



Elko Convention & Visitors Authority
BOARD OF GOVERNORS REGULAR MEETING
Elko Convention Center, Cedar Room
700 Moren Way, Elko, NV 89801.

TUESDAY, JANUARY 21, 2025 8:30AM P.S.T

MINUTES

NOTICE: In accordance with NRS 241, the Board may: 1) Change the order of the agenda, 2) Combine two or more agenda items for consideration, 3) Remove an item from the agenda or delay discussion relating to an item on the agenda at any time, 4) If the agenda is not completed, recess the meeting, and continue on another specified date and time. The public can comment on any agenda item by being acknowledged by the Chair while the Board considers that agenda item.

This Agenda, for this meeting of the Elko Convention and Visitors Authority, has been properly posted for this date and time in accordance with NRS 241 requirements.

I. CALL TO ORDER

Board of Governors Chairman Stone called the meeting to order at 8:30AM.

II. ROLL CALL

ECVA Board Members Present: *Chip Stone, Chairman*
 Delmo Andreozzi, Vice Chair
 Pat Anderson
 Dave Zornes
 Steve Burrows

ECVA Staff Present: *Annette Kerr, Executive Director ~ Via Zoom*
 Selina Morales, Sales & Events Coordinator
 Michelle Cromwell, Marketing & Advertising Manager

Visitors: *J.J. Roemmich, Elko County Fair Board*
 Brandon Stone, Elko High School
 Joseph Rodriguez, Elko High School
 Brandon Carter, Elko High School
 William Bailey, Elko High School
 Doris Toothman
 Filip Biernat, Oak Chess Tournament

III. PLEDGE OF ALLEGIANCE

IV. COMMENTS BY THE GENERAL PUBLIC

Pursuant to NRS 241, this time is devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item. **NON-ACTION ITEM**

No public comment was received.

V. ORGANIZATION OF BOARD and MARKETING/LODGING COMMITTEE

A. Nominations and consideration of appointment of 2025 ECVA Board of Governors Chair and Vice-Chair. (Current: Chair Chip Stone, Vice-Chair Delmo Andreozzi).

FOR POSSIBLE ACTION

Vice Chair Andreozzi moved to nominate Chip Stone as the Chairman for the 2025 calendar year. Board Member Anderson seconded. Motion carried (3-0). Vice Chair Andreozzi moved to nominate Pat Anderson to be Vice Chair for the 2025 calendar year. Board Member Burrows seconded. Motion carried (3-0).

No public comment was received.

B. Discussion and possible action regarding the selection and appointment of Selina Morales as ECVA Board Secretary and Annette Kerr, as ECVA Board Treasurer per the requirements of Chapter 227, Section 9, Paragraph 3, Statutes of Nevada 1975, Elko Convention and Visitors Authority Act.

FOR POSSIBLE ACTION

Executive Director Kerr stated that the Board Members had approved this appointment in October 2024, but per statute, it must be done at the beginning of each year. Board Member Andreozzi moved to approve the appointment of Selina Morales as ECVA Board Secretary and Annette Kerr as ECVA Board Treasurer. Vice Chair Anderson seconded. Motion carries (4-0).

No public comment was received.

C. Nomination and consideration of appointment to the Marketing/Lodging Committee as Chair. (Current: Pat Anderson in 2023).

FOR POSSIBLE ACTION

Board Member Andreozzi moved to nominate Pat Anderson to serve as Chair for the Marketing/Lodging Committee. Board Member Burrows seconded. Motion carried (3-0).

No public comment was received.

D. Discussion, consideration and possible action appointing four (4) members for the 2025 Marketing/Lodging Committee. The term is for two (2) years. This is a seven (7) member committee, each term is two years, with alternating appointments each year. The position open for 2025 are, Gaming Entity (Lodging), Area Attraction, Airport, and Public at Large.

FOR POSSIBLE ACTION

Executive Director Kerr stated that the seven (7) member committee serves on alternating two (2)-year service terms and explained that the positions up for reappointment for the term January 1, 2025, to December 31, 2026, include Ben French from the Gaming Entity, Jan Petersen from the Public at Large, Jim Foster from the Airport, and D’ette Mawson from the Northeastern Nevada Museum. Vice Chair Anderson moved to reappoint all four (4) members, noting their active participation on the committee. Board Member Burrows seconded. Motion carried (4-0).

Executive Director Kerr mentioned that she will begin the search to fill the Public at Large vacancy, now that Board Member Burrows has joined the Board of Governors.

No public comment was received.

VI. APPROVAL OF MINUTES

A. Approval of December 10, 2024 Minutes

FOR POSSIBLE ACTION

Board Member Andreozzi moved to approve December 10, 2024 Minutes. Vice Chair Anderson seconded. Motion carried (5-0).

No public comment was received.

VII. OLD BUSINESS

- A.** Presentation by various organizations in regard to the success of their events or sponsorships. These organizations received marketing funds and/or sponsorship funding from the ECVA. Presentations are required as outlined in the Notice of Funding Opportunity, and by the ECVA Board of Governors.

FOR POSSIBLE ACTION

J.J. Roemmich, Secretary of the Elko County Fair Board provided a presentation on the outcome and success of the 2024 Elko County Fair.

No action was taken. No public comment was received.

- B.** Discussion, consideration and possible action regarding rescinding Resolution 2024-02, a resolution authorizing withdrawal from the Second Amended and Restated Contract, for joint use of the geothermal system and geothermal user group. This resolution was approved at the ECVA Board of Governors October 08, 2024 regular board meeting with changes.

FOR POSSIBLE ACTION

Executive Director Kerr explained that Resolution 2024-02 was voted and passed, on October 8, 2024, including a motion in which changes in the resolution were made but only the original resolution was signed, and the revised resolution was not signed. Upon discussion with legal counsel, including the Elko County School Districts legal counsel Executive Director Kerr was informed to hold off on the resolution until the Elko County School District had concluded their vote regarding the geothermal project. Following the School District's decision to vote down the project, quoting from legal counsel “the resolution will serve no real purpose and essentially be moot given that the project upon which it was based is now terminated.” Executive Director Kerr

explained that since the resolution no longer holds any meaning, the ECVA would remain part of the user group along with the Elko County School District, noting that this would keep the door open for the ECVA to participate in future projects. The amended resolution would have removed the ECVA from the user group, and any funds due back to the ECVA would have been used to install a new "T" box, and so the funds would have been forfeited for this. Executive Director Kerr stated that, due to the termination of the actual project, she asked the board to rescind the resolution. Board Member Andreozzi stated that he supports rescinding the resolution so that this remains a part of the ECVA's portfolio. Board Member Andreozzi moved to rescind Resolution 2024-02. Vice Chair Anderson seconded. Motion carried (5-0).

No public comment was received.

- C. Update, consideration and possible action regarding the Conference Center refinancing and matters related thereto.

FOR POSSIBLE ACTION

Executive Director Kerr provided the board members with a breakdown noting that the ECVA is no longer part of JMF-ECVA 2015, LLC thanks to a \$3 million loan from the County and a \$2.78 million bond from JP Morgan Chase. This resulted in a total refinancing of \$5,780,000, not including the ECVA's contribution. Of that, \$10,000 was deducted for JP Morgan fees, leaving \$5,770,000 deposited into the general fund. Funds were also transferred from the facility fund which is designated for building improvements, not capital projects, and included the balloon payment for room taxes, totaling \$850,000. An additional \$430,000 was moved from debt service, bringing the total amount transferred to the general fund to \$7,050,000. After subtracting the required payment, the actual prepayment amounted to \$6,852,526.54, leaving \$197,473.46 for other issues or items. This all took place on December 31, 2025, Executive Director Kerr was able to take the deed of trust to the county and both the conference center building and the land, which was used as collateral, were officially recorded to the ECVA. Two deeds of trust were processed during this time. Executive Director Kerr gave a breakdown of the prepayment amount due and it was calculated as follows: \$6,765,783.44 in principal, \$18,910.37 in accrued interest, \$67,657.83 for the prepayment premium, a \$30 demand fee, \$45 for reconveyance fee, and a \$99.90 UCC termination fee, totaling \$6,852,526.54 explaining that with the prepayment complete, no further debt service payments will be made to JMF-ECVA 2015, LLC. However, in connection with the payoff of the above referenced loan/note/bond, the following expenses will be paid from the expense fund which is held by JMF-ECVA 2015, LLC with a current estimated balance of \$295,794.39. Thus, the difference between the \$6.5 million recorded in the ECVA's books as owed and the \$6.7 million reported by the bank is due to JMF-ECVA 2015, LLC retaining nearly \$300,000 in the expense fund account. According to the agreement, these funds were supposed to be returned to the ECVA. However, the finance agreement specifies that the ECVA is responsible for paying Kutak Rock \$7,000, John Todd, CPA \$7,000, and Ballard Spahr, LLP \$44,428.55, with these amounts being estimates based on a phone conversation. After deducting these fees from the \$295,428.55 in the expense fund, the remaining balance will be returned to the ECVA. Executive Director Kerr expressed concern on the \$44,428.55 in legal fees noting that Ballard Spahr, JMF-ECVA 2015, LLC's legal counsel, had charged this amount for two and a half weeks of work, which she found unreasonable. She has requested an itemized breakdown of the charges, which will be required for both the booking and the audit. This issue is still unresolved as she continues to correspond with JMF-ECVA 2015, LLC. Additionally, she felt that the \$7,000 fee from the auditing firm was excessive, given that their role was only to verify the amounts owed and she is

challenging these numbers. Executive Director Kerr further explained that the fees for Kutok Rock, the attorneys for JMF-ECVA 2015, LLC's bonding firm, are currently "TBA". The ECVA's consultant indicated last Thursday, that the ECVA will be sending a demand letter to request a complete breakdown as we need the final numbers. The 31st of January marks a thirty (30)-day deadline to provide all necessary documentation to the ECVA. Executive Director Kerr also noted that after consulting with the Department of Taxation and ECVA auditors, there is no need to augment the budget as these funds are intended to pay off debt and are included in the current budget. The prepayment money transfers discussed above do not include this \$375,000 so these funds remain available to begin making payments to the County and JP Morgan, starting June 1, 2025, with payments due every six (6) months. The Board Members thanked Executive Director Kerr for countless hours of hard work to get this done.

Vice Chair Anderson moved to approve the receipt of these numbers and information, noting awareness of the transfers. Board Member Burrows seconded. Motion carried (5-0).

No public comment was received.

VIII. NEW BUSINESS

- A. Discussion, and consideration of approval for a sponsorship of \$3,059.64, for an Elko Chess Tournament. Oak Chess Tournament is a non-profit youth initiative. Their goal is to enable chess players, from nearby cities, of all ages and stages of advancement to participate in the event and advance to the international tournament to be held on line. The group is asking for \$450.00 in cash, \$965.00 reduction cost for facility use, \$2,672.97 for prizes and expenses, for a total inclusive sponsorship costs of \$3,059.64. Matching funds amount In-Kind is \$4,765.00

FOR POSSIBLE ACTION

Executive Director Kerr shared Filip Biernat approached her about hosting a chess tournament at the ECVA, and today they will present their plans and goals for the event noting that this will be the first time of getting this type of event off the ground for Elko. This event will be open to participants of all ages, inviting individuals from local schools and surrounding communities. Mr. Biernat gave a presentation on the Oak Chess Tournament, explaining the details of the event and how it will lead to an international online tournament. Mr. Biernat outlined how the funds would be utilized if awarded. Vice Chair Anderson moved to approve a facility use cost reduction of \$965.00 for March 29, 2025, including the damage deposit, and to have ECVA staff assist with advertising. Board Member Andreozzi seconded. Motion carried (5-0).

Board Member Andreozzi suggested that Mr. Biernat reach out to the Elko County School District, as he believes the event has great potential. Board Member Burrows recommended highlighting the tournament's international reach in advertisements to attract more people.

No public comment was received

- B. Discussion, and consideration of approval for a sponsorship in the amount of \$5,000. Mr. Brandon Stone and the Elko High School Robotics is preparing for the FIRST robotics competition to be held in Las Vegas, NV. Funds would be used to assist the team in the construction and necessary travel expenses to Las Vegas for their regional competition.

FOR POSSIBLE ACTION

Chairman Stone stated that he will be abstaining from this item. Board Member Zornes arrived at 8:39am.

Brandon Stone, a teacher at Elko High School, along with students William Bailey, Brandon Carter, and Joey Rodriguez, gave a presentation on the Robotics team, explaining what the FIRST Robotics Competition is. The students gave an overview of the event that will take place in Las Vegas, NV and outlined how the funds would be utilized if awarded. Board Member Andreozzi moved to approve \$5,000 from the advertising fund with the request to have the ECVA's logo displayed on the machine, banners or flyers. Board Member Zornes seconded. Motion carried (4-0) Chairman Stone abstained.

No public comment was received.

- C. Discussion, and consideration of approval of the corrective action plan for the findings in the fiscal year 2023-24 financial audit.

FOR POSSIBLE ACTION

Executive Director Kerr stated that even though there were no substantial findings in the financial audit she spoke with the Department of Taxation regarding the documentation on adjusted material weakness. While it is not required by the Department of Taxation to have this corrective action plan available, it is considered good practice as it just follows the auditors' recommendations. Board Member Andreozzi noted a minor spelling error and suggested that, since this is a legal document, it should be corrected. Vice Chair Anderson moved to approve the corrective action plan for the findings in the fiscal year 2023-24 financial audit, including that on page two (2) of the document under Corrective Action Plan, line three (3), the "incompliance" spelling error be adjusted to read correctly. Board Member Zornes seconded. Motion carried (5-0).

No public comment was received.

D. GRANTS

Discussion and consideration, to apply for available grants for the 2025/2026 fiscal year through the Nevada Commission on Tourism and possible other organizations. Grant would be to help offset partial costs for the re-branding of the Convention Center.

FOR POSSIBLE ACTION

Board Member Andreozzi moved to approve Executive Director Kerr to apply for available grants for the 2025/2026 fiscal year through the Nevada Commission on Tourism and possible other organizations. Vice Chair Anderson seconded. Motion carried (5-0).

No public comment was received.

IX. REPORTS

A. Financial Reports

FOR POSSIBLE ACTION

Board Member Zorned moved to approve the Financial Reports as presented. Board Member Andreozzi seconded. Motion carried (5-0).

B. Marketing, Convention & Tourism: Review of the Marketing & Sales Report.

NON-ACTION ITEM

Michelle Cromwell presented the marketing and sales report.

C. Events and Catering: Update on current events and meeting reservations for January/February 2025. **NON-ACTION ITEM**

Executive Director Kerr presented the events and catering report.

D. Facilities: Update on facility projects and work. **NON-ACTION ITEM**

Executive Director Kerr presents the facilities report.

X. ECVA BOARD AND STAFF COMMENTS:

This time is devoted to comments by the Elko Convention and Visitors Authority Board of Directors/and or Staff for general information or update purposes. No action may be taken upon a matter raised under this item of the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

NON-ACTION ITEM

Board Member Burrows shared that NNRH will working with Global One Media for the Health & Fitness Fair on March 22nd doing a free full lab draw open to anyone in the community. Board Member Zornes shared that Dr. Edwards of the Commercial Fun Center has invested his personal money for the growth of the fun center and has done a great service for this town and for the kids. Board Member Andreozzi welcomed Board Member Burrows. Executive Director Kerr mentioned that there will be a function on April 16th to celebrate the ECVA turning 50 years old.

XI. COMMENTS BY THE GENERAL PUBLIC

Pursuant to NRS 241, this time is devoted to comments by the general public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified to be an action item.

NON-ACTION ITEM

No public comment was received.

XII. MEETING SCHEDULE

The next Board of Directors meeting is scheduled for February 25, 2025 at 8:30am.

FOR POSSIBLE ACTION

No action was taken.

XIII. ADJOURNMENT

FOR POSSIBLE ACTION

Chairman Stone adjourned the meeting at 10:13am.

ELKO CONVENTION AND VISITORS AUTHORITY IS AN EQUAL OPPORTUNITY PROVIDER AND EMPLOYER.

Mission

The Elko Convention and Visitors Authority is a public asset and destination marketing organization, providing first-class facilities, marketing our communities and the region, and supporting various activities, events, and attracting conferences and conventions that improve our community's overall quality of life and contributes to broader economic development and vitality efforts.

Vision

We are committed to the continued modernization of competitive facilities, the positive marketing of our communities and region, and the hosting of activities and events that serve the current and future needs of the community. The Elko Convention and Visitors Authority is dedicated to a high quality of life which includes building a positive community identity, increasing overall tourism and visitation, creating quality future employment opportunities, wealth creation and economic vitality, and future value for everyone that we serve.