



QUALCOMM STADIUM ADVISORY BOARD

Minutes of Regular Scheduled Meeting

Thursday, January 12, 2012

STADIUM ADMINISTRATIVE OFFICES

I. CALL TO ORDER / ROLL CALL

Chairman Rudy Castruita called the meeting to order at 8:15 am.

Board Present:

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| Chairman | Rudy Castruita | Present |
| Member | Jeff Jeffery | Present |
| Member | Luke Pistorius | Present |
| Member | Ben Clay | Present |
| Member | David Baron | Present |
| Member | Kim Folsom | Absent |
| Member | Carlos Vasquez | Present |
| Member | Michael Simonsen | Present |
| Member | Les Williamson | Present |

Staff Present: Mike McSweeney-Stadium Manager, Veronica Valenzuela-Clerical Assistant II

Others Present: Bill Nelson-Ace Parking, Nick Pettit-Aztecs, Ron Lee-Centerplate, Kris Sargeant-Centerplate, Jack Straw-Council District 6, Bruce Binkowski-Holiday Bowl

II. APPROVAL OF MINUTES December 8, 2011

Approved. Unanimous.

III. PUBLIC COMMENT

Rudy stated we have one speaker today John Dadian. Mr. Dadian responded, Mr. Chairman I signed up to speak on Item II not on Public Comment so your motion should be held. Rudy stated the opportunity is to speak now that is what public comment is for, not during the agenda item; if you want to address the agenda Item II you are welcome to do so; Public Comment you are on. Mr. Dadian responded: I will need to modify my reports a little bit. Rudy responded, your time. Mr. Dadian greeted everyone; Briefly since the motion has already been made and voted on. It is important the difference between public comment and agenda item because the public according to Brown Act can sign up to speak on any agenda item and number II is an agenda item. Difference is if I speak before Public Comment you cannot discuss it or make any action whereas you could on Item II, so I am speaking under Item II. Rudy responded: Let me address that issue for you please.

You have an opportunity to discuss any agenda item that is on the agenda and it is Item II you've identified. This Advisory Board will not comment back to you on any agenda item but we will listen to your input and be advised by your comments, ok. There will not be any discussion from this Advisory Board unless they have questions they'd like to ask; so you are on. Again with all due respect to you Mr. Chairman since it is an agenda item I think it is an individual member should decide under the Brown Act they do have the ability, that is my own comment. If the Advisory Board members would like to ask questions, they are welcome to do so but this is your opportunity to address any agenda item on this Agenda.

Let me start with my basic comments; my name is John Dadian and I am representing Heritage Security Services. Heritage Security is a local San Diego based security firm that has a stellar reputation in the industry. They have numerous public sector contracts including the Trolley, the Port and North County Transit. It's interesting because I did speak and I am in the minutes of the last meeting so I feel like DejaVu all over again because I did speak here last month.

What is important point is to date I did speak before Public Comment and it is in the minutes but to date have not received a response from my comments from last month. Most of you or several of you know my background for the past 25 years I've dealt with public agencies on both the private, public and in the private sector side. I have never in 25 years heard of a public comment speak and not given a response within 30 days. No response at all and would like to renew my concerns about the issue previously raised but as you are all aware there has been a dramatic change in the overall Security contract within the last 30 days.

Heritage Security has represented a client for over a decade at their annual car show at this stadium. They provide security for event as recently as this last February 2011. The next event is next month. Heritage recently met with their client to sign the contract for this year's event. They were stunned to be told by the stadium they were required to use Elite Security. This is with no advance notice and again this after numerous years of Heritage Security heading this event. I want to stress this is a contract between two private companies. This is not a contract with the city it's not a contract stadium. Literally what staff is doing is interfering with private contracts and without approval of this commission or city council.

The new issue that has surfaced is the appeal of the RFP process raised from another security company has been upheld. Now the City is deciding how to proceed. In light of this development I challenge this commission to do the right thing and allow the current company to remain in place until the RFP is addressed.

Heritage needs to let their client know within the next few days if they will be able to provide security at the February event. I strongly urge you to direct staff and take action to let current private sector contract continue as it has in the past decade until the RFP process is completed.

Commissioners please ask questions why this change now, when Heritage has had this client for the past decade? Why change in light of development of RFP? I look forward to the answer to these questions and request.

Thank you very much, Rudy asked if there were any questions. Your comments will be well taken in the minutes.

IV. COMMUNICATIONS

No Report

V. CHAIRPERSON REPORT

No Report

VI. BUSINESS PARTNER REPORTS

A. CHARGERS

No Report

B. AZTECS

Nick mentioned there is not much to report looking forward to Basketball. Rudy indicated there's a huge game coming up on Saturday with LNV.

C. BOWL ASSOCIATION

No Report

D. OMBAC

No Report

E. ACE PARKING

Bill indicated December was a good month. Mike's going to talk on the revenue side so I will not discuss it. Operational wise traffic flow went well at the Bowl games. Of course Holiday games were very successful we were pleased with the results.

F. CENTERPLATE

Ron brought Kris Sargeant our Merchandise Manager to welcome him. For us December was pretty good. For us projections were off a little bit, revenue was just south of \$3.7 million a month. Mike will have more details in regards to the Bowl specifics. It was a pretty long month but we survived it unfortunately no post season. Rudy asked if he is going to come to talk sometime in the future about any future changes to Centerplate operations or any issues you may have that you can share. If not, if you would in the future please brief us to makes us aware of any changes that are going to happen the next season or the operations of the stadium.

G. SAN DIEGO AUTO CONNECTION

No Report

VII. STAFF REPORT

A. Stadium Manager Mike McSweeney

Good morning, and happy new year to all. As Ron mentioned earlier we have been busy cranking out events at the busiest month of the year for us. Obviously the bowl games are an important part of our operating revenue. We were down just a little bit from 2010 it looks like net to the City on Poinsettia Bowl is net \$172 thousand. This year the Poinsettia Bowl attendance was down. Last year we had stellar teams Navy and SDSU which is why revenue was better. Centerplate provided a breakdown and revenue was 415K vs 300K last year. Poinsettia broke even, it did bring in fans however next year it may be BYU coming per agreement as it is a guarantee, as long as they are bowl eligible for Poinsettia. Jeff asked how we were doing with the Bowl Association contract, where do we stand? Bruce came in and responded all contracts are through 2013 and BYU is to attend in 2013 and Army in 2014 as agreed; Holiday Bowl contracts are in place.

January 21st is Monster Jam then followed by February 11th Supercross events coming up.

Protest was upheld; Purchasing and Contracting is contemplating what are the next group of three for RFP. Mike and Roy will be out of the decision as always. Also the Advisory Board

has not much to say on contract it is the Panel selected to decide who to choose for the 24 hour Security when something is forthcoming.

Already see effects of the new Rate Card. We were able to approach Dealers from Detroit and already have events booked. We have Dodge signed up for an event. Mayor stated goal is to have the building come within 10 year. We are supplying data when requested looking at alternate ways to supply traffic signs. If access to signs; we met with Ace Parking hopefully they comeback with a positive report on this issue.

David asked what made the Holiday Bowl better last year. Bruce responded if you recall last year 2010 we had the flooding and stressed to all to get to the game early. I think we continued to promote to arrive early as well as promote public transportation which made it a success.

Snapdragon issue is coming up next and Luke will be refraining himself from the meeting. Les asked about the Chargers playing here this 2012 season. According to Mike in November 2012 they may decided if they stay or leave?

Kinder Morgan project is 2-3 years behind. Mike's guess is if a new stadium comes alive the City will let go of this facility but no definite answer. In the meantime it would take over a year to market the Bonds finding them and begin demolition downtown and continue to put in resources to keep up contractual items.

Snapdragon: The first call should be to City. We were the last to find out about the name change. Concern of name change and municipal code violation, regardless at the end of the day it is still Qualcomm Stadium. What happened was it was a two week promotion the signs were already drawn up. The Naming Rights agreement went to City Council and they were in Recess at the time, the Mayor made an executive decision to move forward. It's done and over now. The Argument is City should have received more money. The sign ordinance violation tried to do everything to comply. Rudy mentioned he was not aware and was approached as to why there was a name change? Rudy requested in the future to be made aware of what is happening at the stadium.

VIII. BUSINESS ITEMS

A. Financial Items:

Financials may be in the next month or so. Question as to when do we get results for SDSU? Mike responded we are reconciling now.

B. Advisory Board Committee Items:

Question on how we are doing to look for a new Steve replacement? Mike mentioned the biggest concern is it is a 45 year old building and knowledge is essential. There is a lot of paperwork involved but Steve will probably not be replaced but re-classified. Some positions may spread the load amount other current employees instead of bringing in a new person. Les mentioned the traffic signs between Caltrans and City of San Diego still no response to funding.

IX. COMMENTS BY BOARD MEMBERS

Michael questioned the Public Comment Speaker and Rudy does not think he may respond as he has no authority to do so. It is an Attorney's decision to respond. The attorney will get a copy of the recording and minutes. Carlos suggested we put on Agenda how response is coming along not to be part of the Agenda but as a courtesy to Public Speaker. When Rudy came to join Board he thought they had more say but there is not much authority, everything must be through City Council and concerns are referred on to them.

X. ADJOURNMENT

Meeting was adjourned at 8:55 am. The next meeting will be Thursday, February 9th at 8:15am.