

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

**Director Alyssa Turowski, Chair
Director Gretchen Newsom
Director Jessica Anderson**

**WEDNESDAY, APRIL 16, 2025, NOON
111 W. Harbor Drive, Executive Boardroom
San Diego, California 92101**

AGENDA

**Telephone number for members of the public
to observe, listen, and address the meeting telephonically:
(727) 731-7732 – No access code is needed.**

The Executive Office elevator is currently out-of-service; however, members of the public who are mobility impaired may observe and/or provide public commentary for this meeting from the Administrative Conference Room located at Hall “E”, Mezzanine Level.

1. **Call to Order** - Alyssa Turowski, 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 Budget Committee Meeting Minutes of January 22, 2025**
4. **Chair’s Report**
5. **Action Item(s):**
 - A. **Recommend the Board Authorize Placement of Various Lines of Insurance through the Brokerage Services of Marsh & McLennan Agency**

Recommendation: The Budget Committee recommends the Board authorize placing Assailant, Auto, Cyber, Directors and Officers, Drone, General & Excess Liability, Pollution, Property, Underground Storage Tank and Workers’ Compensation Insurance through the brokerage services of Marsh & McLennan Agency. Total costs are 1,742,876, inclusive of an estimated claims cost of \$500,000 as well as \$81,250 in brokerage fees. Associated FY2026 budgeted insurance costs total \$2,010,400.

Public Comment

B. Recommend the Board Award Contract for Cooling Tower Repairs

Recommendation:

The Budget Committee recommends the Board authorize awarding a contract to ACCO for \$83,894.00, with an additional 10% contingency, for a total not-to-exceed capital project value of \$92,283.40.

Public Comment

C. Recommend the Board Award Contract for Temporary Personnel Services

Recommendation:

The Budget Committee recommends the Board authorize awarding a contract to PrideStaff San Diego for temporary staffing with a three-year contract term and two (2) optional one-year extensions (five years total).

Public Comment

D. Recommend the Board Award a Two-year Contract Extension for Audio-Visual Services

Recommendation:

The Budget Committee recommends the Board authorize awarding a two-year extension of the agreement with ON Site for audio visual services.

Public Comment

6. Staff Updates:

- **Deputy CEO-CFO**
Informational Items- No Discussion or Action-
Brief Comments or Questions from Committee Members Only
- **President & CEO**
Informational Items- No Discussion or Action-
Brief Comments or Questions from Committee Members Only

7. Urgent non-agenda items (must meet the requirements of Government Code, Section 54954.2)

Budget Committee 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.

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Agenda Item 3

MINUTES

SAN DIEGO CONVENTION CENTER CORPORATION BUDGET COMMITTEE OF THE BOARD OF DIRECTORS COMMITTEE MEETING OF JANUARY 22, 2025

BOARD MEMBERS PRESENT: Directors Gretchen Newsom and Jessica Anderson

BOARD MEMBERS ABSENT: Chair Alyssa Turowski

STAFF PRESENT: Rip Rippetoe, Mardeen Mattix, Corey Albright, Shannon Teem, Victoria Mitchell and Pat Evans (Recorder)

ALSO PRESENT:

*Meeting Minutes memorialize votes on "Action Items" and Staff Reports and are not a verbatim transcript of regular Committee meetings. Audio copies of Committee 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:** Director Newsom, acting as meeting Chair in Chair Turowski's absence, called the meeting to order at 11:05 a.m. in the Executive Boardroom of the San Diego Convention Center, 111 West Harbor Drive, San Diego, California.

Chair Newsom announced that since this meeting is being conducted on site with an open line to the public, the first action is to perform a roll call to determine which Board members are present on this call:

Director Turowski– Absent
Director Newsom- Present
Director Anderson– Present

Chair Newsom reported that all Directors were present except Director Turowski and that all votes would be recorded via roll-call vote.

2. **Non-Agenda Public Comment:** Chair Newsom requested public comment regarding any non-agenda items. No members of the public responded to the request for comment.

3. **Approval of Minutes of December 24, 2024, Budget Committee Meeting:**

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

Directors Newsom and Anderson moved and seconded, respectively, to approve the minutes from the October 23, 2024, meeting.

Director Turowski - Absent

Director Newsom - Aye

Director Anderson – Aye

Vote: Unanimous

AYES: 2

NAYS: 0

ABSTENTIONS: 0

4. **Chair’s Report:** None

5. **Action Item(s):**

A. Recommendation to Authorize Contract for Elevator B Maintenance Including Electrical and Fire System Improvements

Chair Newsom called for a staff report regarding Agenda Item (5.A). After staff submitted its report, Chair Newsom inquired if any member of the public wished to comment on Agenda Item (5.A). No members of the public responded to the request for comment.

After presentations by staff, request for public comment and Director discussion, Directors Anderson and Newsom moved and seconded, respectively, to Recommend approval of the Staff Recommendation.

Director Turowski – Absent

Director Bradford- Aye

Director Newsom– Aye

Vote: Unanimous

AYES: 2

NAYS: 0

ABSTENTIONS: 0

6. Staff Updates:

Deputy CEO-CFO: Ms. Mattix reported:

- This report is through December 2024 and the Corporation had an extremely busy two months. Normally December is slow, but there were two major events in December - Hematology and Cell Biology.
- In November, the Center welcomed a new medical show that has never been here before – the Study of Liver Disease. That event turned out to be an exceptional show and it exceeded budget expectations again. We spoke about this last month because we had a new medical show last month as well. When we are budgeting for these new clients, we try to take a demographic of a similar event, and we use those results as our forecast. We exceeded expectations.
- Our attendance in San Diego tends to be better than in other cities so even if we take budget expectations from other cities that have hosted these events, San Diego outperforms and again we saw that this time around.
- Hematology really exceeded expectations. They were a full facility event, and they keep upping the ante every time they come to San Diego. They had exceptional food and beverage so right now from a revenue perspective, through the halfway point of the year, we have exceeded expectations in revenue by \$4.5 million which is going to help us going into next year.
- We have also been extremely conservative on the expense side. We are trailing in repair and maintenance because we didn't have any open time availability to address some of those needs until December. I believe we are going to be pushing a few of those projects out into the latter part of this fiscal year because we are too busy in November and December to get to everything that was scheduled. We are trailing by approximately \$2 million in expenses so right now, we look way ahead of budget by approximately \$7 million. I do expect some of that will catch up.
- The one area we monitor closely is utilities because that has been a variable that we were unable to control in the past. I am happy to report that we are actually under budget. I believe the amount that we adjusted for trend analysis in this year is going to stand true and I don't think we will have any surprises in that area.
- We have made the I-Bank payments, and we are continuing to invest in the capital purchases that we talked about at the last Board meeting, and I do anticipate we will end the year with between \$21 million and \$22 million in reserves going into next year.

President & CEO: Mr. Rippetoe reported:

- In terms of this Committee the one thing that we see in the future is that we have a lot of customers who are continuing to talk about increasing their food and beverage and other ancillaries which is taking time to really plan and work with them. That combined with some new customers we are getting; we're going to be having to do a little bit more travel than what we have seen in the past and part of that is at the request of the customer to see what they are doing this year in advance of next year.

- The great news is that we are seeing some encouraging news from some of our major corporate events adding food and beverage, but we also have two or three shows that we are going to continue to look at and we have already booked, but we need, at their request, to go to where they are this last year at their other destination.
- A little bit more travel will be coming. Most of it can be absorbed in the line items but some of it won't and we are also looking at how we can continue to do more leadership training throughout the organization. So, we will be coming back to this Committee with some ideas on that topic in the future.

Chair Newsom inquired if any member of the public wished to comment on Agenda Item 6. No members of the public responded to the request for comment.

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)]: **None**

There being no further business, the meeting adjourned at 11:21 a.m.

CERTIFICATION

I, Alyssa Turowski, 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 January 22, 2025.

Alyssa Turowski, Chair

Agenda Item 5.A

SAN DIEGO CONVENTION CENTER CORPORATION

MEMORANDUM

TO: Budget Committee

FROM: Mardeen Mattix, Deputy CEO & Chief Financial Officer

DATE: For the Agenda of April 16, 2025

RE: Recommend the Board Authorize Placement of Various Lines of Insurance Coverage Through the Brokerage Services of Marsh & McLennan Agency

BACKGROUND

The San Diego Convention Center Corporation (SDCC) carries the following lines of coverage: Assailant, Commercial Automobile, Cyber, Directors and Officers, Drone, General & Excess Liability, Pollution, Property, Underground Storage Tank, and Workers' Compensation. These lines of coverage are renewed each year on May 1. Each line of coverage was evaluated based on the following factors: (a) adherence to the specifications set forth by the City of San Diego and the San Diego Unified Port District, (b) the safety and well-being of our employees, partners, contractors, and the public at large, (c) the health and age of our building, (d) risk, (e) benchmarks, as available, and (f) budgetary objectives.

Staff comprised of the Deputy CEO & Chief Financial Officer, Controller, and the Executive Director, Human Resources, who reviewed the submitted quotes.

DISCUSSION

SDCC engaged Marsh to undertake several tasks: (a) gather quotes for all coverage lines for the upcoming plan year to gauge market conditions, (b) utilize these quotes alongside incumbents' renewal rates, (c) present property coverage options, and (d) investigate additional lines of coverage to mitigate risk.

Overview of Property & Casualty Premiums

Below is an overview of our current program coverage, deductible limits, and incumbent carriers:

COVERAGE	EXPIRING		RENEWAL		CHANGE
POLICY TERM	05/01/24 - 05/01/25		05/01/25 - 05/01/26		
PROPERTY	\$	619,428	\$	644,205	4.00%
GENERAL LIABILITY	\$	30,228	\$	30,043	-0.61%
COMMERCIAL AUTOMOBILE	\$	5,046	\$	5,459	8.18%
EXCESS - 1st Layer \$10 xs of Primary	\$	29,757	\$	35,675	19.89%
EXCESS - \$10M xs \$10M	\$	36,113	\$	39,980	10.71%
EXCESS \$25M xs \$20M	\$	97,290	\$	88,494	
Excess \$5M xs \$45M		Included		TBD	
UNDERGROUND STORAGE TANK	\$	2,832	\$	3,230	14.06%
WORKERS COMPENSATION & EMPLOYER'S LIABILITY	\$	336,087	\$	312,228	-7.10%
CYBER	\$	19,346	\$	15,993	-17.33%
ACTIVE ASSAILANT	\$	40,586	\$	34,627	-14.68%
DRONE	\$	801	\$	801	
EXECUTIVE LIABILITY	\$	54,446	\$	53,910	-0.98%
POLLUTION	\$	19,249	\$	22,602	17.42%
BROKER FEE*	\$	81,250	\$	81,250	

SDCC Proposed Coverage for 5/1/2025 Renewal

Excess Liability (\$50M Total)												
Carrier: TBD Limit: \$5,000,000 Premium: TBD Estimate \$16,000												
Carrier: Texas Insurance Company Limit: \$5,000,000 Premium: \$15,752												
Carrier: HDI Global & Allianz Limit: \$20,000,000 Premium: \$72,742												
Carrier: HDI Global & Allianz Limit: \$5,000,000 each part of \$10,000,000 Premium \$ 39,980												
Carrier: Market / K&K Limit: \$10,000,000 Premium \$35,675												
General Liability	Automobile Liability	Employer's Liability	Employee Benefits Liability	Property	Cyber Liability	Workers' Compensation	Underground Storage Tank	Crime	D & O, EPL & Fiduciary	Active Assailant	Pollution	Drone
Carrier: Scottsdale (K&K)	Carrier: Scottsdale (K&K)	Carrier: Travelers	Carrier: Scottsdale (K&K)	Carrier: Affiliated FM	Carrier: Beazley	Carrier: Travelers	Carrier: UCPM Environmental	Carrier: Zurich	Carrier: Zurich	Carrier: Hiscox Lead	Carrier: Chubb	Global Aerospace
Limit: GL - \$1,000,000/ \$2,000,000	Limit: \$1,000,000	Limit: \$1,000,000	Limit: \$1,000,000/ \$2,000,000	Insured Value: \$1 Billion	Limit: \$5,000,000 various policy sublimits	Statutory Coverage	Limit: \$1,000,000	Limit: \$250,000	Limit: \$5,000,000 (D&O + EPL) \$2,000,000 (Fiduciary)	Limit: \$2,500,000	Limit: \$1,000,000	Limit: \$1,000,000
SIR: \$100,000	Deductible \$1,000 Comp. \$1,000 Coll.	Deductible \$250,000	Deductible \$1,000	Deductible \$25,000, Water Damage \$50,000, Flood	Retention \$25,000	Deductible \$250,000	Deductible Tank 1- \$100,000 Tank 2- \$25,000	Deductible \$15,000 Fiduciary \$10,000	Retention D&O \$50,000 EPL - \$250,000	No Deductible	Self Insured Retention \$25,000	Deductible 10% of Value
Premium \$30,043	\$5,459	Incl in WorkComp	Inc in GL	\$644,205	\$25,279	\$312,228	\$3,230	Inc in D&O	\$53,910	\$38,177	\$22,602	\$801

Property

In August 2023, Affiliated FM, our incumbent insurer, conducted a thorough inspection of the building to determine its replacement cost surpassing \$1 billion (\$1,175,734,981) which continued at the same limit this year. Insurance carriers offering property limits exceeding \$1 billion were unavailable. While Affiliated FM can provide coverage up to \$1 billion, they are presently unable to offer amounts surpassing this threshold; therefore, we remain slightly under-issued.

During the current policy year, SDCC completed three recommendations from Affiliated FM’s inspection report: (1) established a sprinkler value inspection program, (2) developed a hot work policy, and (3) installed a 6-inch-tall concrete curbing in the West Emergency Room. A key finding in the inspection report recommendation was for infrastructure replacements related to fire sprinklers and seismic bracing, estimated to cost over \$1 million. SDCC considered budgeting for these items, but other needs were a higher priority and with the lack of funding and financial challenges facing the City, these improvements were deferred.

The incumbent, Affiliated FM, provided a quote for \$644,205, a 4% increase over the prior year. Only one other carrier quoted but could not match the premium or coverage capacity offered by Affiliated FM. Eleven other carriers declined to quote due to uncompetitive pricing, loss control concerns, and an inability to offer a limit of \$1 billion.

PROPERTY	EXPIRING	RENEWAL	CHANGE
	Affiliated FM	Affiliated FM	
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/26	
Building	\$ 1,082,674,981	\$ 1,082,734,981	
Personal Property	\$ 50,125,000	\$ 50,125,000	
Electronic Data Property	\$ 3,000,000	\$ 3,000,000	
Business Income	\$ 10,000,000	\$ 10,000,000	
Leasehold Rental Payments	\$ 30,000,000	\$ 30,000,000	
Total Policy Limit	\$ 1,000,000,000	\$ 1,000,000,000	
DEDUCTIBLE			
All other Perils not specifically listed	\$ 25,000	\$ 25,000	
Earthquake Sprinkler Leakage	\$ 25,000	\$ 25,000	
Flood per location*	\$ 100,000	\$ 100,000	* see note
Business Interruption	2 day equivalent	2 day equivalent	
Water Damage per location	\$ 50,000	\$ 50,000	
Boiler & Machinery	\$ 50,000	\$ 50,000	
Premium	\$ 554,679	\$ 579,456	4.47%
Terrorism	\$ 64,749	\$ 64,749	
Premium	\$ 619,428	\$ 644,205	4.00%
Commission	0%	0%	
RATING BASIS			
Total Insurable Values	\$ 1,175,799,981	\$ 1,175,859,981	0.01%
Rate for Comparison - per \$100 of Values	0.0527	0.0548	3.99%
Premium	\$ 619,428	\$ 644,205	4.00%

Staff recommends authorizing Marsh to renew the property policy at the total policy limit of \$1,000,000,000 with the incumbent, Affiliated FM, for a total premium of \$644,205 (before allocations to the City of San Diego and the Port of San Diego) which is \$24,777, or 4% higher than the expiring policy. The Corporation's share of the net premium (after deducting for amounts to be billed back to the City and the Port) is \$489,748.

General Liability & Excess Liability

General Liability insurance provides coverage for claims of bodily injury or property damage caused by business operations, products, or services. It typically covers legal defense costs and settlements if a business is found liable. The General Liability premium is based on Rental revenue (\$48 million) and Admissions (809,000).

In addition to the incumbent, K&K-Markel, Marsh requested three quotes for this line of insurance (general liability and first excess layer). Two declined due to their inability to compete with the current pricing, and one provided an indication of coverage but was uncompetitive.

GENERAL LIABILITY	EXPIRING	RENEWAL	CHANGE
	K & K-Markel Insurance Company	K & K-Markel Insurance Company	
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/26	
General Aggregate	\$ 5,000,000	\$ 5,000,000	
Products Completed Operations Aggregate Limit	\$ 2,000,000	\$ 2,000,000	
Personal and Advertising Injury	\$ 1,000,000	\$ 1,000,000	
Each Occurrence Limit	\$ 1,000,000	\$ 1,000,000	
Damage to Premises Rented to You Limit	\$ 300,000	\$ 300,000	
Medical Expense	Excluded	Excluded	
Self Insured Retention (SIR)	\$ 100,000	\$ 100,000	
EMPLOYEE BENEFITS LIABILITY - CLAIMS MADE	\$1,000,000/\$2,000,000	\$1,000,000/\$2,000,000	
Retro Date: 5/1/2006 \$1,000 deductible			
RATING BASIS			
Admissions	776,000	809,000	4.25%
Gross Revenue	\$ 48,000,000	\$ 48,000,000	
TPA Fee	\$ 1,500	\$ 2,000	
Premium	\$ 28,167	\$ 28,043	-0.44%
Total Premium - Includes Terrorism Charge	\$ 28,728	\$ 30,043	4.58%

K&K – Markel (incumbent) includes \$1,000,000 base general liability coverage with a single occurrence deductible.

Excess Liability

The **Excess Liability** coverage market is becoming more limited in the capacity to insure as rates are increasingly driven by nuclear verdicts and most have restricted their limits on what they will offer.

SDCC maintains an excess liability insurance limit of \$50,000,000 as specified in the 1998 Management Agreement. Despite reducing coverage during the pandemic years, both the City of San Diego and the San Diego Unified Port District reinstated the contractual limits, knowing the pressures in the market to secure excess coverage are scarce. This caused a significant increase in last year’s premium with additional carriers to reinstate the layers needed to obtain the \$50 million coverage limit.

General & Excess Liability Coverage

Primary	\$ 1,000,000	K&K - Markel
1st layer	\$ 10,000,000	Markel American
2nd layer	\$ 10,000,000	HDI Global Specialty & Allianz
3rd layer	\$ 20,000,000	HDI Global Specialty & Allianz
4th layer	\$ 5,000,000	Texas Insurance Group
5th layer	\$ 5,000,000	TBD
Total Coverage	\$ 51,000,000	

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	EXPIRING	RENEWAL	CHANGE
EXCESS - 1st Layer \$10M	National Casualty	Market American	
Each Occurrence	\$ 10,000,000	\$ 10,000,000	
General Aggregate	\$ 10,000,000	\$ 10,000,000	
Premium	\$ 29,757	\$ 35,675	19.89%
EXCESS - 2nd Layer \$10M	HDI Global Specialty SE	HDI Global Specialty SE & Allianz	
Each Occurrence	\$ 10,000,000	\$ 10,000,000	
General Aggregate	\$ 10,000,000	\$ 10,000,000	
RATING BASIS			
Premium with commission	\$ 34,725	\$ 38,198	
Commission	0%	0%	
Policy Fee	\$ 275	\$ 550	
Surplus Lines Fee	\$ 1,113	\$ 1,232	
TRIA	INC	INC	
Total Estimated Annual Premium	\$ 36,113	\$ 39,980	10.71%
EXCESS - 3rd Layer	Allianz Global		
Each Occurrence	\$ 5,000,000		
General Aggregate	\$ 5,000,000		
RATING BASIS			
Premium with commission	\$ 17,000		
Commission	0%		
Policy Fee	\$ 275		
Surplus Lines Fee	\$ 549		
TRIA	INC		
Total Estimated Annual Premium	\$ 17,824		
EXCESS - 4th Layer	Texas Ins Comp	HDI Global Specialty SE & Allianz	
Each Occurrence	\$ 5,000,000	\$ 20,000,000	
General Aggregate	\$ 5,000,000	\$ 20,000,000	
RATING BASIS			
Premium with commission	\$ 16,000	\$ 70,000	
Commission	0%	0%	
Policy Fee	\$ 275	\$ 500	
Surplus Lines Fee	\$ 509	\$ 2,242	
TRIA	INC	INC	
Total Estimated Annual Premium	\$ 16,784	\$ 72,742	
EXCESS - 5th Layer	HDI Global	Texas Ins Comp	
Each Occurrence	\$ 10,000,000	\$ 5,000,000	
General Aggregate	\$ 10,000,000	\$ 5,000,000	
RATING BASIS			
Premium with commission	\$ 30,000	\$ 15,000	
Commission	0%	0%	
Policy Fee	\$ 375	\$ 275	
Surplus Lines Fee	\$ 966	\$ 477	
TRIA	INC	INC	
Total Estimated Annual Premium	\$ 31,341	\$ 15,752	New
EXCESS - 6th Layer	Allianz Global	TBD	
Each Occurrence	\$ 10,000,000	\$ 5,000,000	
General Aggregate	\$ 10,000,000	\$ 5,000,000	
RATING BASIS			
Premium with commission	\$ 30,000		
Commission	0%	0%	
Policy Fee	\$ 375		
Surplus Lines Fee	\$ 966		
TRIA	INC	INC	
Total Estimated Annual Premium	\$ 31,341	TBD - Estimate \$16,000	New
Total Excess Liability	\$ 163,160	\$ 180,149	10%

Marsh has not yet received the quote for the last layer of excess liability coverage of \$5 million and has provided a cost estimate of \$16,000. Staff recommends authorizing Marsh to renew general liability and excess coverage policies estimated to total \$210,192, 9% above last year’s expense.

Commercial Automobile

Commercial automobile insurance provides coverage for vehicles used for business purposes. It protects against liability for bodily injury or property damage caused by our business-owned vehicles, as well as physical damage to the vehicles themselves.

K&K-Markel submitted a bundled quote which included auto insurance. The policy increased by 8.18% for a renewal amount of \$5,459.

		EXPIRING	RENEWAL	CHANGE
COMMERCIAL AUTOMOBILE		Market Insurance Company	Market Insurance Company	
Coverage Term		05/01/24 - 05/01/25	05/01/25 - 05/01/26	
Liability – Any One Accident or Loss	Symbol #1, #19	\$ 1,000,000	\$ 1,000,000	
Uninsured/Underinsured Motorists	Symbol #2	\$ 1,000,000	\$ 1,000,000	
Medical Payments	Symbol #5	\$ 5,000	\$ 5,000	
Comprehensive Deductible	Symbol #7	\$ 1,000	\$ 1,000	
Collision Deductible	Symbol #7	\$ 1,000	\$ 1,000	
Hired Auto Liability- Excess	Symbol #8	\$ 1,000,000	\$ 1,000,000	
Hired Auto Physical Damage	Symbol #8	\$ 50,000	\$ 50,000	
Non-Owned Liability	Symbol #9	\$ 1,000,000	\$ 1,000,000	
RATING BASIS				
# Autos		\$ 3	\$ 3	
Average Rate per Vehicle		\$ 1,682.00	\$ 1,819.67	8.18%
Premium		\$ 5,046	\$ 5,459	8.18%

Staff recommends authorizing Marsh to move the auto insurance policy to K&K-Markel for a premium cost of \$5,459.

Underground Storage Tank

Underground storage tank insurance provides coverage for claims related to leaks, spills, or other damage caused by underground storage tanks on the property. It covers cleanup costs, liability for third-party injuries or property damage, and legal expenses. Should the storage tanks need to be replaced or relocated during a construction event, coverage will not be offered by the carrier as risk will shift to be the obligation of the contractor.

Given the age of our two storage tanks (36 and 25 years), only the incumbent carrier is willing to quote coverage. Until replacement of the aged assets occurs, deductibles will continue to rise, compounded by the absence of alternative markets. Consequently, Liberty Surplus, our incumbent provider, proposed a policy renewal of \$3,230, a 14% increase compared to the previous year.

UNDERGROUND STORAGE TANK	EXPIRING	RENEWAL	
	Liberty Surplus Ins. Corp	Liberty Surplus Ins. Corp	
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/26	
Storage Tank Incident Limit of Liability	\$ 1,000,000	\$ 1,000,000	
Aggregate Limit of Liability for all Storage Tank Incidents	\$ 1,000,000	\$ 1,000,000	
Aggregate Limit of Liability for all Legal Defense Expenses	\$ 1,000,000	\$ 1,000,000	
Total Policy Aggregate Limit of Liability for all Storage Tank Incidents	\$ 1,000,000	\$ 1,000,000	
Deductible per Storage Tank Incident - Tank 1*	\$ 100,000	\$ 100,000	
During Removal or Investigation	\$ 1,000,000	\$ 1,000,000	
Deductible per Storage Tank Incident - Tank 2	\$ 25,000	\$ 25,000	
Retro Date Tank 1	8/1/2005	8/1/2005	
Retro Date Tank 2	5/1/2005	5/1/2005	
Premium	\$ 2,575	\$ 2,961	
Program Fee	\$ 175	\$ 175	
Surplus Lines	\$ 82	\$ 94	
Total Premium	\$ 2,832	\$ 3,230	14.06%

Staff recommends authorizing Marsh to renew the underground storage tank policy with Liberty Surplus for a premium cost of \$3,230.

Workers’ Compensation

Workers' compensation insurance provides coverage for medical expenses, lost wages, and rehabilitation costs for employees injured or made ill while on the job. In California, it is a mandatory coverage that protects both employees and employers. Premiums are determined by the claim’s history (severity and frequency of claims) and expected annual payroll.

SDCC currently operates a partially self-funded workers' compensation program with a high deductible of \$250,000 per claim, which requires a fixed base of non-refundable premiums, assessments, and fees. Zurich provided a competitive quote with a lower premium cost compared to the incumbent, Travelers. After a series of negotiations, SDCC was able to lower the Travelers renewal premium to \$312,228. However, after accounting for additional collateral and loss fund requirement deposits, the overall cost of switching carriers would be higher. The risk of future collateral cost increases could exceed the current cost, as the incumbent already holds \$2 million in collateral through a letter of credit with the bank.

Given the recent claims trends and exposure rates, staff recommends maintaining the current high-deductible program. While the quoted premium of \$312,288 is higher than the alternative, it requires a lower collateral deposit.

WORKERS COMPENSATION & EMPLOYER'S LIABILITY		TRAVELERS	TRAVELERS
Coverage Term		05/01/24 - 05/01/25	05/01/25 - 05/01/26
WORKERS COMPENSATION		Statutory - CA	Statutory - CA
EMPLOYER'S LIABILITY			
	Bodily Injury by Accident -Each Accident	\$1,000,000	\$1,000,000
	Bodily Injury by Disease - Each Employee	\$1,000,000	\$1,000,000
	Bodily Injury by Disease Policy Limit	\$1,000,000	\$1,000,000
Deductible Plan Amount		\$250,000	\$250,000
	Class Code Classification		
	9015 Building Operations	\$ 14,817,870	\$ 17,500,000
	8742 Outside Sales	\$ 916,857	\$ 890,000
	8810 Clerical	\$ 3,197,072	\$ 2,790,000
RATING BASIS			
	Estimated Annual Payroll	\$ 18,931,799	\$ 21,180,000
	Rate for Comparison - per \$100 of Payroll	\$ 1.5440	\$ 1.2850
Estimated Annual Premium		\$ 292,307	\$ 272,163
	Surcharges	\$ 43,780	\$ 40,065
Commission Rebate		0%	0%
Total Premium		\$ 336,087	\$ 312,228
Loss Fund		\$ 74,173	\$ 90,480
Collateral Requirement		\$ 2,000,000	\$ 2,200,000
	Loss Fund Due		\$ 16,307
	Collateral Due		\$ 200,000
	Claim Charge	Med - \$175 and Ind- \$1,500	Med - \$175 and Ind-\$1,500

Renewing the Travelers package necessitates an additional \$200,000 contribution to the Letter of Credit due to recent claims activity, bringing the total collateral requirement to \$2.2 million. Including the budgeted claim cost reserve of \$500,000, the total program cost is expected to be \$812,228, reflecting a minimal decrease compared to last year. Policy Year 2024 – 2025 incurred premium, claims, and accrued reserve costs are forecasted to total \$836,087.

Staff recommends authorizing Marsh to renew the workers' compensation policy with the incumbent, Travelers, for a premium cost of \$312,228.

Cyber Liability

Cyber liability insurance provides coverage for losses or damages resulting from cyber-attacks, data breaches, or other cyber-related incidents. It covers costs such as legal fees, notification expenses, credit monitoring, and liability for third-party claims.

In addition to the incumbent, Beazley, Marsh received three quotes for this line of insurance. All three quotes had higher premiums and less coverage than the incumbent offered.

Claim trends and geopolitical tensions are still driving market uncertainty; however, premium quotes were lower than the prior year along with lower deductible limits. Market coverage for comparable industries and size of company typically range between \$3 million to \$5 million. An optional quote for increased coverage to \$5 million coverage limit at the same \$25,000 deductible limit was also obtained.

CYBER LIABILITY	EXPIRING	RENEWAL
	BEAZLEY NON-ADMITTED	BEAZLEY NON-ADMITTED
COVERAGE TERM	05/01/24 - 05/01/25	05/01/25 - 05/01/26
POLICY AGGREGATE LIMIT OF LIABILITY	\$ 3,000,000	\$ 3,000,000
FIRST PARTY COVERAGE		
Breach Response	Outside and separate	Outside and separate
Cyber Incident Response Team	\$ 1,000,000	\$ 1,000,000
Notified Individuals	100,000 notified individuals	100,000 notified individuals
Business Interruption Loss and Extra Expenses	\$ 3,000,000	\$ 3,000,000
Dependent Business Loss -Dependent Security Breach and System Failure	\$ 1,000,000	\$ 3,000,000
Cyber Extortion Loss	\$ 3,000,000	\$ 3,000,000
Data Recovery Costs	\$ 3,000,000	\$ 3,000,000
THIRD PARTY COVERAGE		
Data and Network Liability	\$ 3,000,000	\$ 3,000,000
Regulatory Defense & Penalties	\$ 3,000,000	\$ 3,000,000
Payments Cards Liabilities & Costs	\$ 3,000,000	\$ 3,000,000
Media Liability	\$ 3,000,000	\$ 3,000,000
Claim Prep	\$ 50,000	\$ 50,000
Post Breach Remediation Costs	100 hours	100 hours
eCrime		
Fraudulent Instruction	\$ 250,000	\$ 250,000
Funds Transfer Fraud	\$ 250,000	\$ 250,000
Telephone Fraud	\$ 250,000	\$ 250,000
Computer Hardware		\$ 3,000,000
Reputation Loss		\$ 3,000,000
Subpoena Expenses		\$ 100,000
Incidental Hospitality Technology Services Liability		\$ 1,000,000
RETENTIONS		
Each Incident, Claim or Loss	\$ 25,000	\$ 15,000
Waiting Period	10 Hours	10 Hours
Estimated Annual Premium	\$ 18,750	\$ 15,500
Surplus Lines Fees	\$ 596	\$ 493
Policy Fee		
Total Premium		\$ 15,993
Option - revising deductible to \$25,000, -\$1,547	\$ 19,346	\$ 14,446
Option - increasing limit to \$5M, ded \$25,000,		\$ 25,279

Staff recommends authorizing Marsh to renew the Cyber policy with Beazley for increased policy coverage to \$5 million with a \$25,000 deductible, for a premium cost of \$25,279.

Active Assailant

Active assailant insurance, also known as active shooter insurance, provides coverage for losses or damages resulting from acts of violence or terrorism on our premises. This coverage can include medical expenses, property damage, business interruption, and liability for third-party claims. This year, we saw strong competition for the renewal, with Hiscox, the incumbent provider, offering a proposal of \$34,627—14.68% lower than the previous policy year, while other markets have seen premium increases. Additionally, Hiscox proposed an extra \$2.5 million in property damage protection for an additional premium of \$3,550. This additional coverage functions as a wrap-around policy, providing immediate access to funds for services or potentially offsetting the property deductible, helping to alleviate short-term financial strain.

ACTIVE ASSAILANT	EXPIRING	RENEWAL	
	Hiscox Lead	Hiscox Lead	
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/26	
Liability Combined Single Limit and Aggregate	\$ 2,500,000	\$ 2,500,000	
Physical Damage	Excluded	Excluded	
Business Interruption	\$ 2,500,000	\$ 2,500,000	
Loss of Attraction	\$ 500,000	\$ 500,000	
Extra Expense	\$ 2,500,000	\$ 2,500,000	
Crisis Response Company Fees	\$ 250,000	\$ 250,000	
Deductible	No deductible	No deductible	
Total Estimated Annual Premium	\$ 39,335	\$ 33,560	
Surplus Lines Tax & Stamping Fee	\$ 1,251	\$ 1,067	
Grand Total	\$ 40,586	\$ 34,627	-14.68%
Option - Adding \$2,500,000 physical damage -AP \$3,550			

Staff recommends authorizing Marsh to renew the Active Assailant policy with Hiscox for a premium cost of \$38,177, including the additional \$2.5 million of property coverage, resulting in an overall 5.9% decrease in premium costs from the prior year.

Directors & Officers (Including Employment Practice, Fiduciary Liability, and Crime)

Directors and Officers (D&O) insurance provides coverage for claims against directors and officers for alleged wrongful acts in their roles. It can cover legal defense costs, settlements, or judgments. Employment practices liability insurance (EPLI) provides coverage for claims related to employment-related issues, such as wrongful termination, discrimination, harassment, or retaliation. It can cover legal defense costs, settlements, or judgments, and can help protect a business from financial losses. Crime insurance provides coverage for losses resulting from criminal acts, such as theft, fraud, forgery, or employee dishonesty. It can cover financial losses, legal expenses, and can help protect a business's assets and reputation.

In addition to the incumbent, Zurich, Marsh sought five other quotes for this line of insurance, with three declining to quote and the others less competitive. Additionally, Zurich was able to offer a lower deductible, compared to the prior year.

EXECUTIVE LIABILITY	EXPIRING	RENEWAL	CHANGE
	ZURICH	ZURICH	
COVERAGE TERM	05/01/24 - 05/01/25	05/01/25 - 05/01/26	
Directors & Officers Liability Limit - Each Claim and Aggregate	\$ 5,000,000	\$ 5,000,000	
Employment Practices Liability Limit - Each Claim and Aggregate	\$ 5,000,000	\$ 5,000,000	
Fiduciary Liability - Each Claim and Aggregate	\$ 2,000,000	\$ 2,000,000	
Additional Limit for Defense Costs	\$ 1,000,000	\$ 1,000,000	
Policy Aggregate Limit	\$ 6,000,000	\$ 6,000,000	
Retentions (Per Loss)			
D&O Non-Indemnified Claims	\$ -	\$ -	
D&O Corporate Reimbursement for Indemnified Claims	\$ 100,000	\$ 50,000	-50.00%
D&O Corporate Reimbursement for Entity-Related Claims	\$ 100,000	\$ 50,000	-50.00%
Employment Practices Liability Claims	\$ 250,000	\$ 250,000	
Employment Practices Liability - 3rd Party Claims	\$ 250,000	\$ 250,000	
Fiduciary Liability Claims	\$ 10,000	\$ 10,000	
DIRECTORS & OFFICERS LIABILITY			
Additional Side A Limit	\$ 1,000,000	\$ 1,000,000	
FIDUCIARY LIABILITY			
HIPAA Penalties Sublimit	\$ 100,000	\$ 100,000	
Total Estimated Annual Premium (Includes Crime)	\$ 54,446	\$ 53,910	-0.98%

Staff recommends authorizing Marsh to renew the Directors & Officers policy with the incumbent, Zurich, with a premium cost of \$53,910.

Drone

Drone insurance provides coverage for the protection of both the drone and its operator for personal and property damages. This line of insurance can cover medical expenses, property damage, and liability for third-party claims.

DRONE	EXPIRING	RENEWAL
	Global Aerospace, Inc.	Global Aerospace, Inc.
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/26
Liability Combined Single Limit and Aggregate	\$ 1,000,000	\$ 1,000,000
Physical Damage 2023 DJI Innovations Air 3 ID #FA3KCMCMCW	\$ 1,500	\$ 1,500
Deductible	10% of insured value	10% of insured value
Total Estimated Annual Premium	\$ 776	\$ 776
Surplus Lines Tax & Stamping Fee	\$ 25	\$ 25
Grand Total	\$ 801	\$ 801

Staff recommends authorizing Marsh to renew the Drone policy with the incumbent, Global Aerospace, premium

cost of \$801, which reflects no increase over prior year.

Pollution

Pollution insurance offers coverage for claims related to pollution or environmental damage caused by business operations. This includes costs for cleanup, legal fees, and damage, resulting from pollution incidents. Environmental events covered may include, but are not limited to, water damage, sewer ruptures, and chemical spills. However, certain exclusions apply, such as asbestos, pre-existing incidents, and lead-based paint. In light of recent stormwater issues, staff believes it is a prudent business decision to continue coverage for this policy.

POLLUTION LIABILITY	NEW	RENEWAL	
	Chubb - Illinois Union Insurance Company	Chubb - Illinois Union Insurance Company	
Coverage Term	05/01/24 - 05/01/25	05/01/25 - 05/01/28	
Per Pollution Condition or Indoor Environmental Condition	\$ 1,000,000	\$ 1,000,000	
Aggregate All Pollution Conditions or Indoor Environmental Condition	\$ 1,000,000	\$ 1,000,000	
Self Insured Retention	\$ 25,000	\$ 25,000	
RATING BASIS			
Total Estimated Annual Premium	\$ 18,655	\$ 21,905	
Surplus Lines	\$ 594	\$ 897	
Total Estimated Annual Premium	\$ 19,249	\$ 22,602	17.42%

Staff recommends authorizing Marsh to renew the Pollution policy with the incumbent, Chubb, for premium cost of \$22,602, a 17.42% increase over the prior year.

STAFF RECOMMENDATION

The Budget Committee recommends the Board authorize placing Assailant, Auto, Cyber, Directors and Officers, Drone, General & Excess Liability, Pollution, Property, Underground Storage Tank and Workers’ Compensation Insurance through the brokerage services of Marsh & McLennan Agency. Total costs are \$1,742,876, inclusive of an estimated claims cost of \$500,000 as well as \$81,250 in brokerage fees. Associated FY2026 budgeted insurance costs total \$2,010,400.

_____/s/
 Mardeen Mattix
 Deputy CEO & Chief Financial Officer

Agenda Item 5.B

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

TO: Budget Committee

FROM: Corey Albright, Chief Operating Officer

DATE: For the Agenda of April 16, 2025

RE: Recommendation to Award Contract for Cooling Tower Repairs

BACKGROUND

The San Diego Convention Center is equipped with a Central Plant designed to provide both cooling and heating to ensure occupant comfort. This plant contains critical equipment, including chillers, boilers, cooling towers, and air handling units, which collectively maintain temperature-controlled air throughout the facility.

In the summer of 2024, cooling tower #4 became inoperable due to a failed squirrel cage and blower. The necessary repairs were completed promptly, allowing the unit to return to operation and support the Central Plant. Cooling towers are crucial components in the plant's cooling system, and any failure in one unit increases the load on the remaining units, which can reduce the system's overall efficiency and capacity to meet cooling demands. Given the unexpected failure and the risk to systemwide performance, staff solicited proposals from various vendors to conduct a comprehensive analysis of the cooling towers' components in order to attempt to prevent further emergency failures.

DISCUSSION

ACCO performed an inspection of the cooling towers and provided their findings and recommendations. The inspection revealed significant corrosion on several units, likely due to prolonged sun exposure and the proximity of the facility to the ocean. The most critical repairs identified are a full rebuild of cooling tower #1 and a motor replacement for cooling tower #2.

Staff evaluated the cost and scope of work against prior projects and determined ACCO's pricing to be fair and reasonable given their familiarity with the system and prior work.

To prepare for the upcoming summer season, Staff requested a proposal from ACCO to complete these urgent repairs. The proposed costs for the necessary repairs are listed below:

	Cooling Tower 1 Rebuild	Cooling Tower 2 Motor Replacement	Total
ACCO Proposal	\$57,534.00	\$26,360.00	\$83,894.00

Agenda Item 5.C

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

TO: Budget Committee

FROM: Mardeen Mattix, Deputy CEO and Chief Financial Officer

DATE: For the Agenda of April 16, 2025

RE: Recommendation to Authorize Contract for Temporary Staffing

BACKGROUND

The San Diego Convention Center Corporation (“Corporation”) plans to hire approximately three hundred twenty (320) temporary workers annually to support three (3) large-scale events. These temporary personnel will be sourced through a staffing agency to provide cleaning services, ensuring that the building’s amenities are consistently maintained throughout these high-demand events.

Outsourcing this temporary labor allows the Corporation to streamline operations by reducing the administrative burden associated with payroll management, recruitment, and scheduling. It also provides the ability to scale staffing levels according to event needs.

To ensure a seamless continuation of services and to effectively address operational needs, the Corporation issued a Request for Proposal (“RFP”) for temporary staffing services. This RFP enables us to identify qualified agencies capable of delivering the necessary workforce and expertise to support these critical events.

DISCUSSION

Staff comprised of members from Human Resources, Venue Operations and Procurement departments reviewed the scope of work and staffing levels to properly service the event. The contractor shall ensure all personnel have cleared a background check and have received training before arriving onsite. All hiring, disciplinary action, and terminations are the responsibility of the contractor. Conduct issues or concerns may be escalated to an onsite representative during the term of the contract. Temporary labor personnel will attend an on-site orientation conducted by SDCC staff to review the tasks for the role and Corporation guidelines.

Corporation received nine (9) bids, and the bids were evaluated based on the following criteria:

- Price
- Ability to Meet Corporation’s Requirements
- Company Qualification and Experience
- Comparable Projects
- Performance during shortlist interviews

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue, Suite 200 • San Diego, CA 92101
Phone: (619) 236-6000 • Fax: (619) 236-5904

WORK FORCE REPORT

The objective of the *Equal Employment Opportunity Outreach Program*, San Diego Municipal Code Sections 22.3501 through 22.3517, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report (WFR)*.

**NO OTHER FORMS WILL BE ACCEPTED
CONTRACTOR IDENTIFICATION**

Type of Contractor: Construction Vendor/Supplier Financial Institution Lessee/Lessor
 Consultant Grant Recipient Insurance Company Other

Name of Company: Rey Coastal Holdings, LLC
ADA/DBA: PrideStaff San Diego 350
Address (Corporate Headquarters, where applicable): 11660 Hotel Circle N, Suite 320
City: San Diego County: San Diego State: CA Zip: 92108
Telephone Number: 858-453-7823 Fax Number: _____

Name of Company CEO: Stennett Rey
Address(es), phone and fax number(s) of company facilities located in San Diego County (if different from above):
Address: _____

City: _____ County: _____ State: _____ Zip: _____
Telephone Number: _____ Fax Number: _____ Email: _____

Type of Business: Staffing Agency Type of License: _____

The Company has appointed: Meribeth Gossenberger

As its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 7535 N. Palm Ave. Suite 101 Fresno CA 93711
Telephone Number: 559-432-7780 Fax Number: 559-899-0963 Email: hr@pridestaff.com

- One San Diego County (or Most Local County) Work Force - Mandatory
- Branch Work Force *
- Managing Office Work Force

Check the box above that applies to this WFR.

*Submit a separate Work Force Report for all participating branches. Combine WFRs if more than one branch per county.

I, the undersigned representative of PrideStaff, Inc

Fresno, California (Firm Name) (County) (State) hereby certify that information provided

herein is true and correct. This document was executed on this 11th day of April, 2025

Danielle Trafican
(Authorized Signature)

Danielle Trafican
(Print Authorized Signature Name)

NAME OF FIRM: Pridestaff, Inc

DATE: 4/11/2025

OFFICE(S) or BRANCH(ES): 350 San Diego

COUNTY: San Diego

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) Black or African-American
- (2) Hispanic or Latino
- (3) Asian
- (4) American Indian or Alaska Native
- (5) Native Hawaiian or Pacific Islander
- (6) White
- (7) Other race/ethnicity; not falling into other groups

Definitions of the race and ethnicity categories can be found on Page 4

ADMINISTRATION OCCUPATIONAL CATEGORY	(1) Black or African American		(2) Hispanic or Latino		(3) Asian		(4) American Indian/ Nat. Alaskan		(5) Pacific Islander		(6) White		(7) Other Race/ Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Management & Financial				2							2	1		
Professional			4	2	1	2					2	2		
A&E, Science, Computer			1											
Technical			1			1								
Sales		1										1		
Administrative Support	1	5	10	7	4	3	1	1			7	17	6	11
Services														
Crafts														
Operative Workers	2				3	5			1					
Transportation														
Laborers*	7	1	20	2	11	5		1	1		6	4	5	1

*Construction laborers and other field employees are not to be included on this page

Totals Each Column	10	7	36	13	19	16	1	2	2		17	25	11	12
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Grand Total All Employees 171

Indicate by Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Non-Profit Organizations Only:

Board of Directors														
Volunteers														
Artists														

NAME OF FIRM: Dredstaff - Inc

DATE: 4/11/2025

OFFICE(S) or BRANCH(ES): 350 San Diego

COUNTY: San Diego

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

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- (5) Native Hawaiian or Pacific Islander
- (6) White
- (7) Other race/ethnicity; not falling into other groups

Definitions of the race and ethnicity categories can be found on Page 4

TRADE OCCUPATIONAL CATEGORY	(1) Black or African American		(2) Hispanic or Latino		(3) Asian		(4) American Indian/ Nat. Alaskan		(5) Pacific Islander		(6) White		(7) Other Race/ Ethnicity	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Brick, Block or Stone Masons														
Carpenters														
Carpet, Floor & Tile Installers Finishers														
Cement Masons, Concrete Finishers														
Construction Laborers														
Drywall Installers, Ceiling Tile Inst														
Electricians														
Elevator Installers														
First-Line Supervisors/Managers														
Glaziers														
Helpers; Construction Trade														
Millwrights														
Misc. Const. Equipment Operators														
Painters, Const. & Maintenance														
Pipelayers, Plumbers, Pipe & Steam Fitters														
Plasterers & Stucco Masons														
Roofers														
Security Guards & Surveillance Officers														
Sheet Metal Workers														
Structural Metal Fabricators & Fitters														
Welding, Soldering & Brazing Workers														
Workers, Extractive Crafts, Miners														
Totals Each Column														

N/A

Grand Total All Employees

Indicate By Gender and Ethnicity the Number of Above Employees Who Are Disabled:

Disabled														
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Agenda Item 5.D

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

TO: Budget Committee

FROM: Corey Albright, Chief Operating Officer

DATE: For the Agenda of April 16, 2025

RE: Recommendation to Authorize a Two-Year Extension of Audio-Visual Services Agreement

BACKGROUND

The San Diego Convention Center serves as a premier destination for conventions, trade shows, and large-scale meetings. Delivering exceptional audio-visual (“AV”) and production experiences is essential to maintaining the facility’s competitive edge and meeting the evolving needs of event organizers and attendees.

ON Site is the Convention Center’s preferred provider of AV services and serves as the exclusive provider for production rigging and in-house sound. ON Site has consistently delivered custom AV solutions through scalable services, responsive support, and deep venue familiarity, resulting in positive client experiences across a diverse range of events.

DISCUSSION

ON Site has been a critical partner in delivering high-quality AV services at the Convention Center, supporting everything from corporate meetings to large-scale conventions. Their technical expertise, operational readiness, and continued investment in equipment and personnel enable seamless execution under tight timelines and complex setups. With an on-site management structure that supports real-time coordination and agile response to client needs, ON Site provides a level of service and flexibility that is difficult to replicate.

Given their proven track record, integrated presence at the facility, and commitment to high service standards, staff recommends a two-year extension of ON Site’s contract for audio-visual services. The current agreement is set to expire on April 30, 2025. The proposed extension would cover the period from May 1, 2025, through April 30, 2027, and would maintain all existing terms, conditions, and commission structure without modification.

BUDGETARY IMPACT

There is no direct cost to the Corporation associated with extending the contract. ON Site provides AV services and production rigging under an exclusive and preferred services agreement that includes commission-based compensation to the Corporation. For FY25, the Corporation is forecasted to receive over \$1.7 million in commissions through this partnership. Extending the

contract under the current terms ensures continued revenue generation while maintaining high service standards and client satisfaction.

STAFF RECOMMENDATION

The Budget Committee recommends the Board authorize awarding a two-year extension of the agreement with ON Site for audio-visual services.

/s/

Corey Albright
Chief Operating Officer