

Agenda Item 3.A

MINUTES* SAN DIEGO CONVENTION CENTER CORPORATION THE BOARD OF DIRECTORS

BOARD MEETING OF JUNE 22, 2022 Via Teleconference

BOARD MEMBERS PRESENT: Chair Carol Kim and Directors Carlos Cota, Jeff Gattas and Elvin Lai

BOARD MEMBER(S) ABSENT: Directors Shawn VanDiver, Jaymie Bradford and Will Rodriguez-Kennedy

STAFF PRESENT: Rip Rippetoe, Mardeen Mattix, Corey Albright, Andy Mikschl and Pat Evans (Recorder)

ALSO PRESENT: Jennifer Lyon, General Counsel, Julie Coker, SDTA President & CEO

*Audio copies of Board of Director meetings are available upon request. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com to request a copy.

1. Call to Order

Chair Carol Kim called the Board Meeting to order at 12:08 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101.

Chair Kim then called roll to determine which Directors were present on the teleconference:

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

All Directors were recorded as present except Directors Bradford, VanDiver and Rodriguez-Kennedy. Chair Kim noted that all votes taken during this meeting would be recorded via roll call vote.

2. Non-Agenda Public Comment – Chair Kim inquired if any member of the public wished to comment on any non-Agenda items. No members of the public responded to the

request for comment. CFO Mardeen Mattix introduced and welcomed Michael Milligan, the recently hired Executive Director of People and Culture.

3. Board Committee Reports and Board Action Items:

Consent Agenda:

Chair Kim inquired if any Director would like to pull a Consent Agenda item for discussion. Hearing no request to pull a Consent Agenda item, Chair Kim then inquired if any member of the public wished to comment on Agenda Items (3A) (3.A.1), (3.B) or (3C). No members of the public responded to the request for comment.

A. Approval of Minutes of Board Meetings of April 27, 2022, and May 23, 2022

A.1 Approval of a Resolution (No. 2022-09) of the San Diego Convention Center Corporation, Inc. Confirming a Confidential Fairness of Compensation Review for the Corporation’s Chief Financial Officer, and Chief Operating Officer

B. Approval of a Resolution (No. 2022-08) of the San Diego Convention Center Corporation, Inc. Extending the Authorization for all or Partial Remote Teleconference Meetings of all Legislative Bodies as Needed During the COVID-19 Local and State Emergency Pursuant to Brown Act Provisions

C. Authorization to Approve Revised/New People & Culture Policies:

- **Motor Vehicle Policy**
- **Drug Free Workplace**
- **Accommodation for Employees Seeking Treatment/Rehabilitation**
- **San Diego Convention Center Employee Handbook (Condensed)**

Directors Cota and Lai moved and seconded, respectively, to approve the Consent Agenda set forth hereinabove.

Director Kim – Aye

Director Cota – Aye

Director Gattas – Aye

Director VanDiver – Absent

Director Bradford – Absent

Director Rodriguez-Kennedy – Absent

Director Lai – Aye

Vote: Unanimous

AYES: 4

NAYS: 0

ABSTENTIONS: 0

Action Item(s):

D. Budget Committee (Jeff Gattas)

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.D.1). No members of the public responded to the request for comment.

(1) Authorization to Contract for Workforce Management System (UKG)

Directors Cota and Lai moved and seconded, respectively, to award a contract extension, to UKG, Inc., including the addition of the onboarding module, for a term of three years.

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

Vote: Unanimous

AYES: 4 NAYS: 0 ABSTENTIONS: 0

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.D.2). No members of the public responded to the request for comment.

(2) Authorization to Ratify Revised FY23 SDCCC Budget

Directors Gattas and Lai moved and seconded, respectively, to Authorize Ratification of the Revised FY 23 SDCCC Budget.

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

Vote: Unanimous

AYES: 4 NAYS: 0 ABSTENTIONS: 0

Director Rodriguez-Kennedy joined the meeting at 12:20 p.m.

E. Audit Committee (Jaymie Bradford)

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.E.1). No members of the public responded to the request for comment.

(1) Authorization to Accept 2021 Pension Audit Results

Directors Lai and Cota moved and seconded, respectively, to Authorize Acceptance of the 2021 Pension Audit Results.

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

Vote: Unanimous

AYES: 5 NAYS: 0 ABSTENTIONS: 0

F. Defined Contribution Committee (Will Rodriguez-Kennedy)

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.F.1). No members of the public responded to the request for comment.

(1) Authorization to Approve Resolution No. 2022-07 re: Restated SDCCC Money Pension Purchase Plan

Directors Rodriguez-Kennedy and Lai moved and seconded, respectively, to Authorize Approval of Resolution No. 2022-07 re: Restated SDCCC Money Pension Purchase Plan.

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

Vote: Unanimous

AYES: 5 NAYS: 0 ABSTENTIONS: 0

G. Sales & Marketing Committee (Carlos Cota)

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.G.1). No members of the public responded to the request for comment.

(1) Authorization to Approve San Diego Tourism Authority Program of Work

Directors Cota and Lai moved and seconded, respectively, to Authorize Approval of the San Diego Tourism Authority’s Program of Work.

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

Vote: Unanimous

AYES: 5 NAYS: 0 ABSTENTIONS: 0

H. Executive Committee (Carol Kim)

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.H.1). No members of the public responded to the request for comment.

(1) Discussion Item – Strategic Plan Progress Report

Staff provided a timeline for future Strategic Plan reporting updates:

June 2022	September 2022
• Strategic Plan Summary Report (FY22)	• Progress Report
• Strategic Plan Finalized (FY23 & FY24)	
November 2022	March 2023; June 2023; September 2023
• Progress Report & Retreat Discussion	• Progress Reports
• Review/Add KPIs and Initiatives Through FY24	
November 2023	March 2024
• Progress Report	• Progress Report
• Imperatives & Timeframe Established for Next Strategic Plan	
June 2024	
• Strategic Plan Summary Report (FY23 & FY24)	

- Next Strategic Plan Finalized (Timeframe TBD)

SDCCC Staff members who provided oversight of specific imperatives then provided summaries regarding the status of the goals associated with the five imperatives of the SDCCC FY22 Strategic Plan:

- Grow and Nurture Culture: Mardeen Mattix, CFO, reported:

Summary: To support and signify the increased emphasis on our workplace culture, we rebranded the HR department as the “People and Culture” department and discussed this focus during a series of team town halls. Working closely with Forward Talent Strategies, we have recruited a new Executive Director of People and Culture and identified the immediate need for a People and Culture Manager and HRIS Manager as key positions to rebuild the department. Once the new Executive Director has started, focus will begin on developing the employee surveys and building a training program during FY23/FY24.

To successfully recruit in this competitive labor market, we contracted with a professional Talent Management Company to bolster efforts and provide necessary resources to fill critical positions. We have boosted our recruitment marketing efforts through online ads, print materials, and presence at community job fairs. To aid employee retention, we used a compensation research database to complete a thorough review of all positions and adjust salaries to be at market rate. We are continuing to develop the long-term compensation philosophy with focus on reviews, benchmarks, performance measurements, and market conditions.

- Develop a Facility Maintenance and Improvement Program: Corey Albright, COO, reported:

Summary: The imperative for building maintenance and improvement falls into two segments of the lifecycle.

Planning and Development Projects: Once existing assets near end of useful life or additional assets are needed, the Planning and Development team plans for and oversees construction management projects to ensure successful completion. The assets are then commissioned and maintained by the Preventative Maintenance team.
Progress:

- Hired Victoria Mitchell as Director of Planning and Development, started December 13, 2021.
- Hired Andrew Sry as Project Engineer, started April 18, 2022.
- Facility condition assessment draft completed, pending finalization.

Preventative Maintenance: Periodic inspections, maintenance, and routine repairs of our assets and building. This portion of the lifecycle is focused on maintaining what we already have during its useful life. Progress:

- Created a Facilities Engineer position, on target to begin recruiting by early July 2022.
- Converting our computerized maintenance management system (CMMS) to be cloud-based to allow real-time mobile work order management.
- Preventative Maintenance Program initiative combined into comprehensive facility and asset management program, target completion March 2023.
- Build Confidence for a Safe and Effective Reopening: Mardeen Mattix, CFO, and Andy Mikschl, EVP Sales, reported:

Although this imperative has been completed and will be removed from the plan in the future, staff provided the following summary of items related to resolution.

Summary: We have continued to implement and monitor COVID-19 health and safety protocols, in alignment with local, state, and federal requirements. All staff are complying with vaccination and/or testing requirements.

For conventions and meetings booked between January and June 2022, we have successfully retained more than 90% of those events. Attendance has been steadily building as consumer confidence builds and travel restrictions lift.

We continue to focus on booking strategies and our operational resources to service clients based on post-pandemic needs. As we face staffing challenges, we continue to look for ways to maintain excellent customer service while producing efficiencies to streamline operations. Examples of ways to implement change include standardizing room sets to reduce turnover costs for both clients and our corporation; evaluating rental rates and contract strategies to ensure we remain competitive; and standardizing food & beverage minimum requirements before giving rental discounts.

Now that we have been successfully open for event activity for nearly a year, since August 2021, staff recommend combining this Reopening imperative with the Business Model imperative. With this focus, we will continue to strategize how to generate greater regional impact while maintaining operational solvency and growing our internal business partner revenue

- Refine Business Model to Ensure Financial Viability: Mardeen Mattix, CFO, and Andy Mikschl, EVP Sales, reported:

Summary: Sales and Finance continue to look at pre-pandemic event attributes to determine high quality events to sharpen our focus on future bookings.

We have identified some common elements that make for premium bookings of short-term business, including room nights, attendance, food and beverage commitment, tech-focused shows, consumer shows and local trade shows of at least two days that bring local attendees to the convention center. The Sales team started booking based on these criteria over the past year and continues to polish these strategy attributes. In addition, staff is beginning to implement a revised ancillary pricing model to help increase incremental short-term revenue from event activity. We are also developing new booking policies regarding the rental structure for both long-term and short-term events, specifically related to complimentary meeting room allotments and food and beverage incentives. These policies will help grow overall revenues, leading to a more sustainable long-term business model.

To guide future operations, staffing, and budgeting, our strategic planning working groups are developing KPIs and initiatives for the next two years, FY23 and FY24. These strategic plan components will be reviewed at upcoming board meetings to ensure our staff and board members are aligned as we further refine our business model and focus areas.

- Engage the Community: Maren Dougherty, Executive Director of Marketing & Communications, reported:

Summary: During this quarter (April-June), we continued to strengthen our community partnerships and communications, meeting or exceeding all KPIs.

- Social media: With the hiring of Dylan James as our digital communications specialist, we have enhanced our use of video and photo content, including recruitment videos, event features, staff spotlights, and Comic-Con chocolate bar sneak peeks.
- Public relations: We earned positive media coverage related to event activity and our economic forecasts, including May feature stories in the San Diego Business Journal and the San Diego Union-Tribune. IAVM published an in-depth story on our sustainability efforts in the May/June issue of Venue Professional magazine and named SDCC employee Renee Jung to their 30 Under 30 list. We also hosted a Transplant Games press conference, attracting significant broadcast and print media to cover the announcement of the event taking place in San Diego for the first time in summer 2022.
- Presentations: Rip Rippetoe and our team presented locally and nationally, including a series of City Council presentations and industry panel discussions.
- Community Activities: We continued to participate in community job fairs and partnership activities such as the Downtown San Diego Partnership's April tree planting initiative.

Chair Kim inquired if any member of the public wished to comment on Agenda Item (3.H.2). No members of the public responded to the request for comment.

(2) Authorization to Approve FY23/24 Strategic Plan

Directors Rodriguez-Kennedy and Lai moved and seconded, respectively, to Authorize Approval of the FY23/24 Strategic Plan.

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

Vote: Unanimous

AYES: 5 NAYS: 0 ABSTENTIONS: 0

4. President’s Report (Rip Rippetoe) – Mr. Rippetoe reported:
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- Mr. Rippetoe reported that his tenure as an IAVM officer is ending, and he thanked the Board for their support.
- Dorianne Mormann was promoted to the position of the new General Manager for Centerplate/Sodexo San Diego.
- The BIO and Apartment events have done very well with attendance. Both events had attendance equal to, or higher than, pre-pandemic levels.
- SDTA has hired a VP of Sales, Michaelene Sullivan, who will report to Mr. Schieferdecker.
- The Coastal Commission has approved the final five-year permit for Comic-Con.
- Mr. Rippetoe has received a nomination to join the PCMA Board. If elected, the potential appointment would start in January 2023.
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5. Chair’s Report (Carol Kim)

- SDCCC will not have a Board meeting in July. The next Board meeting is scheduled for August 24, 2022, at Noon.
- An in-person Town Hall meeting is scheduled for Monday, June 27, 2022, at 10:00 a.m., 4:00 p.m. and 11:00 p.m. Directors are welcome to attend any of these sessions. Please let staff know if you will be attending.
- Chair Kim presented Board Directors with an animated “Simpson” caricature of the Board to commemorate the upcoming Comic-Con event.

6. Board Comment [Govt. Code § 54954.2(a) (2)] – None

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

8. **Closed Session:** The Board entered into closed session at 1:37 p.m. to discuss the items set forth hereinbelow. General Counsel Lyon added Executive Director Michael Milligan to the Agency Negotiators under Agenda Item (8.A). Ms. Lyon also added Mr. Milligan and COO Corey Albright as Agency Negotiators under Agenda Item (8.B).

A. CONFERENCE WITH LABOR NEGOTIATOR [Govt. Code § 54957.6]

Agency Negotiator(s): Rip Rippetoe, Mardeen Mattix, Corey Albright, Michael Milligan, and Jennifer Lyon
Employee Organization: SEIU-USWW

B. CONFERENCE WITH LABOR NEGOTIATOR [Govt. Code § 54957.6]

Agency Negotiator(s): Rip Rippetoe, Mardeen Mattix, Corey Albright, Michael Milligan, and Jennifer Lyon
Employee Organization: All SDCCC Unrepresented Employees

C. EMPLOYEE PERFORMANCE EVALUATION

Government Code Section 54957

Title: President & CEO

The Board returned to open session at 2:58 p.m.

Reporting out of closed session, General Counsel Lyon stated that the Board discussed item “8.A,” “8.B and “8.C.” Director Gattas did not attend closed session. Director Cota left closed session at 1:59 p.m. and he returned at 2:54 p.m. Director VanDiver joined closed session at 1:59 p.m. and he left at 2:54 p.m. There was a quorum of Directors present during the entire closed session. Regarding Agenda Items “8.A,” “8.B” and “8.C,” direction was given but no reportable action was taken.

There being no further business, the meeting adjourned at 3:05 p.m.

I, Jeff Gattas, 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 June 22, 2022 and that said minutes were approved by the Board of Directors on August 24, 2022.

[Approved at Board Meeting of August 24, 2022]

Jeff Gattas, Secretary