

**SAN DIEGO CONVENTION CENTER CORPORATION  
BUDGET COMMITTEE MEETING  
OF THE BOARD OF DIRECTORS**

**Director Shawn VanDiver, Chair  
Director Carlos Cota  
Director Carol Kim**

**MONDAY, DECEMBER 4, 2023, 11:00 A.M.  
111 W. Harbor Drive, 2<sup>nd</sup> Floor, Executive Boardroom  
San Diego, California 92101**

**AGENDA**

**Telephone number for members of the public  
to observe, listen, and address the meeting telephonically:  
1(888) 251-2909 – Access code is 6724115#**

- 1. Call to Order - Shawn VanDiver, Chair**
- 2. Non-Agenda Public Comment:**

This portion of the agenda provides an opportunity for members of the public to address the Board on items of interest within the jurisdiction of the Board that have not previously been before the Board. Pursuant to the Brown Act, no discussion or action shall be taken by the Board on items not posted on the agenda.
- 3. Approval of Proposed Minutes of September 18, 2023, Committee Meeting**
- 4. Chair's Report**
- 5. Action Item(s):**
  - A. Recommendation to Authorize Contract for File Digitization**
  - B. Recommendation to Authorize Contract for Building Automation System Consultant**
  - C. Recommendation to Authorize Contract for Medium and Low Voltage Testing**
  - D. Recommendation to Ratify Fire Pump Change Order**
  - E. Recommendation to Authorize Contract for Rollup Door Repair**
  - F. Recommendation to Authorize Contract for Generator Electrical Infrastructure**
- 6. Staff Updates:**

- CFO
- President & CEO

7. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2)

8. **Budget Committee Comment** [Govt. Code §54954.2(a)(2)]

## Adjournment

This information is available in alternative formats upon request. To request an agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (“ALD”) for the meeting, please call Pat Evans at (619) 525-5131 at least five working days prior to the meeting to ensure availability.

In compliance with Government Code section 54957.5, non-exempt written material that is distributed to the Board prior to the meeting will be available at the meeting or it may be viewed in advance of the meeting at the corporation’s offices at 111 West Harbor Drive, San Diego, CA. Materials distributed to the board after the posting of this agenda also will be available online at [visitsandiego.com](http://visitsandiego.com). Please contact Pat Evans at (619)525-5131 or [pat.evans@visitsandiego.com](mailto:pat.evans@visitsandiego.com) if you would like to pick up a copy of any material related to an item on this agenda.

**Action items on this agenda may be consolidated for voting purposes into a single vote of the Board, to the extent they are routine or otherwise do not require further deliberation. A Board member may comment on an action item before it is voted upon as part of the consolidated vote; however, if a Board member wishes to discuss an action item, that item will not be included in the consolidated vote. If a member of the public wishes to comment upon an action item, they should so advise the Board chair at or before the public comment portion of the meeting, in which case that item will not be included in any consolidated vote.**

**Agenda Item 3**

**MINUTES**

**SAN DIEGO CONVENTION CENTER CORPORATION  
BUDGET COMMITTEE OF  
THE BOARD OF DIRECTORS  
COMMITTEE MEETING OF SEPTEMBER 18, 2023**

**BOARD MEMBERS PRESENT:** Chair Shawn VanDiver and Directors Carlos Cota and Carol Kim

**BOARD MEMBERS ABSENT:**

**STAFF PRESENT:** Rip Rippetoe, Mardeen Mattix, Corey Albright, and Victoria Mitchell and Pat Evans (Recorder)

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

1. **Call to Order:** Chair VanDiver called the meeting to order at 11:00 a.m. in the Executive Conference Room of the San Diego Convention Center, 111 West Harbor Drive, San Diego, California.

Chair VanDiver announced that since this meeting is being conducted on site with an open line to the public, the first action is to perform a roll call to determine which Board members are present on this call:

Director VanDiver– Present  
Director Cota - Present  
Director Kim – Present

Chair VanDiver reported that all Directors were present, and that all votes would be recorded via roll-call vote.

2. **Non-Agenda Public Comment:** Chair VanDiver requested public comment regarding any non-agenda items. Hearing none, the meeting proceeded.
3. **Approval of Minutes of August 14, 2023, Budget Committee Meetings:**

Chair VanDiver inquired if any member of the public wished to comment on Agenda Item 3. No members of the public responded to the request for comment.

Directors Kim and Cota moved and seconded, respectively, to approve the minutes from the August 14, 2023, meeting.

Director VanDiver– Aye  
Director Cota - Aye  
Director Kim – Aye

Vote: Unanimous

AYES: 3                      NAYS: 0                      ABSTENTIONS: 1

4. **Chair’s Report:** None

5. **Action Item(s):**

**A. Recommendation to Approve Change Order to Window Sealant Replacement Contract**

Chair VanDiver called for a staff report regarding Agenda Items 5.A. After staff submitted its report, Chair VanDiver inquired if any member of the public wished to comment on Agenda Item 5.A. No members of the public responded to the request for comment.

**B. After presentations by staff, Directors Cota and Kim moved and seconded, respectively, to Recommend Approval of Change Order to Window Sealant Replacement Contract.**

Director VanDiver– Aye  
Director Cota - Aye  
Director Kim – Aye

Vote: Unanimous

AYES: 3                      NAYS: 0                      ABSTENTIONS: 0

6. **Staff Updates:**

**CFO:** Ms. Mattix reported the following:

- July 2023 met budget expectations, with ESRI and Comic-Con contributing significantly (92% of revenue). There was a total of 5 events hosted, including 2 Citywide events and 3 local meeting/association events.
- Most expense categories are under budget, except for utilities, which experienced a record high cost of nearly \$900,000 during the month.

- Operating results were close to breaking even for the month. However, there was a reduction of \$.6M due to the IBank principal debt payment. Unrestricted reserves started the year at \$29.2M and currently stand at \$28.5M.
- The company has instituted a paid EAP which offers confidential emotional, financial, legal and identity theft counseling 24 hours a day, 7 days a week, 365 days a year. This benefit is available to all staff (full and part-time employees) as well as any household members via chat, text, and tele-video communication options.
- The Finance and Sales departments are collaborating to optimize business opportunities and enhance the region's business. Staff have been collaborating with SDTA to further enhance sales contracts, booking strategies and use of space.
- Finance and IT staff continue to focus on implementing a new business intelligence reporting system as part of the system conversion project.
- Staff continues its collaboration with the City and Port regarding a structured 25-year license/lease PPA solar initiative in addition to a roof replacement project. Financing mechanisms and approval processes are being evaluated by all entities.
- Staff temporarily halted the marshaling yard discussions with the City's Department of Real Estate and Airport Management (DREAM) to focus on the roof/solar project. Concurrently, staff is exploring alternatives for a lease or land purchase options for this project.

**President & CEO: None**

After submission of the CFO report, Chair VanDiver 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. **Urgent non-agenda items** (must meet the requirements of Government Code, Section 54954.2) — **None**
8. **Budget Committee Comment** [Govt. Code §54954.2(a)(2)]: **None**

There being no further business, the meeting adjourned at 11:18 a.m.

**CERTIFICATION**

I, Shawn VanDiver, Chair of the Budget Committee of the Board of the Directors of 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 Budget Committee of the Board of Directors of the San Diego Convention Center Corporation, Inc. at a duly noticed meeting held on September 18, 2023.

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Shawn VanDiver, Chair



**Agenda Item 5.B**

**SAN DIEGO CONVENTION CENTER CORPORATION  
M E M O R A N D U M**

**TO: Budget Committee**

**FROM: Corey Albright, Chief Operating Officer**

**DATE: For the Agenda of December 4, 2023**

**RE: Recommend Authorization to Contract for Building Automation System Consultant**

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**BACKGROUND**

The San Diego Convention Center features a building automation system (BAS) that acts as a centralized control system that manages and monitors various building functions, systems, and devices. The purpose of our BAS is to enhance the efficiency, comfort, and safety of the building while optimizing energy consumption. The system can regulate and automate functions such as heating, ventilation, air conditioning (HVAC), lighting, and other building systems.

**DISCUSSION**

Staff budgeted \$800,000 in FY24 towards the evaluation and improvement of BAS assets. Staff issued a request for proposals for a qualified consultant to assess and provide recommendations to optimize our BAS. Staff received five (5) proposals:

<b>Vendor</b>	<b>Cost</b>
Drake Integrations	\$310,000
Henderson Engineers	\$344,750
P2S Inc	\$69,500
SC Engineers	\$224,000
Syska Hennessy	\$220,000

Staff formed an evaluation committee and determined SC Engineers to be the best value based on the following criteria: Price 35%, Company Resume – 10%, Proposed Project Schedule & Methodology – 10%, Sample Work Product – 20%, Terms and Conditions & Proposal Completion – 5%, and Comparable Projects – 20%. Staff recommends awarding a contract to SC Engineers with a budget of \$224,000.

**STAFF RECOMMENDATION**

Recommend authorization to award a Contract to SC Engineers for Building Automation Consultation with a not-to-exceed budget of \$224,000.

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/s/  
Corey Albright,  
Chief Operating Officer





**Agenda Item 5.D**

**SAN DIEGO CONVENTION CENTER CORPORATION  
M E M O R A N D U M**

**TO: Budget Committee**

**FROM: Corey Albright, Chief Operating Officer**

**DATE: For the Agenda of December 4, 2023**

**RE: Recommend Ratification of Fire Pump Change Order**

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**BACKGROUND**

In January 2019, the Board of Directors approved authorization to contract with Arrow Automatic Fire Sprinkler for the replacement of the diesel fire pump that supports the Sails Pavilion. The fire pump provides the necessary water pressure and flow to meet the demand requirements for the fire suppression system in the Sails Pavilion. The original diesel fire pump and engine assembly exceeded their useful life expectancy, resulting in the necessity of a complete replacement. During this phase of the project, Staff encountered performance issues with the contractor and elected to terminate the contract compensating them \$95,980.43 for the purchase of the fire pump, engineering, and the Air Pollution Control District permit and \$2,328 for administrative fees.

In February 2020, the Board of Directors approved authorization to contract with Bradshaw Engineering to continue the fire pump replacement project with a contract budget of \$322,388, totaling a project budget of \$420,696.43 with prior progress payments.

**DISCUSSION**

In October 2023, Bradshaw Engineering submitted a change order request to Staff for an additional \$48,415 due to significant permitting delays resulting from the COVID-19 pandemic and unforeseen engineering and construction requirements. Bradshaw further recommended we contract with A&M Pumps for \$4,000 to replace the packing and gasket in the fire pump that had been stored.

Staff determined the recommendations to be fair, reasonable, and essential to completing the fire pump replacement. Given that the fire pump is an essential component of our fire life safety infrastructure and a condition of occupancy for the Sails Pavilion space, Staff approved both items exceeding the project budget by \$52,415.





Agenda Item 5.F

**SAN DIEGO CONVENTION CENTER CORPORATION  
M E M O R A N D U M**

**TO: Budget Committee**

**FROM: Corey Albright, Chief Operating Officer**

**DATE: For the Agenda of December 4, 2023**

**RE: Recommend Authorization to Contract for Generator Electrical Infrastructure**

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BACKGROUND

The San Diego Convention Center is required to have backup power generators in the event of a power outage or disruption. A critical component for a generator is an automatic transfer switch (ATS) that is responsible for automatically transferring electrical loads between the primary power source and the backup power source. In support of the Corporation's climate action initiatives, Staff continue to move toward greater building electrification powered by clean energy sources. As this electrical infrastructure expands, it is necessary to ensure we have an ATS dedicated exclusively to fire and life safety systems to ensure continuity of power to critical systems during emergencies. Installing an additional ATS was budgeted for \$500,000 in FY24.

DISCUSSION

Staff issued a request for proposals (RFP) from qualified contractors to install the additional ATS and received one (1) proposal from Neal Electric for \$1,031,585. While seven (7) companies attended the site walk, Staff received one (1) qualified response with feedback from the other companies that they were not available or confident they could complete the scope of work by October 2024 as requested in the RFP.

Staff thoroughly evaluated Neal Electric's proposal and assessed it to be fair and reasonable. Staff recommends awarding a contract to Neal Electric with a not-to-exceed budget of \$1,150,000, inclusive of contingency.

STAFF RECOMMENDATION

Recommend authorization to award a Contract to Neal Electric for Generator Electrical Infrastructure with a not-to-exceed budget of \$1,150,000, inclusive on contingency.

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/s/  
Corey Albright,  
Chief Operating Officer