

**AZTEC SHOPS, Ltd.**  
**Minutes of the Meeting of the**  
**Board of Directors**  
**September 23, 2022**

Members present: Carl Winston, Agnes Wong Nickerson, Brittany Santos-Derieg, Leanne Locano, Leilani Anderson, Tyler Morgan, Tom Donnelly, Austin Barber, Bianca Shaw, Luke Wood, Shawki Moore

Others present: Todd Summer, Heather Hawkins, Paul Melchior, R.D. Williams, Jennifer Lakin, Katherine Brown, Angelica Banaag, Dawn Stoebe, Gearreny Mucur

**I. Call to Order**

Carl Winston called the meeting to order at 12:07 p.m.

**II. Approval of the June 10, 2022, Board Meeting Minutes**

Luke Wood moved to approve the June 10, 2022, board meeting minutes, Austin Barber seconded and the motion passed unanimously (10-0-0; Leilani Anderson not voting).

**III. Public Comment**

Carl Winston opened the meeting for public comment. There was no public comment. Austin Barber stated that he is stepping down from the board and audit committee due to taking an internship at Morgan Stanley in La Jolla. He thanked everyone for an incredible year.

**IV. Board Nomination: Leilani Anderson–September 23, 2022, to June 30, 2025**

Shawki Moore welcomed Leilani Anderson and Leilani introduced herself. Bianca Shaw moved to elect Leilani to the board, Leanne Locano seconded, and the motion passed unanimously (10-0-0; Leilani Anderson not voting).

**V. 2022 Presidential Staff Excellence Award- Auxiliary Support**

Todd Summer welcomed and congratulated Angelica Banaag for being a recipient of the Presidential Excellence Award. Todd Summer passed it over to Jennifer Lakin who thanked Angelica Banaag for her excellent work in the 11 years she has been with Aztec Shops. During COVID-19, Angelica converted all the organization's paper forms into electronic forms and she became the number three user for Adobe Sign at the university. Angelica thanked Jennifer Lakin for being her mentor and for her support. Angelica hopes to continue growing in her role.

**VI. CalPERS Health Benefit Employer Contribution Resolution 1/1/2023**

Jennifer Lakin spoke about the annual Health Resolution Packet for CalPERS employees. Aztec Shops contributes 70% of the Kaiser rate. Rates increased by 9% for the year. Leilani Anderson moved to approve, Luke Wood seconded, and the motion passed unanimously (11-0-0).

## **VII. Audit Committee Meeting Report**

Tyler Morgan, audit committee chair, noted the Audit committee met on September 9th and approved the audited financials and report, pending some immaterial grammatical changes. There were no findings. Heather Hawkins mentioned that she finalized the report with the immaterial changes on Sept 15th. Heather was happy with Grant Thornton's (outside audit firm) professionalism.

## **VIII. Management Discussion**

**A. Balance Sheet** - Heather Hawkins presented the July balance sheet. The Payroll Protection Loan of \$3.1M was forgiven.

**B. Campus Stores** - Kathy Brown spoke about Equitable Access and that, as projected, approximately 70% of undergraduate students at the San Diego and Imperial Valley campuses remained in the program. Kathy also mentioned that the Imperial Valley store moved to a location inside the library to make it more accessible for coffee and other items. Also mentioned was that the Team Store at Snapdragon Stadium is off to a good start and that Aztec Shops is also handling merchandise for the San Diego Wave.

**C. Dining & Hospitality** - Paul Melchior stated that this year Dining had a more fully staffed department as compared to last year within the framework of a difficult hiring and employment market. Paul did mention, though, that Concessions and Catering, off to strong revenue starts for the year, are not yet fully staffed. Paul also stated that Snapdragon Stadium had \$900k in food & beverage revenue for the opening football game on September 3rd.

**D. Business Development** - R.D Williams stated that all housing, residential, and retail units are at their budgeted occupancy. Business Development worked on projects during the summer including repairing the railings and walkways of Tarastec Apartments, which cost \$300K, and upgrading some rooms and hallways at UT, including remodeling showers, updating flooring, and replacing furniture, at a cost of \$350K.

**E. I.T** - Dawn Stoebe mentioned I.T. hired an associate for Snapdragon Stadium. The stadium has 400 points of sale and a new food & beverage inventory management system. The I.T. team is working on adding mobile ordering to some additional locations at the stadium (it is now only available in Premium Clubs).

**F. H.R. Update** - Paul Melchior announced his retirement, effective at the end of the calendar year. Jennifer Lakin discussed challenging staffing issues at Snapdragon Stadium. The H.R. team has coordinated various job fairs and Gearreny Mucur has been going to the stadium on a daily basis to assist the leadership team there. Aztec Shops has been using some temp agencies which have provided adequate, but inconsistent results.

## **IX. Incentive Plan Recommendation - 2021-2022**

Todd Summer thanked the management team and everyone at Aztec Shops for their great work over the past year. Todd mentioned that Aztec Shops employees had not received an

incentive in three years and that in 2019 the eligible staff were awarded a 100% incentive. Due to the dedication and hard work of the staff in the past year in supporting the campus, the introduction of two transformative programs, merchandise and food & beverage at Snapdragon Stadium and Equitable Access, and due to the financial results, Todd recommended that a 150% incentive be awarded to all full-time employees, provided they are eligible based on parameters of the plan. Tyler Morgan motioned to designate employees classified as full-time, non-exempt, to be included in this year's incentive pay-out, if eligible, along with eligible exempt employees and to approve recommendation of 150% payout, Brittany Santos-Derieg seconded, and the motion passed unanimously (11-0-0).

**X. Adjournment**

Carl Winston adjourned the meeting at 1:41pm.

A handwritten signature in black ink, appearing to read "Todd Summer", is written over a horizontal line. The signature is stylized and extends to the right of the line.

Todd Summer  
Chief Executive Officer