

Agenda Item 3.A

MINUTES*
SAN DIEGO CONVENTION CENTER CORPORATION
THE BOARD OF DIRECTORS

BOARD MEETING OF SEPTEMBER 28, 2021
Via Teleconference

BOARD MEMBERS PRESENT:	Chair Elvin Lai and Directors Carol Kim, Carlos Cota, Allan Farwell, Jeff Gattas, Shawn VanDiver and Jaymie Bradford
BOARD MEMBER(S) ABSENT:	
STAFF PRESENT:	Rip Rippetoe, Mardeen Mattix, 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 Elvin Lai called the Board Meeting to order at 12:04 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101. Chair Lai then called roll to determine which Directors were present on the teleconference:

Director Lai – Present
Director Kim – Present
Director Farwell – Present
Director Cota – Present
Director Gattas – Present
Director VanDiver – Present
Director Bradford – Present

All Directors were recorded as present. Chair Lai noted that all votes taken during this meeting would be recorded via roll call vote.

2. Non-Agenda Public Comment – None

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

Consent Agenda:

A. Approval of Minutes of Board Meetings of August 24, 2021.

Directors Farwell and Kim moved and seconded, respectively, to approve the Consent Agenda set forth hereinabove.

**Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Aye
Director VanDiver – Aye
Director Bradford – Aye**

Vote: Unanimous

AYES: 7 NAYS: 0 ABSTENTIONS: 0

Action Item(s):

B. Executive Committee (Elvin Lai)

(1) Authorization to Approve a Resolution of the San Diego Convention Center Corporation, Inc. Authorizing all or Partial Remote Teleconference Meetings of all Legislative Bodies as Needed During the COVID-19 Local and State Emergency for the Period of September 28, 2021 through October 28, 2021 Pursuant to *Brown Act* Provisions

Directors Kim and Cota moved and seconded, respectively, to Authorize to Approval of a Resolution of the San Diego Convention Center Corporation, Inc. Authorizing all or Partial Remote Teleconference Meetings of all Legislative Bodies as Needed During the COVID-19 Local and State Emergency for the Period of September 28, 2021 through October 28, 2021 Pursuant to *Brown Act* Provisions.

**Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Aye
Director VanDiver – Aye
Director Bradford – Aye**

Vote: Unanimous

AYES: 7 NAYS: 0 ABSTENTIONS: 0

C. Budget Committee (Allan Farwell)

Director Farwell reported the following:

- The Budget Committee had a discussion regarding several very important issues at its meeting last week.
- The Committee discussed financial results from the first two months of the fiscal year. Revenues are a little disappointing due to event attendance not performing as well as anticipated. The Delta variant is having a negative impact on event attendance.
- The Corporation is experiencing a staffing shortage. There are currently 49 open positions. Staff is tackling this shortage and mobilizing employees to manage SDCC client demands with the resources and budgetary constraints we have.
- The Corporation’s unemployment budget line item is down due to assistance the Corporation received from the government paying fifty percent of unemployment claims.
- The Corporation is also concerned about utility costs and Staff will be focusing on determining the cause of rising costs.
- Repair and maintenance costs are also rising primarily due to unanticipated emergency repair expenses.
- International travel restrictions have lifted and that occurrence should positively affect international attendees coming to events in the future.
- In response to Board inquiry, Mr. Rippetoe reported that Comic-Con has 60,000 tickets available for their upcoming event. Comic-Con did not expect tickets to sell out in the first weekend; however, Comic-Con is optimistic that sales will be strong.

(1) Authorization to Ratify Contract for Emergency Generator Radiator Repairs

Directors Farwell and Kim moved and seconded, respectively, to authorize the ratification of the contract for \$37,335.65 to Bay City Electric for emergency generator radiator repairs.

- Director Lai – Aye**
- Director Kim – Aye**
- Director Farwell – Aye**
- Director Cota – Aye**
- Director Gattas – Aye**
- Director VanDiver – Aye**
- Director Bradford – Aye**

Vote: Unanimous

AYES: 7

NAYS: 0

ABSTENTIONS: 0

4. Chair's Report (Chair Elvin Lai): Chair Lai reported:

- The next Board meeting is scheduled for October 26, 2021 at Noon. Directors have the option of attending the meeting on site or via videoconference.

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

- At Mr. Rippetoe's request, Mr. Mikschl provided a sales update as follows:
 - New short-term events are coming back slowly. There have been some event cancellations; however, the events moved into next year so the Corporation retained the business. There is a good corporate opportunity for next May that will bring substantial food and beverage revenues. Staff has booked a 2,500 person food and beverage event for a military entity. Anesthesiologists will be moving in next week and they anticipate good attendance. The Realtors upcoming event is also reporting strong attendance.
 - Ms. Coker reported the SDTA has hired a new Chief Sales Officer, Kavin Schieferdecker. Mr. Scieferdecker will start his position on October 11, 2021.
 - The long-term events calendared through the end of the year are committed to having in-person events.
 - 112,000 room nights have been booked as of today. The team is focused on attaining the 765,000 room night goal.
 - The SDCCC and SDTA teams attended the PCMA Visionary Award event in Washington, D.C., which is a great industry networking opportunity. Team members will also be attending additional events in Washington, D.C. and Las Vegas, which attract many industry customers.
 - In response to Director inquiry, Ms. Coker reported that within 60 days of an event, there is data available regarding final housing pick-up numbers. Ms. Coker will make that information available to the Board.
 - American Society of Nephrology cancelled their event in November. Staff hopes to rebook the event in the future.
- Mr. Rippetoe noted since the City of San Diego has not officially determined a vaccination policy, the Corporation is going to follow the federal mandate which requires any company with more than 100 employees to have those employees vaccinated or tested weekly. If the City does not establish a policy that counters the federal recommendation within the next week, the Corporation will institute the federal policy. Staff is working on a verification program that will track vaccination and testing.
- SDCCC received the MTS I-Commute Platinum Award and the Lead San Diego Ronald Kendrick Memorial Award for Regional Collaboration.
- The Executive team is also working on a strategy to retain current employees and recruit new employees in a very competitive market. Staff is particularly focused on recruiting enough staff to support the upcoming Comic-Con event.
- Mr. Rippetoe also provided the Board with an update regarding an upcoming show that would require the facility to install "dark fiber." He explained "dark fiber" technology and why installing the technology would help the facility attract additional events.

6. **Board Comment [Govt. Code § 54954.2(a)(2)]** – Director Cota requested an update regarding the contract status of the Twitch-Con event. Mr. Mikschl reported that negotiations are still ongoing.

Director Gattas left the meeting at 12:40 p.m.

7. **Closed Session:** The Board entered into closed session at 12:42 p.m. to discuss:

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

The Board returned to open session at 1:04 p.m.

Reporting out of closed session, General Counsel Lyon stated that the Board discussed item “7A” and direction was given but no reportable action was taken.

There being no further business, the meeting adjourned at 1:04 p.m.

I, Carlos Cota, 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 August 24, 2021 and that said minutes were approved by the Board of Directors on September 28, 2021.

[Approved at Board Meeting of October 26, 2021]
Carlos Cota, Secretary