

**SAN DIEGO CONVENTION CENTER CORPORATION
BOARD OF DIRECTORS MEETING**

TUESDAY, JANUARY 26, 2021, 12:00 P.M.

AGENDA

**(Meeting to be held via teleconference pursuant to
State of California Executive Order N-29-20)**

**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 – Elvin Lai, Chair

2. Non-Agenda Public Comments

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 are not on the posted agenda. Pursuant to the Brown Act, no discussion or action shall be taken by the Board on items not posted on the agenda.

3. Board Committee Reports and Board Action Items

Consent Agenda:

- A. Approval of Minutes of Board Meeting of December 1, 2020 and the *Special* Board Meeting of January 14, 2021**

Action Item(s):

B. Executive Committee (Elvin Lai)

- (1) Authorize Approval of Policy No. 527 re: Display of Objects/Works of Art Within the Center**

C. Budget Committee (Allan Farwell)

- (1) Acceptance of November and December Financial Reports from Chief Financial Officer**

D. Audit Committee (Carlos Cota)

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

- (2) Authorize Contribution to President & CEO's Non-Qualified Defined Contribution Plan**

- E. Sales & Marketing Committee (Jeff Gattas)**
- 4. Chair's Report (Elvin Lai)**
 - 5. President's Report (Rip Rippetoe)**
 - 6. Board Comment [Govt. Code § 54954.2(a)(2)]**

Adjournment

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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 online at visitsandiego.com. Materials distributed to the board after the posting of this agenda also will be available. Please contact Pat Evans at (619)525-5131 or pat.evans@visitsandiego.com if you would like to receive 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.A

MINUTES* SAN DIEGO CONVENTION CENTER CORPORATION THE BOARD OF DIRECTORS

BOARD MEETING OF DECEMBER 1, 2020 Via Teleconference

BOARD MEMBERS PRESENT:	Vice-Chair Elvin Lai and Directors Carol Kim, Carlos Cota, Allan Farwell and Xema Jacobson
BOARD MEMBER(S) ABSENT:	Directors Bradford and Gattas
STAFF PRESENT:	Rip Rippetoe, Mardeen Mattix and Pat Evans (Recorder)
ALSO PRESENT:	Jennifer Lyon, General Counsel, Julie Coker, SDTA President & CEO

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1. Call to Order

Vice-Chair Elvin Lai called the Board Meeting to order at 12:02 p.m. in the Executive Boardroom of the San Diego Convention Center Corporation, 111 West Harbor Drive, San Diego, CA 92101. Vice-Chair Lai then called roll to determine which Directors were present on the teleconference:

Chair Bradford – Absent
Director Lai – Present
Director Kim – Absent
Director Farwell – Present
Director Cota – Present
Director Gattas – Absent
Director Jacobson - Present

All Directors were present except Directors Bradford and Gattas. Vice-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 Meeting of October 27, 2020

B. Acceptance of October Financial Reports from Chief Financial Officer

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

**Chair Bradford – Absent
Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Absent
Director Jacobson – Aye**

Vote: Unanimous

AYES: 5

NAYS: 0

ABSTENTIONS: 0

Chair Bradford joined the meeting at 12:11 p.m.

Action Item(s):

C. Budget Committee (Carol Kim)

(1) Authorization to Approve Contract for Waste Disposal Provider

Directors Kim and Lai moved and seconded, respectively, to authorize approval of the Contract for Waste Disposal Services with Republic Services of San Diego.

**Chair Bradford – Aye
Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Absent
Director Jacobson – Aye**

Vote: Unanimous

AYES: 6

NAYS: 0

ABSTENTIONS: 0

D. Defined Contribution Committee (Carlos Cota) – Director Cota reported:

- The Defined Contribution Committee met on November 18th and the majority of the meeting was spent reviewing SDCCC's investment portfolio with retirement plan advisor, Brooke Hawley. Ms. Hawley also presented the current market, economic perspective, along with the impacts of the election.
- It is important to note that although the market has performed well, in the past, some of SDCCC's investment offerings have lagged behind. We are very proud to report that since the conversion of our plan, not one of our plan offerings has hit a watch-list, which is a significant improvement and justifies the decision staff made to move over to Charles Schwab with RBC managing the pension plan for us.
- The Corporation has now reached the time consuming and tedious work of education and outreach to our employees. I would like to recognize Karen Gray, who has been fielding most of the calls and facilitating webinars, and answering employee questions directly. It has been a lot of work for Ms. Gray.
- There are still some employees who aren't aware of the transition and they are still being notified. There is some additional information about the conversion that will be forwarded to employees at first of the year.
- We are still awaiting completion of the phone app which will allow employees to access plan information, but the new website is up and running, and transitions complete. We are pleased report that many of our employees are utilizing those tools and materials that have been provided to them.
- Ms. Mattix reported that the Committee had discussed a change in the SDCCC employer contribution to employees' pension plans. The Committee discussed reducing the current 10% contribution to a 5% contribution. In order to make that change, the Corporation required unanimous support from all labor unions affected. Since staff was unable to reach a consensus with all of the unions, the employer contribution will remain at 10% for the remainder of 2021. Since the Corporation can only make this change once a year, the change cannot now occur until January, 2022.
- Staff will also be discussing if SDCCC is going to keep the current benefit plan design, or if we're going to take a more holistic approach to compensation package benefits.
- Staff has also been advised that employee auto-enrollment into the plan would be a good idea. If the Corporation requires auto-enrollment, we can ensure that all employees receive the same information.

E. Nominating Committee (Jaymie Bradford)

- (1) Election of Board Officers** – Director Bradford proposed the following slate of officers for consideration for 2021 San Diego Convention Center Board Service:
- Board Chair – Elvin Lai
 - Vice-Chair – Carol Kim
 - Treasurer – Allan Farwell
 - Secretary – Carlos Cota

Directors Jacobson and Kim moved and seconded, respectively, to approve the slate of 2021 Board Officers as set forth hereinabove.

Chair Bradford – Aye
Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Absent
Director Jacobson – Aye

Vote: Unanimous

AYES: 6

NAYS: 0

ABSTENTIONS: 0

(2) Ratification of Committee Assignments

Directors Kim and Farwell moved and seconded, respectively, to ratify the SDCCC 2021 Board Committee Assignments.

Chair Bradford – Aye
Director Lai – Aye
Director Kim – Aye
Director Farwell – Aye
Director Cota – Aye
Director Gattas – Absent
Director Jacobson – Aye

Vote: Unanimous

AYES: 6

NAYS: 0

ABSTENTIONS: 0

4. Chair's Report (Chair Jaymie Bradford):

- Chair Bradford acknowledged Director Jacobson for her years of Board service noting that Director Jacobson is termed-out this year. She further noted that it was a privilege serving on the Board with Director Jacobson and that she has learned so much working with her over the years.
- Chair Bradford also thanked all of the staff and the Board members for their support and during this extremely challenging year.

- Chair Bradford congratulated Chair-Elect Lai and offered her support to get the Center and Tourism Authority back on task and ramping back up to full operations.
- The next board meeting is scheduled for January 26, 2021.

Director Gattas joined the meeting at 2:30 p.m.

5. President's Report (Rip Rippetoe) – Mr. Rippetoe reported on the following items:

- On behalf of the SDCCC team and staff, Mr. Rippetoe thanked Chair Bradford for her year as Chair, and he thanked her for the guidance and the leadership during what could certainly called an unusual year.
- Mr. Rippetoe also thanked Director Jacobson for serving six years on the Board. He noted that Director Jacobson will continue to serve until the Department of Boards and Commissions and the Council and Mayor designate a replacement.
- Directors Kim and Cota are also scheduled for reappointment and Staff will move forward with that process once we have heard from the City.
- At a press conference this morning, Mayor Gloria announced 1,100 shelter residents have been placed into permanent housing.
- Center Plate, has reached over 800,000 meals served to the residents in the last eight months as part of the support to Shelter-to-Home.
- Thank you to Smart City which has assisted with continued access to Wi-Fi and for providing the projectors and the TVs so that there is some visual stimulus for guests in the different spaces. Heidi Alcantara and her team also came in and helped with the electrical, off and on, and that was great.
- SDCCC's labor partners have also stepped up and it has turned Shelter-to-Home into one of the best successes in years.
- We certainly cannot wait to get back to our major purpose, which is to be the economic engine for the region.
- To date, there have been over 9,300 COVID tests performed here at the Convention Center with shelter residents, partners, SDCCC staff, City staff, and County staff. There have been 27 positive test results out of testing of over 9,300 people.
- SDCCC staff have gained a great amount of experience knowing how to safely re-open. We're going to continue to push to find a way to get some kind of guidance on our re-opening guidelines so that when the time does come, we can safely re-open.
- Based on the stay-at-home recommendation received from the State, Staff is exploring postponing the Board Retreat again from January to the first week of February. Please review your schedules and let us know your availability.
- Staff is also going to try and provide the Board with more information from an industry point of view about what's going on within the industry. Staff is going to be more intentional about making sure they are getting as much information out to the Board when they receive it so that the Board can see what's happening in the industry.
- Corey Albright is now the Executive Director of Procurement and Strategic Relations. This new title will extend his role to help the Corporation strategically, but also, when it comes to working with project management,

and working to continue to improve what we committed to the Board four years ago in terms of being world-class with our procurement process, receiving, and project management.

- Ms. Evans reviewed the 2021 Board and Committee meeting schedule with the Directors and noted that Board and Committee meetings packets will be attached to Outlook meeting notices in the future.

6. Board Comment [Govt. Code § 54954.2(a)(2)] – Director Cota reported on his tour of the Shelter-to-Home and he spoke about how well managed the site was and the overall positive experience the guests were having. Director Jacobson congratulated the incoming Board officers and she also thanked Chair Bradford for her service this past year. Directors Lai and Kim also thanked Chair Bradford for her leadership this year and Director Jacobson for her years of Board service.

There being no further business, the meeting adjourned at 12:40 p.m.

CERTIFICATION

I, Allan Farwell, 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 1, 2020 and that said minutes were approved by the Board of Directors on January 26, 2021.

Allan Farwell, Secretary

Agenda Item 3.A

MINUTES* SAN DIEGO CONVENTION CENTER CORPORATION THE BOARD OF DIRECTORS

SPECIAL BOARD MEETING OF JANUARY 14, 2021 Via Teleconference

BOARD MEMBERS PRESENT:	Chair Elvin Lai and Directors Carol Kim, Carlos Cota, Allan Farwell , Jeff Gattas, Jaymie Bradford and Xema Jacobson
BOARD MEMBER(S) ABSENT:	
STAFF PRESENT:	Rip Rippetoe, Mardeen Mattix and Pat Evans (Recorder)
ALSO PRESENT:	Jennifer Lyon, General Counsel

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1. Call to Order

Chair Lai called the Board Meeting to order at 2:34 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:

Chair Lai – Present
Director Kim – Present
Director Farwell – Present
Director Cota – Present
Director Gattas – Present
Director Bradford – Present
Director Jacobson – Present

All Directors were 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:**

- A. Authorization to Approve a Resolution of the San Diego Convention Center Corporation, Inc. Approving Officers to Enter into a Second Payment Protection Program Loan through the U.S. Small Business Administration as Provided through City National Bank and Authorizing the Designated Officers of the Corporation to Approve, Execute, and Take Any and All Actions Necessary to Apply For, Approve, and Bind the Corporation to Necessary Loan Documents for Such Loan

Directors Gattas and Cota moved and seconded, respectively, to Authorize Approval of a Resolution of the San Diego Convention Center Corporation, Inc. Approving Officers to Enter into a Second Payment Protection Program Loan through the U.S. Small Business Administration as Provided through City National Bank and Authorizing the Designated Officers of the Corporation to Approve, Execute, and Take Any and All Actions Necessary to Apply For, Approve, and Bind the Corporation to Necessary Loan Documents for Such Loan.

Chair Lai – Present
Director Kim – Present
Director Farwell – Present
Director Cota – Present
Director Gattas – Present
Director Bradford - Present
Director Jacobson - Present

Vote: Unanimous

AYES: 7

NAYS: 0

ABSTENTIONS: 0

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

There being no further business, the meeting adjourned at 2:43 p.m.

CERTIFICATION

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 January 14, 2021 and that said minutes were approved by the Board of Directors on January 26, 2021.

Carlos Cota, Secretary

**SAN DIEGO CONVENTION CENTER CORPORATION
CORPORATE POLICY**

Subject: Display of Objects/Works of Art within the Center
Policy #: 527
Date: January 26, 2021
Page: Page 1 of 3

Purpose:

To create a policy for review of proposed works of art/objects within the Convention Center. This policy does not cover any displays outside the walls of the Convention Center.

Policy:

When a donation or long-term loan of a work of art/object has been proposed, the President & CEO shall review the proposal and submit it to the Board for review and/or approval. Prior to submission to the Board, the President & CEO, or designee, shall contact the prospective donor to inform the donor of the Corporation's donation policy and gather information about the proposal. The prospective donor shall meet with Corporation Staff and prepare written and visual documentation of the proposed donation. This documentation shall include, at a minimum, the following:

- Slides, drawings, photographs or a model of the proposed work;
- Biography of the artist/donor;
- Provenance of the work of art, if appropriate;
- Proposed site and installation plans;
- Cost of the work of art/object and budget for installation;
- Ongoing operating costs, if applicable;
- Maintenance requirements for the work of art/object;
- Conditions or limitations on the donation proposed by the donor;
- Contact information for the donor and the artist; and
- Fair market value to be determined by an independent professional appraisal.

Once the proposal is ready for submittal to the Board, the President & CEO will place an item on the Board agenda for an upcoming Board meeting.

The Board may consider the following criteria in making their decision:

- **Aesthetic Considerations:** To ensure works of art/objects of the highest quality, proposed donations must be accompanied with a detailed written proposal and visual documentation, the artist's professional resume and, if

appropriate, a current certified appraisal of the work of art/object. Additionally, the proposal should discuss the appropriateness and significance of the work of art/object within the Center in relation to the mission of the Center.

- Financial/Legal Considerations: Based on the cost of installation, the proposal should identify sources of funding for the project and the projected cost of operation, maintenance and repair of the work of art over the expected life of the Artwork. Careful consideration should be given to any proposed donation that will create substantial, ongoing costs for the maintenance and/or operation of the work of art/object.

- Liability: The proposal should discuss susceptibility of the work of art/object to damage and vandalism, any potential danger to the public and any special insurance requirements.

- Environmental Considerations: The proposal should address appropriateness of the work of art/object to the site and the scale and nature of the work of art in relation to its immediate physical and social context.

Upon reviewing the proposed donation, the Board shall decide to accept the donation, reject the donation, or accept the donation with conditions. The Corporation has no obligation to accept any proposal to display a work of art/object in the Center. The Corporation has the right to determine, at its sole and absolute discretion, what works of art/objects will be accepted for exhibit by the Corporation. To the extent possible, the Board should accept donations without contractual limitations on the future use, display or disposal of the work of art/object. Preference should always be given to unrestricted donations, as opposed to restricted donations. When appropriate, the Board shall ask the donor to provide funds to endow the maintenance of the work of art/object.

If the Board chooses to accept the work of art/object as a donation or a loan, with or without conditions, the Corporation shall obtain either a legal instrument of conveyance of title or an executed loan agreement as appropriate before the work of art/object can be placed within the Center. Any conditions the Board or donor places on a donation shall be stated in writing and attached to the instrument of conveyance. The agreement shall include, at a minimum, insurance and indemnification obligations. Once the work of art/object has been accepted and the legal documents have been executed, the Corporation shall coordinate with the donor all processes relating to the installation, maintenance, removal or relocation of work of art/object on Center property. The President & CEO, or designee, shall provide for appropriate recognition of the donor's contribution to the Corporation.

The inside of the Convention Center is not a public space that is open to the public at any time. The Corporation reserves the right to require donors to comply with state, federal, or international laws.

Adopted by the Board of Directors on January 26, 2021

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

TO: Board of Directors

FROM: Terry Kurtenbach, Executive Director, Human Resources

DATE: For the Agenda of January 26, 2021

RE: Authorization for Placement of Employee Medical and Dental Insurance through Marsh & McLennan Agency LLC Company

Background

The Corporation provides full-time and variable hour employees and their dependents with health insurance including medical, vision, dental, life and long-term disability insurance coverage. These health insurance programs are renewed each year on March 1. Open enrollment, including communication to employees of available benefits and coverage is conducted during the preceding month. Currently, employees are provided a choice of two HMO providers for medical care: Health Net and SIMNSA (a cross-border HMO program through Mexico). Heath Net SmartCare is the primary plan that offers coverage through a robust Sharp only network including Rady Children's Network. Employees are also provided an opportunity to buy up to the ExcelCare program that offers access to Mercy Physicians Medical Group, Rady Children's Network and other networks for those opting for more options. Dental HMO (DHMO) and Dental PPO (DPPO) dental coverage is currently provided through United Concordia. Both medical and dental coverages are up for renewal for the insurance plan year March 1, 2021 – February 28, 2022. Marsh & McLennan Agency LLC Company (Marsh) was contracted for March 1, 2018 – March 1, 2021 as the Broker of Record with an annual renewal option unless terminated by Corporation.

Discussion

The Corporation directed Marsh to solicit quotes from the insurance providers. Following is comparative information on current and renewal rates for the Plan Year 2021 beginning March 1.

Medical Insurance

Last year, Corporation contracted with Health Net to provide medical insurance coverage alongside SIMNSA. The contract included a second year rate cap guarantee not to exceed a +8.5% increase barring any significant demographic changes. However, due to the significant reduction in staffing levels, SDCC was no longer eligible for the rate cap and was slated to receive a +13% renewal for the 2021-2022 plan year. After evaluation of our company viability and reputation in the industry, Health Net offered the +8.5% rate cap at the lower enrollment status. Marsh was able to obtain a competitive quote from United Healthcare (UHC), however

the UHC quote was a bundled plan meaning medical, dental and vision would all be covered under UHC. During the best and final stage of negotiations, Health Net reduced their bid down to a +5.0% increase inclusive of a one-month premium credit and \$6,000 wellness funds compared to United Healthcare's bid of +9.0% and a Technology Subsidy of approximately \$3,408 annually. SIMNSA's renewal is +5.0%. The overall annual premiums for all medical plans, including the plans offered to the Variable Hour Employees (VHEs), will increase by 0.3% (\$3,940) including the one-month credit. Corporation will pass the credit directly on to the employees for those enrolled by not charging them for March coverage.

Without compromising quality care or network disruption, staff recommends continuing with the current provider. Required coverage mandated by the insurance board to Health Net resulted in Specialist and Urgent Care copay increases by \$20 each as noted in the table below. Chiropractor also has a slight copay increase of \$5. Below is a summary plan design, including the three copay changes, as well as a description of the plan options available to employees:

Medical HMO	Health Net SmartCare HMO Current / Renewal
Plan Code	FWL (Rx 74Z) --> GWL (Rx 74Z)
Benefit Accumulation (Plan or Calendar Year)	Calendar year
Deductible – Individual	None
Deductible – Family	None
Out of Pocket Maximum - Individual	\$3,000
Out of Pocket Maximum - Family	\$9,000
Member Coinsurance	N/A
Medical Services	
Preventive Care	No charge
Primary Care Visit	\$20
Specialist Office Visit	\$20 \$40
Basic X-ray and Laboratory	No charge
Complex Imaging - MRI, CT Scan (per day or test)	\$100
Inpatient Hospital	\$500
Outpatient Hospital Surgery	\$500
Emergency Room	\$100
Urgent Care	\$20 \$40
Ambulance (true emergency)	\$100
Chiropractic	\$40 \$15
Rehab Therapy (incl. Physical Occ & Speech)	\$20
Inpatient Mental Health / Substance Abuse	\$500
Mental Health / Substance Abuse Office Visit	\$20
Prescription Drugs	
Deductible / Out of Pocket Maximum	Combined with medical
Preventive Immunizations & Contraceptives	No charge
Tier 1 (Retail / Mail Order)	\$10 / \$20
Tier 2 (Retail / Mail Order)	\$30 / \$75
Tier 3 (Retail / Mail Order)	\$50 / \$125
Tier 4 (Retail / Mail Order)	30% to \$250

SmartCare HMO – Offered to full-time employees. A narrow network plan that offers access to Sharp providers.

Network:

- Rady Children’s Health Network
- Sharp Community Group
- Sharp Rees-Stealy.

ExcelCare HMO – Offered to full-time employees as a “buy-up” option. This plan mirrors the benefits of the SmartCare HMO but with a wider selection of providers. Most notable additional networks are:

Network:

- Mercy Physicians Medical Group
- Rady Children’s Health Network
- Sharp Community Group
- Sharp Rees-Stealy.
- UC San Diego

SIMNSA HMO – Offered to full-time and variable hour employees. This is a cross-border HMO program through Mexico.

SmartCare HMO (VHE) – Offered to part-time employees as a minimum value / essential coverage plan, in accordance with ACA, for variable hour employees.

Dental Insurance

Dental coverage also renews for the 2021-2022 plan year. The United Concordia Dental plan renewal came in with a rate pass (0% increase) for the 2021-2022 plan year.

Premium Contribution

The Corporation’s goal is to maintain competitive benefits as part of an overall market compensation philosophy by cost sharing premium expenses at a rate better than industry trend at an equitable value to the employee. After market compensation evaluation, employee participation in premium costs need adjustment. For the current renewal year staff recommends the following increase to Health Net SmartCare. (Employee Only plan meets ACA minimum value and affordability requirements).

Coverage Option	2021 Percent Proposed EE Contribution	2021 Dollar Change in EE Monthly Contribution	2020 EE Percent Contribution	2020 EE Monthly Dollar Contribution
EE Only	23%	\$6.64	22%	\$135.80
EE + Children	30%	(\$5.51)	31%	\$330.65
EE + Spouse / Domestic Partner	29%	\$66.47	25%	\$363.71
EE + Family	32%	\$108.67	27%	\$495.97

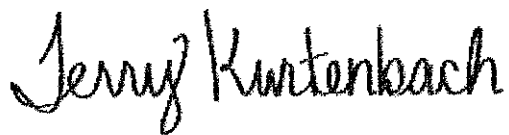
Employees = EE

Target goals will be evaluated annually by the Board of Directors, based on renewal cost increases, and market comparison during health benefits renewal.

RECOMMENDATION

Authorize the renewal of all medical and dental plans as described in the summary above, through the brokerage services of Marsh & McLennan Agency LLC Company. In total, the specific coverage for Plan Year 2021 will result in an approximate net increase of 0.3% (\$3,940).

Authorize employee percent contribution as described in the table above.



Terry Kurtenbach, SPHR, PHR-CA, SHRM-SCP
Executive Director, Human Resources

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

TO: Board of Directors

FROM: Carlos Cota, Audit Committee Chair

DATE: For the Agenda of January 26, 2021

RE: Authorization to Fund Retirement Benefits Owed to CEO into a Nonqualified Deferred Compensation Plan per CEO Employment Agreement

BACKGROUND:

The President & CEO employment agreement call for him to receive 10% of his salary for participation in the Corporation's retirement program up to the annual statutory limitations. In the event the contribution is limited by tax or other regulatory restrictions, Corporation will work with the Officer to provide the full allowed contribution in a mutually agreeable mechanism discussed between parties.

DISCUSSION:

The Corporation established a supplemental deferred compensation plan in October 2005 per the IRS section 409A rules for tax-deferred status. A nonqualified deferred compensation plan (NQDC) is a type of retirement plan that lets select, highly compensated employees enjoy tax advantages by deferring taxation until the funds disburse.

Annually since 2017, the President & CEO has exceeded the statutory threshold contribution allowance of the Money Purchase Pension Plan. To date, the Corporation has not made a contribution into a NQDC plan and owes the President & CEO a catch up contribution for years 2017-2019 of \$13,579.77 inclusive of interest estimated to have been earned. For 2020, Corporation is required to deposit an additional \$3,588.53.

RECOMMENDATION

Authorize contribution amount of \$17,168.30 to a nonqualified deferred compensation plan established by the Corporation through custodial services of Charles Schwab. Corporation budgeted for this in the current fiscal year, following the full conversion of the retirement program which concluded in September 2020.

/s/

Carlos Cota, Audit Committee Chair

Agenda Item 3.E



SAN DIEGO CONVENTION CENTER/ SHORT TERM SALES JANUARY 2021 SALES ACTIVITY REPORT



CONTACT: Andy Mikschl, *Executive Vice President, Sales, San Diego Convention Center*
 Andy.mikschl@visitsandiego.com | 111 West Harbor Dr., San Diego, CA 92101
 619.525.5282

SHORT TERM BOOKING ACTIVITY

Conventions, Corporate Events, Consumer Shows, Community Events, & Local Meetings

		FY21	FY20	CUMULATIVE	CUMULATIVE
		DECEMBER 2020	DECEMBER 2019	FYTD/2021	FYTD/2020
DEPT	EVENTS	3	10	11	50
	ATTENDANCE	20,500	22,785	39,950	79,102
	ROOM NIGHTS	440	5,452	949	13,900
	RENTAL REVENUE	\$96,031	\$289,725	\$240,215	\$1,008,087

FY21 PERCENT TO GOAL

Convention Center Rental Revenue

	GOAL	YTD	PERCENT TO GOAL
CONTRACTED RENTAL REVENUE	2,600,000	\$240,215	9.2%

CONTRACTED SHORT TERM EVENTS DEC 2020

EVENT NAME	EVENT DATES	PROJECTED ATTENDANCE	BEAK ROOMS	ROOM NIGHTS	RENTAL
AKC Meet The Breeds	08/15/21	17,500	160	320	\$53,200
BabyCon San Diego 2021	09/11/21	2,000	0	0	\$5,631
San Diego County Office of Education Equity Conference	01/21/22	1,000	60	120	\$37,200
TOTAL		20,500	220	440	\$96,031

CONTRACTED SHORT TERM EVENTS/ FY21 YTD

EVENT NAME	EVENT DATES	PROJECTED ATTENDANCE	PEAK ROOMS	ROOM NIGHTS	RENTAL
Epic Series Obstacle Challenge	11/21/21	1,500	0	0	\$21,800
Southern CA Rental Housing Conference	04/30/21	3,500	0	0	\$8,200
24 Seven Dance Convention/Break The Floor	03/11/21	650	65	169	\$25,795
Shamrock Expo 2021	05/08/21	1,600	300	340	\$21,800
South County Economic Development Summit 2021	10/05/21	500	0	0	\$7,709
Career Compass Real Estate Success Training 2021	05/06/21	200	0	0	\$3,450
Art San Diego 2021/ Redwood Media Group	09/28/21	10,000	0	0	\$25,830
Taking Control of Your Diabetes-2022	04/29/22	1500	0	0	\$29,600
AKC Meet The Breeds	08/13/21	17,500	160	320	\$53,200
BabyCon San Diego 2021	09/10/21	2,000	0	0	\$5,631
San Diego County Office of Education Equity Conference	01/19/22	1,000	60	120	\$37,200
TOTAL		39,950		949	\$240,245

Agenda Item 3.E



SAN DIEGO CITYWIDE SALES DECEMBER 2020 SALES ACTIVITY REPORT

PRIMARY MARKET

Conventions, Trade Shows, Corporate & Incentive Events

DEFINITE	FUTURE YR BOOKINGS	DECEMBER 2020	DECEMBER 2019	CUMULATIVE FY2021	CUMULATIVE FY2020
	CONVENTIONS	2	3	9	10
	ATTENDANCE	5,700	20,200	60,400	75,600
	ROOM NIGHTS	12,161	33,632	123,599	152,633

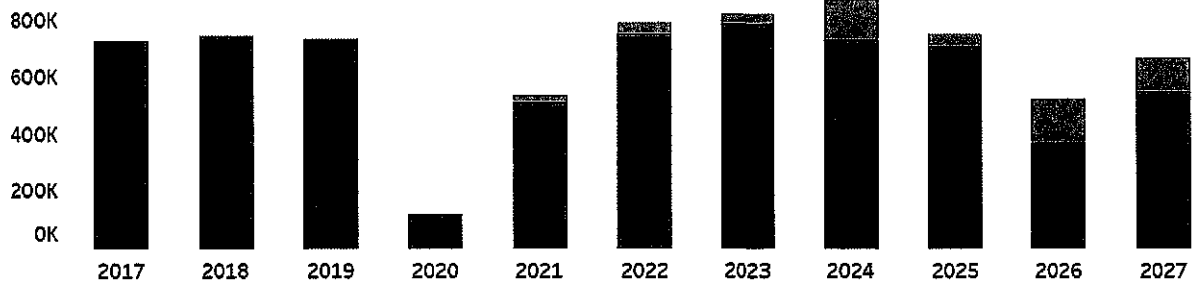
TENTATIVE	FUTURE YR BOOKINGS	DECEMBER 2020	DECEMBER 2019	CUMULATIVE FY2021	CUMULATIVE FY2020
	BOOKINGS	7	9	59	30
	ATTENDANCE	40,000	57,553	853,603	192,300
	ROOM NIGHTS	81,153	110,897	1,116,496	389,136

FY21 TOTAL ROOM NIGHTS FOR FUTURE BUSINESS

	CUMULATIVE FY2021
FY21 TOTAL ROOM NIGHTS	123,599

ROOM NIGHT SUMMARY

Figures based on calendar year.



Tentative Room Nights					25K	44K	38K	144K	42K	153K	117K
Definite Room Nights	728K	746K	732K	120K	510K	751K	784K	731K	708K	371K	549K
Definite Conventions	43	43	57	14	38	53	44	37	27	21	23

DEFINITE EVENTS BREAKDOWN

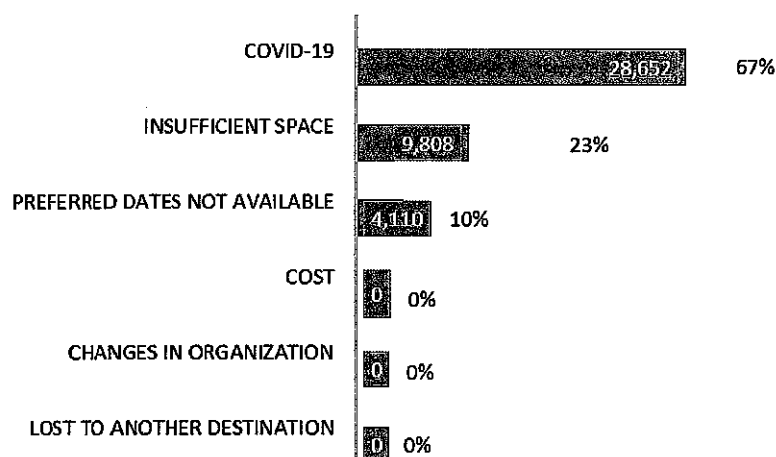
Conventions, Trade Shows, Corporate & Incentive Events, DECEMBER 2020

Account Name	Event Begin Date	Event End Date	Peak Room Nights	Estimated Attendance	Definite Room Nights
American Society for Metabolic and Bariatric Surgery	6/9/2024	6/13/2024	1,200	2,500	5,475
American Academy of Hospice and Palliative Medicine /AMC	3/2/2026	3/7/2026	1,675	3,200	6,686
Total			2,875	5,700	12,161

BREAKDOWN OF LOST BUSINESS

Conventions, Trade Shows, Corporate & Incentive Events, DECEMBER 2020

Lost Room Nights 43k



SITE INSPECTIONS

THERE WERE NO CITYWIDE SITE INSPECTIONS CONDUCTED DURING DECEMBER.

CLIENT APPOINTMENTS

- AFCEA INTERNATIONAL
- AMERICAN ACADEMY OF ALLERGY, ASTHMA & IMMUNOLOGY ASSOCIATION
- AMERICAN ASSOCIATION OF IMMUNOLOGISTS
- AMERICAN COUNCIL FOR TEACHERS OF FOREIGN LANGUAGES - ACTFL
- AMERICAN OCCUPATIONAL THERAPY ASSOCIATION
- AMERICAN PHYSIOLOGICAL SOCIETY
- AMERICAN PSYCHOLOGICAL ASSOCIATION
- AMERICAN SOCIETY FOR CELL BIOLOGY

CLIENT APPOINTMENTS—CONTD

- AMERICAN SOCIETY FOR RADIATION ONCOLOGY
- AMERICAN SOCIETY OF COLON & RECTAL SURGEONS
- AMERICAN SOCIETY OF NEPHROLOGY
- AMERICAN THORACIC SOCIETY
- AMERICAN WATER WORKS ASSOCIATION
- ASSOCIATION FORUM
- AVID CENTER
- BREWERS ASSOCIATION
- CABI PROGRESS IN PLANNING

CLIENT APPOINTMENTS—CONTD

- CONFERENCE DIRECT FOR CONSORTIUM OF MULTIPLE SCLE-ROSIIS CENTERS
- ESRI - ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE
- THE GENETIC SOCIETY
- GES
- HEART RHYTHM SOCIETY
- HIMSS
- HMP - HEALTH MADE PRACTICAL
- INFECTIOUS DISEASES SOCIETY OF AMERICA
- INFORMA/US GREENBUILD
- INSTITUTE FOR SCRAP RECYCLING INDUSTRIES
- INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE
- INTERNATIONAL FOUNDATION OF EMPLOYEE BENEFIT PLANS
- JACK HENRY & ASSOCIATES
- MARITZ
- MCKESSON CORPORATION
- NATIONAL CATTLEMEN'S BEEF ASSOCIATION
- NATIONAL INDIAN GAMING ASSOCIATION
- THE OPTICAL SOCIETY
- OUTREACH CORPORATION|PRESTIGE GLOBAL MEETING SERVICES
- PSAV
- SAN DIEGO COMIC-CON, INC.
- SERVPRO INDUSTRIES INC.
- SMITHBUCKLIN
- SOCIETY FOR NEUROSCIENCE
- SOCIETY OF TOXICOLOGY
- SOCIETY OF VASCULAR SURGERY
- SPIE
- THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES & CANADA/CONVENTION SERVICES UNLIMITED (UA)

INDUSTRY APPOINTMENTS

- AMERICAN SOCIETY FOR HEMATOLOGY VIRTUAL ANNUAL MEETING
- ASSOCIATION FORUM HOLIDAY SHOWCASE VIRTUAL PREVIEW
- ASSOCIATION FOURM FUTURE OF ASSOCIATIONS
- ASSOCIATION OF MEETING PROFESSIONAL'S (AMPS)HOLIDAY EVENT
- CITYWIDE SALES STRATEGY SESSION
- CLIENT FOCUS GROUP: CS TOOL KIT
- CVBREPS MONTHLY MEETING
- DELRAY AREA MEETING PROFESSIONALS OUTDOOR RECEPTION (IN-PERSON)
- DESTINATION REPS COMMITTEE MEETING
- DESTINATION REPS COMMUNITY SERVICE EVENT @ GREATER CHICAGO FOOD DEPOSITORY
- DESTINATION REPS MARKETING COMMITTEE MEETING
- DESTINATION REPS QUARTERLY MEMBERSHIP MEETING
- EVENT STRATEGISTS VIRTUAL HAPPY HOUR
- FROM REVENUE TO PROFIT: CAN YOU MAKE THE SHIFT? WEBINAR
- THE FUTURE OF ASSOCIATION IN-PERSON MEETINGS WEBINAR
- IAVM TOWN HALL MEETING
- INDUSTRY BOOK CLUB
- THE NATIONAL TRAVEL INDUSTRY PERSPECTIVE FOR SAN DIEGO TOURISM AUTHORITY MEMBERS WEBINAR
- PANDEMIC COMPLIANCE ADVISORY COURSE FOR MEETING PROFESSIONALS
- PCMA - U - NIGHT - A TRIBUTE TO THE ACHIEVEMENTS OF OUR COMMUNITY, MEMBERS AND VOLUNTEERS
- PCMA CAPITAL CHAPTER ANNUAL AWARDS NIGHT
- PCMA COMMUNICATIONS COMMITTEE MEETING
- PCMA COMPASS TUTORIAL
- PCMA CONVENEE INTERVIEW
- PCMA VIRTUAL HOLIDAY MIXER
- SAN DIEGO CITYWIDE STRATEGY MEETING- VIRTUAL
- SAN DIEGO PARTNERSHIP MEETING ON HOMELESSNESS
- SAN DIEGO TOURISM AUTHORITY VIRTUAL CLIENT EVENT
- VIRTUAL CLIENT EVENT: ESCAPE BOARD-OM WITH SAN DIEGO

Agenda Item 5

SAN DIEGO CONVENTION CENTER CORPORATION MEMORANDUM

TO: Board of Directors

FROM: Rip Rippetoe, President & CEO

DATE: January 26, 2021

RE: January 2021 President & Staff Report

Core Value: Collaboration – Working together for the greater good.

Thanks to the Executive Team, Maren Dougherty and Rita De la Fuente for helping to construct the content of this report.

Executive:

- 130+ events cancelled from Since March 2020.
- Operation Shelter-to-Home is expected to extend through March.
- We have provided introductory presentations to new City Council Members.
- Began preparing for the Strategic Planning Retreat.

Human Resources:

- We continue to distribute UltiPro Training Videos and Domestic Violence Awareness Videos ((1) supervisor (1) employee)
- We distributed the updated domestic abuse handouts which are now available in both English and Spanish.
- Have signed an agreement with Zeamo to make products available to all employees, current and laid off. Zeamo offers employees access to free on-demand workouts, live-stream classes, free activity tracking, fitness rewards, discounts on fitness equipment and tech, and unlimited access to gyms and studios with the purchase of a monthly subscription.
- HR team continues to have two staff members in the office 8am – 5pm, M-F.

Finance:

- ERP project conversion is underway. Anticipated conversion timeline began in December and is anticipated to take 12 months for full conversion/testing.
- PPP round two application for \$2,000,000 has been processed and is being reviewed by our corporate bank.

Agenda Item 5

- Business continuity plan continues to move forward as shelter operations extend and event timeline delays further into next fiscal year. It is anticipated that our reserve and PPP2 will get us through the end of FY2021 without further assistance from the City. Finance is compiling a FY2022 budget for Budget committee review next month.
- The Facility Condition Assessment is underway with Aris Facility Services as the contractor. Preliminary feedback is expected for early March for any critical infrastructure items with full report to be provided by FYE. Roof planning is underway for a design build planning model. Since this solicitation process is longer and more complex, Corey will begin solicitation in early February to seek prospective bidders. The first phase will be a statement of qualifications round to be shortlisted to proceed with round two (the RFP) for preliminary conceptual designs and price proposal.
- Collaboration efforts underway with Port, City and SDCC risk management teams to reduce General Liability excess insurance limits held on the Convention Center to reduce from \$50M to \$25M for the upcoming renewal based on 10-year claims history.

Business Development:

The following are project opportunities are still being considered for development:

- *New Opportunities*
 - We continue our discussions with CLEAR, to explore partnership which would potentially provide health screening technology services to SDCC staff and to our clients, while creating potential new revenues source for SDCC through referral agreement.
- *Hybrid Meetings*
 - We are working with On Site AV on potential options for in-house broadcast studio at SDCC, as most clients anticipate the need for this type of service as they plan for some form of virtual or hybrid component as part of their conventions for the foreseeable future.

Sales:

- We are working with SDTA citywide sales & SDCC short term sales teams on mutual cancellations for events into Q2 of '21. Currently all event activity has been cancelled through April.
- Continuing to work on prioritizations of booking criteria. More info to come.

Convention Services

- We have successfully transitioned the convention services department from SDCC to SDTA. Presently SDTA has retained only one staff member for that department.

Agenda Item 5

Venue Operations:

- Met with the County Health team who were pleased with our draft Client Re-Opening Guide and the Staff Re-Opening Guide. They have forwarded the draft guides to the Public Health officials at the state level. We are awaiting a response.
- Our team has created a checks and balance sheet for clients to ensure we are meeting our GBAC obligations. It is a check-list for clients to know what to look for as they walk the venue.
- Began the consolidation of all storage spaces in anticipation of future re-opening needs.
- Preparing surplus inventory for auction.
- Completed 1st training class for Grounds crew-Fertilization basics, *Soils fertility testing*.
- Completed electrical for Digital Conventions phase 2 include city permit sign off.
- Kitchen dish machine - County Health Department has signed off on the permit
- Continued efforts on documenting all related OSTH matters via spreadsheet. Nearly 1900 reports have been completed since 4/1/2020.

Shelter to Home Operations:

- The “Shelter to Home” program will likely continue through March 2021.
- Testing for Covid19 continues on an on-going basis.
- Under Todd Temple, Director of Public Safety & Guest Services, our Public Safety Department has taken a larger role in overseeing and directing the contracted security staff for the shelter agencies.

Centerplate:

- Dr. Lou presented to our team about the importance of the flu vaccine as well offer open forum questions related to Covid-19.
- Centerplate has served over 950,000 meals in support of the sheltering operation.

On Site Audio Visual:

On Site has continued to support “Operation Shelter to Home.” Over the next several weeks they are continuing to finalize instructions for their staff so, upon return, procedures will be in place that meet local and federal guidelines. In addition, they have incorporated more virtual meeting technology into their efforts to support our customer’s needs.

Smart City Technical Services:

Smart City is providing ongoing support for the “Shelter to Home” program. They have also developed a business continuity plan that includes a reduction of operating costs. The Smart City team has developed re-entry guidelines and trained their teams. A good deal of time is spent brainstorming ideas to support virtual meetings with their services.

Agenda Item 5

Marketing & Communications

- Announced our new Board officers via press outreach and social media.
- Supported internal and client communications via virtual town halls, email updates, and staff profiles for our website's blog.
- Promoted civic and community initiatives, including Centerplate's sock drive for people experiencing homelessness, MLK Day of Service, the national COVID-19 memorial, Inauguration Day, Live Well San Diego, and ongoing updates regarding Operation Shelter to Home.

Government Affairs and Community Outreach:

- 12/3/20 County of San Diego presented SDCC with the 500th Live Well partner proclamation.
- 1/6-1/11/21 Rip Rippetoe and Mardeen Mattix briefed the five new City of San Diego Councilmembers on SDCCC's background, financial structure and shelter status