

Regular Meeting of the Board of Directors  
Wednesday, November 12, 2003  
ITEM NUMBER 11  
ADVERTISING CONTRACT

*The following is a transcript of a portion of said meeting.*

Tape 3/020

...Following the presentation by R&R Partners...

James Gibson ...and now I think it would be appropriate for us to open the meeting to discussion among the Board members.

Donald Snyder Was this a public meeting?

Manuel Cortez It was not a public hearing. No.

Many people No. No.  
No.  
It was not a public hearing.

James Gibson It was an addendum to that?

Luke Puschnig But you can open it up if you want.

James Gibson Mayor Goodman?

Oscar Goodman Yes, Mr. Chairman, I have a disclosure to make. Mr. Vassiliadis has been kind enough to help one of my sons as far as advising him on a particular business matter. But, that will not disqualify me. I look at it completely independent. I am not receiving any remuneration for it, nor is Mr. Vassiliadis, so I don't believe that would disqualify me from being heard on this issue.

However, there is something that may disqualify me, and that is Mr. Vassiliadis – will you please come up to the mic?

This has been very disturbing to me. I don't know whether you folks understand why I ran for Mayor of Las Vegas. I played myself in the movie *CASINO*, and I figured the only way that I would be able to be in another movie is if I had control of the permitting process for all the movies that were being made in Las Vegas. And, I have been cut from *Rush Hour 2*. I am on the cutting room floor of *Oceans Eleven, the Sequel*. The only movie that I've made is, they told me it was going to be a psychotic thriller – It turned out it was an erotic thriller, so I can't even bring the tape home. And then I've been demeaned, I think to the ultimate, I was in a scene in *Looney Toons*. It was not my life story, by the way. And it was a great scene done down on Fremont Street. I'm sort-of baptizing an ATM machine, and Daffy Duck runs by, and my line is, "Hay!"

Donald Snyder But you did it very well.

Oscar Goodman I understand – right – but I understand from a City Hall staff who attended the preview on Saturday, that I was cut from that as well.

So, I am insistent on this, Mr. Vassiliadis, that unless I'm included in at least one of these commercials, I can't vote for you. So I wanted to disclose that at this time.  
Thank you.

Billy Vassiliadis We'll test and see how well you test when we take the spots out.

James Gibson Are there others who wish to comment before we take action?  
Mr. Snyder?

Donald Snyder I'll, perhaps, make a few comments. I was here five years ago when we went through the same basic type of presentation that we saw here this morning. And, just kind of reflecting back on that as I listened to this presentation and watched this presentation, I think it reinforced, perhaps the quality of the decision that was made five years ago. Times change and, fortunately, I think we have an advertising agency that understands that and knows how to react to it.

We've gone through a pretty interesting period in the last five years, and while we don't plan or hope to have another 9/11, there's going to be other challenges. And some of the competitive things that we face in our markets get to the heart of that. So we need to be tuned-in. I think that the worst thing that we can do is change horses in the middle of this very important stream right now. So, I would certainly support going forward with R&R.

Yvonne Atkinson Gates Mr. Chairman?

James Gibson Yes?

Yvonne Atkinson Gates Just one quick question.  
In the essence of time, I believe this item is on for an action – I'm going to move for approval.

James Gibson All right. The motion is to approve the 5-year extension of the existing Advertising Contract.

Oscar Goodman May the record reflect that Mr. Vassiliadis did wink at me.

James Gibson

Let me just offer a thought. I had, over the past weeks, after I looked at the agenda and realized what we were going to be doing – one of the things that occurred to me was that I was pleased that we had the option available to us five years ago when we went through the competition - there was a lot of money spent. We didn't have, I guess we didn't HAVE to do what we did – but there wasn't anything built into the contract that gave us the option to avoid all of that exercise. And, so, this time around I appreciated the fact that we have the option, without anything more, and it is written in the contract. And I wondered – and I offer this to you. I don't know if it's something, Commissioner, that you're willing to do, - but I wonder if what we ought to do to give the future Board the same luxury that we've had today, is to extend the contract so that the terms of the contract five years from now read the way they do today. In other words, what we would do is approve a 5-year extension with an extension. So that if times are difficult – if we have been through – if we require then like we require now, the institutional history that is required in order to have overcome what we've overcome. If the threats to our economy and to our nation happen to continue – we all fear that that might happen, we hope that it does not, but it might - If the competitive environment continues to intensify, we may find that it would be nice to have the luxury to make a determination if we want to extend another 5-year option. So, what I'm saying is that I think there was certain luxury associated with having the OPTION of five more years in front of us so that we could look at things and make a determination whether we simply wanted to exercise, or whether we found ourselves in a position where we had to go back through a competition. So, my offer to you is - if you're willing and if there's no appetite, fine – that we simply extend the current language so that there is now a 5-year extension with an option at the end of the five years.

Yvonne Atkinson Gates

And Mr. Chair, let me just say, I wasn't here five years ago when the initial decision was made, so I certainly don't know what the contract looked like. Maybe you could ask Legal Staff if it's okay to – I mean, I don't have a problem with it. It certainly is the – I'm just the maker of the motion, but it's certainly up to this Board to make that final decision. But, I guess we can ask Legal Counsel if – I mean, can you add, I don't know what the contract looked like, can you add an additional five years on a 5-year extension?

Luke Puschnig

The Board can do whatever it wants. It's their contract. It's your contract.

- James Gibson I inquired of Counsel simply because I wanted to know whether we could take the language we have in front of us today and approve it along with a 5-year extension, so that we have an option at the end.
- Yvonne Atkinson Gates So you're asking for an amendment to the motion to read that you want to extend an additional five years, and let the Board at that time make the final decision to either extend it, or to go out for another RFP?
- James Gibson Yes. So that the language that we have in front of us today exists and is in front of us then.
- Yvonne Atkinson Gates And, like I said, I don't have a problem, and I'll accept as a friendly amendment to the motion, certainly will accept that amendment.
- Donald Snyder Mr. Chairman, I think that maybe I support that motion. I think it's often times possible - but when you have an account for an extended period of time, as R&R Partners has in this case - that you can take it for granted that you're always going to have the business and that the, in this case that the option is always going to be extended. I think the presentation today, supported by all the work over the past five years, suggests that that doesn't happen in the case of R&R Partners. They show up every day and they earn the business, and they do an extremely good job, and I think this motion, the suggested change to the motion, is very supportable.
- Yvonne Atkinson Gates Mr. Chairman. One of the comments – again, I wasn't here five years ago when the Board initially made the decision, but I have to tell you, looking at the campaign since I have been on the Board, changing from one to the other – and there were several on that I saw – I was truly impressed with the caliber of work with the magnitude in terms of the way they get the visitors here, and get our message across. So, I'm satisfied with that, in that regard. Again, I said I don't have a problem with extending it and accepting your motion -the amendment.
- James Gibson All right. There is a motion.  
Is there further discussion?

Mike Pacini Mr. Chairman. I haven't had an opportunity – just being on the Board since June – but Mr. Vassiliadis, I commend you and your team. During your presentation I noted that you had a pro-active and a reactive stance where you went out and you were pro-active, and then you had to react at a moments notice, and your team just did that. And I commend all of your people. I think you have a group of visionaries there, and I would suggest that maybe you take a look at taking *Vegas Stories* as a 5-part mini-series where the host – and I believe that the host, Mayor Oscar Goodman - and do real stories of real people and their stories here in Las Vegas. And I vote twice.

Oscar Goodman I'm going to vote for Mr. Santo as well.

James Gibson We better hurry.

Donald Snyder Yeah. Let's get through this.

Mike Pacini I applaud in sport, Mr. Chair. I'm ready to vote.

James Gibson Please cast your votes.  
The motion carries.

Donald Snyder Mr. Santo did vote.

Manuel Cortez May the record reflect that Mr. Santo is not here.

James Gibson I think that the record ought to reflect that Oscar voted twice.

??? Isn't that the way he runs his City?

Manuel Cortez That's all we have, Mr. Chairman.  
Except for Director's recognition.