



# QUALCOMM STADIUM ADVISORY BOARD

## Minutes of Regular Scheduled Meeting

Thursday, September 9, 2010  
STADIUM ADMINISTRATIVE OFFICES

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### I. CALL TO ORDER / ROLL CALL

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

#### Board Present:

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

**Staff Present:** Mike McSweeney-Stadium Manager, Lydia Medina-Sr. Management Analyst, Veronica Valenzuela-Clerical Assistant II

**Others Present:** Debra Bevier-Deputy City Attorney , Chet Barfield-Council District 6, Nick Petit-SDSU, Bruce Binkowski-Holiday/Poinsettia Bowl, Susan Hawke-Centerplate,

### II. APPROVAL OF MINUTES August 12, 2010

Hold off on approval of minutes, do not have a Quorum according to Debra. Rudy may not motion to approve minutes. The August minutes will be approved at the next advisory board meeting.

*October 14, 2010 motion to re-approve the August 12, 2010 minutes: Approved. Unanimous.*

### III. PUBLIC COMMENT

No Report

### IV. COMMUNICATIONS

No Report

### V. CHAIRPERSON REPORT

No Report

## **VI. BUSINESS PARTNER REPORTS**

### **A. CHARGERS**

No Report

### **B. AZTECS**

Nick mentioned the Aztecs are off to a good start; they had a great win their first game and this one's under their belt. The turnstile attendance was 16,700. Looking forward to September 25<sup>th</sup> game and the Sky Show. They are trying out new traditions this year such as the Warrior Walk: the team is dropped and off and walks around in parking lot sections E and F led by drummers getting fans energized prior to the game then go in to the stadium thru the west tunnel. Hope this tradition continues to grow. They introduced the mascot and honor warrior was Marshal Faulk. Rudy asked if there is anything in the works to get more student involvement. Working with associate student body to get the students involved in participation of the games. There was a seating arrangement made to create cheering in the seating area sections. Mike mentioned they did a nice job of decorating the stadium there is more color, kudos to State.

### **C. BOWL ASSOCIATION**

Bruce does not have much of a report regarding the Bowl match ups yet. But they announced a few weeks ago that San Diego County Credit Union extended their sponsorship and Bridgepoint Education is a title sponsor both are locked in until 2012 for the Poinsettia Bowl. One of the events going on now is the Stadium Golf event this is the 14<sup>th</sup> or 15<sup>th</sup> annual event. They are watching college football games to see who is eligible. Rudy asked if there are implications of the changing of conferences with the Fresno State's, the Nevada's and the Utah's leaving; are there any changes impacting the stadium. Bruce does not see an impact this year but will have to wait on the Fresno's, Nevada's and Utah's since they keep saying they may be leaving. There may be some impact coming their way.

### **D. OMBAC**

No Report

### **E. ACE PARKING**

Mike McSweeney updated us on behalf of Ace Parking; Parking is always a challenge, looking at staffing situations for parking unless we have 6 extra lanes for a crowd this size. Established a Family Parking area with 500 spaces at \$20 per space, it's an alcohol free area and for families only. The section is being promoted during the game, on the Chargers website as well as the stadium website. Employee parking has moved; they are being shuttled in to the stadium from the offsite parking. Chargers are paying for the lease of employee parking they service shuttles for Centerplate, Elite, and Ace Parking employees; there's around 2,000 employees during a game. Rudy invites board staff to attend at least one game using the established report form. Come to an event and walk the parking lot and stadium, complete Report Form then give to Mike as we report back to him what goes on during a game day.

### **F. CENTERPLATE**

We are in to the season now working with the Aztecs to get the food and beverage right. There were a few tweaks on our side which need to be worked out. They are offering promotions and value meals such as the pick three items for \$10 out of six items. At the Aztec Nicholls game they offered a \$.05 nickel popcorn refill with a souvenir popcorn

cup purchase. Also working on the Aztec meal deal for \$6 they are still working out on other items for meal deals. Susan was out in the stands to see what people had to say and how everything was doing. The Aztec deal is a hotdog, chips and a soft drink. Rudy asked who sets the pricing Susan responded it comes from the Chargers. Water pricing was evaluated by the Chargers last year water was \$5.25 this year it will be \$5.00, beer last year was \$8.75 this year it's \$9.00. There is a family section out on View level; not much of a family environment but they do their best to get family type of concessions such as Slurpee's.

#### **G. SAN DIEGO AUTO CONNECTION**

No report

### **VII. STAFF REPORT**

#### **A. Stadium Manager Mike McSweeney**

Announcement for Centerplate, there has been several promotions; Susan Hawke has been promoted to General Manager for the Stadium she was previously Assistant GM; Scott Marshall was promoted to Sr. Vice President of Sports for Western Region. Scott will still be based out of here as this is one of his buildings, he will oversee the stadium but will be traveling such as today he is in Washington. Susan has been working on the Stadium to re-paint and paint some of the stands also making them cleaner for better stands and easier to read menus. Susan also looking into some ideas of Gluten Free stands as this is a request and will start experimenting with this demand. She has done a terrific job and has a new catering director; Mike has already seen improvements on how the stadium looks and performs.

Chargers vs Dallas was on August 21<sup>st</sup> attendance was 65,000 believe this was sold out. The opening game is Sept 19<sup>th</sup> Chargers vs Jaguars then the Aztecs against Utah state on Sept 25<sup>th</sup> with the Sky Show. Then we have Chargers vs Cardinals on October 3<sup>rd</sup>. We do not have a back to back event this year but there is no such thing as a weekend off, there's football every weekend with exception of Bye week. Benefits to this are reduction of costs in cleaning and labor which allows ample time between events to prepare stadium for following events.

We are into our capital project of replacing carpet throughout the Club level concourse, our stadium clubs, jumbo-tron room and working press area. This is a \$200,000 project we are on schedule with it and have 4-5 days of installation left to complete project for a fresh new look.

We selected a vendor for our business plan creator the company is AE Comm, thanks to Luke for providing support for this selection process. AE Comm is a worldwide venue evaluating design build company with an incredible resume. They worked with Texas' new Cowboy Stadium and did the economic impact and projections. Also worked with the Superdome rehabilitation and Petco park. They know San Diego and have also worked with San Diego Civic Center on estimated cause of corrections and deficiencies. They received the notice to proceed with Business Plan and Facility Assessment this week. We expect a 6 week turnaround, we are looking at a comprehensive evaluation of the future of the stadium. They will look at structure integrity, system evaluation, prospects of business in the next five years, what it's like to operate with or without the Chargers. Rudy requested once the report is completed if the advisory board would be able to review it as well, Mike will make this available to them when completed. Luke mentioned there was a total of four companies wanting to bid on this project but AE Comm was the best selection as they did their homework and research, were prepared and knew this facility. Rudy thanked Luke for his time and effort on the selection process.

Last item, new hours for Stadium access to the parking lot; Stadium will be closed from 1:00am-4:30am. Putting it simply this will be saving labor costs and requires a re-structured delivery schedule. We eliminated a number of shifts for existing staff for this change as there are no funds for this area and Mayor has requested we cut back on costs. We will need to acquire additional cameras for video surveillance. The last trolley runs around 12:40 am and trolley begins running around 5:20 am. This change allows us to have a better control of the parking lot by eliminating parking lot activity as well as saving us money. We are restricting deliveries in to the West Tunnel, must call us before delivery. Stadium will rely on advance notice of delivery as we request a 24 hour advance call and we will inform them of our delivery schedule.

## **VIII. BUSINESS ITEMS**

### **A. New Tenant:**

Roger Carlson of the Brazilian Soccer Academy was not able to make our meeting today he had to finalize some paperwork in the next week or so he is completing coaching requirements but will be at the next Advisory Board Meeting.

### **B. Financial Items:**

Lydia Medina is our Business Manager here at the Stadium, in case you have not met her, she handles all of our budget and money management aspects. Everyone on the board should have received a copy of the year end budget report for FY10 it was previously sent to everyone on the board. Just a brief indication of where we ended FY10 budget. On page 19 of the budget it speaks of Qualcomm Stadium operating fund and projection of a favorable expenditure variant of about 7% but because we had contracts either in this fiscal year or previous year we were 3% under performance on revenue estimations; it's due to the fact we did not have a soccer match event this year as we had in the past and it was a World Cup year. Another contributing factor was the AEG concert series evaporated from Qualcomm as they have signed a management agreement with the Sports Arena. The Sports Arena is doing good because of the concert deals as AEG kind of runs the Sports Arena. Chet Barfield did not receive a copy of end of year budget report for FY10, per Mike he should have received it back in May this report goes to council first which we re-distributed. Mike will provide him a copy when meeting is over. Taking a look at the revenue expense statement you can see the beginning balance and reserve also the balance of previous year and what is carried-over to next fiscal year. We are able to see how the projected revenue of the Aztecs and Chargers fall in our budget. In the past we received revenue from two sources the Sports Arena leases and TOT funds. Rudy asked how it came about with the Sports Arena decision. It was a Financial Management decision from downtown (FM-Financial Management) on balancing our budget and not using Sports Arena funds only TOT revenue is what we rely on as a subsidy, we have no say in this. Rudy asked Lydia about the bond debt and interest payment and what it means, these decisions also come from FM as they have already established it and put on the table we just account for it. Mike mentioned something to make note of, last summer the Mayor requested we reduce our budget approximate 27% we acted on our bond debt and interest payment on reducing it. FM has been able to re-negotiate and reduce it by saving us close to \$1 million a year for the stadium. This is an overall snapshot of where we are at and perhaps when you build your committees you will see how this works. The first fiscal report for FY11 will show where we are at and should be out around November.

### **C. Funding of Capital Improvements:**

We can never have enough funds. Where we spend the most on every year is on asphalt repairs and such roughly around \$250,000. However, if a tenant destroys lot they are billed to repair it as it is not a City cost. We do have a \$200,000 expense for re-carpeting this year. Our business

plan is being paid out of our CIP fund. We are pretty maxed out every year of the CIP money since it is a 42-43 building which continues to age. Correction the carpet is not coming out of our CIP fund it is paid with the Stadium budget.

**D. Committee formation:**

Mike spoke about what existed in the past; there was an Administrative Committee, a catch all committee. They looked at contract negotiations, such as the Aztecs contract and parking contract which Jeff Jeffrey was on. There was also a Facility's Committee of which Kirk Lewis was a part of. They did more historical type recognition in the City such as plaques and sculptures for our hall of fame sculpture row down by founding fathers in section J and K of the stadium. They recognized the fact the Padres played here for so many years. Also had a recognition of Darth Brooks a long time Charger trainer and renamed the locker room and presented the plaque. Also Joe Martinez was involved with architectural type of thing. It became more of what were they interested in and what was fun t look at. We need to sit and talk about it in detail maybe a Finance Committee of financial objectives for coming year. A Development Committee looking for alternatives to CIP. See where everybody has some talents and how they may participate. Rudy will make it a point to setup committee's we have talked about this in the past meetings but have not had much progress. Rudy will get a list of four or five committees and have it sent to the board members to get this on record and have some participation on a committee.

**IX. COMMENTS BY BOARD MEMBERS**

Question on how much the rent is for use of Parking lot such as the Honda drive event; this was \$2,000 per day per quadrant and if there is catering business need we get this too.

**X. ADJOURNMENT**

Meeting was adjourned at 9:05 am. The next meeting will be Thursday, Oct 14th at 8:15 am.