

## Agenda Item 4.A

### MINUTES\* SAN DIEGO CONVENTION CENTER CORPORATION THE BOARD OF DIRECTORS

#### BOARD MEETING OF DECEMBER 13, 2023

**BOARD MEMBERS PRESENT:** Chair Carlos Cota and Directors Jeff Gattas, Will Rodriguez-Kennedy, Shawn Van Diver, Alyssa Turowski, and Carol Kim

**BOARD MEMBER(S) ABSENT:** Director Jaymie Bradford

**STAFF PRESENT:** Rip Rippetoe, Mardeen Mattix, Corey Albright, Andy Mikschl, Maren Dougherty, Michael Milligan, Victoria Mitchell, and Pat Evans (Recorder)

**ALSO PRESENT:** Jennifer Lyon, General Counsel

\*Meeting Minutes memorialize votes on "Action Items" and Staff Reports and are not a verbatim transcript of regular Board meetings. Audio copies of Board of Director meetings are available upon request. Please contact Pat Evans at (619)525-5131 or [pat.evans@visitsandiego.com](mailto:pat.evans@visitsandiego.com) to request a copy.

#### 1. Call to Order

Chair Carlos Cota called the Board Meeting to order at 12:10 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101.

Chair Cota then called roll to determine which Directors were present:

**Director Cota – Present**  
**Director Gattas – Present**  
**Director VanDiver - Present**  
**Director Bradford – Absent**  
**Director Rodriguez-Kennedy – Present**  
**Director Turowski– Present**  
**Director Kim – Present**

All Directors were recorded as present except Director Jaymie Bradford. Chair Cota noted that all votes taken during this meeting would be recorded via roll call vote.

2. **Non-Agenda Public Comment** – Chair Cota inquired if any member of the public wished to comment on any non-Agenda items.

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (2), and she was granted an opportunity to address her comments to the Board regarding the Corporation’s compliance with City of San Diego Work Force Report requirements.

Ms. Martha Sullivan submitted a speaker’s slip requesting an opportunity to address the Board regarding Agenda Item (2), and she was granted an opportunity to address her comments to the Board regarding donating San Diego Convention Center’s event surplus food to City Safe Sleeping areas.

3. **Presentations:**

**Director Recognitions: Carol Kim and Carlos Cota** – Mr. Rippetoe presented Director Kim and Director Cota with replicas of the “Flame of Friendship” to commemorate and thank them for their Board service.

4. **Board Committee Reports and Board Action Items:**

**Consent Agenda:**

**A. Approval of Minutes of Board Meeting of October 25, 2023, and “Special” Board Meeting of November 27, 2023.**

Chair Cota inquired if any Director would like to pull a Consent Agenda item for discussion. Hearing no request to pull a Consent Agenda item, Chair Cota then inquired if any member of the public wished to comment on Agenda Item (4.A). No members of the public responded to the request for comment.

**After request for Director discussion and for public comment, Directors VanDiver and Gattas moved and seconded, respectively, to approve the Consent Agenda as set forth hereinabove.**

**Director Cota – Aye  
Director Gattas – Aye  
Director VanDiver – Aye  
Director Bradford – Absent  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Aye  
Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6**

**NAYS: 0**

**ABSTENTIONS: 0**

## **Action Item(s):**

### **B. Budget Committee (Shawn VanDiver)**

#### **(1) Acceptance of Financial Report from Chief Financial Officer**

Ms. Mattix reported the following:

- The Board packet contains the Corporation's newly updated financial reports. Ms. Mattix apologized for not having the opportunity to train the Board in the new format; however, training will take place in the coming months.
- The financial performance is posted through October and staff is happy to announce that we are doing better than budgeted expectations. Some aspects of the financial reports look a little different compared to historical trends and that is because revenues are down slightly, compared to budget.
- The Corporation usually ends up with higher revenues than we budgeted, but there are some good reasons for the current outcome. One of the reasons is The Corporation had not finalized its sales strategy at the time we budgeted eighteen months ago, and so, intentionally, we did not fill in some of the gaps in between the Citywide sales events with some of the short-term sales events we traditionally had booked in the past.
- We usually book approximately 100 events a year for short-term sales, and we have scaled that down to approximately 40 to 50. However, you will notice that the bottom-line impact is actually a little bit better than we had projected because the health of the events that have been booked are doing much better than budget.
- Although we are struggling with projected event revenue for building rent, we have actually made up for the rent shortfall with ancillary revenues.
- For the month of October, we hosted four citywide events and two meetings & seminars and that was a fantastic month.
- Regarding expenses, the Corporation is trailing budget, so we look a bit better than we should at this point in the year and that is because there have been some supply chain issues with some of the line items for repair and maintenance. We are just off on timing, but we do expect most of those expenses to occur by the end of the year.
- The other one good thing we can report is we are no longer way over budget in utilities and after diving into that situation a bit, we determined it was really a budgetary spread issue that we had rather than a budgetary issue.
- Now, we will be slightly over budget by the end of the year, but costs have evened out. We are no longer \$900,000 over budget - we are approximately \$388,000 over budget.
- Consumption is actually under the consumption rate of last year - the fees and the transmission costs are standard as they only went up approximately (3%). The community power side of the equation, though, did go up higher than we had budgeted, so we are trailing slightly because of that, but we are looking okay.

- When you review the financial statements, the change in net position is the line that you want to pay attention to, and, at this point in the year we anticipated we would have experienced a loss of approximately \$1 million, after operations (after making debt payments and after interest from bank accounts are taken into consideration).
- I am happy to report that the Corporation is almost cost neutral. We are \$100,000 under budget (at a loss), so we are doing \$900,000 better than we expected at this point in the year.
- Regarding capital, the Corporation did have a \$13 million capital budget, and we are probably not going to do all of those projects this year. There are a couple of projects we already know will not be received in time because of supply chain issues so they will be pushed into future years.

After Ms. Mattix submitted her report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.1).

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (4.B.1), and she was granted an opportunity to address her comments to the Board regarding the cost of utilities in San Diego.

Ms. Martha Sullivan submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (4.B.1), and she was granted an opportunity to address her comments to the Board regarding the Corporation expending more effort to assist the City’s homeless population.

**After presentation by Staff, and public comment, Directors Rodriguez-Kennedy and VanDiver moved and seconded, respectively, to Accept the CFO Financial Report from the Chief Financial Officer.**

**Director Cota – Aye  
 Director Gattas – Aye  
 Director VanDiver – Aye  
 Director Bradford – Absent  
 Director Rodriguez-Kennedy – Aye  
 Director Turowski – Aye  
 Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6                                      NAYS: 0                                      ABSTENTIONS: 0**

**(2) Authorization to Contract for File Digitization**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.2).

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Board regarding Agenda Item (4.B.2), and she was granted an opportunity to

address her comments to the Board regarding the Corporation's compliance with City of San Diego Work Force Report requirements.

After presentations by Staff, and public comment, Directors VanDiver and Turowski moved and seconded, respectively, to Authorize a Contract for File Digitization services with USAimaging, with a not-to-exceed project budget of \$115,000, inclusive of contingency.

Director Cota – Aye  
Director Gattas – Aye  
Director VanDiver – Aye  
Director Bradford – Absent  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Aye  
Director Kim – Aye

**Vote: Unanimous**

**AYES: 6    NAYS: 0    ABSTENTIONS: 0**

**(3) Authorization to Contract for Building Automation System Consultant**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.3). No members of the public responded to the request for comment.

After presentations by Staff, Directors VanDiver and Rodriguez-Kennedy moved and seconded, respectively, to Authorize a Contract for a Building Automation System Consultant with SC Engineers with a budget of \$224,000.

Director Cota – Aye  
Director Gattas – Aye  
Director VanDiver – Aye  
Director Bradford – Absent  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Aye  
Director Kim – Aye

**Vote: Unanimous**

**AYES: 6    NAYS: 0    ABSTENTIONS: 0**

**(4) Authorization to Contract for Medium and Low Voltage Testing**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.4).

Ms. Lori Saldaña submitted a speaker's slip requesting an opportunity to address the Board regarding Agenda Item (4.B.4), and she was granted an opportunity to address her comments to the Board regarding the possibility of using a City of San Diego Engineer, retained under the City's Climate Action Plan, to perform the Center's voltage assessment/testing since the Center is a attendant agency of the City.

**After presentations by Staff, and public comment, Directors VanDiver and Rodriguez-Kennedy moved and seconded, respectively, to Authorize a Contract for Medium and Low Voltage Testing with Applied Engineering Concepts, with a not-to-exceed budget of \$115,000 inclusive of a ten percent contingency.**

**Director Cota – Aye  
 Director Gattas – Aye  
 Director VanDiver – Aye  
 Director Bradford – Absent  
 Director Rodriguez-Kennedy – Aye  
 Director Turowski – Aye  
 Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6                                      NAYS: 0                                      ABSTENTIONS: 0**

**(5) Authorization to Ratify a Fire Pump Change Order**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.5). No members of the public responded to the request for comment.

**After presentations by Staff, Directors VanDiver and Kim moved and seconded, respectively, to Authorize Ratification of the Fire Pump Change Order (\$52,415) with Brashaw Engineers. The newly amended final project cost is \$473,111.43.**

**Director Cota – Aye  
 Director Gattas – Aye  
 Director VanDiver – Aye  
 Director Bradford – Absent  
 Director Rodriguez-Kennedy – Aye  
 Director Turowski – Aye  
 Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6                                      NAYS: 0                                      ABSTENTIONS: 0**

**(6) Authorization to Contract for Rollup Door Replacement**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.6). No members of the public responded to the request for comment.

**After presentations by Staff, Directors VanDiver and Rodriguez-Kennedy moved and seconded, respectively, to Authorize a Contract for a Rollup Door Replacement with Superior Doors at a not-to-exceed cost of \$125,000, inclusive of contingency.**

**Director Cota – Aye  
Director Gattas – Aye  
Director VanDiver – Aye  
Director Bradford – Absent  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Aye  
Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6**

**NAYS: 0**

**ABSTENTIONS: 0**

**(7) Authorization to Contract for Generator Electrical Infrastructure**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.B.7).

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (4.B.7.), and she was granted an opportunity to address her comments to the Board regarding the Corporation’s compliance with City of San Diego Work Force Report requirements. Ms. Saldaña also addressed comments to the Board regarding Agenda Item (4.B.6), where she inquired about the potential of the Corporation recouping its costs of the rollup door replacement from a federal entity since the door was damaged during shelter operations.

Ms. Martha Sullivan submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (4.B.7), and she was granted an opportunity to address her comments to the Board regarding her reservations about the validity of the “sole source” award process for this item.

**After presentations by Staff, and public comment, Directors Kim and Gattas moved and seconded, respectively, to Authorize a Contract for Generator Electrical Infrastructure with Neal Electric at a not-to-exceed budget of \$1,150,000.**

**Director Cota – Aye  
Director Gattas – Aye  
Director VanDiver – Aye  
Director Bradford – Absent  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Aye  
Director Kim – Aye**

**Vote: Unanimous**

**AYES: 6                                    NAYS: 0                                    ABSTENTIONS: 0**

Director Turowski left the meeting at 1:12 p.m.

**C. Audit Committee (Will Rodriguez-Kennedy)**

**(1) Authorization to Place Employee Medical and Employer Paid Basic Life, AD&D and LTD Insurance through Marsh & McLennan Agency LLC Company**

Chair Cota called for a staff report regarding this item. After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.C.1).

Ms. Lori Saldaña submitted a speaker’s slip requesting an opportunity to address the Committee regarding Agenda Item (4.C.1), and she was granted an opportunity to address her comments to the Board regarding the closure of the “Pedex” border crossing and the closure’s potential impact on Corporation employees seeking medical care in Mexico.

**After presentations by Staff, and public comment, Directors Gattas and VanDiver moved and seconded, respectively, to Authorize Placement of Employee Medical and Employer Paid Basic Life, AD&D and LTD Insurance through Marsh & McLennan Agency LLC Company.**

**Director Cota – Aye  
Director Gattas – Absent  
Director VanDiver – Aye  
Director Bradford – Aye  
Director Rodriguez-Kennedy – Aye  
Director Turowski – Absent  
Director Kim – Aye**

**Vote: Unanimous**



**AYES: 5**

**NAYS: 0**

**ABSTENTIONS: 0**

**D. Sales & Marketing Committee (Jeff Gattas)**

Director Gattas reported that there was no scheduled Sales & Marketing Committee meeting, and he referred Directors to the Sales Reports included in the Board packet.

Andy Mikschl reported on the notable public local events taking place at the Center in the next couple of months:

- The Auto Show, the Bridal Bazaar, the Home Show, and the MLK Human Dignity Breakfast.

Ms. Coker reported on the following:

- Ms. Coker discussed the success of the American Society of Hematology event in early December.
- She also provided an update regarding the January premiere industry event, PCMA, noting that former President Clinton and former Secretary of State Hillary Clinton will be guest speakers.
- The event will also include a concert at the Rady Shell (“Boys-to-Men”) and a networking event at SeaWorld.
- Ms. Coker noted the sales team attended its annual December client event (70 client guests) at Butch McGuire’s in Chicago and the team had an opportunity to touch bases with Ashley Jackson, the new City-wide sales manager (originally from San Diego) and the Midwest client market.
- Mr. Rippetoe reported that he is attempting to get attendance badges for Directors and staff management who are interested in attending the PCMA event.

After staff submitted its reports, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.D). No members of the public responded to the request for comment. No vote was required on this item as it is a Sales & Marketing Committee update.

**E. Nominating Committee (Carlos Cota)**

**(1) Election of Officers**

Chair Cota delivered the Nominating Chair’s report regarding this item. After he submitted his report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.E.1). No members of the public responded to the request for comment.

**After Nominating Committee Chair Cota presented his report, Directors VanDiver and Gattas moved and seconded, respectively, to approve the Proposed Slate of 2024 SDCCC Board Officers as set forth below:**

**Jeff Gattas - Chair**  
**Shawn VanDiver – Vice-Chair**  
**Will Rodriguez-Kennedy – Treasurer**  
**Alyssa Turowski - Secretary**

**Director Cota – Aye**  
**Director Gattas – Absent**  
**Director VanDiver – Aye**  
**Director Bradford – Aye**  
**Director Rodriguez-Kennedy – Aye**  
**Director Turowski – Absent**  
**Director Kim – Aye**

**Vote: Unanimous**

**AYES: 5**

**NAYS: 0**

**ABSTENTIONS: 0**

**(2) Ratification of Board Committee Assignments**

Chair Cota delivered the Nominating Chair’s report regarding this item. After he submitted his report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (4.E.2). No members of the public responded to the request for comment.

Director Rodriguez-Kennedy sought clarification regarding the “Director 1” and “Director 2” designations on the Board Committee Roster. After discussion, “Director 1” was identified as Director Kim’s replacement, and “Director 2” was identified as Director Cota’s replacement.

**After Nominating Committee Chair Cota presented his report, Directors Kim and Cota moved and seconded, respectively, to Ratify the Board Committee Assignments with the proviso identifying the new Directors set forth above.**

**Director Cota – Aye**  
**Director Gattas – Absent**  
**Director VanDiver – Aye**  
**Director Bradford – Aye**  
**Director Rodriguez-Kennedy – Aye**  
**Director Turowski – Absent**  
**Director Kim – Aye**

**Vote: Unanimous**

**AYES: 5**

**NAYS: 0**

**ABSTENTIONS: 0**

**5. Chief Operating Officer's Report (Corey Albright)**

- Mr. Albright thanked Ms. Mitchell and her team for all of their hard work on today's multiple agenda items and he also expressed appreciation to Director Kim and Director Cota, for their support, both personally and professionally.

After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (5). No members of the public responded to the request for comment.

**6. President's Report (Rip Rippetoe) – Mr. Rippetoe reported:**

- Mr. Rippetoe thanked staff, Board Directors, and internal and external partners for their hard work over the last year.
- Mr. Rippetoe also commented on the recent positive customer service reviews the staff have received from various clients.
- Mr. Rippetoe further reported that the American Society of Hematology's (ASH) event generated \$127,000,000 of economic impact over a nine-day period. This event had a record attendance of 28,000 in person with 4,000 attendees participating virtually and 110 countries represented.

After staff submitted its report, Chair Cota inquired if any member of the public wished to comment on Agenda Item (6). No members of the public responded to the request for comment.

**7. Chair's Report (Carlos Cota) – Chair Cota reported:**

- Chair Cota gave closing comments regarding his years of Board service and expressed his pleasure at having served on the Board.
- The SDCCC children's holiday party – "Breakfast with Santa" is scheduled for Saturday, December 16, 2023, from 9:00 – 11:00 a.m. -Ballroom 20. Directors are invited to bring their children.
- The staff party is scheduled for December 16<sup>th</sup> – Ballroom 20, starting at 6:00 p.m. for cocktails. Dinner is served at 7:00 p.m. and raffle and dancing starts at 8:00 p.m., so wear your dancing shoes, and goes through 11:00 p.m.
- The next Board meeting is tentatively scheduled for January 31, 2024, at Noon and Merry Christmas, Happy Hanukkah, happy holidays, and Happy New Year to everybody.

After Chair Cota submitted his report, he inquired if any member of the public wished to comment on Agenda Item (7). No members of the public responded to the request for comment.

8. **Board Comment** [Govt. Code § 54954.2(a) (2)] – Director Rodriguez-Kennedy requested that staff ensure that the public has access to the Boardroom on Board meeting days. He also inquired about the status of the Board’s strategic planning discussions and encouraged those discussions to resume soon.

Director Rodriguez-Kennedy also asked that staff review contributions of surplus event food to shelters and to assess the Center’s potential to supplement the City’s food contracting efforts. Mr. Rippetoe responded that he has contacted the City regarding this issue and is awaiting a response.

Director VanDiver thanked Chair Cota for his service as Chair for the past year as well as his full six years of Board service.

9. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2): **None**

There being no further business, the meeting adjourned at 1:40 p.m.

I, Alyssa Turowski, Secretary of the Board of Directors of the San Diego Convention Center Corporation, Inc., do hereby certify that the foregoing is a true and correct copy of the minutes of the business transacted by the Board of Directors of the San Diego Convention Center Corporation, Inc., at a duly noticed meeting held on December 13, 2023, and that said minutes were approved by the Board of Directors on January 31, 2024.

*[Approved at Board Meeting of January 31, 2024]*  
Alyssa Turowski, Secretary