

**Agenda Item 3.A**

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

**BOARD MEETING OF APRIL 27, 2022**  
**Via Teleconference**

**BOARD MEMBERS PRESENT:** Chair Carol Kim and Directors Jeff Gattas, Shawn VanDiver, Will Rodriguez-Kennedy and Elvin Lai

**BOARD MEMBER(S) ABSENT:** Directors Carlos Cota and Jaymie Bradford

**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, Lisa Casella and Kristen Olson, Marsh & McLennan Representatives

\*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 Carol Kim called the Board Meeting to order at 12:06 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101.

Chair Kim reported that there are two meetings scheduled at this time: the regularly scheduled Board meeting and a “Special” Board meeting. The actions on both agendas will be considered simultaneously.

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

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

All Directors were recorded as present except Directors Cota and Bradford. 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.

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

Chair Kim inquired if any member of the public wished to comment on Agenda Item 3.A from either the regular Board meeting or the Special Board meeting. No members of the public responded to the request for comment.

**Consent Agenda:**

A. **Approval of Minutes of Board Meetings of March 23, 2022, and April 14, 2022**

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

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

**Vote: Unanimous**

**AYES: 5                      NAYS: 0                      ABSTENTIONS: 0**

**Consent Agenda – Special Board Meeting:**

A. **A Resolution 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 Through June 22, 2022, Pursuant to Brown Act Provisions**

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

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

**Vote: Unanimous**

**AYES: 5**

**NAYS: 0**

**ABSTENTIONS: 0**

**Action Item(s):**

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

**B. Executive Committee (Caro Kim)**

- (1) Authorization to Approve of a Resolution of the San Diego Convention Center Corporation, Inc. Creating a Chief Operating Officer Position for the Corporation, adopting a Job Description for the Position, and Authorizing the President and CEO to Appoint a Chief Operating Officer**

**Directors VanDiver and Gattas moved and seconded, respectively, to Authorize Approval of a Resolution of the San Diego Convention Center Corporation, Inc. Creating a Chief Operating Officer Position for the Corporation, adopting a Job Description for the Position, and Authorizing the President and CEO to Appoint a Chief Operating Officer.**

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

**Vote: Unanimous**

**AYES: 5**

**NAYS: 0**

**ABSTENTIONS: 0**

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

**C. Budget Committee (Jeff Gattas)**

- (1) Acceptance of March Financial Reports from Chief Financial Officer**

CFO Mardeen Mattix noted an overview of the Corporation's financial status is detailed in the CFO Report that was previously distributed to the Board. Ms. Mattix then reported on the following highlights:

- As of March, the Corporation faced a net loss for the month of March of approximately \$500,000 leaving an operational deficit in the first nine months of the year at just short of \$6 million. \$6 million is the amount the Corporation will ask the City to fund it out of the \$10.2 million allocated to the Corporation in the City's

budget. Staff expects the Corporation's financial position to improve and remain flush throughout the balance of the year as events achieve higher attendance.

- Reserves remain strong at nearly \$17 million.
- Staff is working on preparation of the PPP loan submission for approval for round two of the PPP loans. Staff expects the loan to be forgiven by the end of the calendar year. The loan forgiveness will boost the Corporation's reserves to approximately \$20 million.

**Directors Gattas and Lai moved and seconded, respectively, to authorize Acceptance of March Financial Reports from Chief Financial Officer.**

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

**Vote: Unanimous**

**AYES: 5                      NAYS: 0                      ABSTENTIONS: 0**

Director Bradford joined the meeting at 12:13 p.m.

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

- (2) **Authorization to Place Property, General and Umbrella Liability, Workers' Compensation and Directors & Officers Insurance Through the Brokerage Services of Marsh & McLennan Agency**

**Directors Bradford and VanDiver moved and seconded, respectively, to authorize Placement of Property, General and Umbrella Liability, Workers' Compensation and Directors & Officers Insurance Through the Brokerage Services of Marsh & McLennan Agency at a cost of \$1,267,359.**

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

**Vote: Unanimous**

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

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

**(3) Authorization to Contract for Arc Flash Analysis**

**Directors Gattas and Lai moved and seconded, respectively, to authorize Contracting for an Arc Flash Analysis at a not-to-exceed cost of \$254,508.**

**Director Kim – Aye**

**Director Cota – Absent**

**Director Gattas – Aye**

**Director VanDiver –Aye**

**Director Bradford – Aye**

**Director Rodriguez-Kennedy – Aye**

**Director Lai – Aye**

**Vote: Unanimous**

**AYES: 6**

**NAYS: 0**

**ABSTENTIONS: 0**

**C. Sales and Marketing Committee (Carlos Cota):** Mr. Mikschl reported the following:

- Forty-three events were booked by the short-term sales team for \$940,000 in room rental revenue.
- The team is implementing the recent sales strategy with the short-term team's booking activity wherein the team is being very selective about the business booked to ensure that the business is not only profitable for the building, while also continuing to focus on short-term room night growth as well as the community engagement component of the sales strategy.
- The forty-three booked events are a significantly lower number than events booked in previous fiscal years despite the fact that lead volume is almost at record capacity due to pent up demand.
- The Auto Show will be returning later this year on a smaller scale.
- Sharp has rebooked their all-staff meeting for next spring after cancelling for the past two years.
- Staff is also exploring booking a crypto-currency conference for later in the fall. This is the type of event staff hopes to grow into an annual event that will help improve on room-night capacity and incremental revenues for the building.
- Events are continuing to ramp up even as attendance continues to be a concern. However, as travel continues to increase, overall attendance for larger events also continues to increase which is encouraging.
- As a part of the contract with SDTA, the Program of Work, which is the annual outline of budget and collective fiscal year work projects, is in process. The Program will be finalized within the next few weeks and presented to the Board before the end of the fiscal year.

- Ms. Coker reported that long-term sales lead volume is definitely back, and staff are seeing leads picking up and association planners are no longer being indecisive about potential booking. Industry leaders are also finding that 30 per cent of event attendance is booking 30 days prior to arrival at events.
- The tourism community and hoteliers will have to be nimble to make sure hotel room blocks aren't being given up to soon.
- From a planning perspective, last minute confirmations will also be taxing on the Convention Center.
- Mr. Schieferdecker reported that the National School Board Association event shared that in the three weeks prior to arrival, they had 2,600 registrants. By the end of the show, they had 5,100 attendees (i.e., 73% of registrants booked within the last three weeks). SDTA is speaking with hotels and customers to make them aware of the different attendee booking timeframe with regard to potential hotel cut-off dates. All parties involved will have to adjust to the last-minute pick-up.
- March was a good month overall – the long-term sales team closed on 76,000 room nights for future years and 63,000 of those room nights fell into the most pressing needs year of 2026.
- American Association of Cancer Research elected to pull out of Los Angeles in 2025. Through SDTA team member negotiation, this entity decided to book in Chicago in 2025 and to book in San Diego in 2026.
- The American Association of Medical Colleges has been pending for some time. They were finally able to schedule a site visit in March and subsequently booked event space in 2026.
- The SDTA team traveled to client meetings in Alexandria and Maryland, and they also hosted a client event in D.C. that had sixty-eight attendees.
- Team members also attended the PCMA Visionary Awards. The Awards are heavily attended by major clients.
- The Team also hosted smaller client events in the Philadelphia and New York areas.
- The Team will be traveling back to the east coast in two weeks with the “Visit California” roadshow. The gateway cities of Anaheim, Los Angeles, San Francisco, and San Diego will sponsor the event and the representatives will be speaking with a large number of potential clients.
- SDTA has hired a new D.C. representative, Nancy Rosenbaum. Ms. Rosenbaum is highly experienced within the industry and will start with the sales team next Monday.

**4. President’s Report (Rip Rippetoe) – Mr. Rippetoe reported:**

- Mr. Rippetoe reported that the industry event he attended last week also had a last-minute pick-up of twenty-five percent (within the last five days) and final attendance hit pre-pandemic levels.
- Cory Albright has been appointed as the new Chief Operating Officer. Besides overseeing the Procurement Department., Mr. Albright will be responsible for planning and development, facility and environmental services, Public Safety, Guest Services and the continuance of the Strategic Plan and strategic relations. Staff is looking forward to the leadership Mr. Albright will provide.
- The SDCCC/SDTA contract was approved by the City Council yesterday. Ms. Coker thanked the Board and staff for its support marshalling the contract and for the confidence in SDTA. Ms. Coker indicated it was SDTA’s goal to fill the Center with “thoughtful and strategic business that keeps San Diegans working.”

- Mr. Rippetoe provided an update on the People & Culture recruitment progress and the Corporation’s new compensation philosophy. He also thanked the current core team members for their hard work. Further recommendations regarding stream-lining the recruitment process are pending.
- Staff has received inquiries from events that may host high-profile celebrities that may attract protesters/demonstrators, etc. Staff is working with the City to evaluate those inquiries and staff has determined if an event has the potential to attract demonstrators and/or protestors, the event will need to have a pre-approved security plan from the City to ensure the safety of the community.
- Staff will appear before the City Council’s Budget Committee on May 10<sup>th</sup> to present the SDCCC budget.
- Staff will also be moving forward with implementing a transportation stipend which will assist with employee recruitment.
- Strategic Plan groups are also meeting internally to prepare for the May 16<sup>th</sup> update presentation to the Executive Committee.
- For “Administrative Professionals Day” Mr. Rippetoe acknowledged and thanked Ms. Evans for her administrative support throughout the past year.

5. **Chair’s Report (Carol Kim)**

- Chair Kim congratulated Mr. Albright on his elevation to Chief Operating Officer.
- The MPI Chapter of San Diego recognized the SDCCC Team for its contributions to the San Diego meeting industry on Global Meetings Industry Day.
- A new Ad Hoc Compensation Committee will be created. The members will be Directors Kim, Cota and Gattas.
- The next Board meeting is scheduled for June 22, 2022, at noon. There is no May Board meeting; however, Staff will provide a Strategic Plan update at the Executive Committee meeting on May 16, 2022. The Executive Committee has assumed oversight responsibilities for shepherding the Strategic Plan.
- Chair Kim also thanked SDTA for the great work they are achieving in collaboration with the SDCCC team.

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 1:02 p.m. to discuss:

**A. EMPLOYEE PERFORMANCE EVALUATION  
Government Code Section 54957  
Title: President & CEO**

The Board returned to open session at 1:11 p.m.

Reporting out of closed session, General Counsel Lyon stated that the Board discussed item “8A” and direction was given but no reportable action was taken.

There being no further business, the meeting adjourned at 1:11 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 April 27, 2022 and that said minutes were approved by the Board of Directors on June 22, 2022.

[Approved at Board Meeting of June 22, 2022]  
Jeff Gattas, Secretary