Appendix 1.13).

Implications:

- Nevada Magazine needs to assess how it communicates return on investment to its advertisers. Recent survey data could be a powerful tool of advertiser retention, if not the expansion of ad revenue.
- Digital capabilities should be evaluated. Advertisers operate in a digital world and value the power of the web in reaching their audience. The expansion of digital subscriptions only increases the pressure to create an effective web-based advertising program.

Figure 1.10 - Advertiser Satisfaction

How satisfied are you with your experience of advertising in Nevada Magazine? N = 25



Advertisers rated their experience with advertising in the magazine 4/5.

“[Advertisers appreciate] that we reach people through a vehicle that the reader base will actually read, pick up, and work through. We reach older crowds who are spending the money and making decisions.”

“We need to rethink our advertising strategy and be more aggressive.”

“Our advertiser base is dwindling.”

Figure 1.11 - Advertising Satisfaction Specifics by Advertiser Tenure
 How well does Nevada Magazine address your specific advertising needs and concerns? N = 25

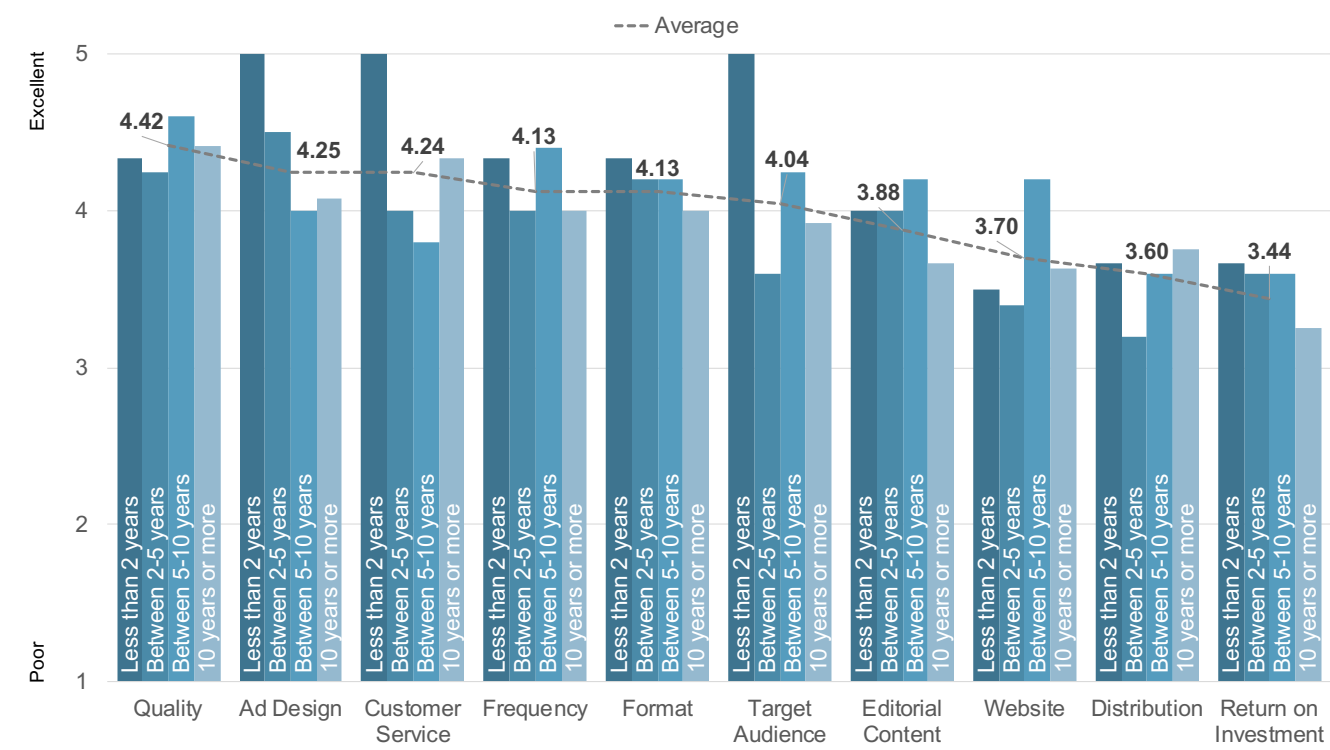
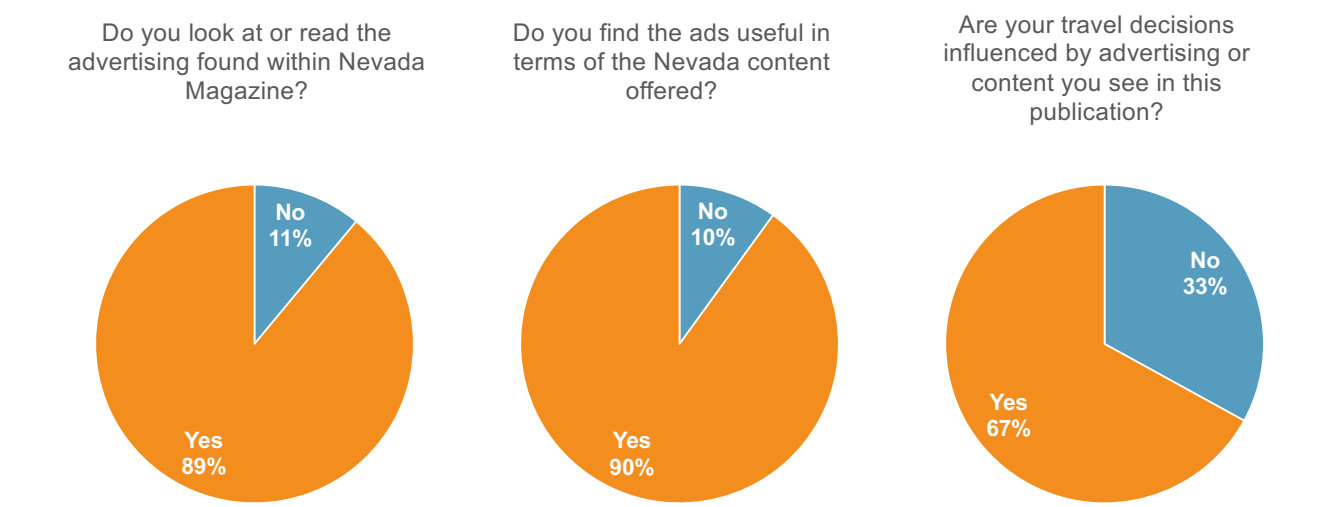


Figure 1.12 - Reader Advertisement Engagement
 N = 598, N = 530, N = 590



In the face of less than satisfactory financial results, Nevada Magazine’s primary strategy to maintain positive margins has been cost cutting and subsidies. Many believe this strategy is unsustainable and change is required to remain relevant.

In the past Nevada Magazine has made multiple attempts to boost revenues. Push campaigns to increase circulation and a repositioning of the magazine as a lifestyle publication have been marketing-led efforts that have had less than ideal returns. Over time, subscriptions have continued to decline while costs have risen. This has forced much of the focus on Nevada Magazine’s profitability to be directed at cost cutting measures and figuring out how to be a leaner organization. Staff and other stakeholders believe that this is an unsustainable strategy and that the magazine needs to consider substantial change to continue to deliver value to Nevada.

Key Insights:

- Past efforts to boost subscriptions and/or distribution have not had the desired effect on revenues. Recent growth has been a function of price increases and “subsidies” vs. new business and new appeal.
- Nevada Magazine has attempted to shift the magazine’s format and content in the past, resulting in a loss of subscriptions.
- A 2% year over year decline in subscriptions, a 2% loss in advertiser revenues, and 20% loss in advertiser count over the last three years has resulted in efforts to drive margin through cost cutting strategies. The magazine has effectively cut 4% of costs over the most recent three-year period (Figure 1.13).
- Cost cutting has taking the form of decreased travel spending and operational expenses (-12%/-11%), printing and paper quality (-17%), and a reduction in contracts (-27%), potentially impacting the quality of the magazine and key aspects of what readers value (Figure 1.13).

Key Insights (continued):

- Other cost cutting tactics such as free web services and publicly sourced photography have the potential to expose the magazine to copyright risks and further negative financial exposure.
- A further challenge has been state government allocated costs that are out of the control of magazine staff yet grew 80% over a three year period, while at the same time having to adhere to state procurement rules. These conditions hamstringing the full efficacy of this strategy.
- In order to help drive revenue while cutting costs, Travel Nevada has “subsidized” Nevada Magazine by purchasing editorial services (8% of revenues) and increasing advertising purchases for both Travel Nevada and partners channeled through state marketing grants (Figure 1.13) This advertising, combined with other Travel Nevada purchases, account for 28% of Nevada Magazine’s total 2019 revenues.
- These conditions rightfully lead stakeholders to believe there is an urgent need for change, as the status quo is unsustainable and not serving the magazine well.

Implications:

- Cutting costs in areas like travel and printing run the risk of eroding the value and quality that has been the foundation of Nevada Magazine’s success for decades. This approach could force existing readers to re-evaluate the value of their subscription, especially as prices increase. Nevada Magazine needs to consider the potential revenue impacts of cutting the quality of its publication.
- Considerations should be made as to the extent that Travel Nevada supports the profitability of Nevada Magazine. As an enterprise business, financial sustainability should be dependent on magazine revenue growth. Continuing “subsidies” begin to position the magazine as a function of Travel Nevada rather than an independent enterprise, potentially duplicating efforts and resources.

Figure 1.13 - Nevada Magazine P&L FY17-19

Nevada Magazine P&L	FY17	FY18	FY19	CAGR	Revenue/ Costs Share (19)
REVENUE					
3807 EDITORIAL SERVICE	\$ -	\$ 27,662.00	\$ 88,250.00	79%	8%
4002 NEWSSTAND SALES	\$ 25,637.22	\$ 19,610.78	\$ 18,293.54	-11%	2%
4006 CALENDAR SALES	\$ 52,691.02	\$ 58,187.09	\$ 54,623.65	1%	5%
4024 EVENTS & SHOWS - (PRINTING REIMBURSEMENT FROM NCOT)	\$ 215,071.20	\$ 237,017.00	\$ 169,219.50	-8%	16%
4027 PUBLICATION SALES	\$ 19,698.64	\$ 26,509.70	\$ 31,016.53	16%	3%
4029 ADVERTISING SALES	\$ 563,126.68	\$ 517,882.00	\$ 548,930.00	-1%	52%
4254 MISC SALES	\$ 8,790.37	\$ 12,465.46	\$ 11,412.83	9%	1%
4517 SUBSCRIPTIONS - INDIVIDUAL SUBSCRIBERS	\$ 130,327.61	\$ 112,292.50	\$ 134,290.54	1%	13%
4663 NCOT TRANSFER					
TOTAL REVENUE	\$ 1,015,342.74	\$ 1,011,626.53	\$ 1,056,036.59		
EXPENDITURE					
01 PERSONNEL	\$ 597,814	\$ 623,409	\$ 651,922	3%	62%
03 IN STATE TRAVEL	\$ 12,900	\$ 8,998	\$ 8,801	-12%	1%
04 OPERATING EXPENSE	\$ 164,117	\$ 148,807	\$ 115,569	-11%	11%
11 PRINTING	\$ 269,950	\$ 209,486	\$ 151,723	-17%	14%
12 CONTRACTS	\$ 14,400	\$ 12,050	\$ 5,700	-27%	1%
26 INFORMATION SERVICES	\$ 10,148	\$ 9,366	\$ 10,602	1%	1%
82 DHRM COST ALLOCATION	\$ 3,873	\$ 3,312	\$ 3,312	-5%	0%
87 PURCHASING ASSESSMENTS	\$ 1,784	\$ 1,179	\$ 1,310	-10%	0%
88 STATE COST RECOVERY PLAN	\$ 16,954	\$ 13,086	\$ 13,086	-8%	1%
89 AG COST ALLOCATION PLAN	\$ 1,870	\$ 6,634	\$ 10,865	80%	1%
TOTAL EXPENDITURE	\$ 1,093,810	\$ 1,036,328	\$ 972,891	-4%	
NET GAIN/LOSS	\$ (78,467)	\$ (24,701)	\$ 83,146		
* Areas with Nevada Office of Tourism grants, subsidies, or investments					
* Key cost reductions impacting magazine quality					

“[The magazine] doesn’t have a lot of control of their costs. It’s hard to run this business like that. It has to go through state purchasing department. There is no chance to negotiate pricing, it’s just the price we are giving and sometimes is completely way over what it could have been. We also have transfers that come out of our budget to cover AG costs.”

“We have a mindset that we will always exist...that is not a realistic view because we don’t make money and it hinders progress and stops us from making radical changes. Complacency is a challenge and we need a dose of reality”

“We are not equipped to push the magazine to a new frontier. To the web, to newer younger demographics.”

“I think the biggest [challenge] is financial. We are doing better now but...if we had more funds and were doing better financially, we could do so much more.”

“A lot of our advertisers are helped by grants from Travel Nevada. We need our advertisers and subscribers to keep us in business.”



While many believe a digital magazine is the future, data may suggest otherwise given current conditions.

Most print publications have added a digital presence over the last twenty years; over the same period, we have seen traditional print publications close year after year. This trend has planted a seed in the publication field that if you don't go digital, you die, a perception that many believe to be true for Nevada Magazine. The magazine's launch of its digital subscription option has accounted for 51% of new subscribers in the last year, but these readers are less satisfied with the magazine than traditional subscribers. They visit the web less frequently than others and are looking for more diverse content. Meanwhile, the magazine's core subscribers barely use the magazine's web or social platforms. Digital may be a benefit to Nevada Magazine, but currently its content, format, and appeal is not as compelling. Subscribers to both the print and digital formats may be the exception.

Key Insights:

- Nevada Magazine stakeholders believe that digital is the future and a pivot or re-focus is required.
- While Nevada Magazine's digital subscriptions have driven 51% of new subscribers (< 1 year) (Appendix 1.1), this option is the least expensive subscription and digital subscribers are less satisfied with the magazine than other subscribers (Figure 1.14).
- Digital subscribers are less likely to appreciate the magazine's content (Appendix 1.8), view its advertising (Appendix 1.24), be influenced to travel (Appendix 1.37) or visit promoted destinations and experiences (Appendix 1.15).
- They are also less interested in the magazine's core content topics when compared to Nevada Magazines primary subscriber (Appendix 1.41).
- Digital users also tend to visit Nevada Magazine's website less frequently, with only 3% visiting the website weekly and 44% only visiting it 1-3 times per year (Figure 1.15).
- Similar patterns exist with Nevada Magazine's social media assets, as 72% of digital subscribers never visit these assets or use social media at all (Figure 1.16).

Key Insights (continued):

- Print and digital subscribers are the exception, as they tend to be more digitally engaged as a group. They:
 - Value the magazine more than any other subscriber (Figure 1.14)
 - Visit the webpage more often (Figure 1.15)
 - Use the magazine more for travel planning content (Appendix 1.18)
 - Are more likely to be influenced by advertisements and content (Appendix 1.37)
 - Are more likely to visit advertised locations (Appendix 1.15)
- Digital advertising is in demand as 96% of Nevada Magazine advertisers market via the internet (Appendix 2.9); however, some are concerned with Nevada Magazine's website and digital capabilities (Appendix 2.3)
- Many believe Nevada Magazine isn't currently structured to successfully provide a quality digital experience: web resources have to be borrowed and social/digital content management is non-existent, very limited or decentralized.

Implications:

- If the future of print is truly digital, and younger readers are the magazine's lifeline, then evaluating and expanding digital capabilities is required.
- Nevada Magazine's readers continue to value the power of the printed publication, complemented by its digital presence. Digital and print readers are the most valuable patrons and may provide insight into how the publication can re-position itself to bridge traditional, valuable, and nostalgic print formats while stepping confidently into the digital age.

Figure 1.14 - Value of Magazine to Readers by Subscription Type

Please indicate how valuable Nevada Magazine is to you. N = 601

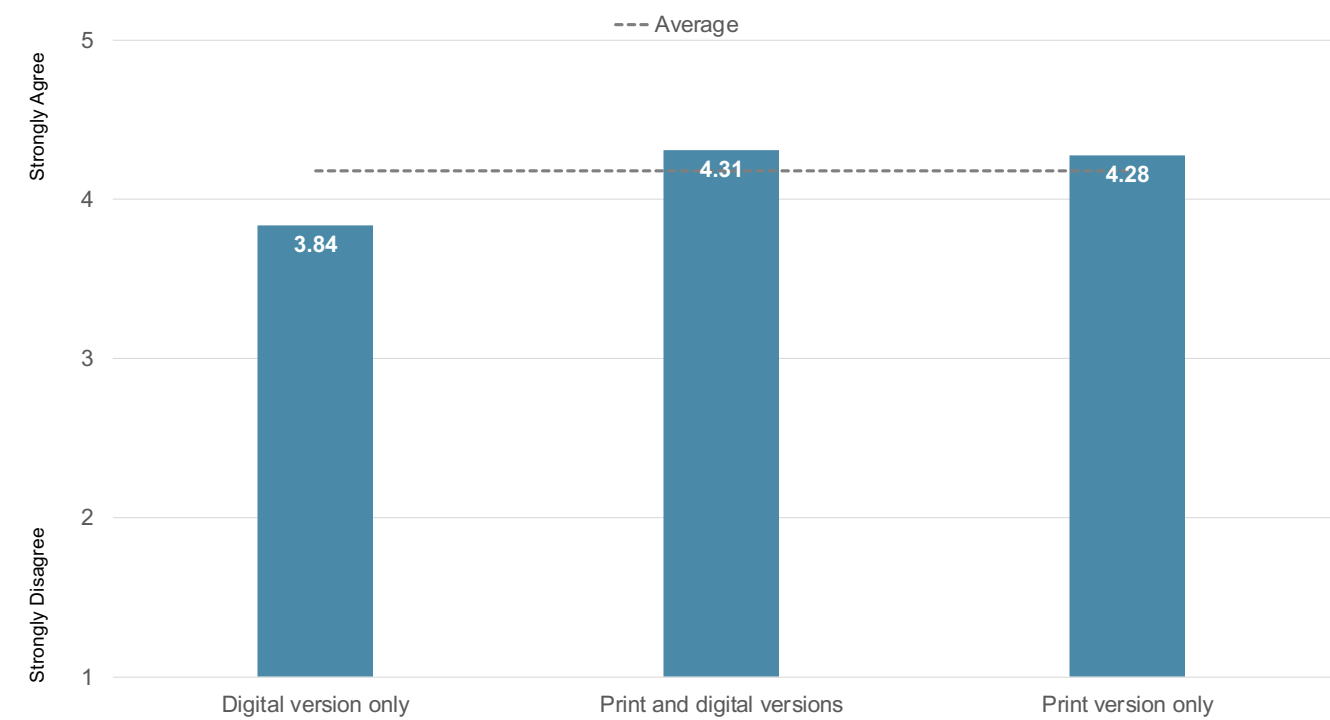


Figure 1.15 - Website Visitation Frequency by Subscription Type

How frequently do you visit the Nevada Magazine website? N = 608

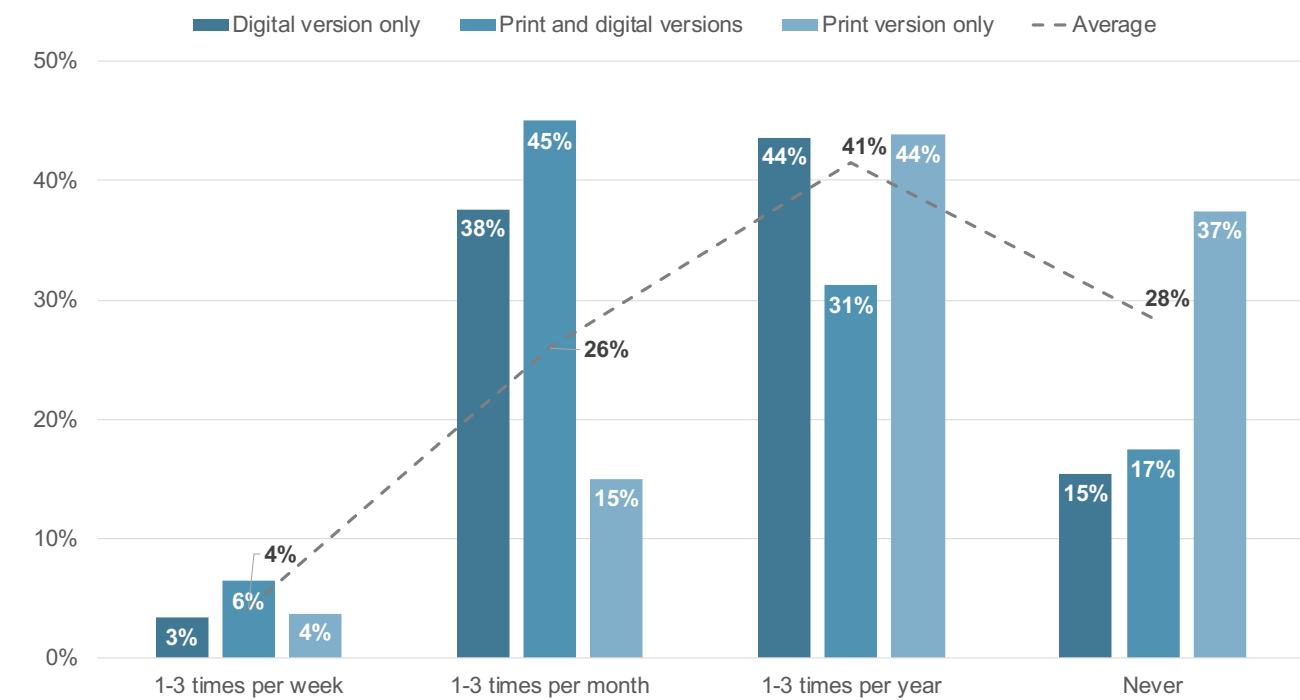
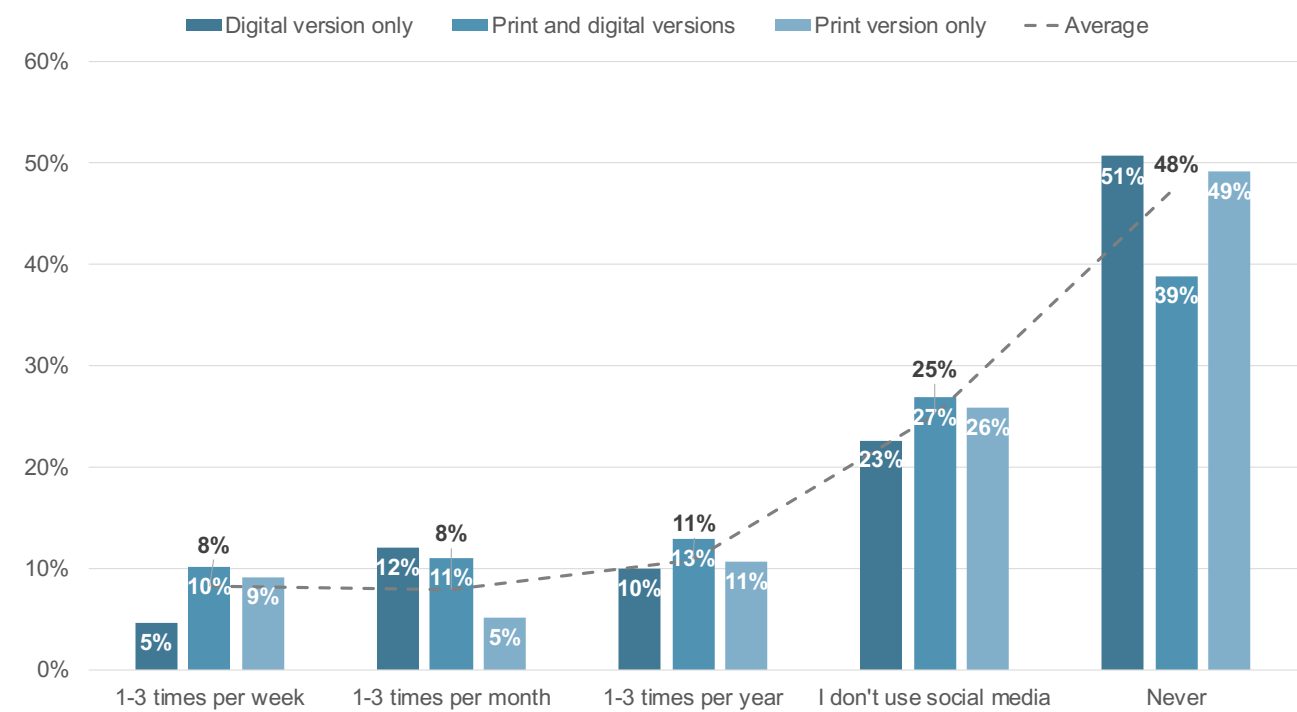


Figure 1.16 - Social Media Visitation Frequency by Subscription Type

How frequently do you visit the Nevada Magazine social media accounts (Facebook, Instagram, etc.)? N = 609



“We need help with social media and online. Before these last two years we didn’t have any help with web. We could enhance our online experience.”

“We could focus on growth of digital. That is the way we are all moving. But I never ever want to go away from the print magazine because it is such a tangible piece for people.”

“I would like to see the digital side be stronger.”

“I would love the opportunity to share, post and spread things in Nevada Magazine. Online articles get more reach. Paper is just so limiting, and such a small % of people dedicated to paper.”

Increased marketing support has the potential to expand readership and revenues, but other subscription barriers exist

Staff and stakeholders believe the magazine would be more successful if it had more resources for direct outreach and broader push campaigns. While readers indicate that awareness is something that may influence subscriptions, price, time to read and simply not wanting a magazine are the primary barriers. Opportunities may exist with women, as lower awareness is more of a driver than their price sensitivity.

Key Insights:

- Many stakeholders suggest that increased budgets directed at push marketing campaigns and wider distribution could increase readership.
- Some non-subscribers may respond better to increased marketing and outreach. They suggest a free promotional mailing campaign (33%) or a better general awareness of subscription rates (29%) might influence them to subscribe (Figure 1.17).
- The primary barrier to subscription is the magazine’s price (28%), and as such, is also the leading strategy non-subscribers suggest would increase their likelihood of subscribing (35%) (Figure 1.18).
- Women are significantly less motivated by price than men, who are more price sensitive. Women indicate a lack of free time or limited awareness of a digital option as primary barriers to subscription (Appendix 1.44). Promotional magazines or information on subscriptions, specifically digital, are key areas of potential push marketing efforts (Appendix 1.46).
- Younger readers tend to not subscribe because they just don’t have an interest or believe they can get the magazine elsewhere (Appendix 1.43), but many suggest simply being aware of rates may influence higher subscription rates (Appendix 1.47).

Implications:

- Any marketing efforts to drive new subscriptions should consider targeting women. Women were more likely to be unaware of the digital option, less likely to see price as a barrier, and more likely to respond to a free, direct mail campaign.
- Younger readers have different content interests than the core readers of Nevada Magazine. Any direct marketing efforts to expand this readership requires an evaluation of content across channels and pricing. With younger generations have limitless access to information, the price and content must present an attractive value proposition.
- Evaluation of promotions to expand print and digital subscriptions could be valuable and spans both the younger and core readership.

Figure 1.17 - Subscription Influencers
What would make you more likely to subscribe? N = 147

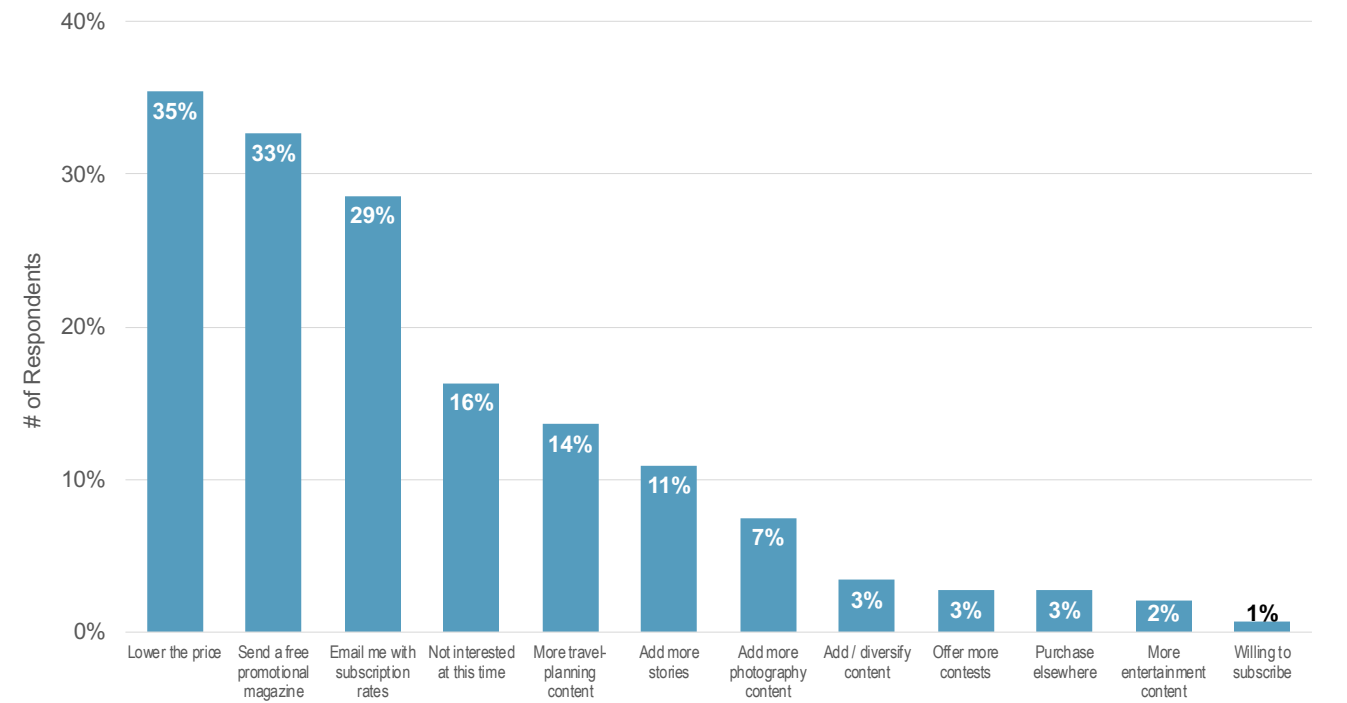
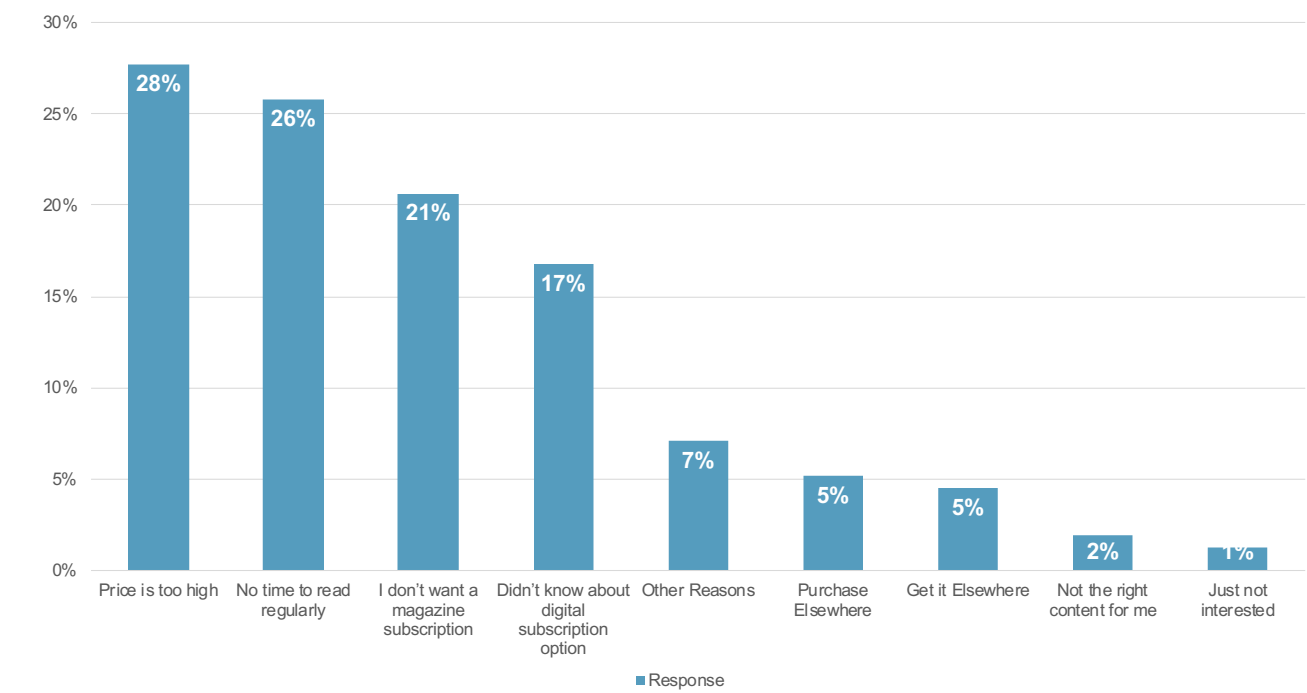


Figure 1.18 - Reason for Not Subscribing
Why don't you subscribe to Nevada Magazine? N = 155

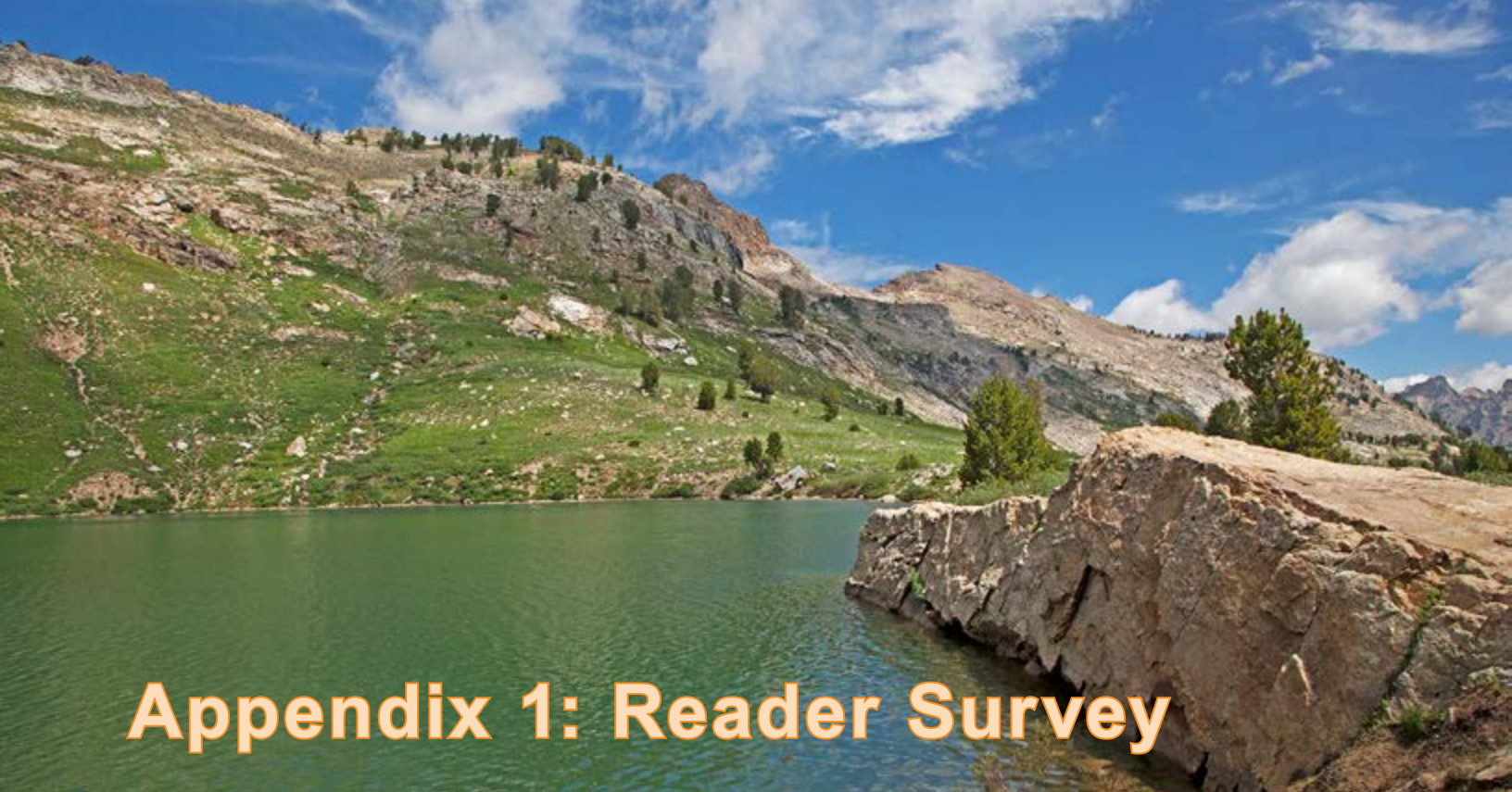


“We got 50k for a mail order campaign and it was successful.”

“We need to market our online subscription to the international market. That is not being done right now.”

“We could do more if we have more of a budget to put towards outreach and marketing.”

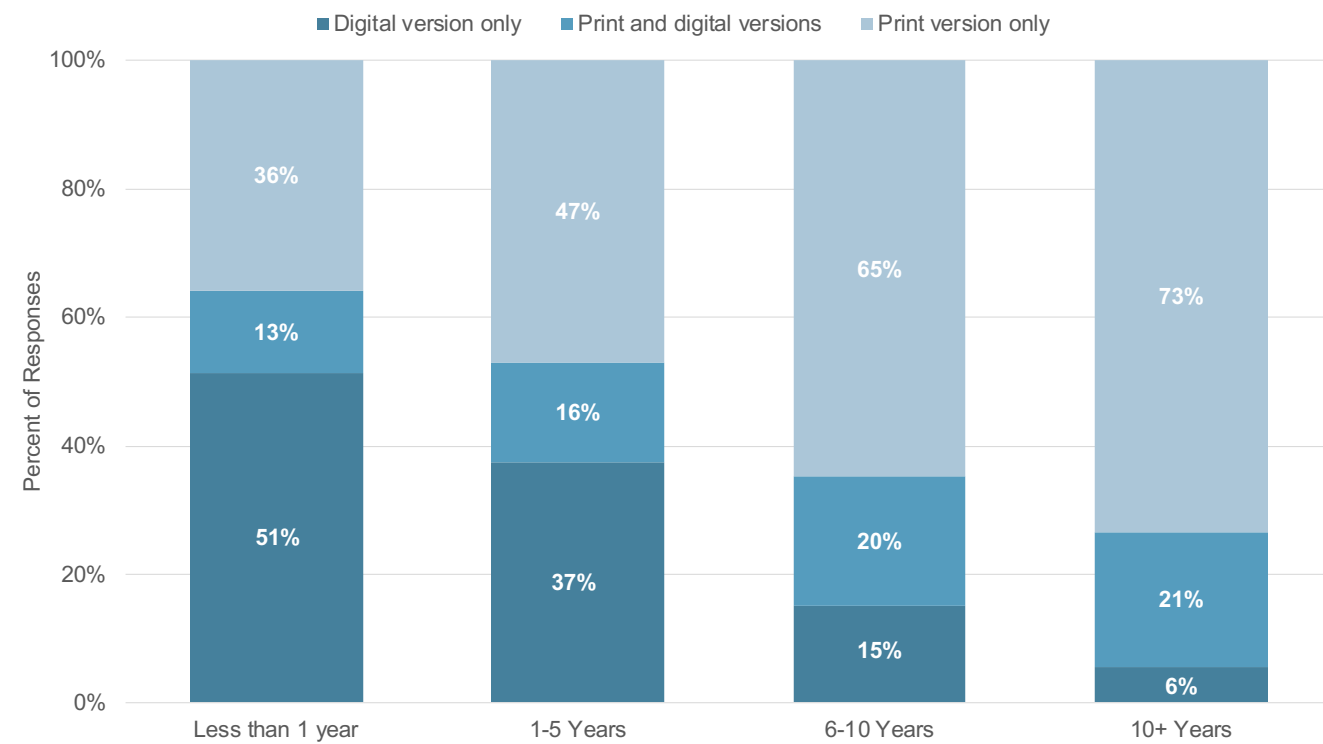




Appendix 1: Reader Survey

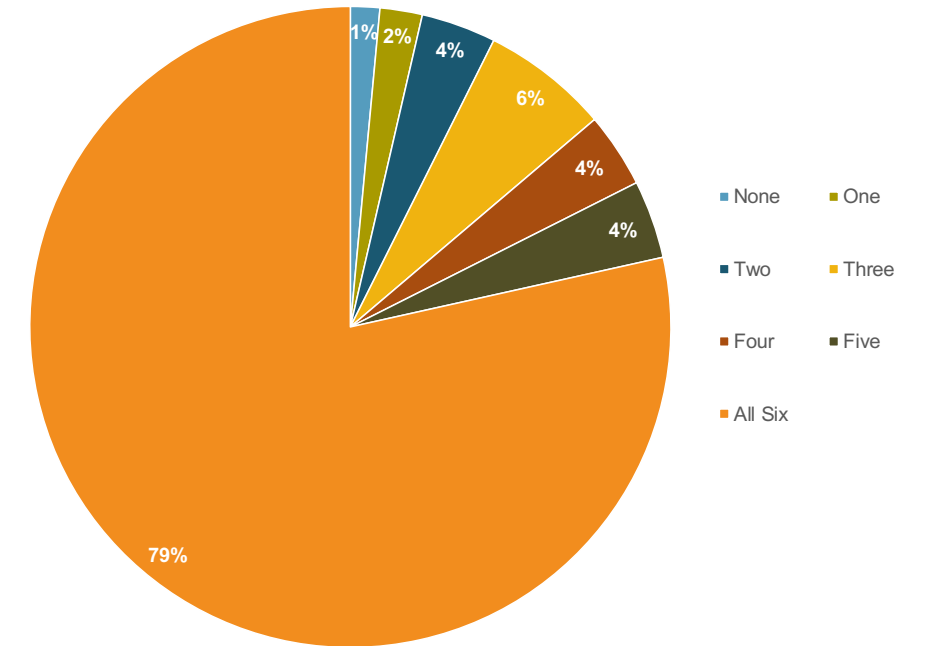
Appendix 1.1 - Subscription Tenure by Subscription Type

N = 611



Appendix 1.2 - Use

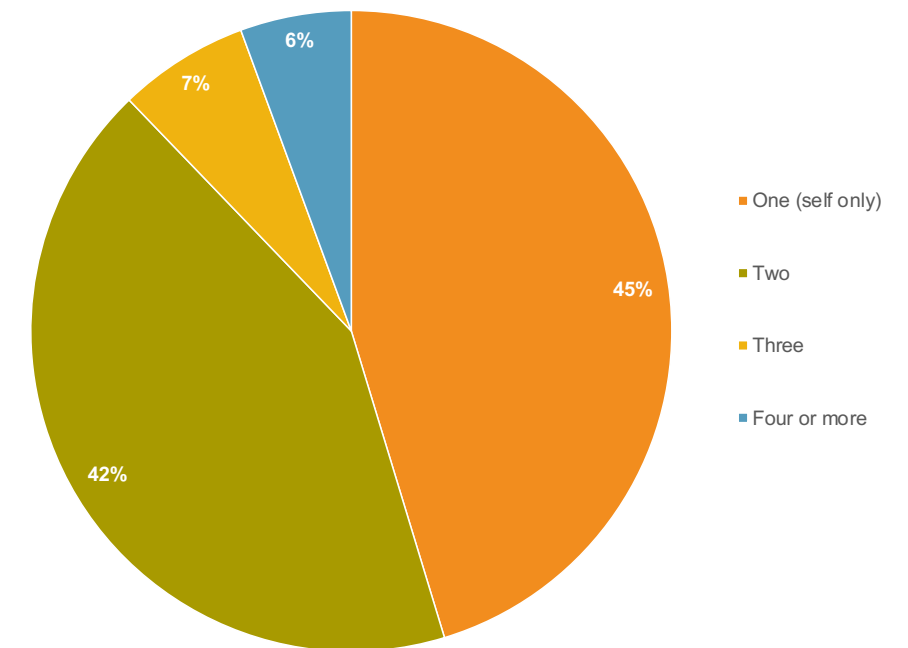
How many of the last six issues of Nevada Magazine have you read or looked through? N = 609



Appendix 1.3 - Number of Readers per Magazine

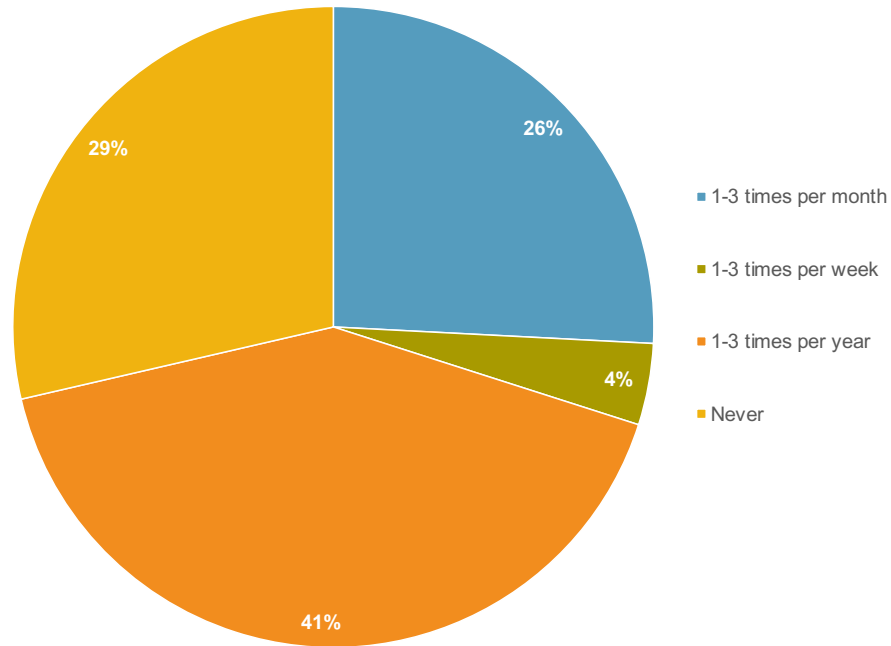
Including yourself, how many people typically read or look through your copy of Nevada Magazine?

N = 607



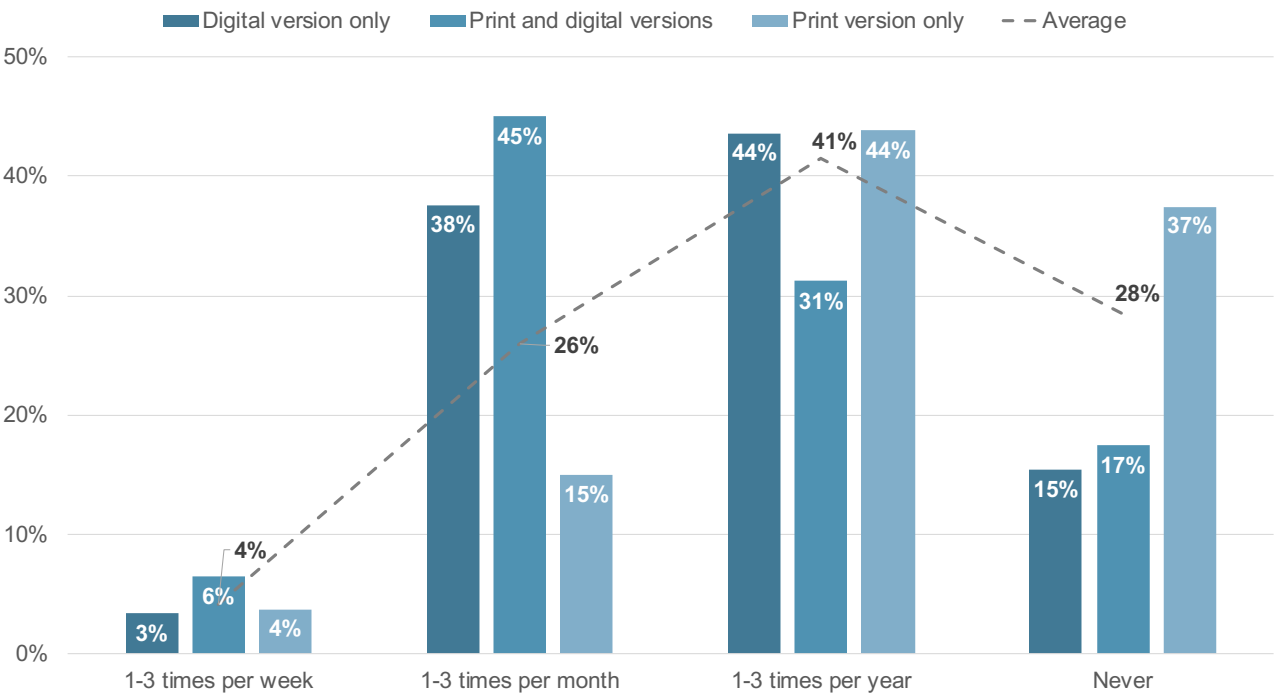
Appendix 1.4 - Website Visitation Frequency

How frequently do you visit the Nevada Magazine website? **N = 608**



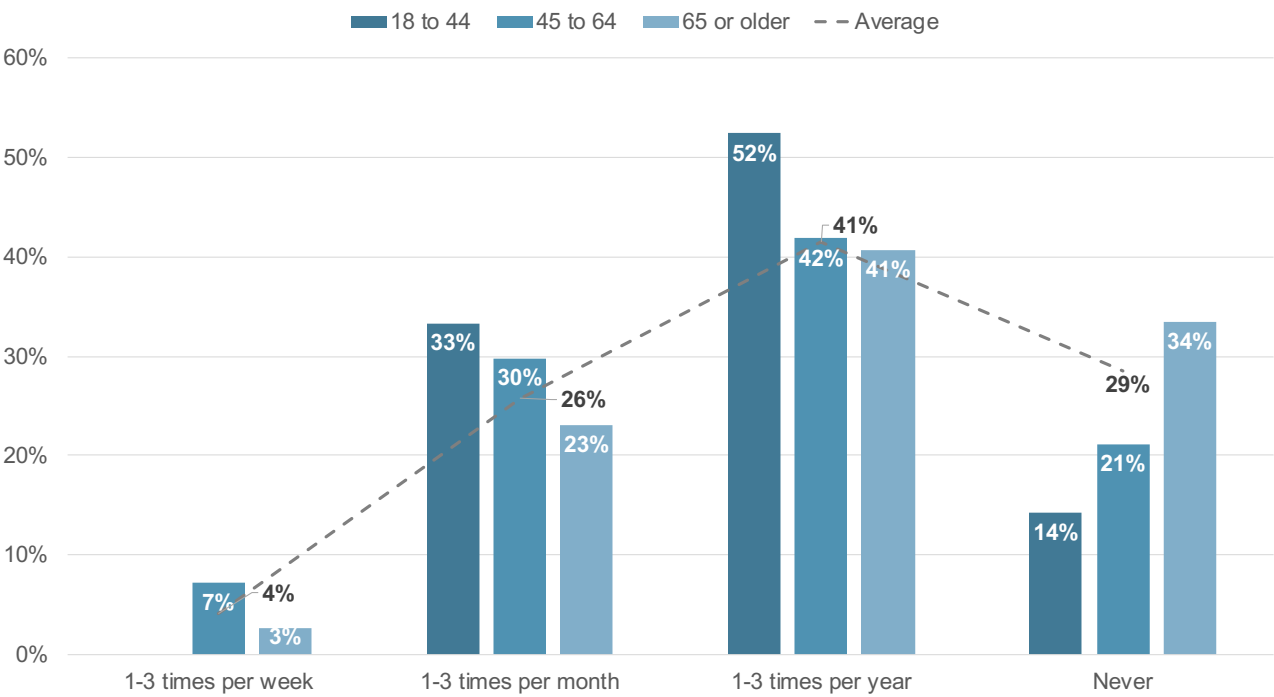
Appendix 1.5 - Website Visitation Frequency by Subscription Type

How frequently do you visit the Nevada Magazine website? **N = 608**



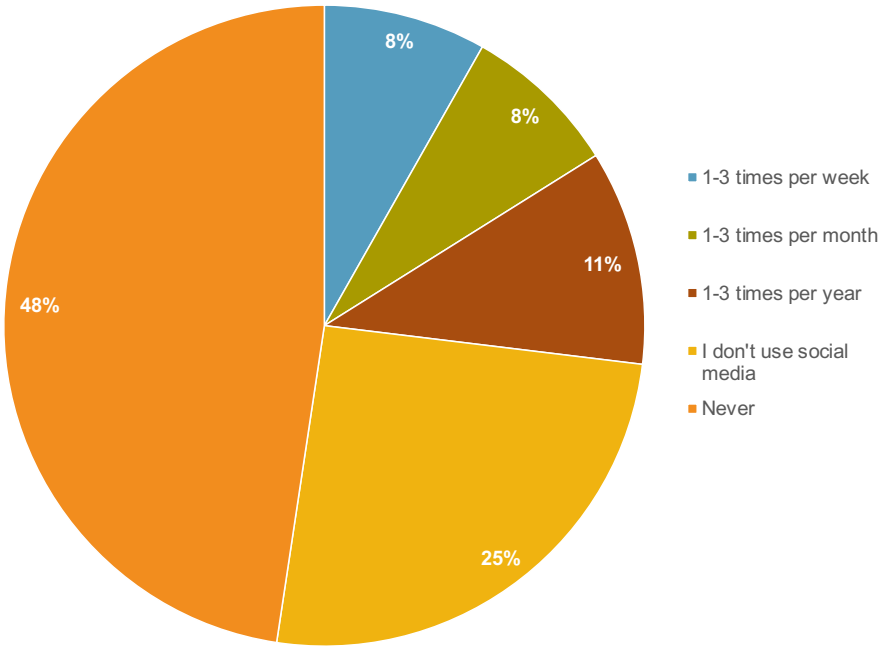
Appendix 1.6 - Website Visitation Frequency by Age

How frequently do you visit the Nevada Magazine website? **N = 608**



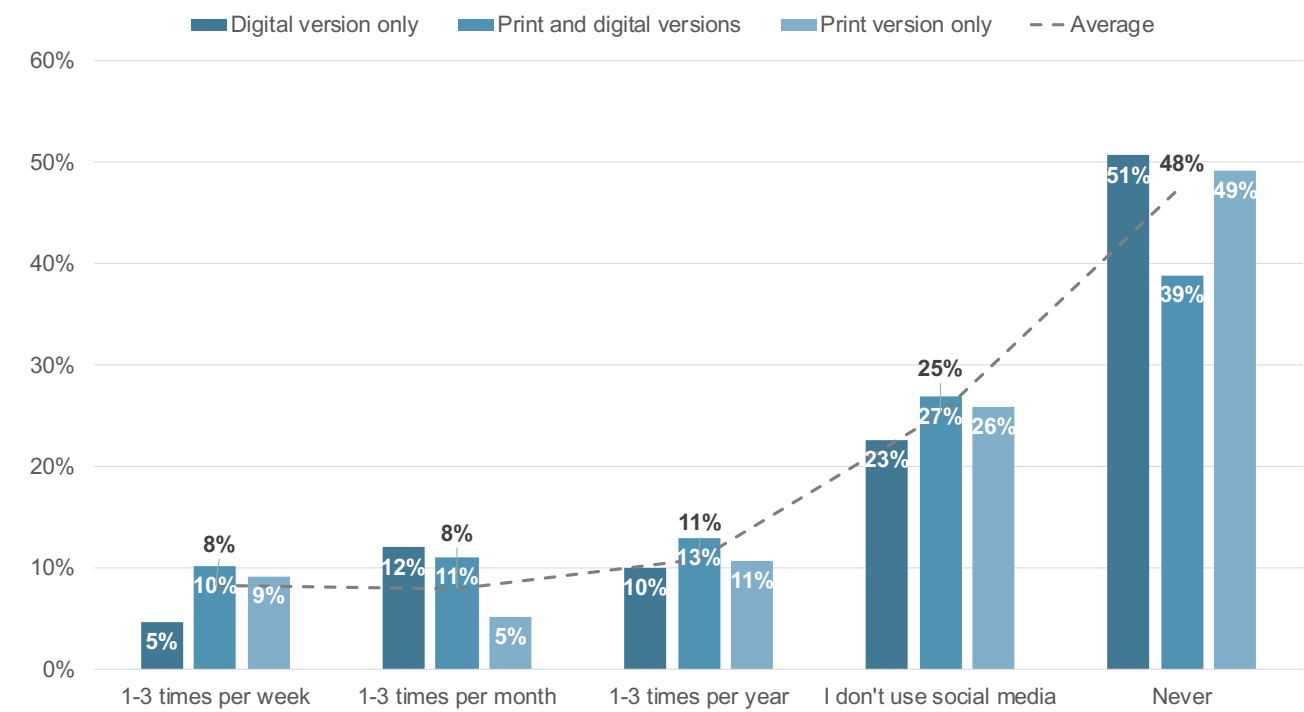
Appendix 1.7 - Social Media Visitation Frequency

How frequently do you visit the Nevada Magazine social media accounts (Facebook, Instagram, etc.)? **N = 609**



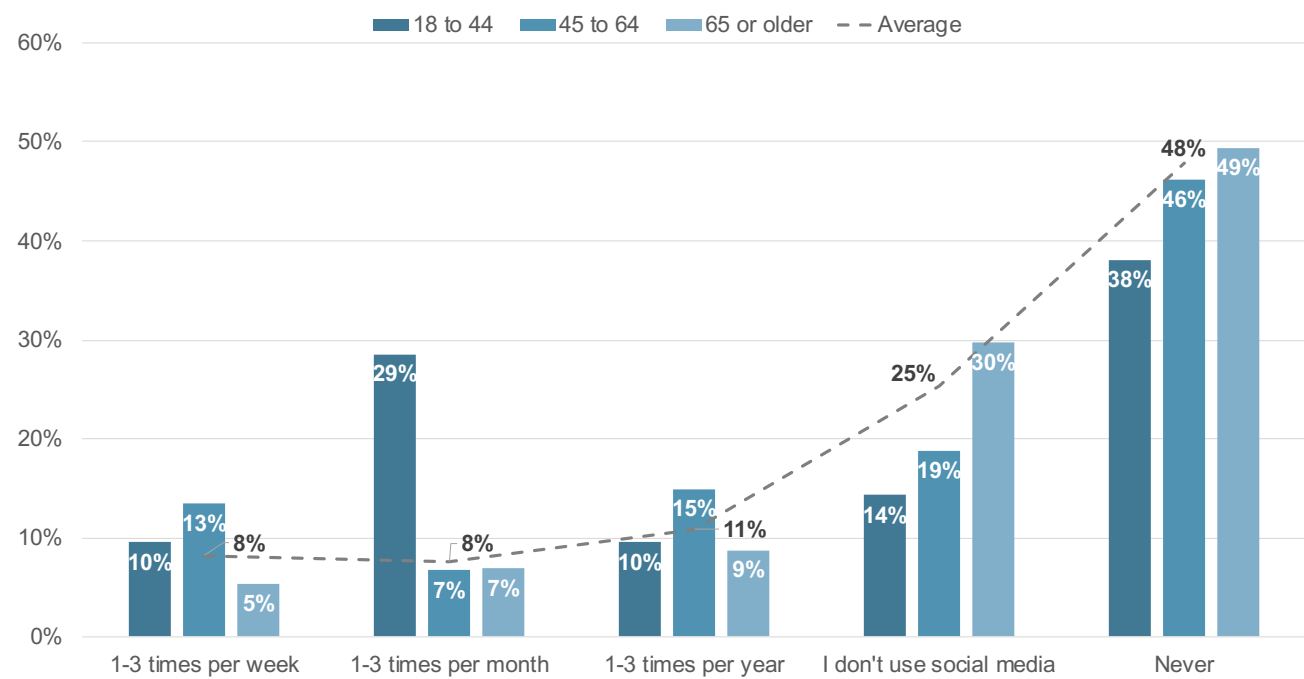
Appendix 1.8 - Social Media Visitation Frequency by Subscription Type

How frequently do you visit the Nevada Magazine social media accounts (Facebook, Instagram, etc.)?
N = 609



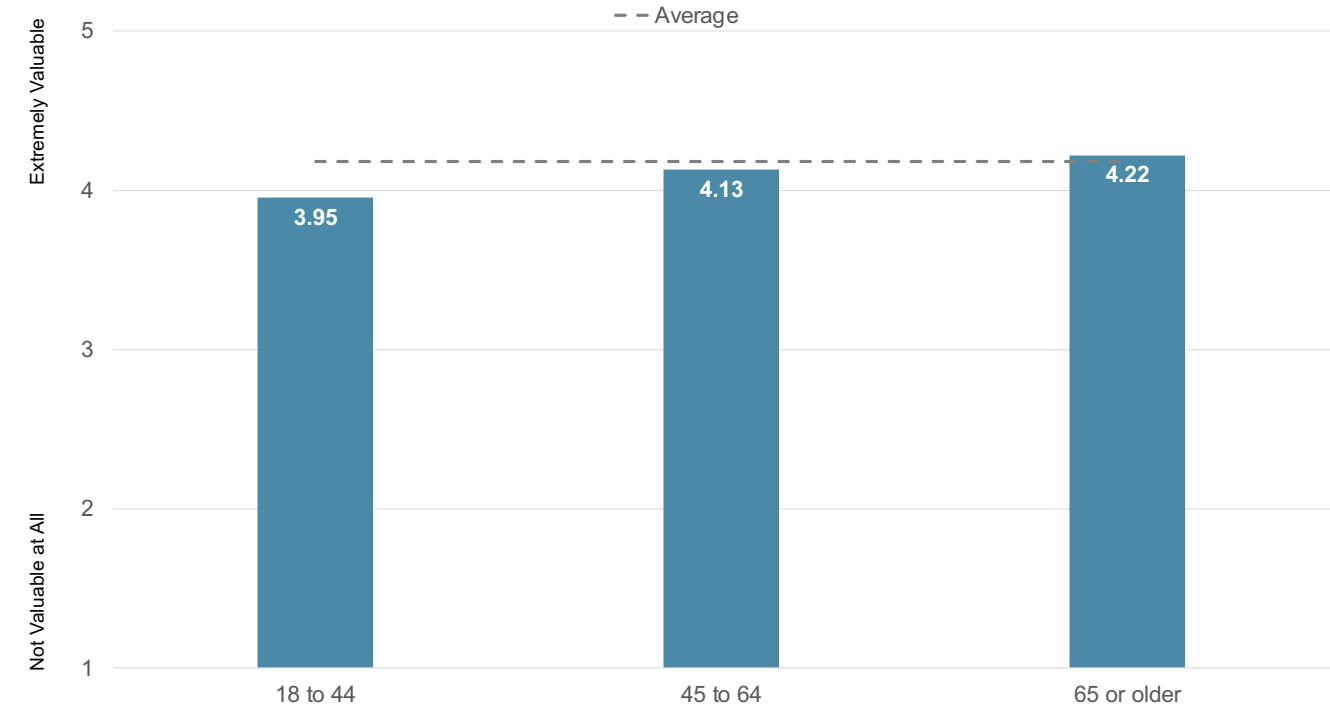
Appendix 1.9 - Social Media Visitation Frequency by Age

How frequently do you visit the Nevada Magazine social media accounts (Facebook, Instagram, etc.)?
N = 609



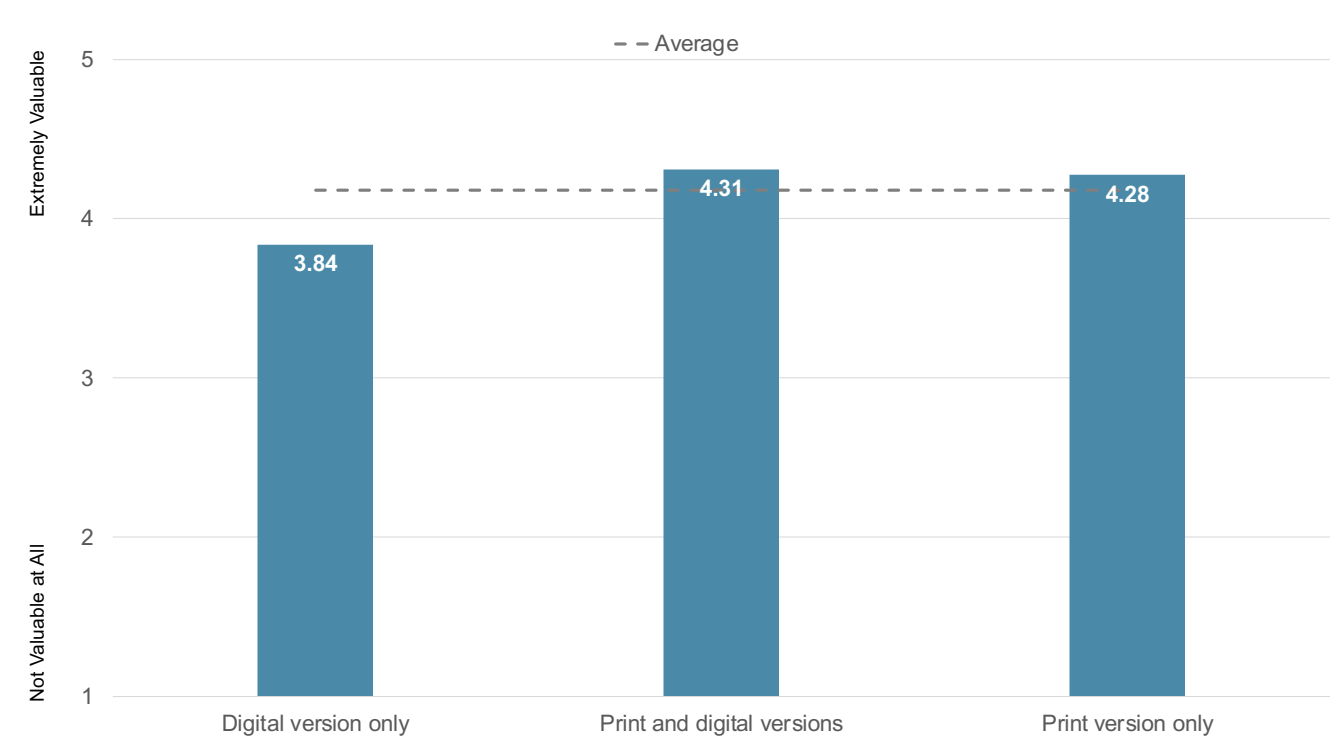
Appendix 1.10 - Value of Magazine to Readers by Age

Please indicate how valuable Nevada Magazine is to you. **N = 601**



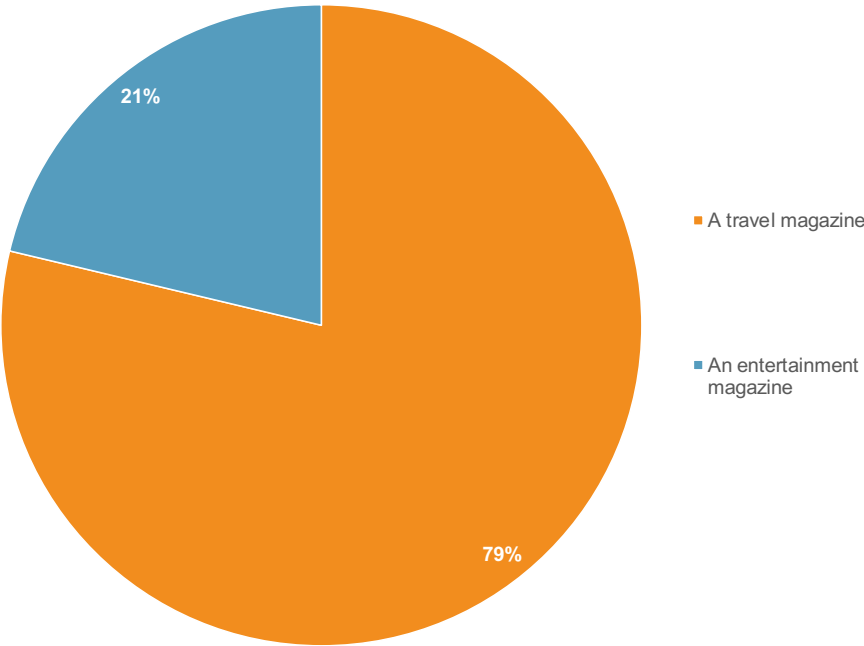
Appendix 1.11 - Value of Magazine to Readers by Subscription Type

Please indicate how valuable Nevada Magazine is to you. **N = 601**



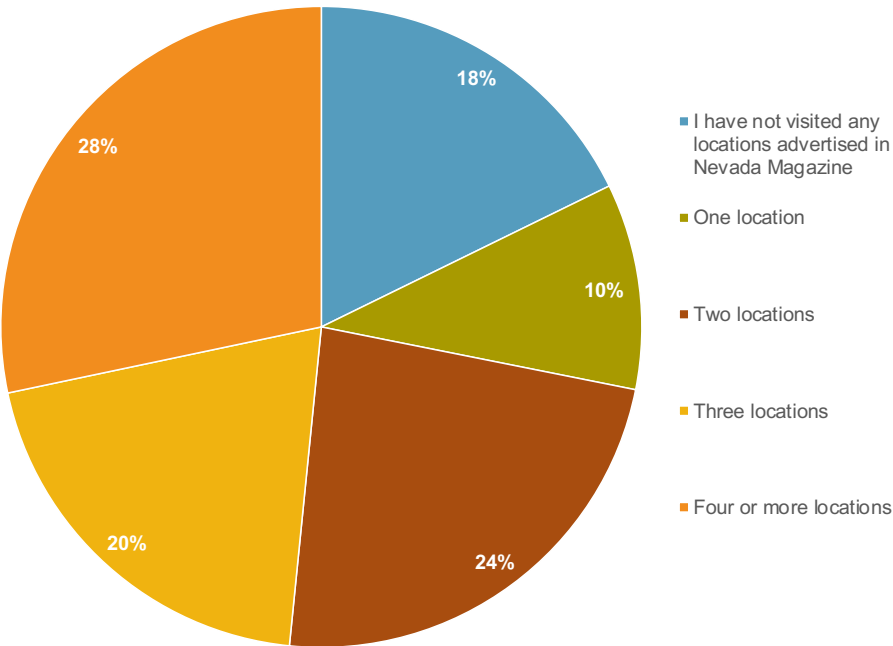
Appendix 1.12 - Magazine Perception

Do you consider Nevada Magazine a travel magazine or an entertainment magazine? N = 597



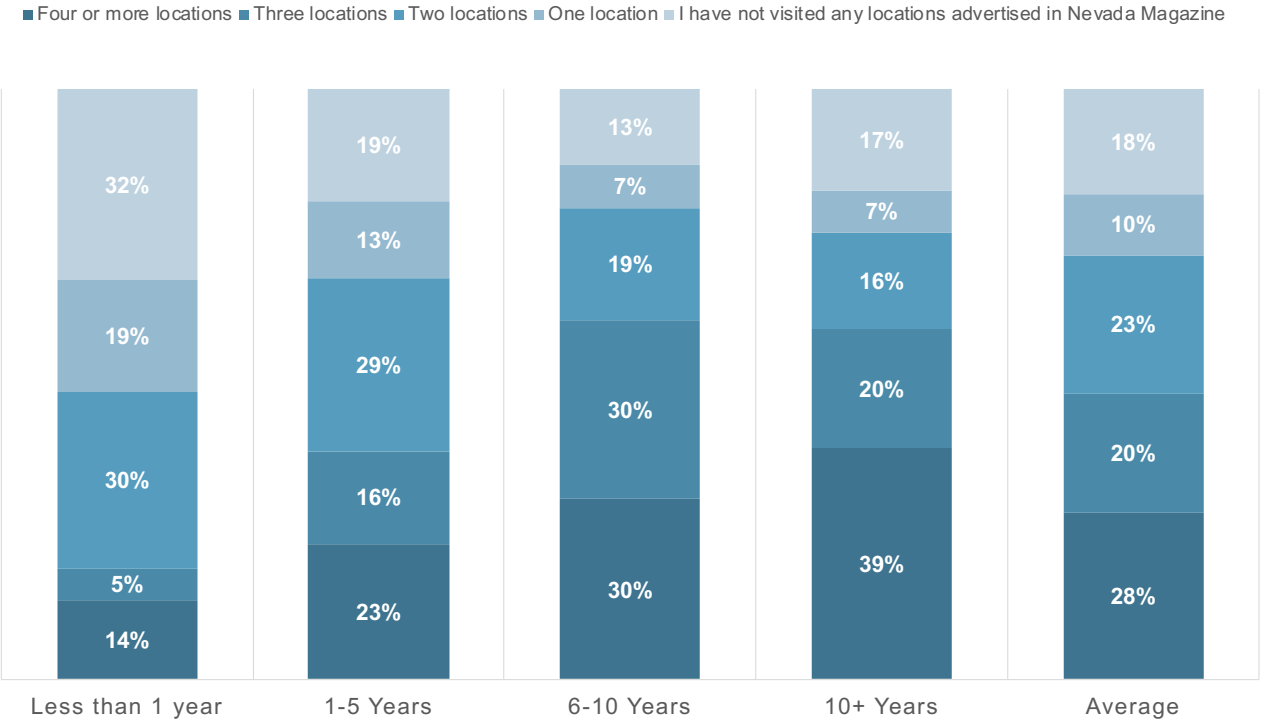
Appendix 1.13 - Number of Advertised Locations Visited by Readers

In the last year, how many locations advertised in Nevada Magazine have you visited (whether to a destination, museum, etc.)? N = 597



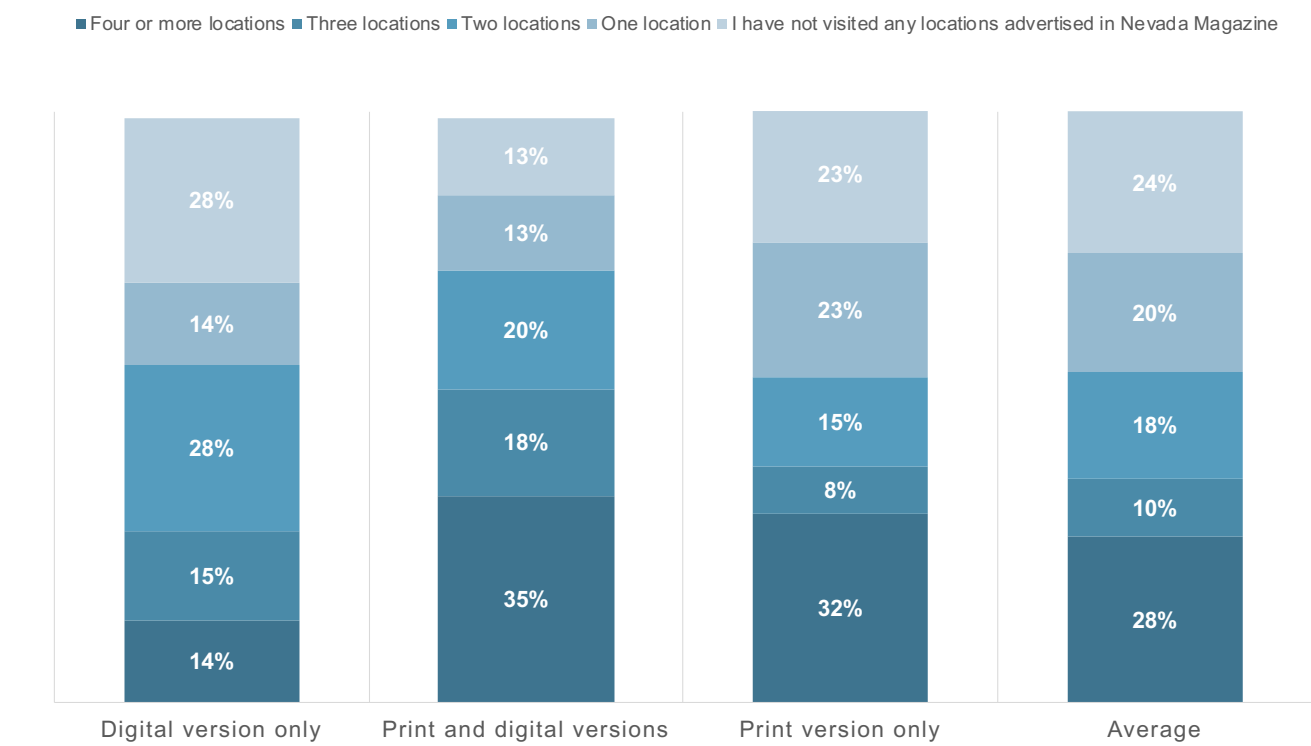
Appendix 1.14 - Number of Advertised Locations Visited by Reader by Tenure

In the last year, how many locations advertised in Nevada Magazine have you visited (whether to a destination, museum, etc.)? N = 597



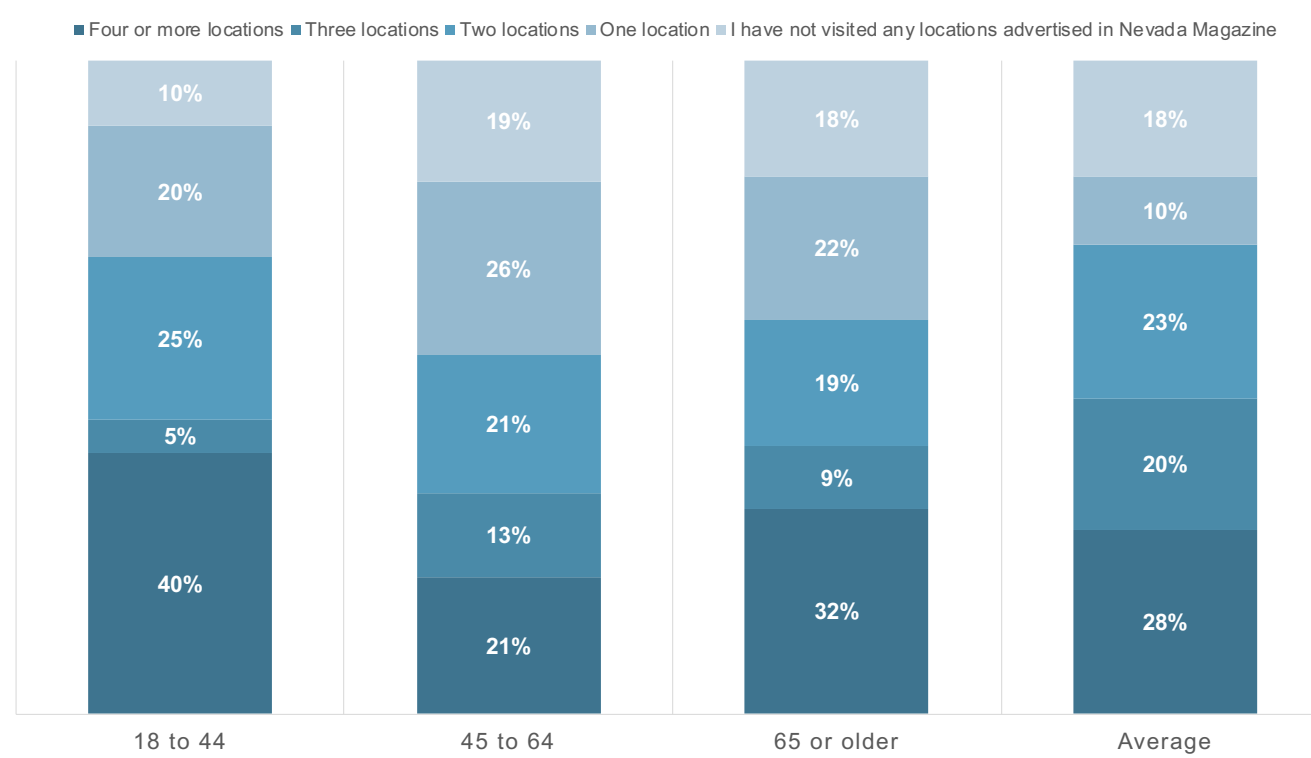
Appendix 1.15 - Number of Advertised Locations Visited by Reader by Subscription

Please indicate how valuable Nevada Magazine is to you. N = 601



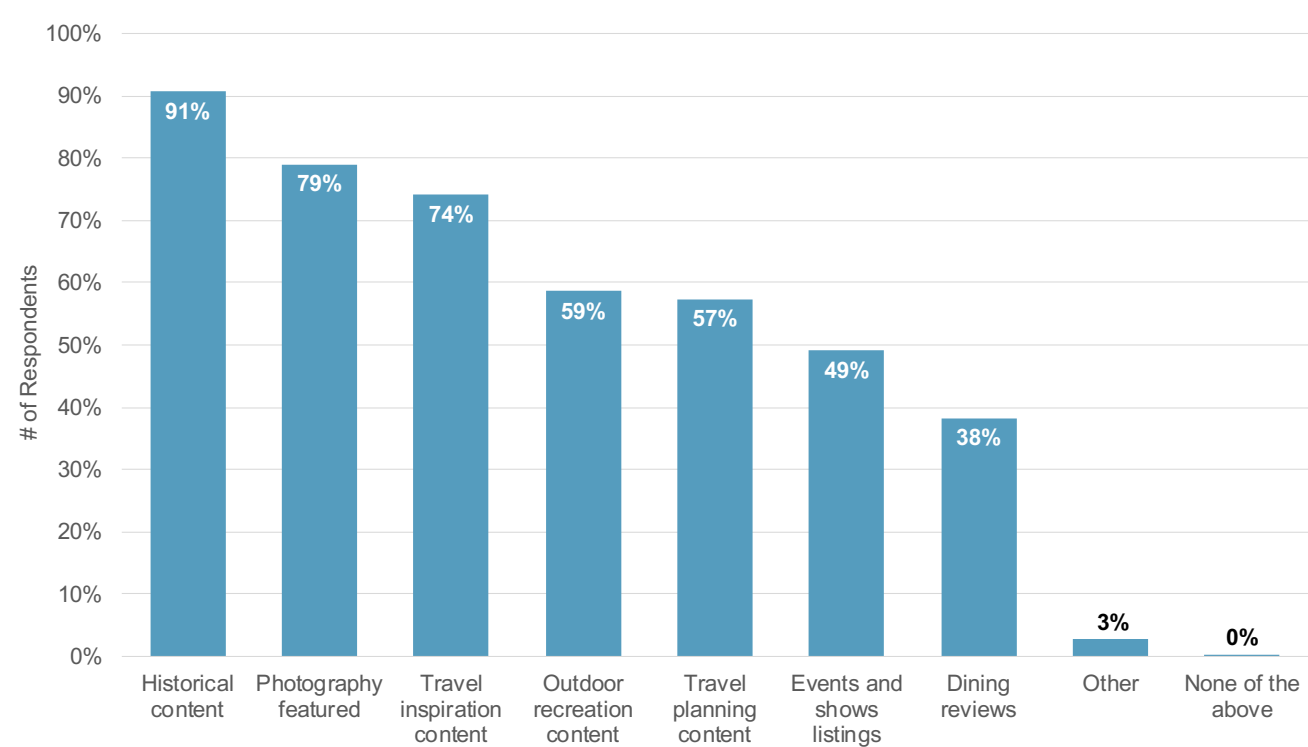
Appendix 1.16 - Number of Advertised Locations Visited by Reader by Age

In the last year, how many locations advertised in Nevada Magazine have you visited (whether to a destination, museum, etc.)? N = 597



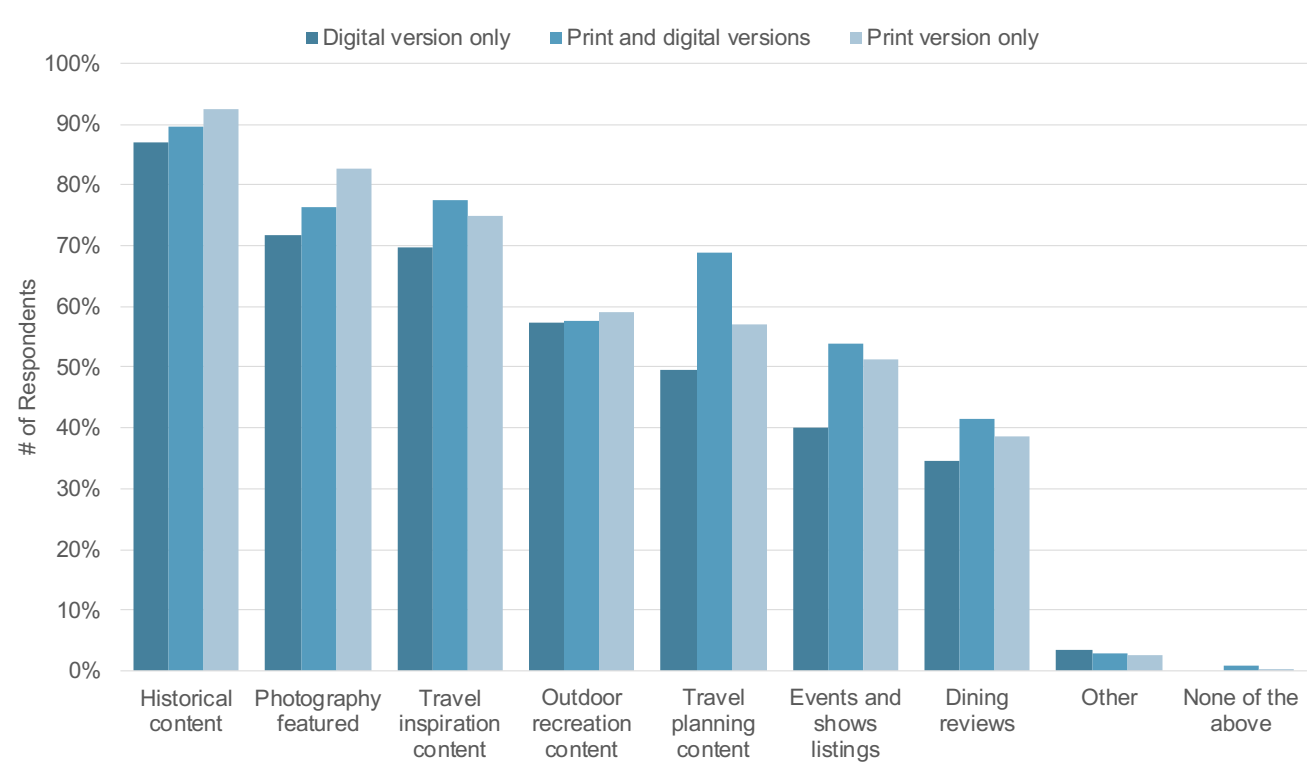
Appendix 1.17 - Appreciation of Content

What do you appreciate about Nevada Magazine? N = 601



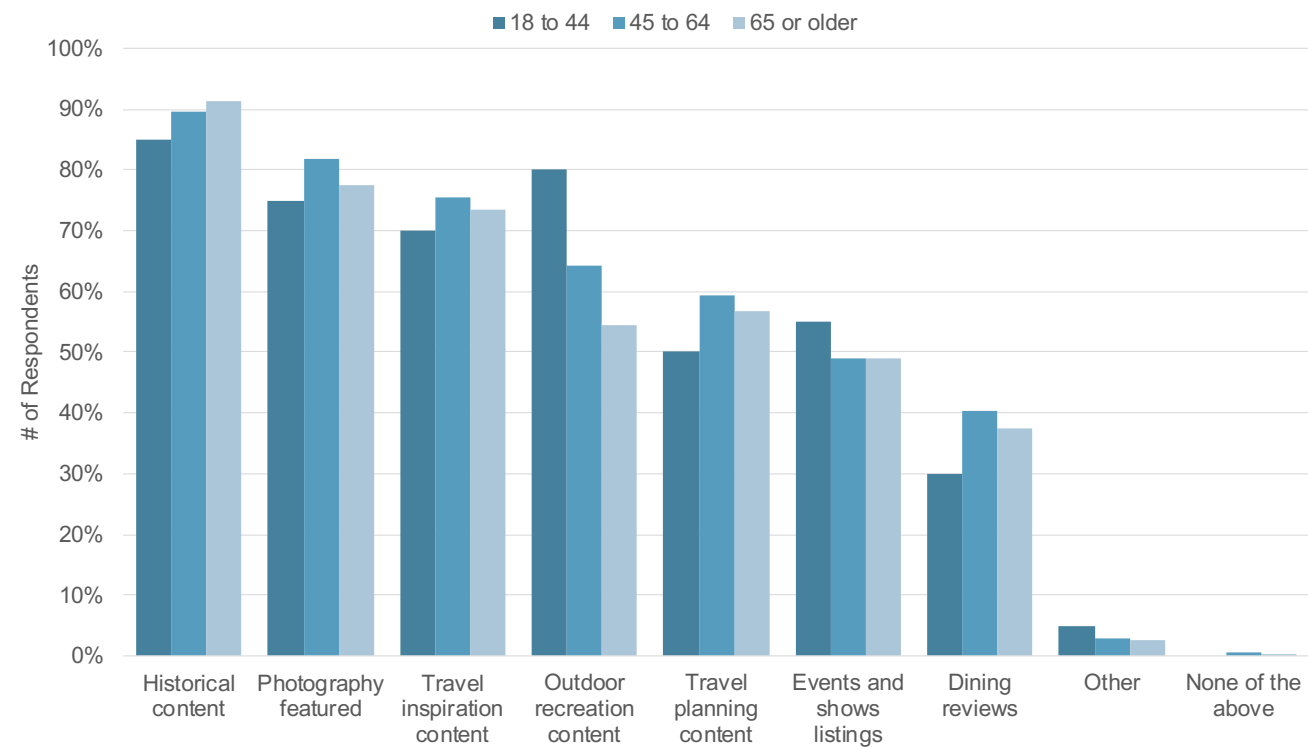
Appendix 1.18 - Appreciation of Content by Subscription Type

What do you appreciate about Nevada Magazine? N = 601



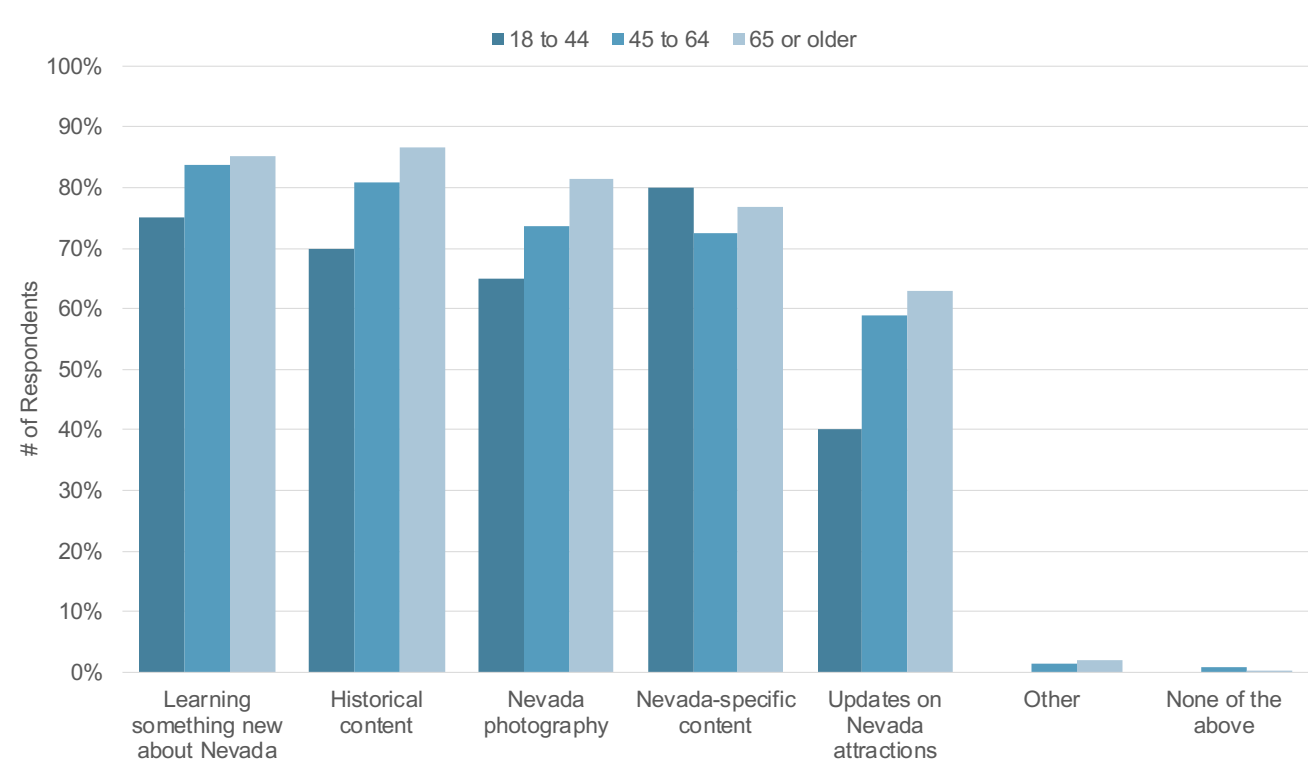
Appendix 1.19 - Appreciation of Content by Age

What do you appreciate about Nevada Magazine? N = 601



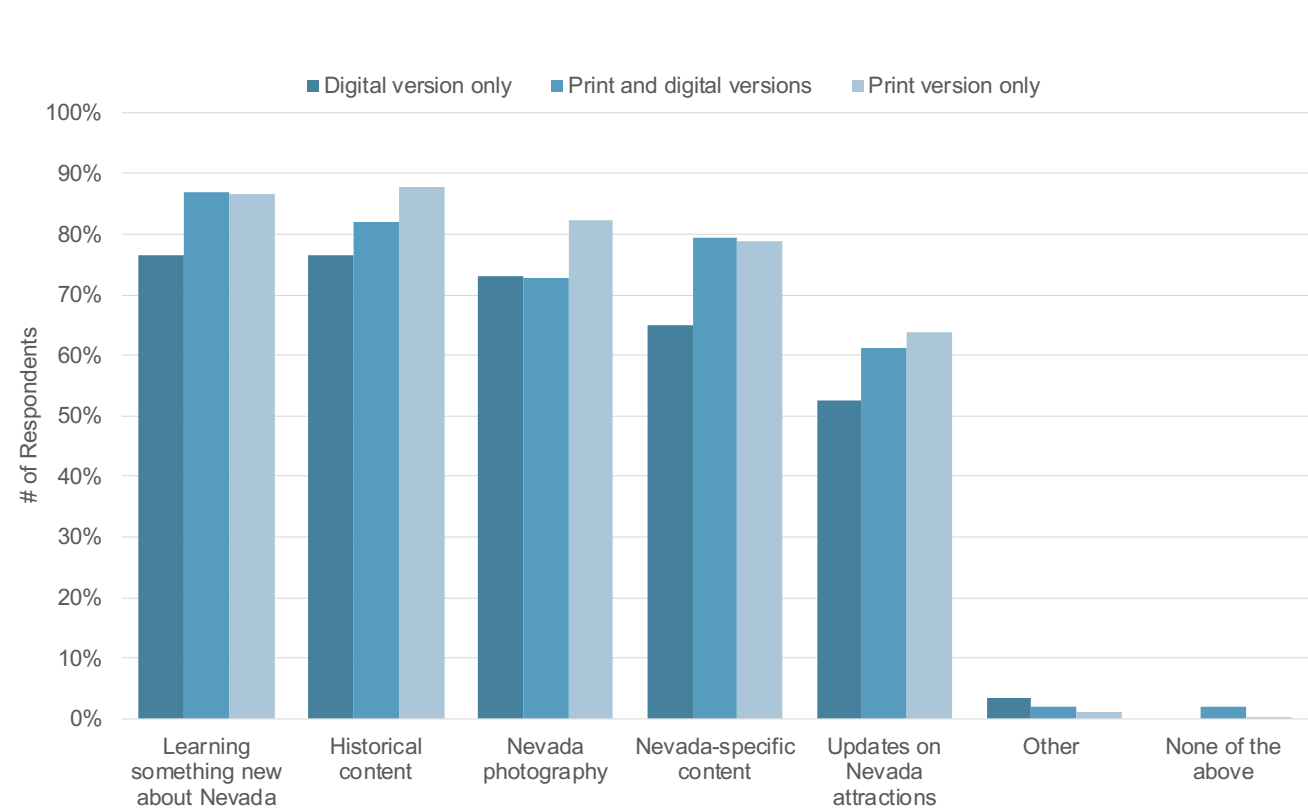
Appendix 1.21 - Uniqueness of Nevada Magazine by Age

What is unique about Nevada Magazine? N = 601



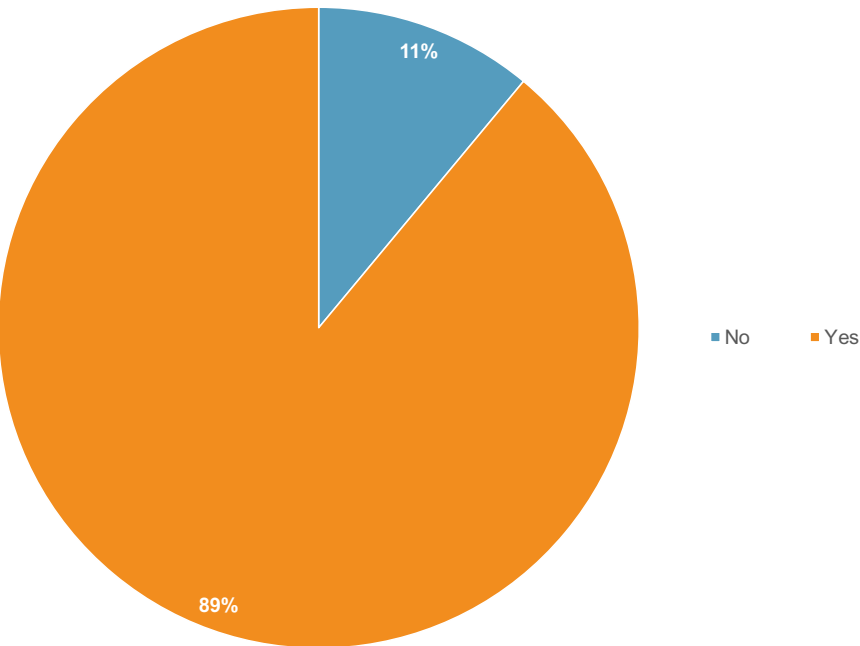
Appendix 1.20 - Uniqueness of Nevada Magazine by Subscription Type

What is unique about Nevada Magazine? N = 601

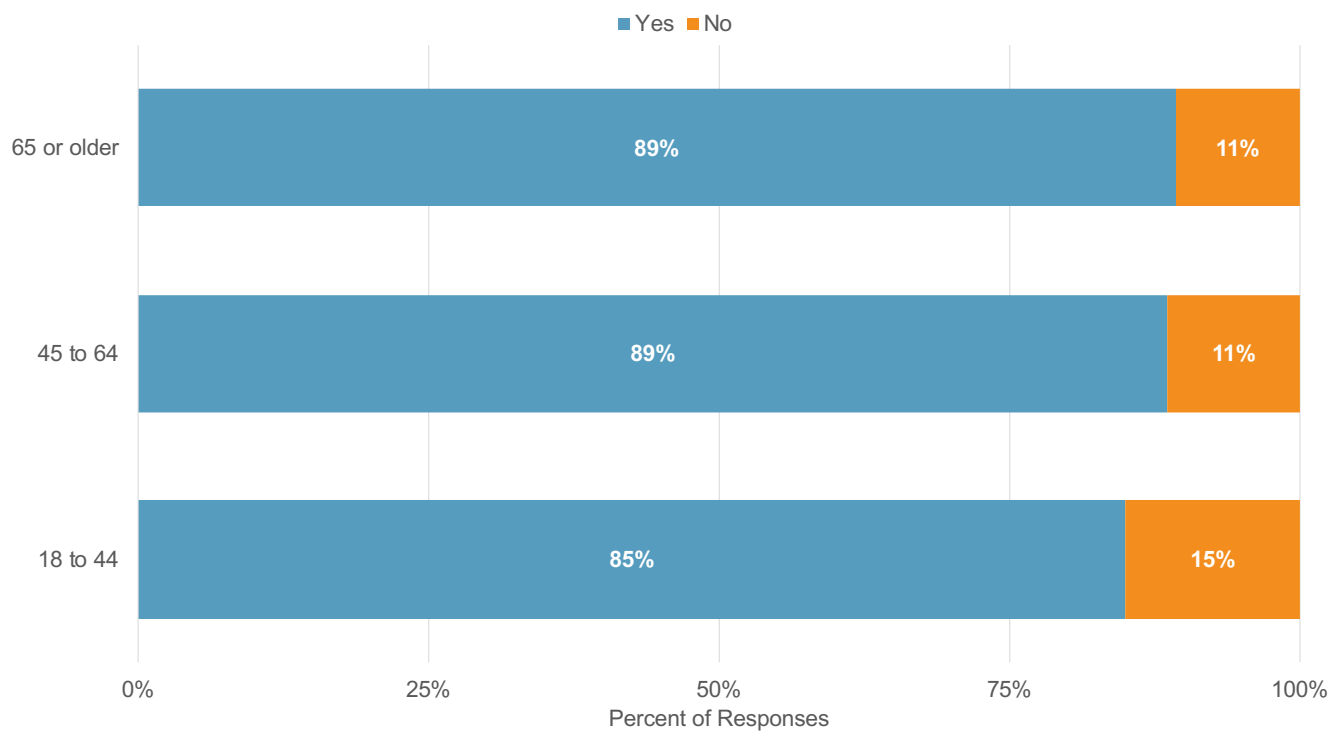


Appendix 1.22 - Viewing Advertising

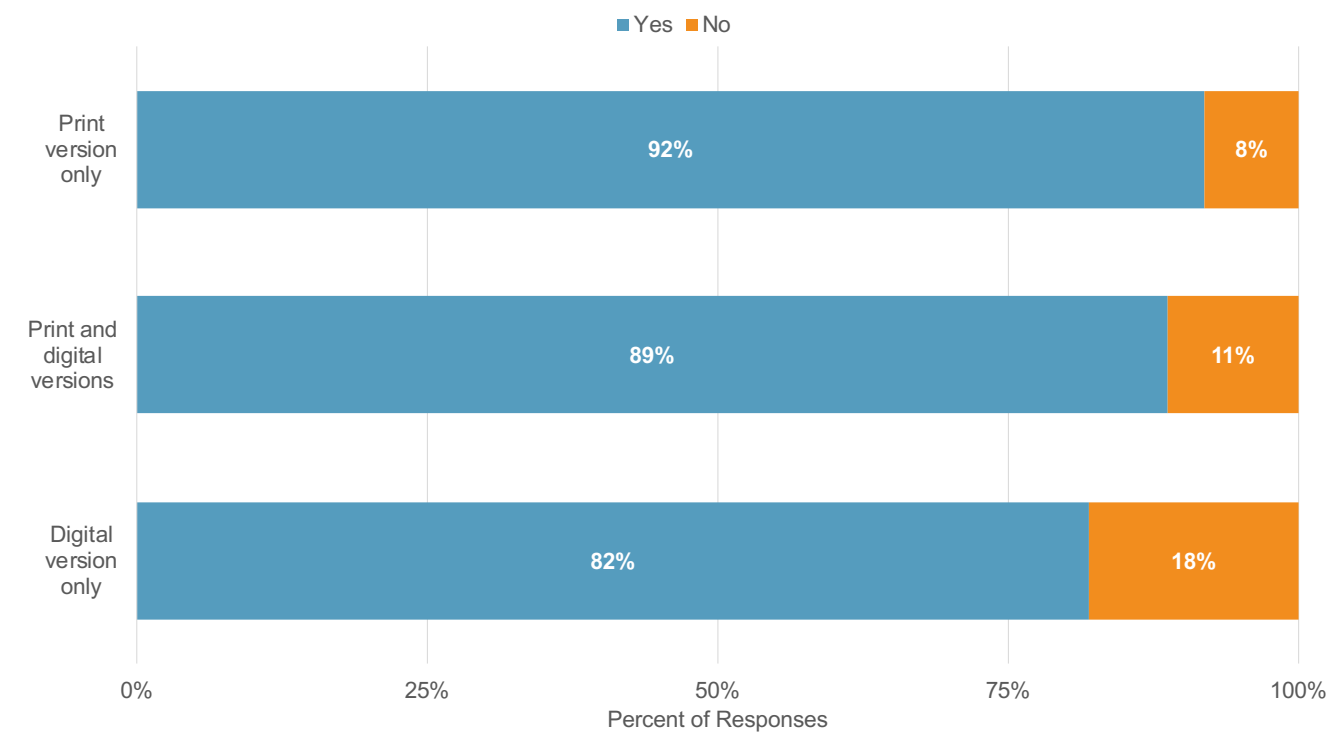
Do you look at or read the advertising found within Nevada Magazine? N = 598



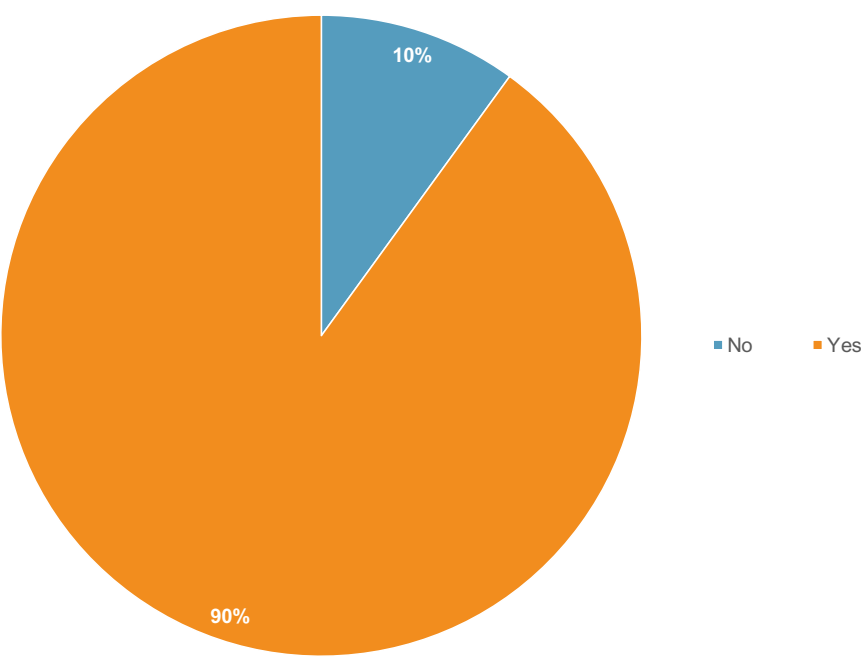
Appendix 1.23 - Viewing Advertising by Age
Do you look at or read the advertising found within Nevada Magazine? **N = 598**



Appendix 1.24 - Viewing Advertising by Subscription Type
Do you look at or read the advertising found within Nevada Magazine? **N = 598**

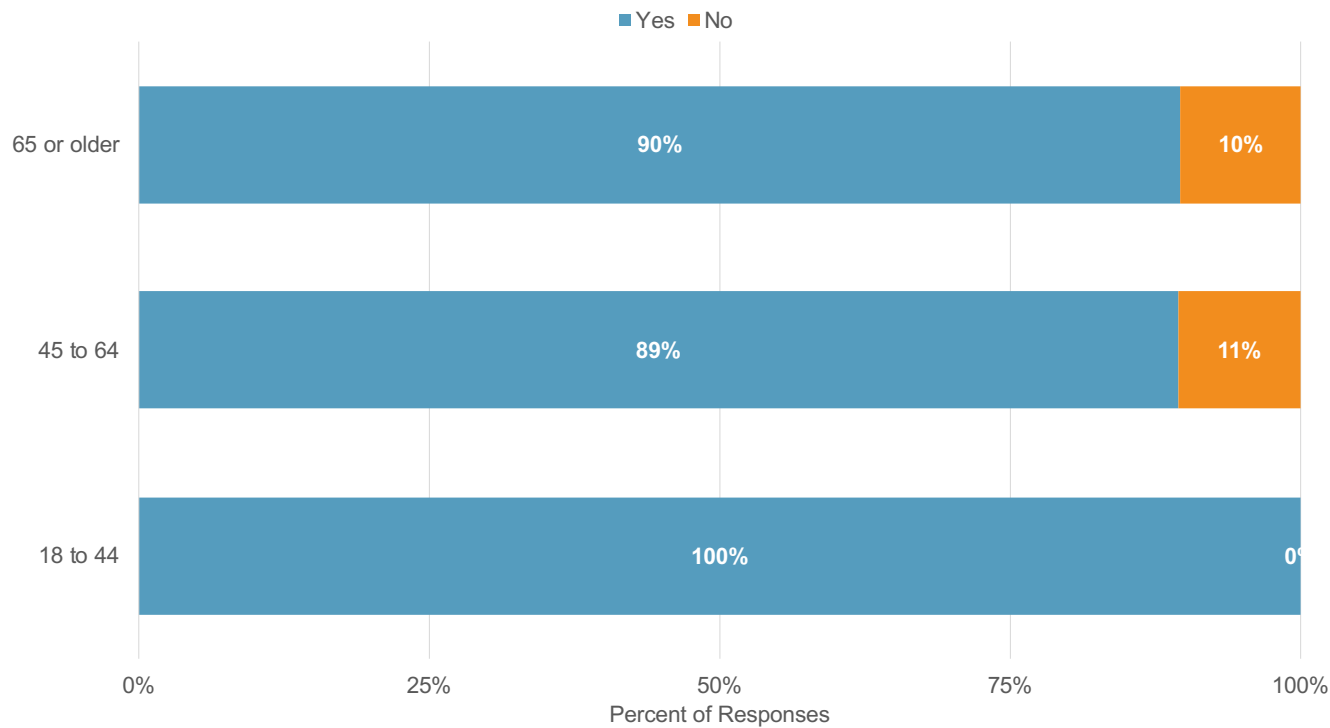


Appendix 1.25 - Advertising Usefulness
Do you find the ads useful in terms of the Nevada content offered? **N = 530**



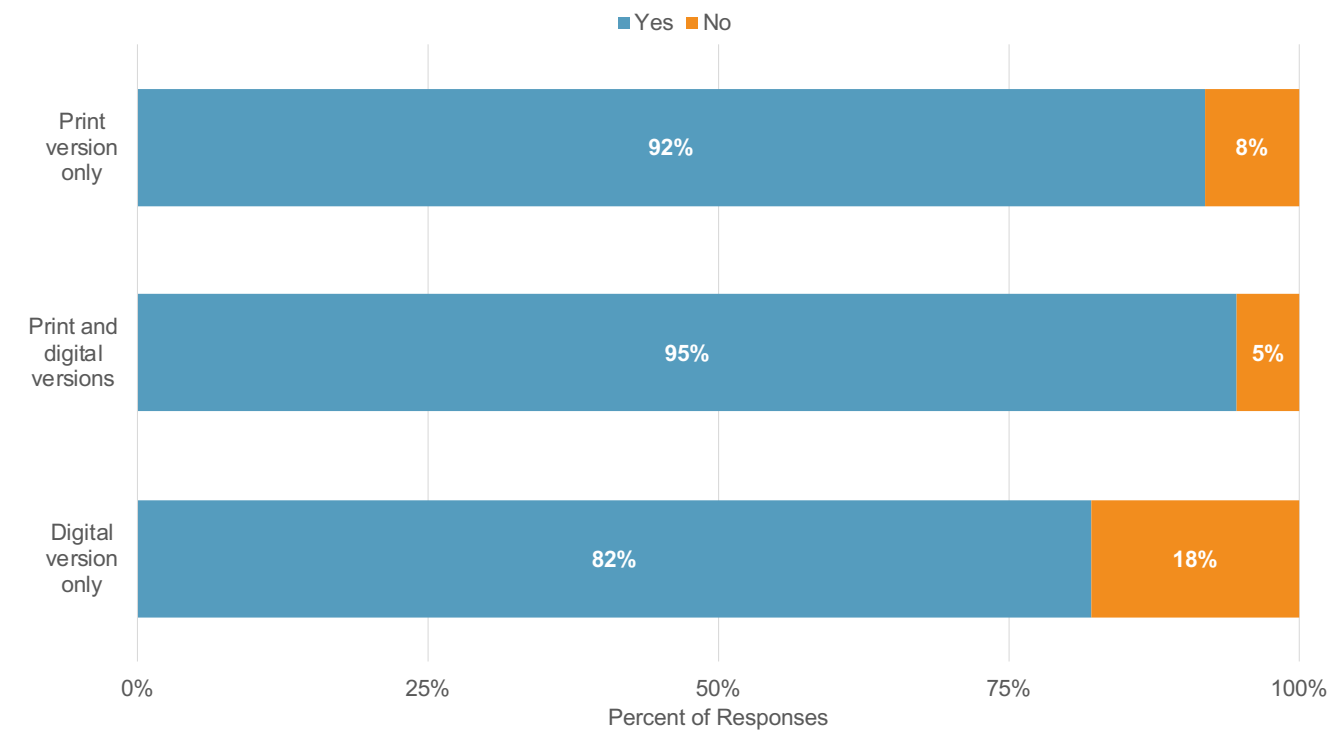
Appendix 1.26 - Advertising Usefulness by Age

Do you find the ads useful in terms of the Nevada content offered? N = 530



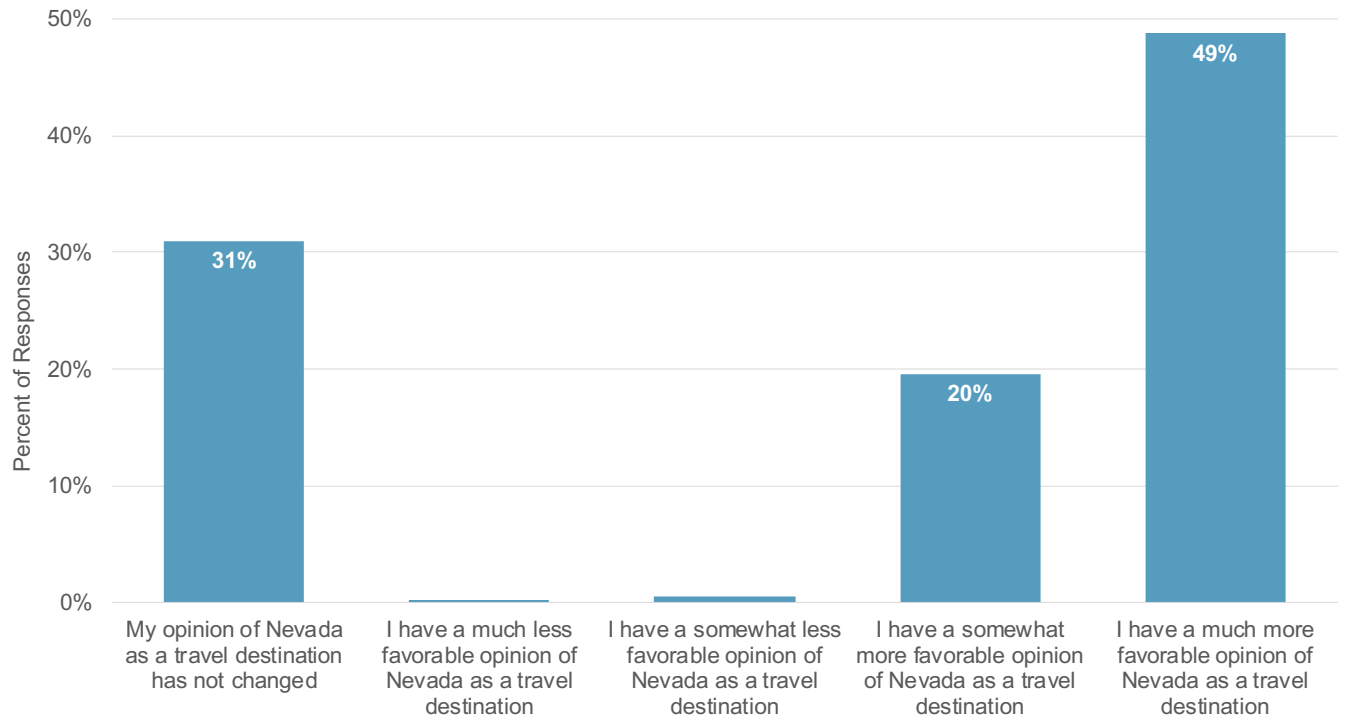
Appendix 1.27 - Advertising Usefulness by Subscription Type

Do you find the ads useful in terms of the Nevada content offered? N = 530



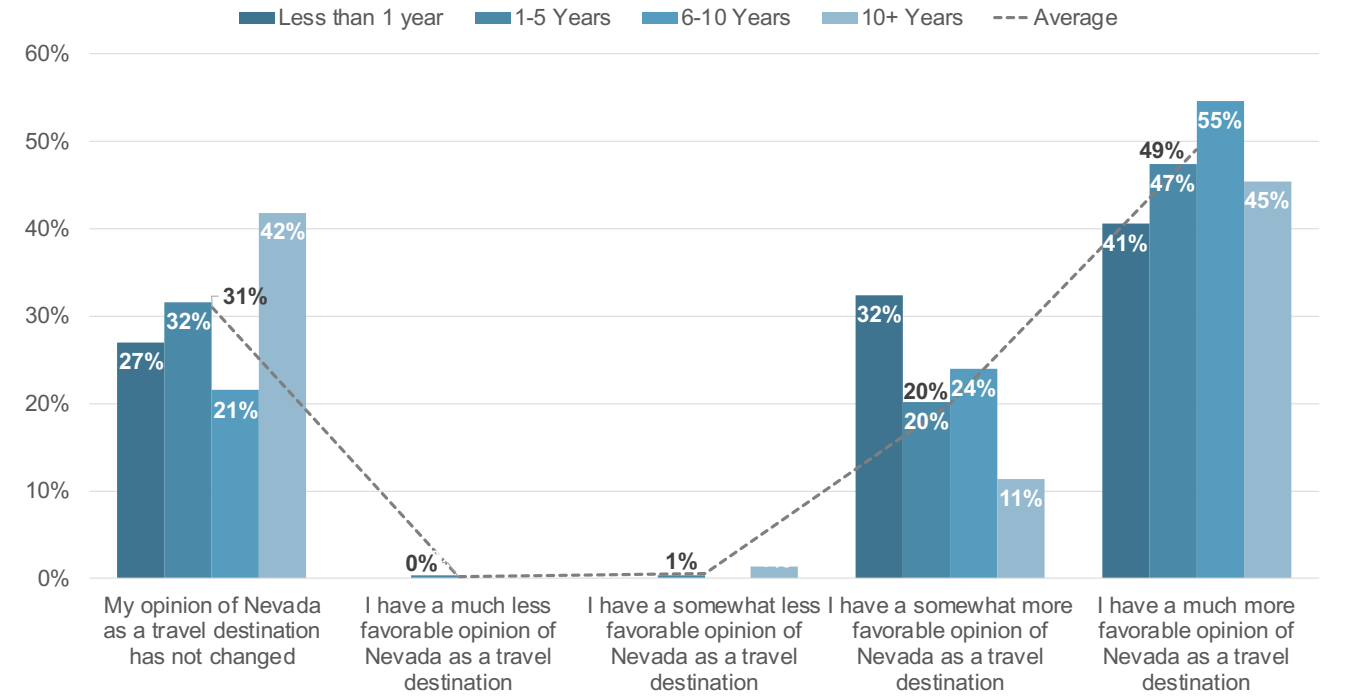
Appendix 1.28 - Magazine Impact on Destination

After reading Nevada Magazine, how has your opinion of Nevada as a travel destination changed? N = 594



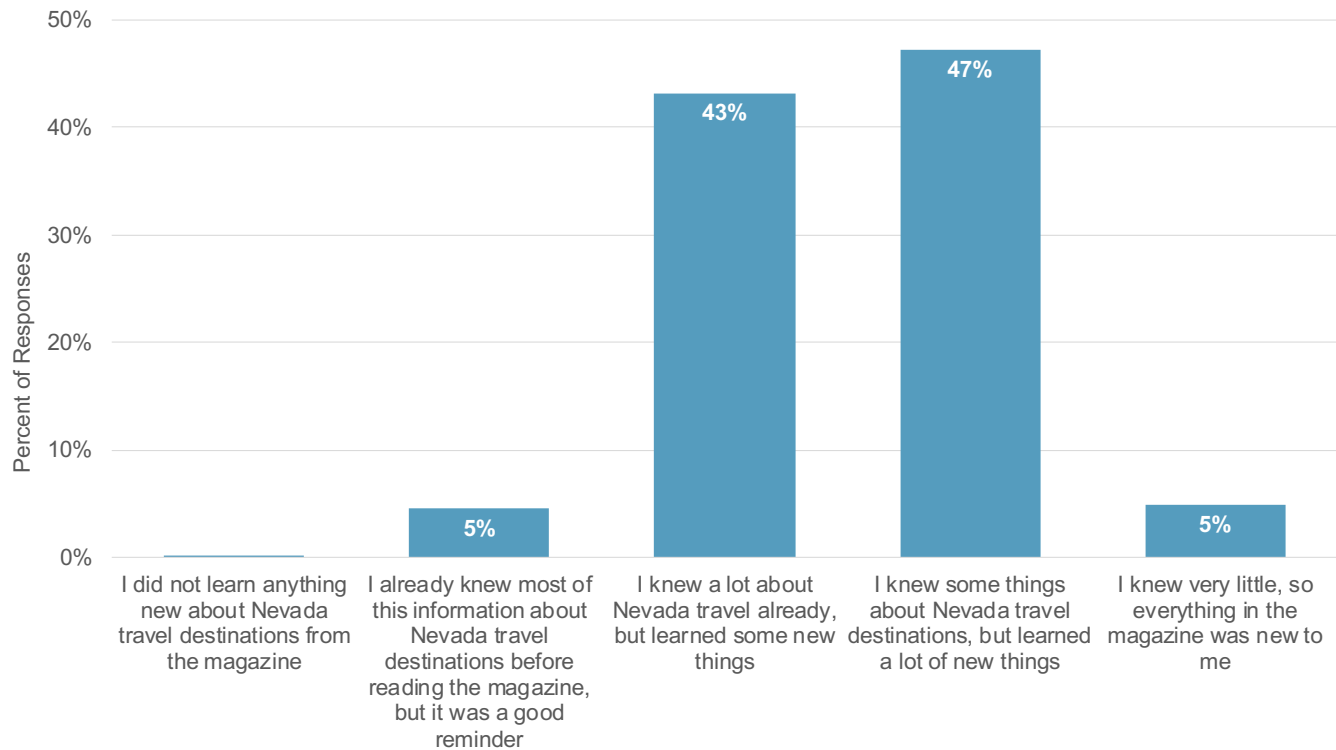
Appendix 1.29 - Magazine Impact on Destination by Subscription Tenure

After reading Nevada Magazine, how has your opinion of Nevada as a travel destination changed? N = 594



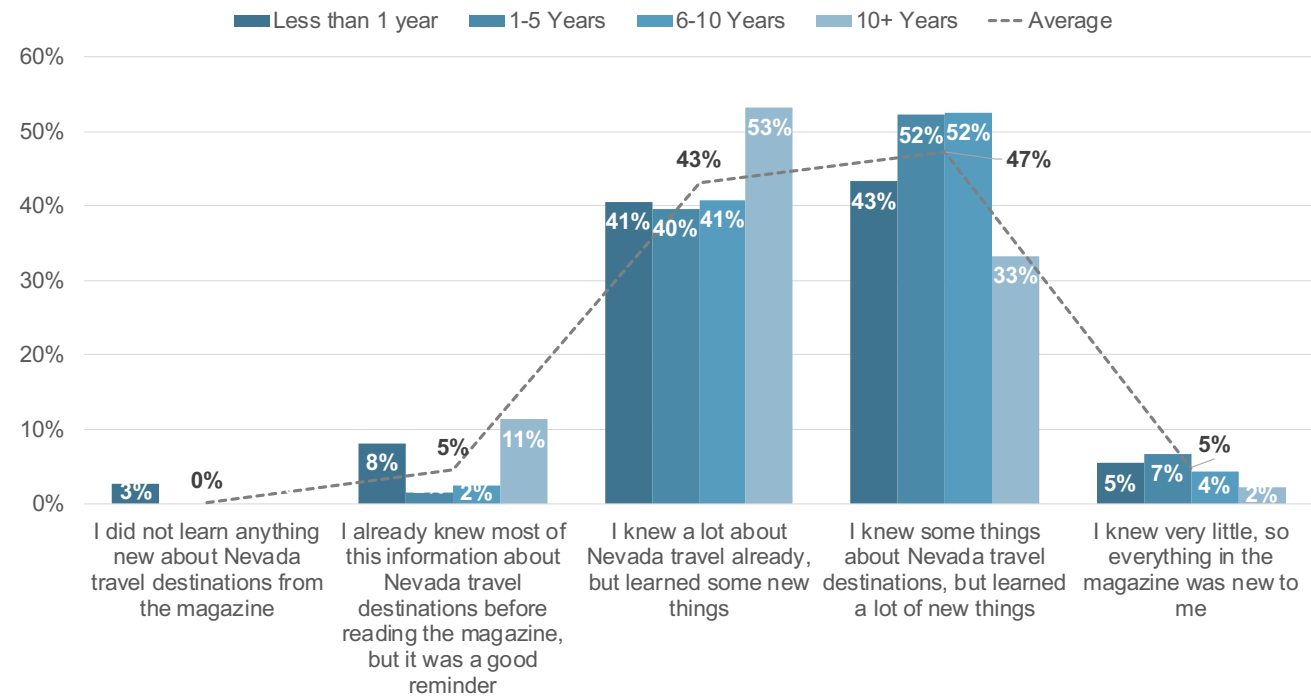
Appendix 1.30 - Destination Education

How much would you say you learned about travel destinations in Nevada from reading Nevada Magazine? N = 595



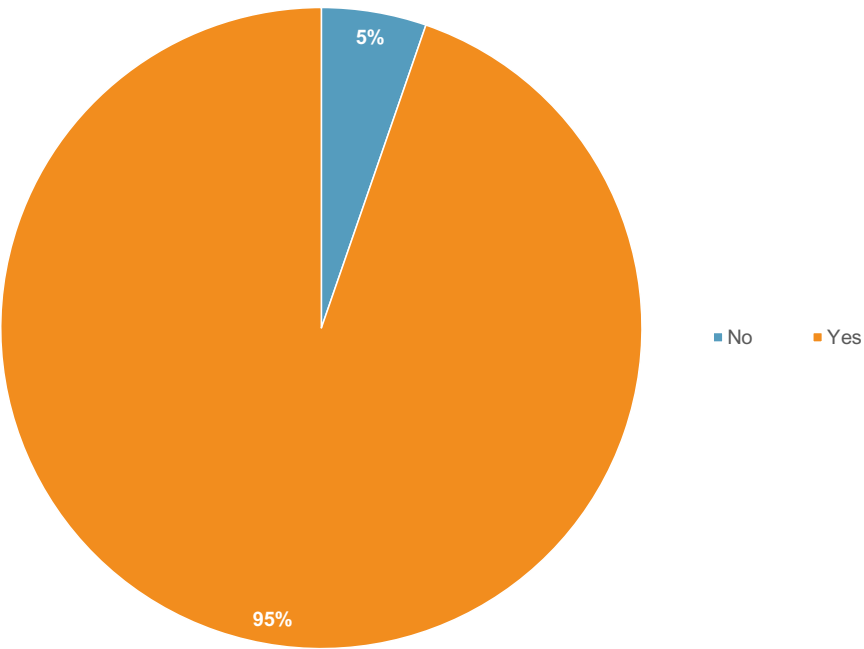
Appendix 1.31 - Destination Education

How much would you say you learned about travel destinations in Nevada from reading Nevada Magazine? N = 595



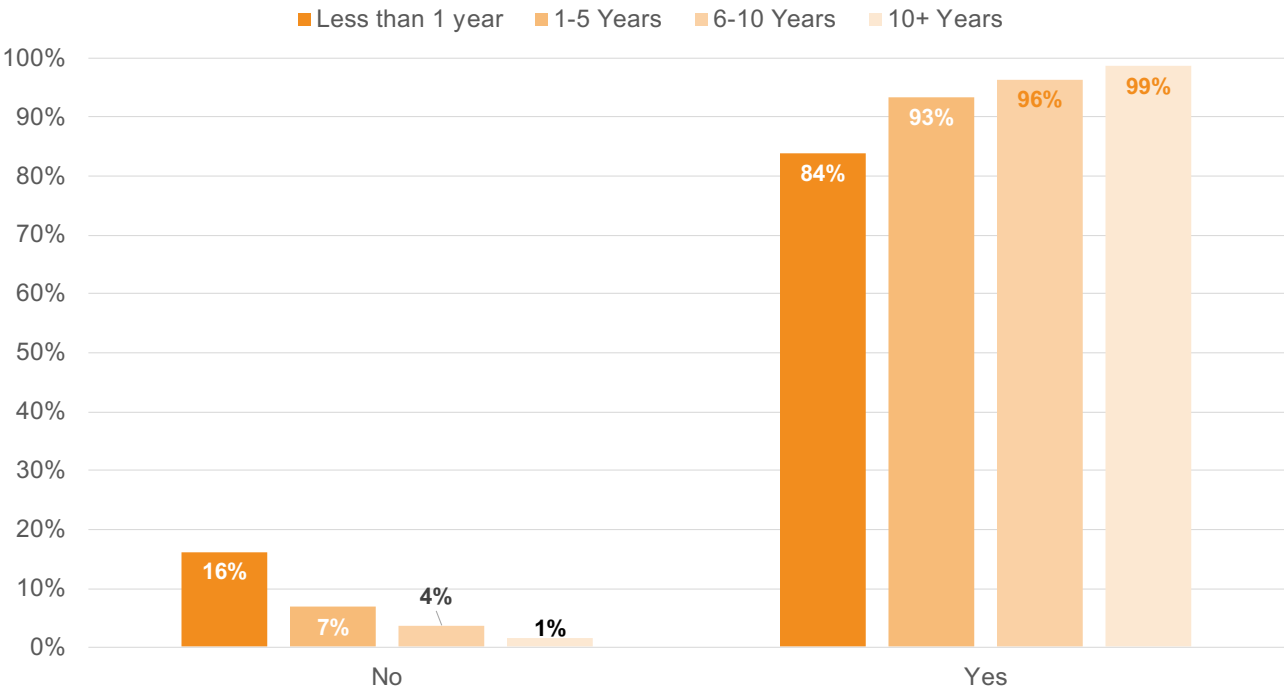
Appendix 1.32 - Visitation to Advertised Locations

Have you ever visited any of the destinations or places highlighted in the stories in Nevada Magazine? N = 589



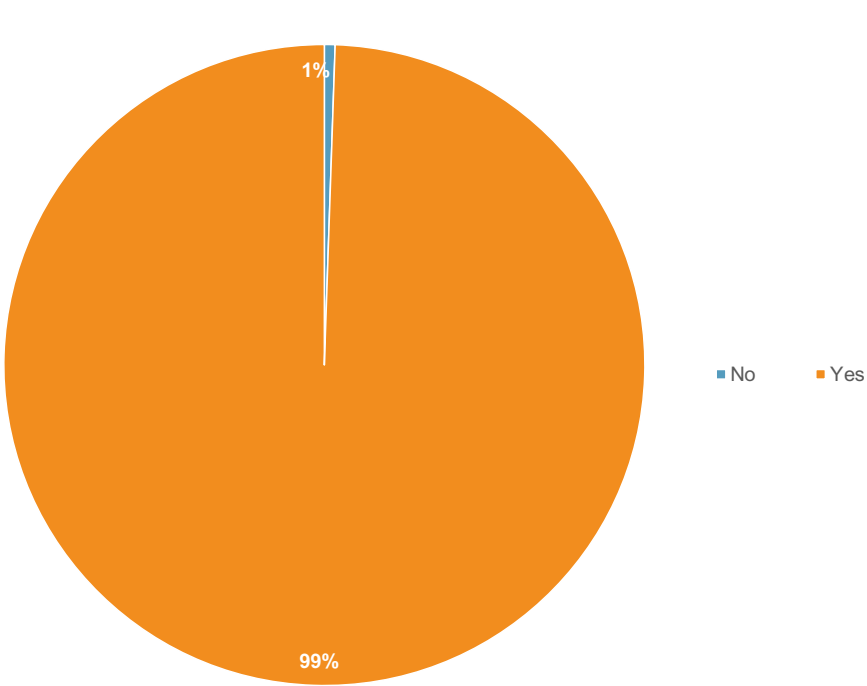
Appendix 1.33 - Visitation to Advertised Locations

Have you ever visited any of the destinations or places highlighted in the stories in Nevada Magazine? N = 589



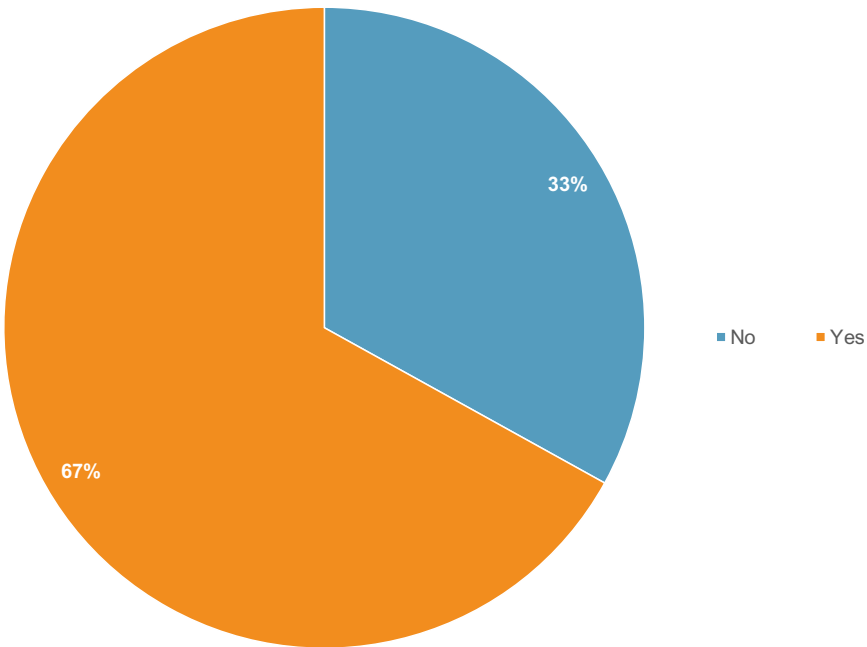
Appendix 1.34 - Visitation Experience

Did you have a good experience during your visit to the place highlighted in the Nevada Magazine story? N = 560



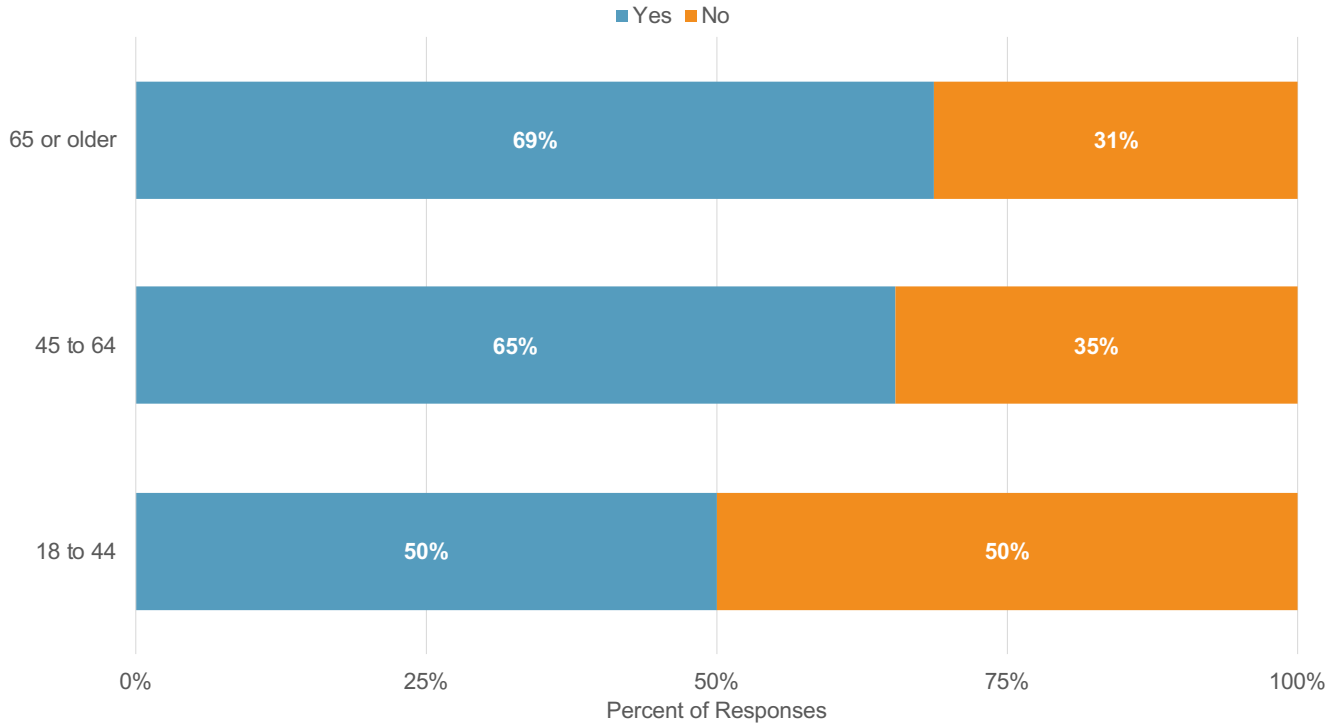
Appendix 1.35 - Magazine Influence on Travel Decisions

Are your travel decisions influenced by advertising or content you see in this publication? N = 590



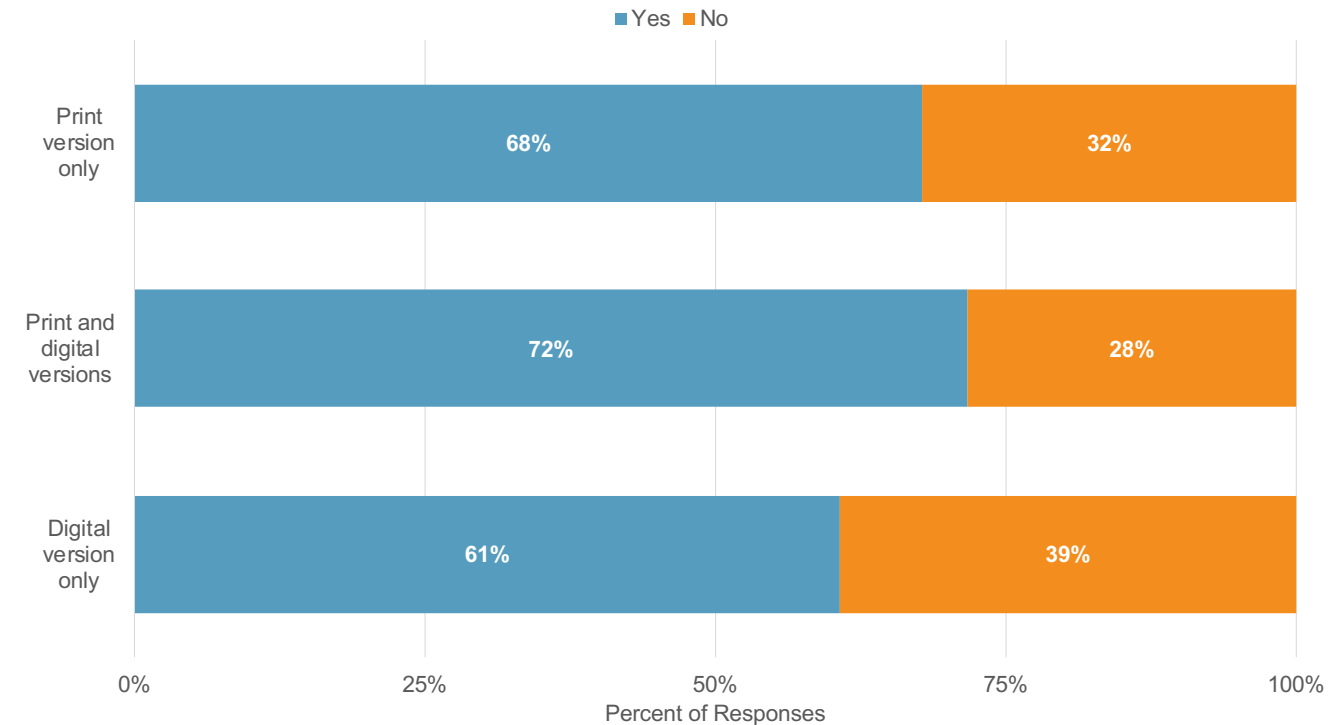
Appendix 1.36 - Magazine Influence on Travel Decisions by Age

Are your travel decisions influenced by advertising or content you see in this publication? N = 590



Appendix 1.37 - Magazine Influence on Travel Decisions by Subscription Type

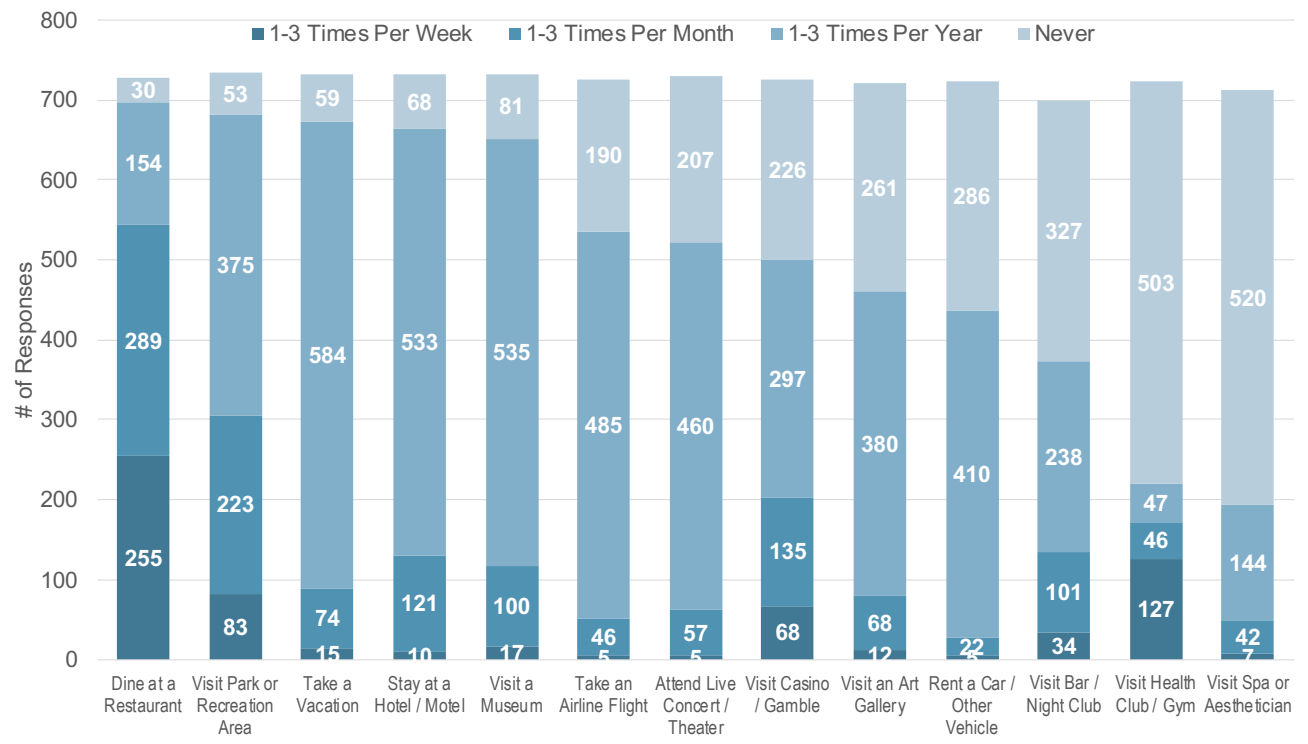
Are your travel decisions influenced by advertising or content you see in this publication? N = 590



Appendix 1.38 - Activity Frequency

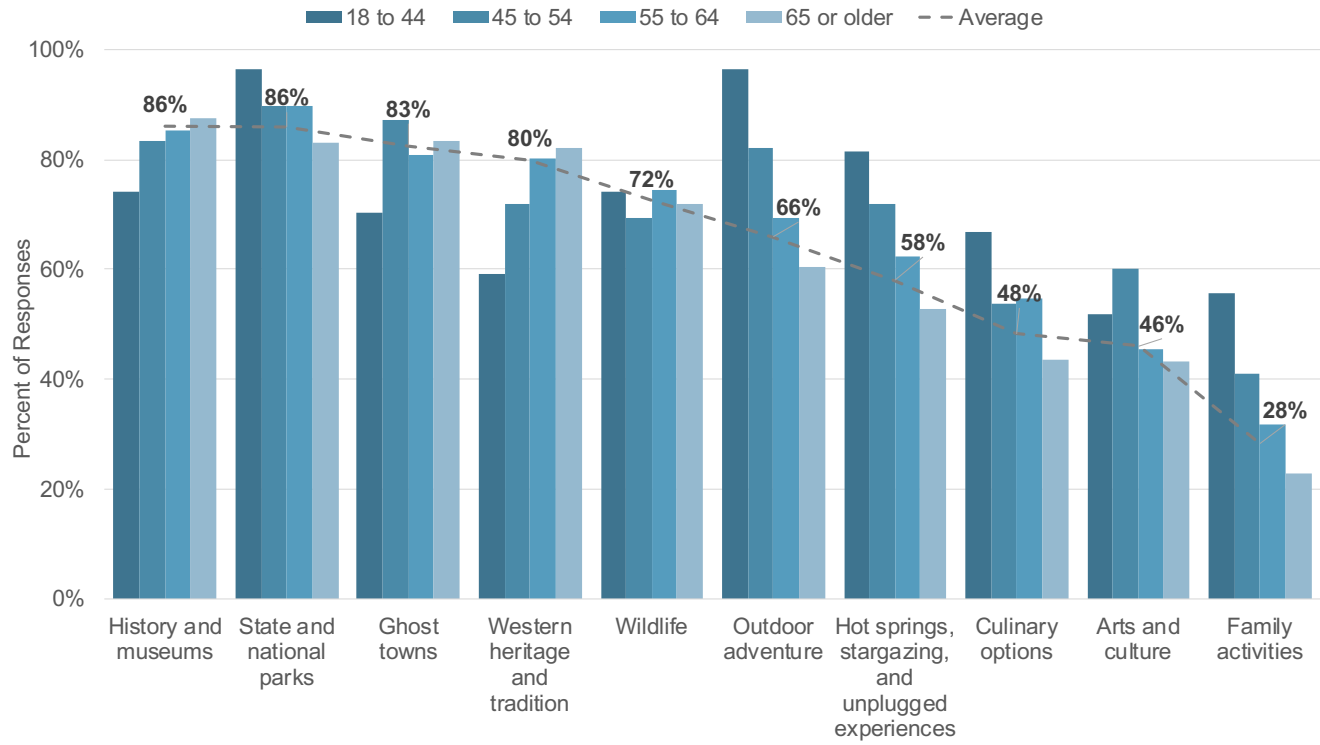
How frequently do you visit the following establishments or participate in the following activities?

N = 745



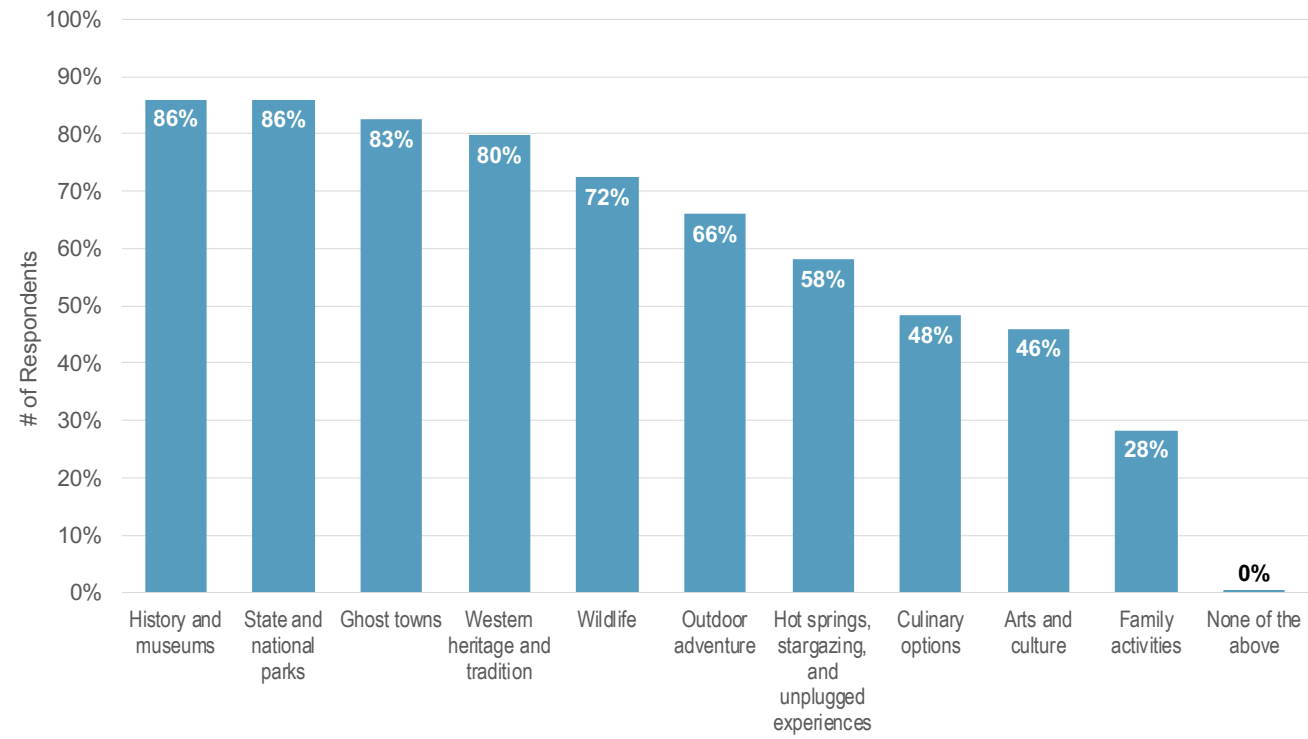
Appendix 1.40 - Readers Topics of Interest by Age

Which of the following content topics are of interest to you? N = 746



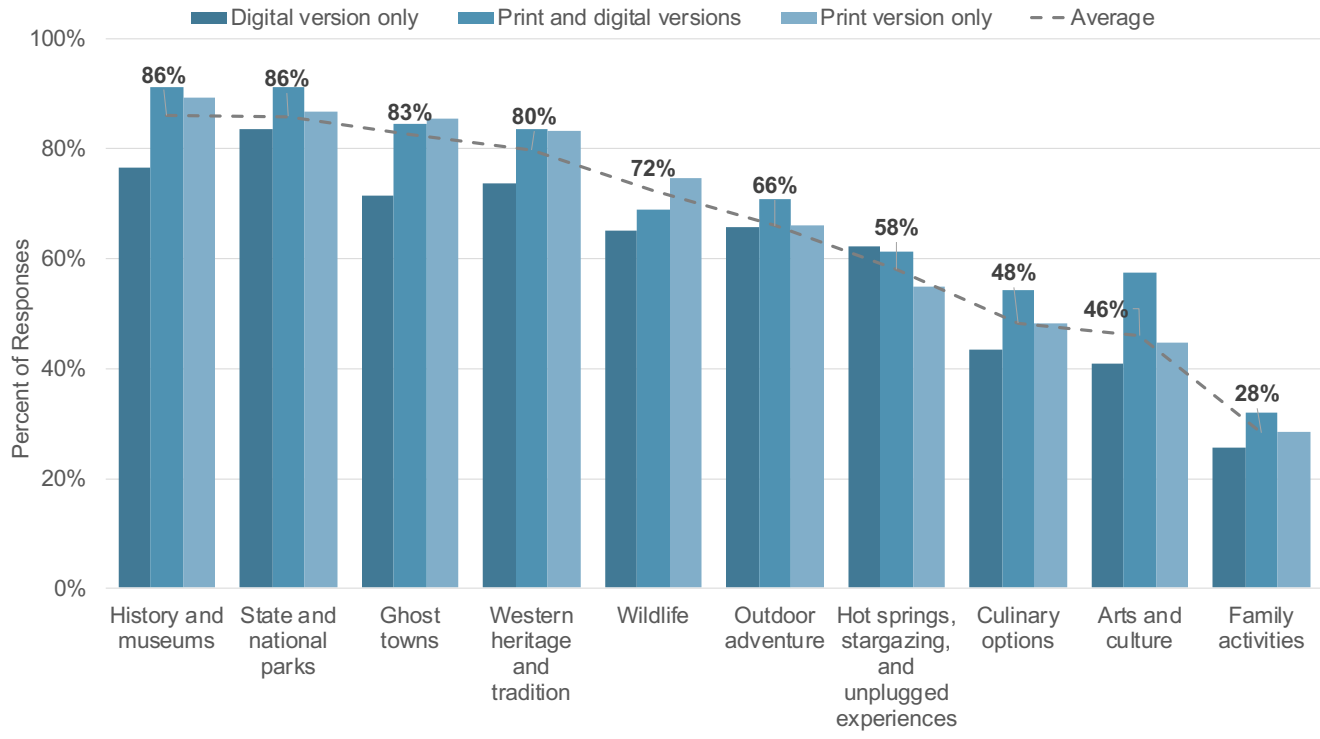
Appendix 1.39 - Readers Topics of Interest

Which of the following content topics are of interest to you? N = 746



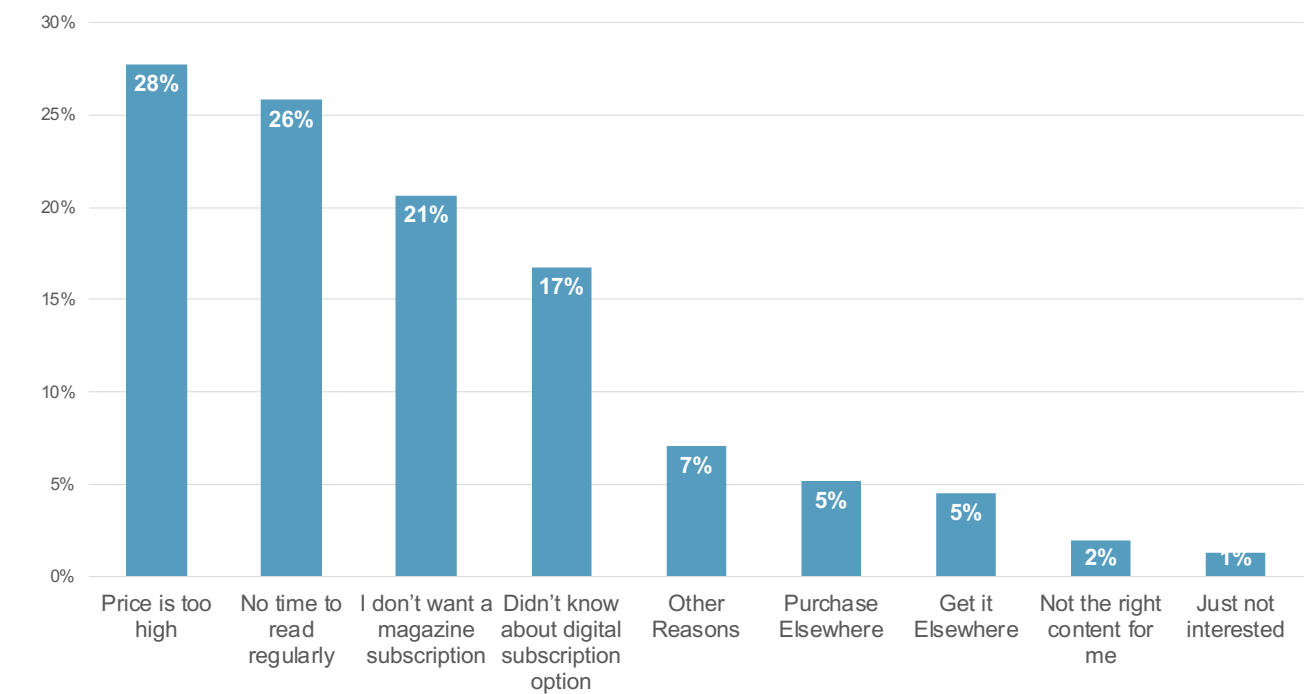
Appendix 1.41 - Readers Topics of Interest by Age by Subscription Type

Which of the following content topics are of interest to you? N = 746



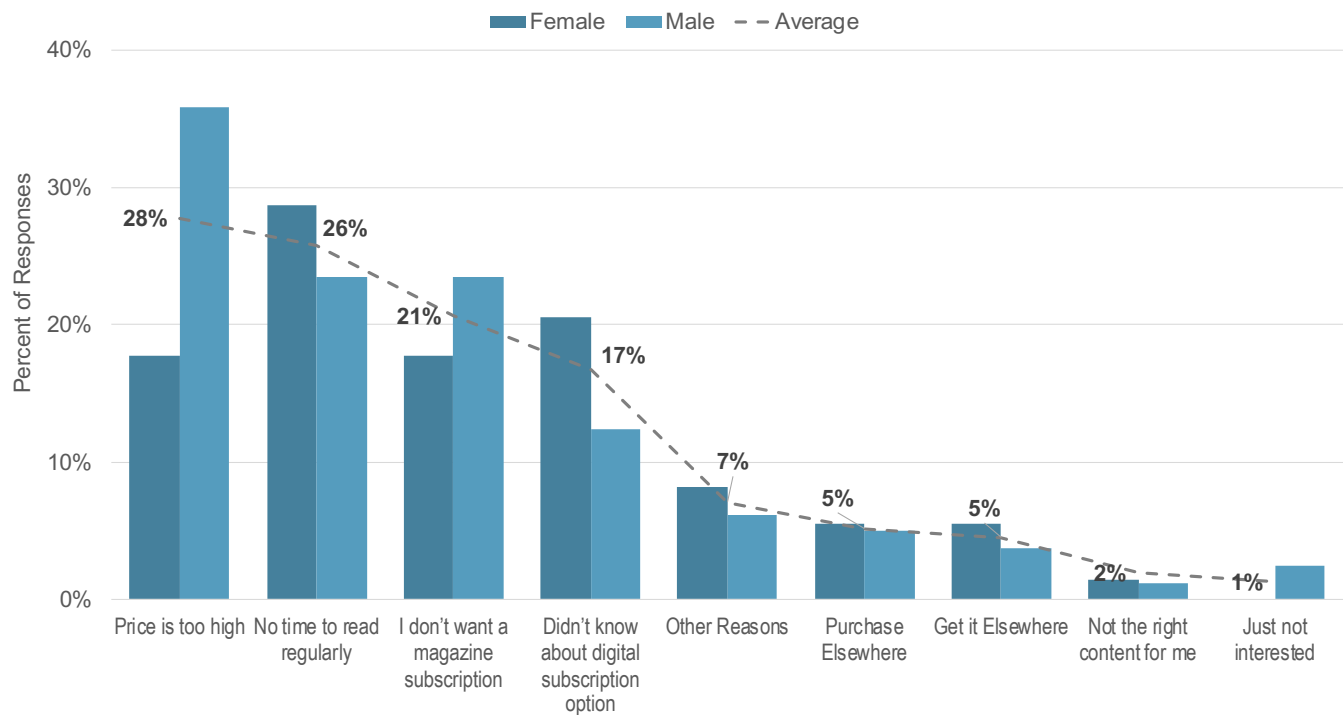
Appendix 1.42 - Reason for Not Subscribing

Why don't you subscribe to Nevada Magazine? N = 155



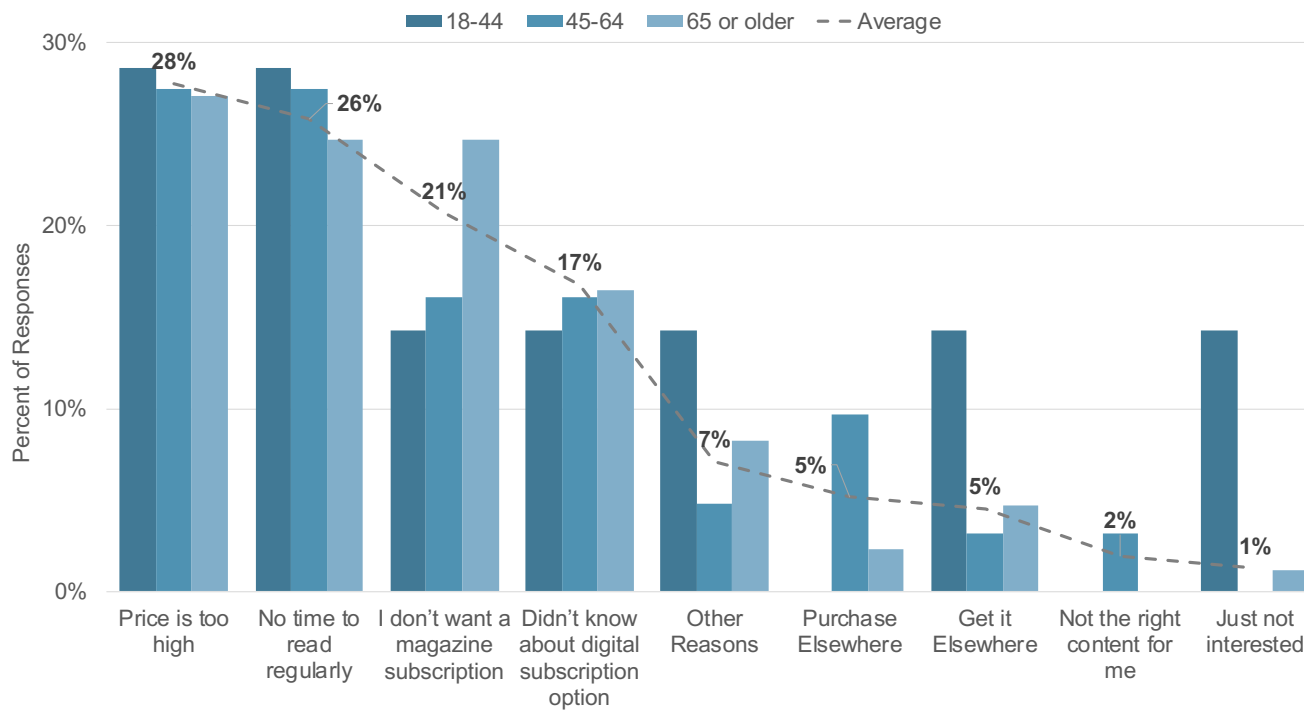
Appendix 1.44 - Reason for Not Subscribing by Gender

Why don't you subscribe to Nevada Magazine? N = 155



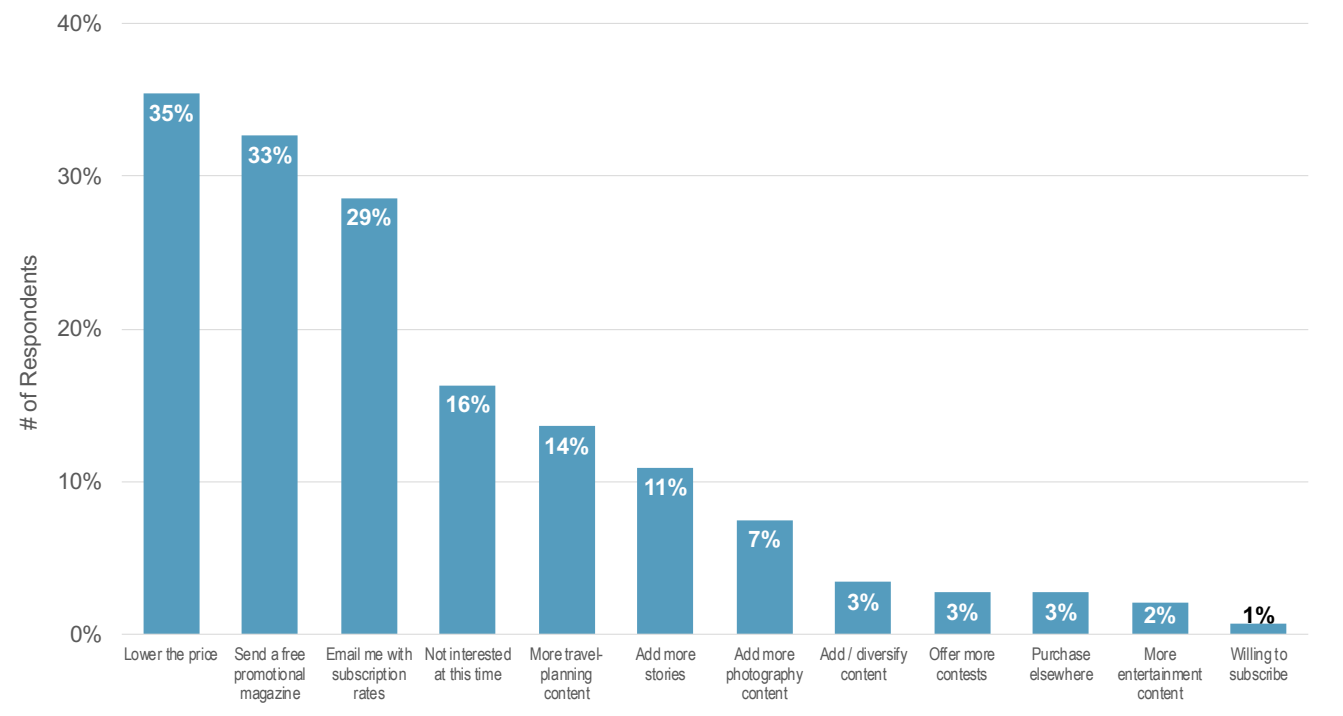
Appendix 1.43 - Reason for Not Subscribing by Age

Why don't you subscribe to Nevada Magazine? N = 155



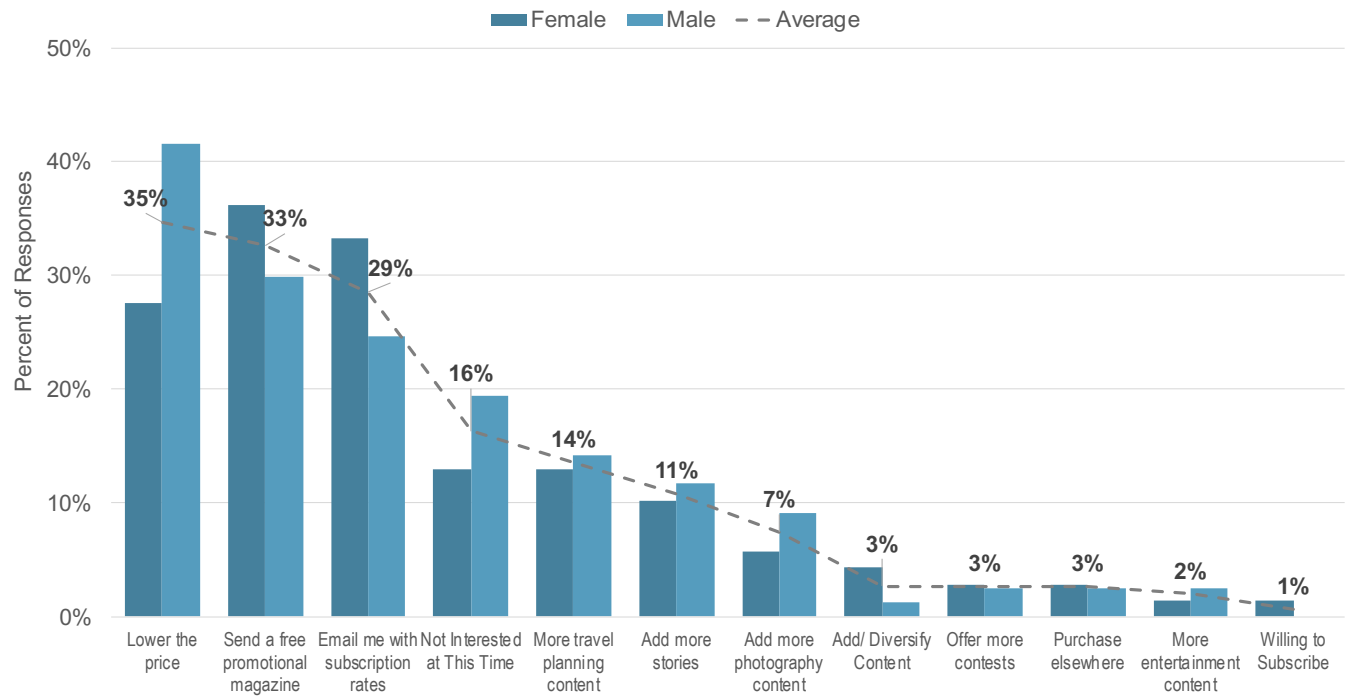
Appendix 1.45 - Subscription Influencers

What would make you more likely to subscribe? N = 147



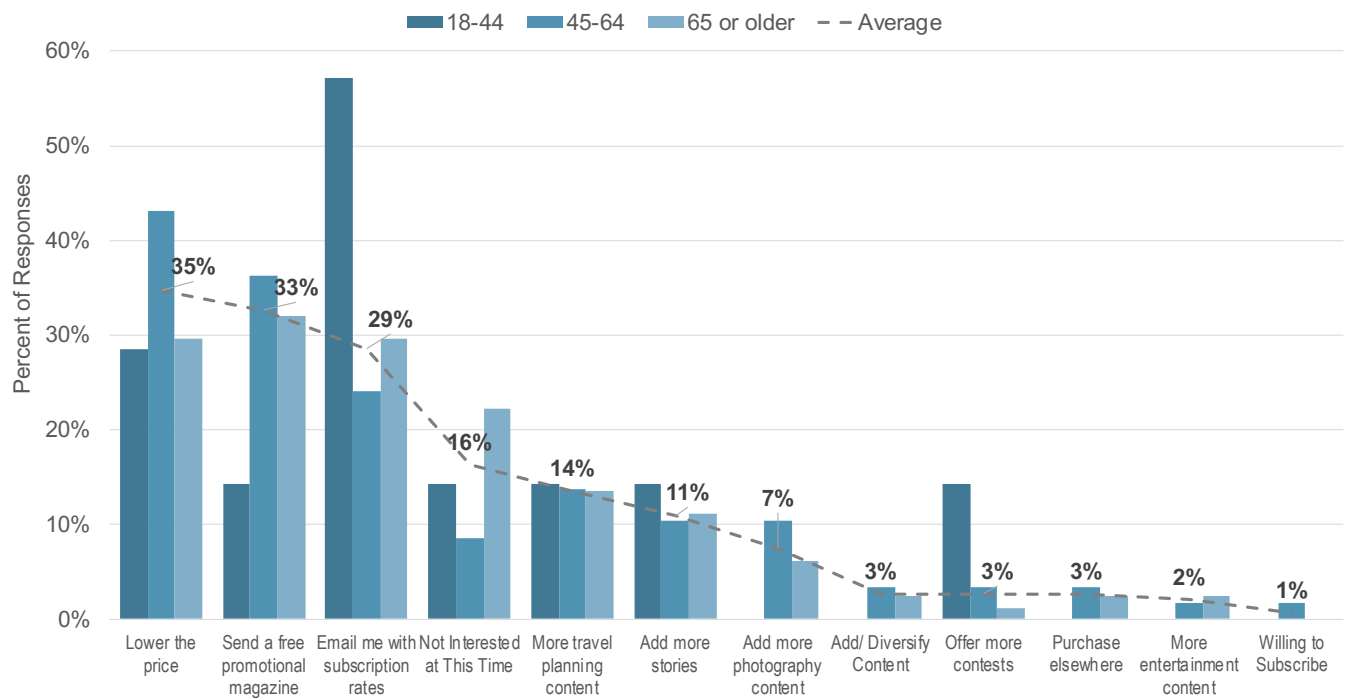
Appendix 1.46 - Subscription Influencers by Gender

What would make you more likely to subscribe? N = 147



Appendix 1.47 - Subscription Influencers by Age

What would make you more likely to subscribe? N = 147



Appendix 1.48 - Subscription Profiles by Age

	18-44
Gender	62% women
Education	75% completed college or higher
Income	53% makes \$75k or more
Children under 18 in household?	53% with children in household
Subscription tenure	62% less than 5 years
Subscription type	67% print
Numbers of issues read	76% last 6
Number of people magazine is shared with	71% self plus one other person
Frequency of visiting magazine website	52% 1-3 times per year 33% 1-3 times per month
Frequency of visiting magazine social media	38% never 29% 1-3 times per month
What do you appreciate about Nevada Magazine?	85% historical content 80% outdoor recreation content 75% photography featured
What makes the magazine unique?	80% Nevada specific content 75% learning something new about Nevada 70% historic content
Advertising impact	89% view ads in magazine 89% finds ads useful 70% have had a better opinion of Nevada after reading magazine 60% travel decision influenced by magazine
Topic interest	96% state and national parks 96% outdoor adventure 81% hot springs, stargazing, etc. 74% wildlife 74% history and museums

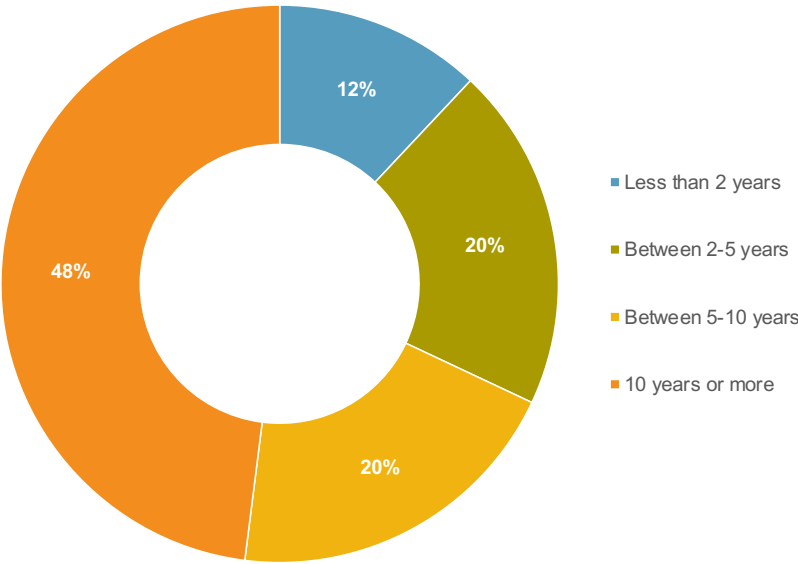
45-64	65+
54% men	68% men
59% completed college or higher	59% completed college or higher
66% makes \$75k or more	64% makes \$75k or more
85% with no children in household	92% with no children in household
58% less than 5 years	54% 6+ years
52% print	60% print
72% last 6	80% last 6
88% self plus one other person	85% self plus one other person
42% 1 -3 times per year 30% 1-3 times per month	41% 1 -3 times per year 34% never
46% never 15% 1 -3 times a year	49% never 11% 1 -3 times per year
90% historical content 82% photography featured 75% travel inspiration content	91% historical content 79% photography featured 74% travel inspiration content
84% learning something new about Nevada 81% historic content 74% Nevada photography	87% historic content 58% learning something new about Nevada 82% Nevada photography
88% view ads in magazine 91% finds ads useful 68% have had a better opinion of Nevada after reading magazine 66% travel decisions influenced by magazine	89% view ads in magazine 90% finds ads useful 68% have had a better opinion of Nevada after reading magazine 69% travel decisions influenced by magazine
90% state and national parks 85% history and museums 83% ghost towns 78% western heritage and traditions 73% wildlife 73% outdoor	87% history and museums 83% state and national parks 83% ghost towns 82% western heritage and traditions 72% wildlife



Appendix 2: Advertiser Survey

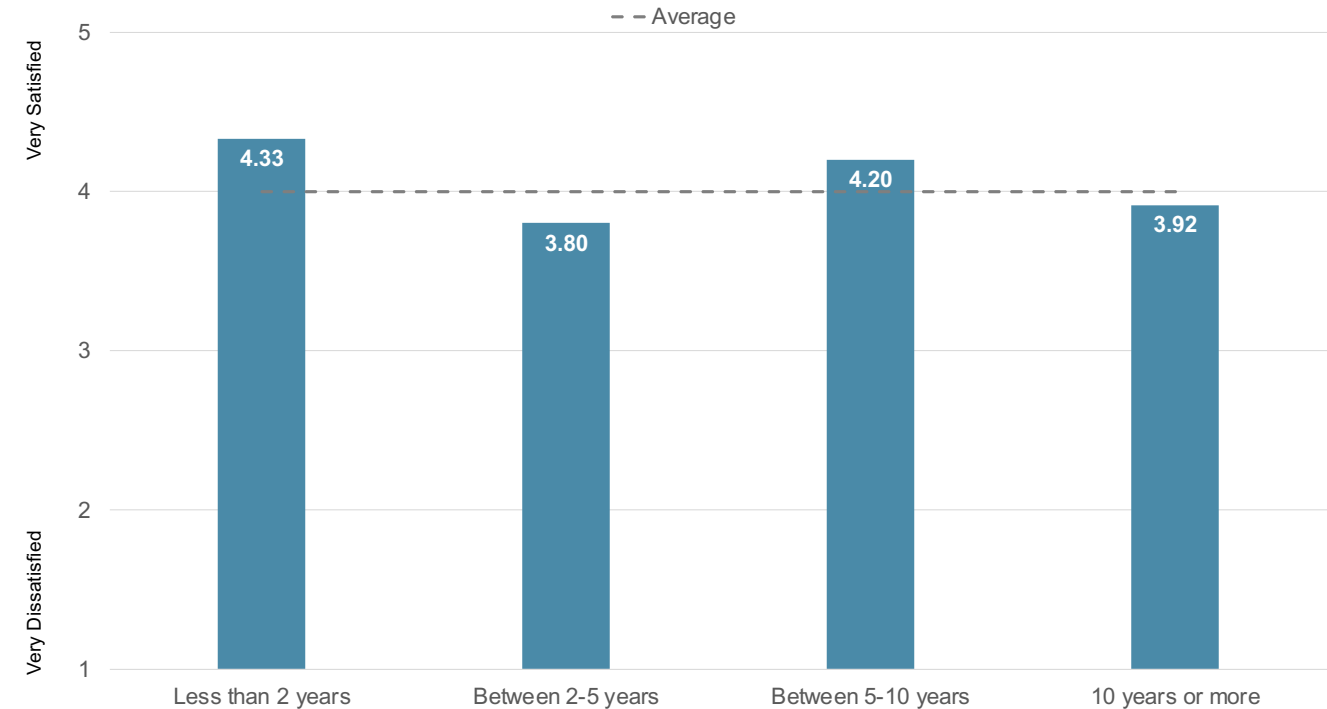
Appendix 2.1 - Advertiser Tenure

How long have you advertised with Nevada Magazine? N = 25



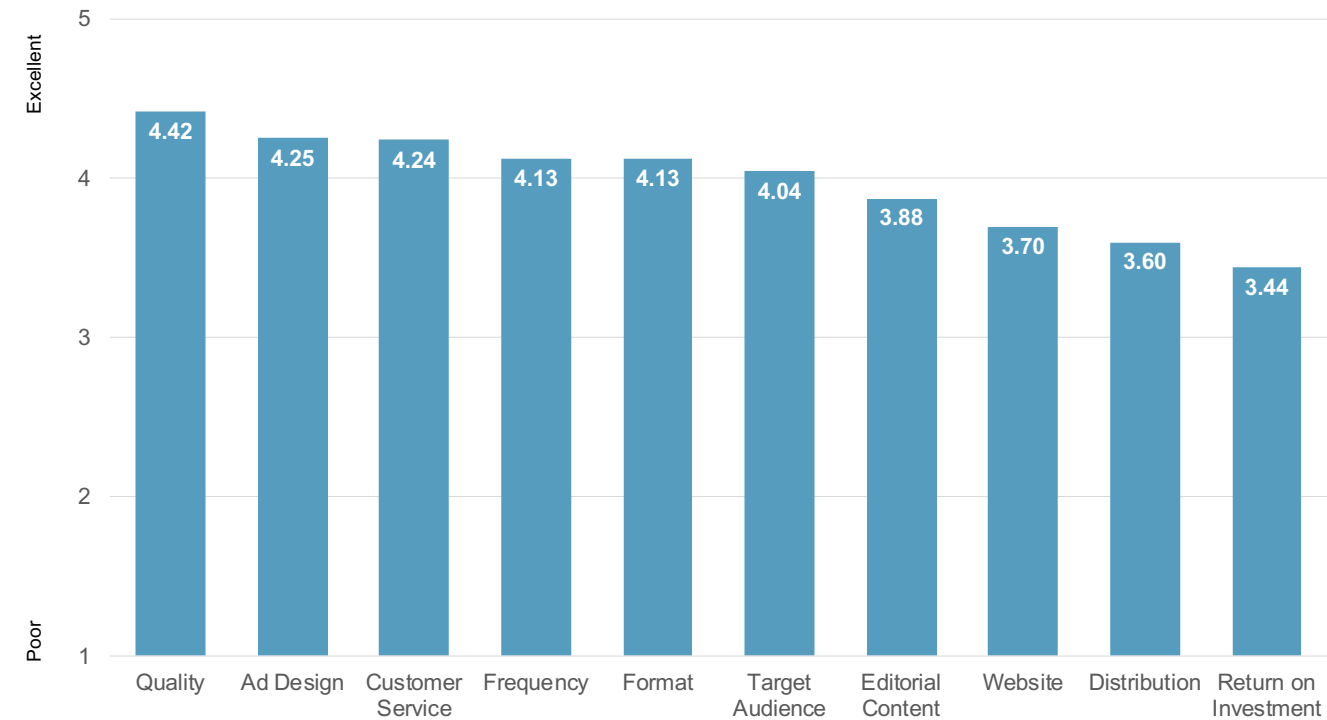
Appendix 2.2 - Advertiser Satisfaction by Advertiser Tenure

How satisfied are you with your experience of advertising in Nevada Magazine? N = 25



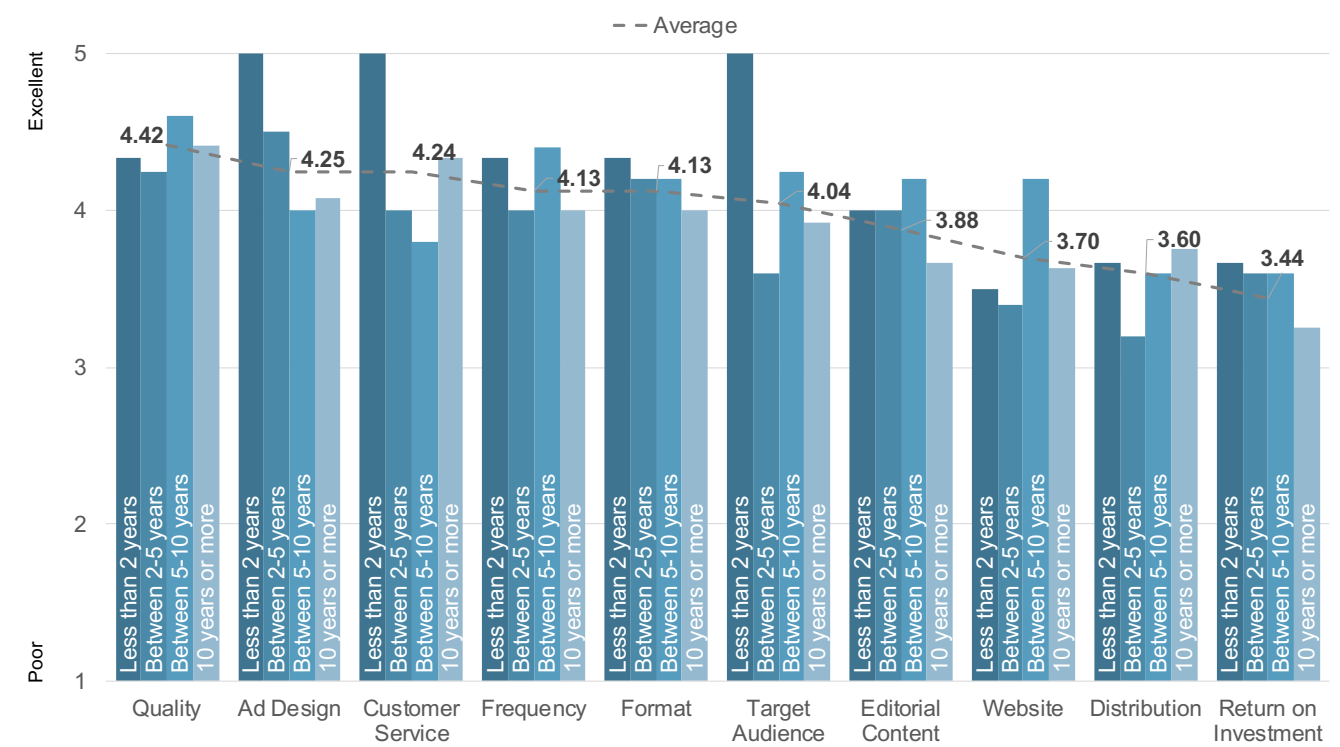
Appendix 2.3 - Advertising Satisfaction Specifics

How well does Nevada Magazine address your specific advertising needs and concerns? N = 25



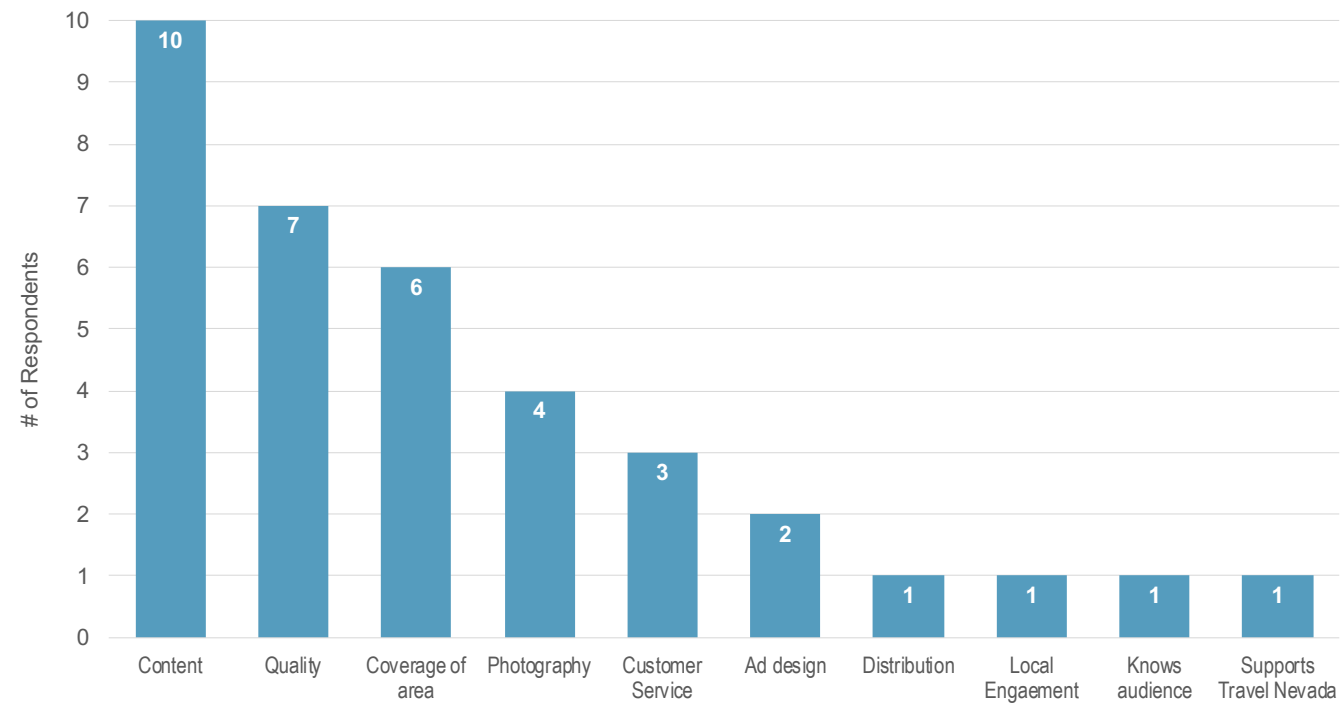
Appendix 2.4 - Advertising Satisfaction Specifics by Advertiser Tenure

How well does Nevada Magazine address your specific advertising needs and concerns? N = 25



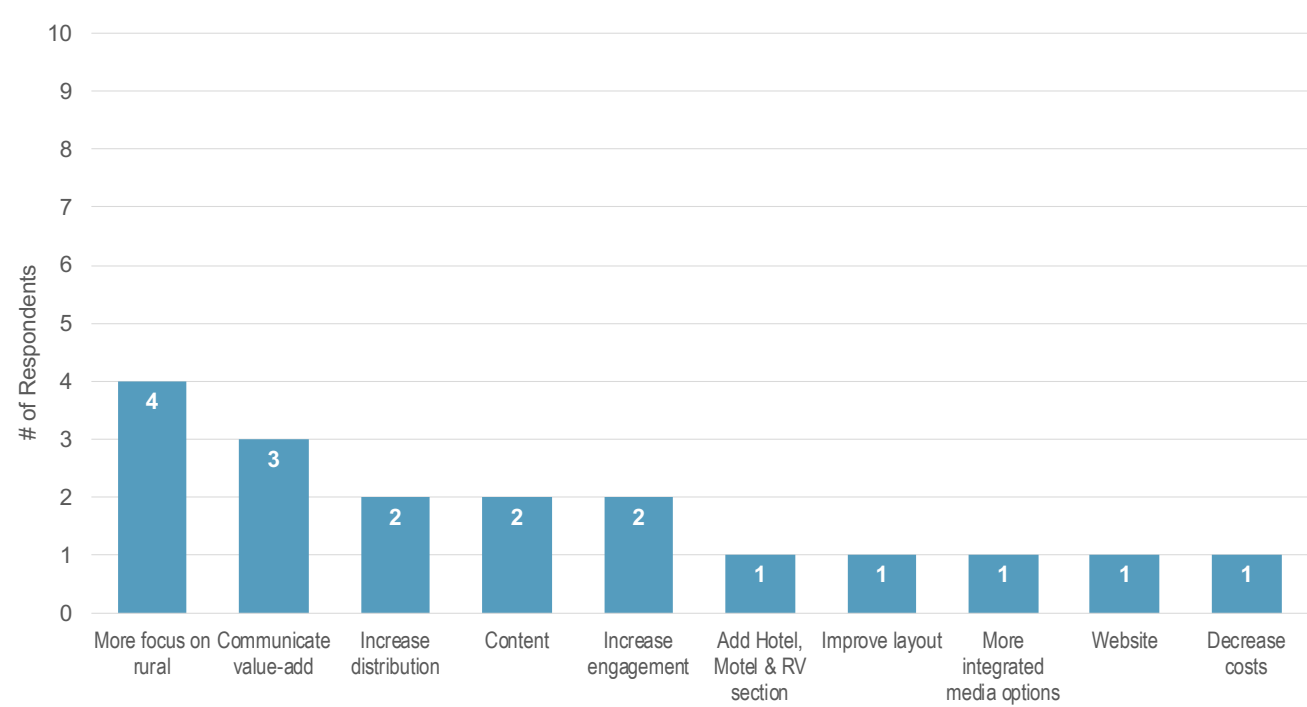
Appendix 2.5 - Things Nevada Magazine Does Well

Please give a specific example of what you think Nevada Magazine does really well. N = 20



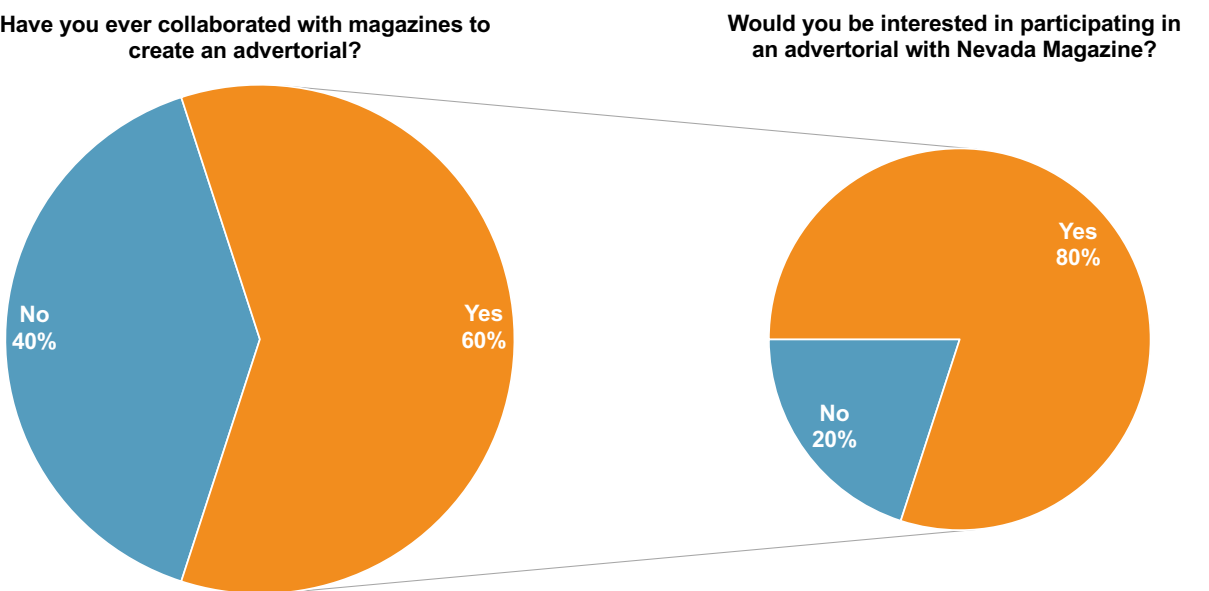
Appendix 2.6 - Things Nevada Magazine Needs to Improve Upon

Please give a specific example of how you would like to Nevada Magazine improve. N = 18



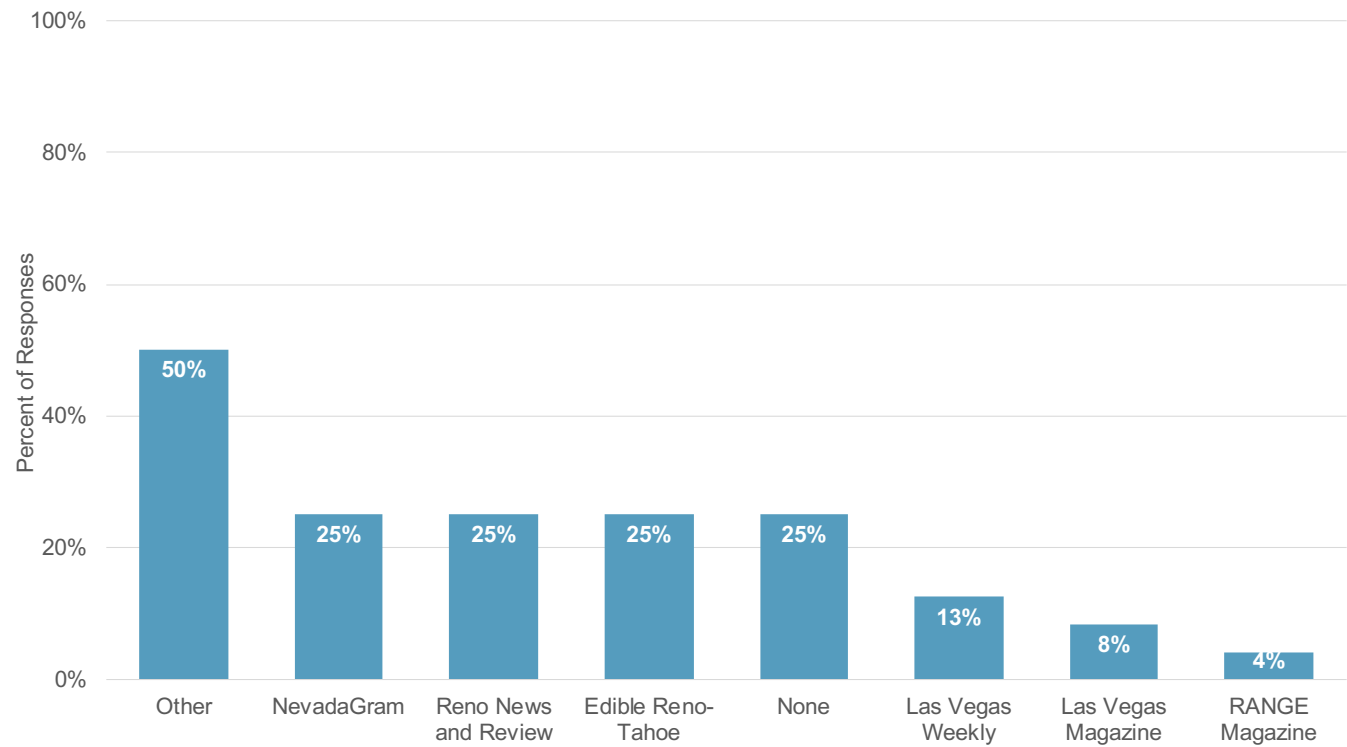
Appendix 2.7 - Advertorial

N = 25



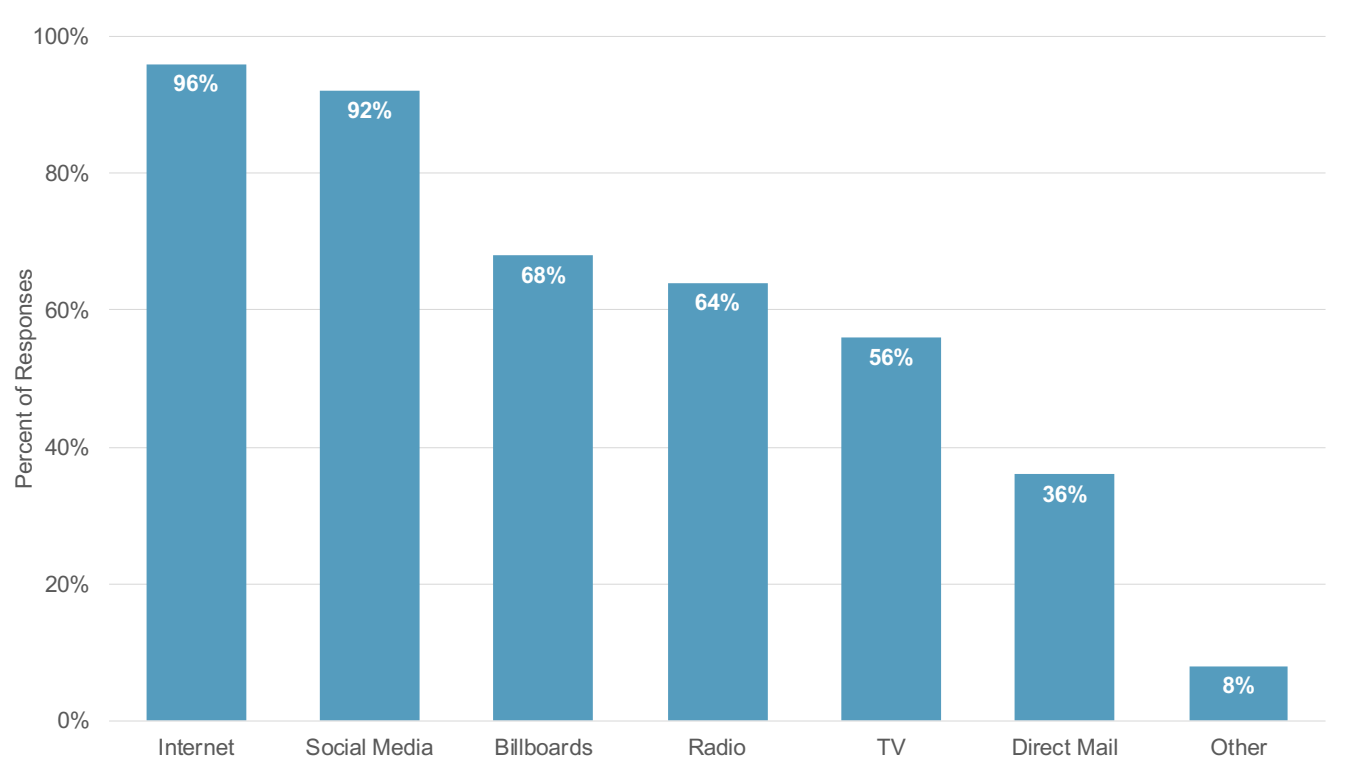
Appendix 2.8 - Other Magazines Used to Advertise

What other local publications have you advertised in? N = 25



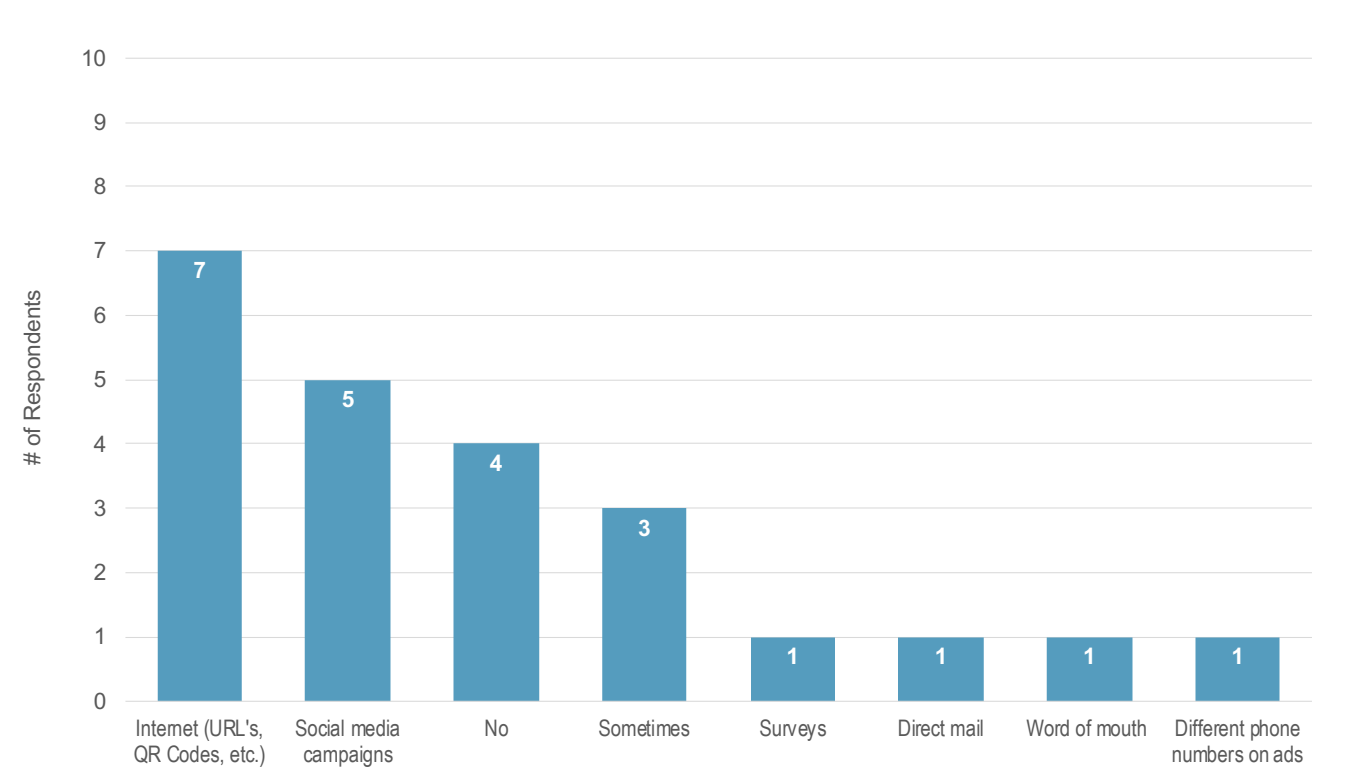
Appendix 2.9 - Advertisers Marketing Modes

What other ways do you actively use to market and advertise your business? N = 25



Appendix 2.10 - ROI Tracking Methods

Do you track the return on your advertising? If so, how? N = 19





Coraggio Group | 503.493.1452 | coraggiogroup.com

TRAVEL NEVADA

FY21 Recovery Plan

June 23, 2020





ALWAYS BEEN HERE. ALWAYS WILL BE.



This Recovery Plan details Travel Nevada's strategy to compete in a travel industry that has been transformed by the COVID-19 pandemic. Our traditional audiences will consider a new set of needs and concerns as they make their travel decisions. Nevada's statewide tourism partners will change the way they do business to accommodate health and safety concerns.

The strategies detailed here reflect our attention to the well-being of the domestic traveler, the economic downturn in the global economy, and limitations placed on international visitation. Though these dramatic changes within the industry are a challenge, we are heartened by the knowledge that Nevada is determined to adapt and is well-positioned to benefit from new visitors who crave exactly what our destination offers.



The Spirit of Nevada lives on.



TABLE OF CONTENTS



EVOLVE THE BRAND

EVOLVE THE BRAND

GOAL

Continually align campaigns and programs to reinforce and inspire what distinguishes Nevada as a competitive travel destination.

STATUS

Travel Nevada's core value of freedom will hold a new meaning for audiences in the coming year. Visitors will respond well to the sentiment of freedom and what it represents physically in Nevada: urban playgrounds, open space, vast scenic landscapes, and long winding roads.

STRATEGIES

› **Creative**

Instead of developing prohibitively expensive new creative assets, existing creative will be released only as needed. Copy inappropriate in a post-pandemic culture will be replaced. More organic online efforts have seen increased engagement, and these responsive audiences will be cooked for re-marketing purposes as budget allows. A consistent tone, one that reinforces our uninhibited brand pillars, has been established on our social channels, and this will be the most cost-efficient way of promoting Nevada in the new travel space.

› **Website**

Through FY20, Noble Studios and internal staff worked diligently on a website redesign. The new site will live on a more easily updated platform, which will lead to cost savings and the ability to be more nimble for website updates. While the technical changes were necessary, this opened an opportunity to develop a design that better complements the current branding and to further develop content more strategically. Our content will continue to be focused on core branded topics and we will continue to pursue more customized content opportunities based on search volume research. Blending keywords into existing and newly developed content secures more engaged traffic to the site, with efforts already resulting in increased time on site and more visits to rural pages. The new design will offer even more opportunities to educate visitors about offerings throughout the state, serving the goal for visitors to want to explore more places on their visit and extend their stay. This new site will launch during the first quarter of FY21 and will be the backbone of our consumer efforts.

› **Paid Media**

The projected funding deficit will challenge our ability to exist competitively in the post-COVID-19 marketplace. Our approach will be hyper-targeted with a focus on consumers who have continued to engage with the Travel Nevada brand over the last few months. Paid media partners will be leveraged based on contracts that were suspended rather than cancelled, using content that was created, just not yet amplified.

› **Customer Relationship Management**

Audiences who have already consumed Travel Nevada content on the website, ordered a guide, subscribed to our emails, or followed our social channels show a higher propensity to become visitors. Continuing to market to these groups is cost-effective and results-driven.

› **Public Relations**

Nevada offers exactly what travelers will be seeking during this recovery process, and the media relations strategy will align with our brand pillars of uninhibited freedom, inspiring discoveries, rewarding adventures, and unexpectedly diverse. The public relations group, along with its external partners, will work with traditional and social media to craft stories that educate and inspire travelers at whatever stage of recovery the industry is in. These messages, as appropriate, are supported by compelling creative and paid media placements.

› **Research**

In response to a volatile travel market, we will prioritize our response to research and heavily monitor audience sentiment to best position ourselves in the new marketplace.

TACTICS

- › While brand creative development will need to be on hold until budgets allow, existing content from both in-house and paid efforts may be revised for release as appropriate.
- › Several paid media partners were mid-campaign when travel became restricted. While we will not be able to spend many additional dollars through the period of lowest revenue, there are partners whose work has been produced but not yet run. This provides an opportunity to amplify those messages at minimal to no cost when travel is more possible.
- › Emails will be sent more frequently to get more timely content in front of visitors who are already engaged. Via our owned web and social channels, we will continue to actively build audiences to grow this base.
- › While paid media efforts will remain “gray” (not completely dark, but very light and only placed as appropriate) until budgets allow, limited spending will be focused on search, social, and re-marketing campaigns rather than large-scale brand awareness.
- › While appropriate, PR will continue to supply media outlets with virtual travel experiences, repurposed travel content, and opportunities for virtual fairs and desksides.
- › Earned media will promote the economic drivers in rural communities while educating readers and viewers on the benefits of the wide-open natural space in Nevada. Nevada offers inherent social distancing, and media relations efforts will focus on this selling point.
- › As business travel resumes, PR can amplify partner meeting/convention resources and work through CVBs to offer “add a day” messaging to convention bookings. Messaging will be built around the benefit of meetings/conventions in Nevada where sun, fresh air, and wide-open space is a given, even in Las Vegas (tie to So. Nev. road trips).
- › Rather than concentrate on the high-level brand campaign, efforts such as Discover Your Nevada and Road Trips will represent the brand in a more literal, itinerary-focused way.
- › As re-openings develop in the coming months, plans will be in-line with our communities who are ready for visitation.
- › Communicate the brand accurately to partners, tour operators, and travel agents, sourcing TravelNevada.com for future travel inspiration and planning and providing comprehensive brand guidelines for appropriate collaborations.



DESTINATION DEVELOPMENT

STRATEGY

DESTINATION DEVELOPMENT

GOAL

Long-range tourism-based community planning.

STATUS

Travel Nevada's mission is to drive visitation to the state, specifically in our rural communities. In alignment with other state and local agencies, efforts will be focused on holistically supporting a rural community to strengthen its viability as a destination.

Tourism is crucial when it comes to the state's economy, a truth deeply felt since the COVID-19 outbreak. However, rural Nevada is poised to recover more quickly than urban centers as it is assumed visitors will be looking to get away from crowds and will respond well to Nevada's open spaces. From both a short- and long-term strategic standpoint, it makes sense to develop as much product in rural Nevada as possible. Even with reduced budgets, much work has been completed on the strategic framework for pilot communities.

STRATEGIES

- › The Destination Development program includes partners from several local, state and federal agencies, who collaborate and accomplish goals set by the Governor's Task Force to improve economies in rural areas, setting up a much-needed injection of funds into Nevada's communities.
- › The pilot program, though slightly delayed and reimaged, will be used to identify and implement infrastructure improvements in the pilot community, as well as use the experiences and information derived from the pilot to inform on the criteria for a fully-formed Destination Development program. This will allow Travel Nevada to build a program suited to rural Nevada's unique strengths and challenges.
- › The rural grant process will be restructured to better identify needs for recovery and destination development programs.
- › From a marketing standpoint, Travel Nevada will implement strategies similar to our own detailed in the "Evolve the Brand" section of this document. Every community has their own unique product and brand look and feel; there is an opportunity to enhance the existing branding in communities to complement the statewide brand.
- › We will design and facilitate an interactive session at the Rural Roundup Conference that will highlight the structure of the proposed rural program, detail the eligibility criteria for communities to participate, will serve as a live workshop for one community, and will share how different entities will contribute to the "Action Team."
- › From a marketing standpoint, Travel Nevada will implement strategies similar to our own detailed in the "Evolve the Brand" section of this document. Every community has their own unique product and brand look and feel; there is an opportunity to enhance the existing branding in communities to complement the statewide brand.
- › The grant review process will be modified to allocate funds specifically to recovery efforts. In the short-term, guidelines will be revised to identify and prioritize programs that aid recovery efforts
- › Travel Nevada will meet with each community to develop cohesive integrated marketing plans based on the unique offerings, geographic location, and audiences of the destination. Research will be utilized to identify resident and visitor sentiment and to identify target audiences.
- › As part of the product audit, Travel Nevada will ensure website content is current and focused on new developments in each community. Photo and video assets will be shared where appropriate.

TACTICS

- › Lead discussions regarding destination development with available State partners (Office of Outdoor Recreation, GOED, UNR Cooperative Extension, Nevada Arts Council) as well as any Federal partners (USDA, BLM, US Forest Service.)
- › In order to provide a competitive assessment, we will gather data—to the degree it is available—about the size, complexity, offerings and resources of Destination Development programs for Arizona, California, Colorado, New Mexico and Utah.
- › Community highlights fit seamlessly into our Discover Your Nevada campaign. Content may be featured in newsletters and advertorials in publications such as Nevada magazine. Social media and search campaigns may be developed with even smaller budgets. Remarketing campaigns may be built to target audiences who have visited relevant pages on TravelNevada.com, as budgets allow. With healthier budgets, partnerships with travel brands may also be developed.
- › Partnerships with tour operators, RV companies, and other travel brands should be explored.



DISCOVER YOUR
NEVADA

DISCOVER YOUR NEVADA

GOAL

Engage Nevada residents to inspire in-state travel.

STATUS

As travel restrictions are lifted, travelers will be looking for staycations first. Travel within the state can prove to be less costly and feel safer for people who do not want to travel great distances. Road trips will become the preferred method of travel for the near future.

STRATEGIES

- › Encourage Nevadans to travel throughout the state, ultimately becoming loyal brand ambassadors.
- › Discovering Nevada is, by extension, “buying local,” which has become very important through the COVID-19 crisis. “Hometown Tourism” is a tenant of Travel Nevada’s mission.
- › Educate Nevadans about their state and reinforce a sense of pride while being respectful and safe in their home state. The organic and authentic tone we have established on social will allow us to maintain an ongoing conversation around **#ThatNevadaLife**.

TACTICS

- › The new website design will allow pages to be built for Nevadan-specific stories. New content will include bucket lists for residents that support entreaties such as “all Nevadans should...” and “So You Call Yourself a Nevadan?”
- › “To-go” itineraries will be built based on the road trips, but will also include information specific to where the audience is located, ie day trips, must-stay overnights, etc.
- › Produce low-cost Facebook lead-generation ads pushing e-newsletter sign-ups, with variable content to serve Nevada-based fans and Nevada-based non-followers, broken down by specific demographics/interest/geographic location.
- › Launch targeted, sponsored Facebook & Twitter ads promoting web and in-platform content that pushes Nevadans to destinations in their region, destinations outside of their region they can road trip to, and weekend getaway (packages) destinations outside of their region.
- › Include reasons to stay overnight: to explore more when you don’t have the burden of driving home, to experience the sunrise outside your hotel window, etc. There is also a “buy local/support local” call-to-action here, reinforcing “Hometown Tourism.”
- › Emails will be sent to the growing Nevada audience (via recovery efforts and lead-generation ads) that focus on discovering Nevada. This will allow us to include community snapshots that highlight spots that locals may not even know and show them how to recreate responsibly.
- › Paid Media availability will be limited, but can include newspaper inserts, paid search, Nevada magazine partnerships, and replacement of existing domestic ad buys.
- › Work with rural tourism partners to anticipate readiness for visitation and develop local-only deals.
- › Work with in-state tour operators and travel agents ensuring the 10 branded Nevada road trips are being promoted and implemented in their product offerings.
- › Issue press release(s) and media pitches on seasonal activities that are centered on safe and responsible travel. There is an increased opportunity for earned coverage as local news outlets are looking for positive content that benefits local communities.
- › Develop and distribute a piece with Nevada magazine that will be distributed as part of the statewide 4th-grade curriculum, tying in to “Discover Your Nevada”
- › Develop collateral/programs as budget allows: Updated Road Trip Guide, one-sheets promoting “48 hours in xxx”, Nevada Day promotions, overruns of newspaper inserts.



PUBLIC AFFAIRS

PUBLIC AFFAIRS

PUBLIC AFFAIRS

GOAL

Outreach to stakeholders and lawmakers to better position Travel Nevada as a proactive tourism thought leader.

STATUS

Nevada’s tourism industry has long been the economic driver of the state’s economy, and that will be an essential message now more than ever. Although the economy has diversified, the tourism industry must ensure key stakeholders – from elected officials to industry influencers – understand the value of tourism and its role not only in driving the economy, but also enhancing the perception of the state and conveying its contribution to the quality of life to residents and economic diversification.

STRATEGIES

- › Communicate the contribution of tourism to the Nevada economy, and safeguard the jobs and revenue created by the tourism industry.
- › The role of Travel Nevada is to lead the tourism industry in advocacy and education about the value of the industry. The tourism industry should remain inspired and mobilized to help share the message and has the proper tools to do so.
- › Tourism is still the state's No. 1 industry and its largest economic driver. It will be imperative to educate lawmakers and to rally partners to preserve our budget.
- › Protect current funding source by educating stakeholders on the economic impact of tourism to Nevada.

TACTICS

Enhance Partnerships

- › Create a toolkit for partners – should include existing resources, social graphics, ways to contact elected officials, and talking points.
- › Continue in-house improvement and updates on TravelNevada.biz to reflect current economic impact for Nevada, charting current status compared to “normal” projections.

Advocate for the Industry

- › Identify rural small-business champions and write op-eds and letters to the editor for them to submit to their local newspapers.
- › Include these letter templates in the Partner Toolkit.
- › Follow U.S. Travel requests as appropriate to our state and with approval from the Governor's office.
- › Hold virtual industry events – video chats and town halls.
- › Build up industry social accounts to increase followers made up primarily of stakeholders and decision-makers.

- › Establish editorial calendar of posts that continually push the value message. Use social platforms for calls to action.
- › Establish status reports to send to stakeholders. Communicate immediately and often that we are implementing a recovery plan and Travel Nevada is a proactive leader in the industry
- › Survey partners on immediate issues, support, toolkits, local influence, etc.

Legislative Outreach

- › Set one-to-one meetings with legislators/key candidates/stakeholders, with focus on Senate Finance and Assembly Ways & Means committees.
- › Emphasize the Division of Tourism's Facebook, Twitter, and Instagram pages as consistent areas for information on the importance of the tourism industry.
- › Continue using TourismMeansMore.com as the central campaign hub of information. Reposition content to be focused on damage of the COVID-19 crisis to the economy and how travel can help the state rebound.
- › Create stakeholder videos: short, shareable soundbites from partners talking about what Travel Nevada brings to them.
- › Use infographic and complementary social media graphics in the newsletter and encourage stakeholders to share graphics.
- › Establish a regular legislator email newsletter. Determine which legislators are employed by or otherwise engaged in the tourism industry and establish individual relationships with them. This may include personal phone calls or meetings.



DOMESTIC MARKETS

MARKETS

DOMESTIC MARKETS

GOAL

Strategic planning to identify and grow travel markets within the U.S.

STATUS

While growth in new markets is highly unlikely in the first half of FY21, we will rely on research to tell us when visitors are ready to travel, and which markets may be viable. Current sentiment among domestic markets shows that many Americans are looking forward to vacations they can attain by car, which positions Nevada well among Western states. We are watching surveys on air travel; as currently 43% of Americans are not considering air travel until 2021. Budget will call for us to target less-expensive markets and prioritize those that are most easily accessed by car, as Americans are now more likely to travel up to 700 miles by car.

STRATEGIES

- › Use sentiment research and real numbers to gauge which markets are the most cost-effective and results-driven for marketing Nevada in the post-COVID-19 world.
- › Continue to build audiences in target markets to better focus affordable, owned marketing efforts.
- › Utilize content on website to best serve drive markets through personalized messaging, resuming CRO tests as budget allows.
- › Focus SIP efforts on domestic markets to build up to CY21 when more long-haul travel will resume.
- › Inspire travelers in target markets through earned media placements.

TACTICS

- › Work with multiple research partners at local, regional and federal levels to monitor willingness and ability to travel.
- › Determine which DMAs may have best ability to travel, both physically and financially, through the remainder of calendar year.
- › Monitor performance of paid media by market, assessing interest level as they come back online.
- › Focus any paid efforts in drive markets first and hold longer-haul, staggering release.
- › Focus domestic spending based on new re-targeting audiences via owned channels and search efforts first.
- › Identify domestic shows that may be affordable and productive. Determine which consumer shows or B2B shows can provide the biggest impact.
- › Continue to meet and collaborate with partners and groups to align targeted marketing efforts.
- › Maximize opportunities with domestic tour and receptive operators.
- › Explore new SIP opportunities such as: hosting virtual training webinars for travel agents and tour operators, providing self-drive FAM trips for travel agents, partnering with neighboring states to promote borderless itineraries.
- › Where appropriate, leverage SIP efforts to create buzz-worthy PR coverage of Nevada.



GLOBAL DEVELOPMENT

DEVELOPMENT

GLOBAL DEVELOPMENT

GOAL

Identify and grow international markets with highest statewide visitation potential.

STATUS

Due to the current global pandemic involving the COVID-19 virus which has essentially eliminated all international travel for the near future, Travel Nevada will continue to evaluate the worldwide travel situation and make new recommendations as to how to proceed with international promotion with a significantly reduced budget. While contracts with international representation remain in place, budget is not being expended internationally, and will not in this calendar year.

STRATEGIES

- › Rely on data to determine viability of international travel resuming.
- › Prioritize markets based on economic and health recovery in their respective markets, and likelihood to travel to Nevada, and past visitation and spending data.
- › Use FY21 to re-evaluate global strategy and set FY22 goals.

TACTICS

- › Evaluate markets that may return in shorter term, specifically RV/drive/snowbird markets.
- › Consider expanding OTA buys to the international space to maximize audience.
- › Continue to seed travel stories and demand through PR and social content, dependent on the market's recovery status; focus on "dreaming" stage and future planning of travel.
- › Maximize partnerships with other western states and DMOs.
- › Explore ways to combine markets at a reduced rate, for future RFP consideration.
- › Utilize credit funds from Brand USA to market to international travelers once borders start to open back up.

