

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

**Director Carol Kim, Chair  
Director Elvin Lai  
Director Carlos Cota  
Director Jaymie Bradford**

**THURSDAY, NOVEMBER 19, 2020, NOON  
111 W. Harbor Drive, 2<sup>nd</sup> Floor, Executive Boardroom  
San Diego, California 92101**

**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 - Carol Kim, 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 October 19, 2020 Budget Committee Meeting**
4. **Chair's Report**
5. **Action Item(s):**
  - a. **Recommendation to Authorize Contract for Waste Disposal Services**
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 OCTOBER 19, 2020

**BOARD MEMBERS PRESENT:** Chair Carol Kim and Director Elvin Lai

**BOARD MEMBERS ABSENT:** Directors Jaymie Bradford and Carlos Cota

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

**ALSO PRESENT:** Julie Coker, SDTA President & CEO

1. **Call to Order:** Chair Carol Kim called the meeting to order at 11:04 a.m. at 111 West Harbor Drive, San Diego, California.

Chair Kim announced that since this meeting is being conducted via teleconference, the first action is to perform a roll-call to determine which Board members are present on this call:

Director Kim – Present  
Director Bradford – Absent  
Director Lai – Present  
Director Cota - Absent

Chair Kim further noted that all votes will be recorded via roll-call vote.

2. **Non-Agenda Public Comment:** None
3. **Approval of Minutes of September 14, 2020 Budget Committee Meeting:**

Directors Lai and Kim moved and seconded, respectively, to approve the minutes from the September 14, 2020 meeting.

Director Kim -Aye  
Director Bradford – Absent

**Director Lai – Aye**  
**Director Cota –Absent**

**Vote: Unanimous**

**AYES: 2                                    NAYS: 0                                    ABSTENTIONS: 0**

**4. Chair’s Report: Chair Kim reported:**

We are in a continuing state of budget challenges based on the pandemic and the crisis that we face within the meeting and convention industry right now. It's been challenging, and there has been a lot of work that has been done. We've seen multiple iterations of the budget come forward to be reviewed and we will see another one today. I just want to thank all of our staff for their ongoing work on this budget and for the strong stewardship that is happening at our center.

**5. Action Item(s): Chair Kim requested public comment regarding any of the agenda items. Hearing none, presentations regarding the items commenced.**

**A. Recommendation to Authorize Approval of Revised FY 21 Budget**

**Directors Lai and Kim moved and seconded, respectively, to recommend that Approval of the Revised FY 21 Budget move to the full Board for consideration with the addition of a formalized letter to the City for an additional ask for sales credits for future business.**

**Director Bradford – Absent**  
**Director Kim -Aye**  
**Director Lai – Aye**  
**Director Cota –Absent**

**Vote: Unanimous**

**AYES: 2                                    NAYS: 0                                    ABSTENTIONS: 0**

**6. Staff Updates:**

- **CFO:** Ms. Mattix reported the following:
  - Now that the Audit Committee has reviewed SDCCC’s formal draft Financial Statement Audit, which will be coming to the Board for approval next week, the July, August, and September financials will be forwarded to the Board.
  - The financials are really not current as far as “budget to actual” variances, because the SDCCC budget just swung by \$12 million.

- Ms. Mattix highlighted, two areas where it now appears that the Corporation is going to be going over budget. This overage is reflected in this new budget being recommended for approval:
  - ✓ General Expenses: the original budget did not reflect receipt of the chairs and the trash cans that the Board approved for purchase last year. Those items weren't received in June because of issues with the supply chain. Those items were actually received this year and, therefore, they were expensed in this year's budget. Going forward, October and beyond will be based on this new budget if the Board adopts it next week.
  - ✓ Also, note in the balance sheet SDCCC's cash appears to be pretty low. SDCCC usually has about \$13 to \$16 million in cash total. We now have approximately \$8 million total at this point.
  - ✓ There is only two million dollars in our operating account because we haven't been paid yet by the City for any of the shelter rent. We're waiting for an approximate \$4.5 million dollars payment to come in from the City as soon as possible.
  - ✓ There was a delay in payment because of an issue with an attempted hacking of an e-mail account.
  - ✓ The City's internal controls kicked in with some mitigating controls that have to take place, and it's just delaying the payment process but the wire transfer should occur soon.

**President & CEO:** Mr. Rippetoe reported the following:

- Julie Coker, of San Diego Tourism Authority, is participating in this Committee meeting as well. Ms. Coker remains very active working with CalTravel on behalf of the Convention Center Coalition.
- The guidelines for reopening Centers have been reviewed at the State level. There have been some requests generically to provide the State with examples of what other destinations across the country are doing to re-open.
- Nashville announced this morning a new strategy on how they're going to plan to re-open, and not just with the convention center, but with gathering and tourism as a whole.
- There are destinations like Indianapolis that have done well and hosted over 40 events, engaging over 40,000 people. So far, the reopening appears to have been done safely. As of last reports from a week ago, there were no traces of outbreaks of Covid 19 from these events.
- Most of Texas is has opened in some way or is beginning to open further. They are doing a lot of activity in Texas.
- There are many destinations that are finding ways of opening, and there are destinations that are calling SDCCC customers and saying, "we want you to come here because we're open." All of the convention destinations in California are dealing with those types of calls.
- Theme parks are also active in the effort to get the same reopening guidelines approved.

- The Coalition is supplying a lot of that information back to the State through CalTravel, and we're waiting to see what kind of reaction we get from the State. Of course, the resurgence has complicated matters, so we'll see what progress is made towards reopening.
- SDCCC still has customers in the first quarter of calendar year 21, and the third quarter of this fiscal year, who are questioning whether or not to remain in San Diego. However, almost all customers have cancelled.
- It appears that SDCCC won't be able to get started effectively until after the first quarter of next year, but we're holding out hope, that we get reopening guidelines approved.
- There are guidelines that SDCCC addressed, specifically with our customers, as well as our own employees on re-entering the building that have to be reviewed and approved by the County. The County and the SDCCC team met to review the reopening guidelines and the County representatives were very complimentary. I'd like to thank Ms. Totaro, Mr. Bottger and Mr. Hutchens for drafting the guidelines and getting GBAC certification.
- The County was very supportive through the Health Department and their Chief Resilience Officer, Gary Johnson. They want to find ways of helping us reopen, but they can't do anything until the State approves guidelines.
- The County made a couple of recommendations, but then also asked if they could actually use SDCCC's work as a sample document, to show others the correct way to put a plan together and what to do to implement a plan.
- We're hopeful that our hotel partners will be able to attract pieces of business because once we can begin the gathering process in hotels, it is going to also help prove the point about being able to safely conduct business within the convention center.
- Mr. Rippetoe also noted the employee fraud line received one call which was also reported to the Audit Committee. One employee accused another of theft. There was an investigation and the complaint was found to be meritless.

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)]: Ms. Coker reported that on Thursday the 22<sup>nd</sup>, the Grand Hyatt is going to host a media event that is going to demonstrate safety protocols that hotels have enacted and they have invited legislators as well as media to attend. The goal is to get the message out to the media that events can be held safely. Ms. Coker also noted that California is currently the only state in the United States that is not allowing meetings of any size to occur. Every other state is allowing meetings at this point even if the meetings may be as small as 25 people.

There being no further business, the meeting adjourned at 11:32 a.m.

**CERTIFICATION**

I, Carol Kim, 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 October 19, 2020.

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Carol Kim, Chair

**Agenda Item 5.a**

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

**TO: Budget Committee**

**FROM: Corey Albright, Executive Director, Procurement & Strategic Relations**

**DATE: For the Agenda of November 19, 2020**

**RE: Authorization to Award Contract for Waste Disposal Services**

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**BACKGROUND**

On July 1, 2015, Corporation entered into a contract with USA Waste of California, Inc. for waste removal and disposal services. This contract was for a five (5) year term expiring on June 30, 2020. Due to the COVID-10 pandemic, Staff was unable to solicit and award a new contract for these services and Staff received authorization from the Board to proceed with waste disposal services on a month-to-month basis.

**DISCUSSION**

In September 2020, Staff issued a RFP to award a three (3) year contract term for waste disposal services with two (2) single years options to extend. The award determination was based on best value and received four (4) bid responses. An evaluation panel was formed and evaluated bidders based on the following criteria outlined in the RFP:

- a. Price – 50%
- b. Comparable Accounts – 20%
- c. Corporate Resume – 15%
- d. Safety Record – 5%
- e. Interview Presentation (for those shortlisted) – 10%

Based on the above criteria, the evaluation panel shortlisted and interviewed two bidders: Republic Services of San Diego and USA Waste of California, Inc. (incumbent). Each bid response consists of a variety of defined services at a set unit rate. Based on estimated volumes, we anticipate an annual spend of \$185,000 with Republic Services of San Diego, compared to \$250,000 with USA Waste of California, Inc. This represents a 26% cost difference. Republic Services of San Diego will guarantee their pricing for three (3) years and will not exceed 4% annual escalation during the option years (if exercised).



SDCCC Budget Committee

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STAFF RECOMMENDATION

Approve authorization to award a contract for a three-year term, with two single year options, to Republic Services of San Diego for waste disposal services.

        /s/        

Corey Albright,  
Executive Director, Procurement & Strategic Relations