

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
FRIDAY, MARCH 9, 2018 AND SATURDAY, MARCH 10, 2018
SAN DIEGO INTERNATIONAL AIRPORT
ORVILLE AND WILBUR WRIGHT CONFERENCE ROOM**

CALL TO ORDER:

Chairman Boling called the special meeting of the San Diego County Regional Airport Authority Board to order at 12:03 p.m., on Friday, March 9, 2018, in the Orville and Wilbur Wright Conference Room at the San Diego International Airport, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENT: Board Members: Binns (Ex Officio), Boling, Cox, Kersey, Robinson, Schiavoni, Schumacher, Sessom, West

ABSENT: Board Members: Desmond, Woodworth (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate & Information Governance/ Authority Clerk

BOARD WORKSHOP:

Trudy Sopp, Ph.D., Co-Director, the Centre for Organization Effectiveness, provided an overview of the agenda and ground rules for the retreat.

1. INDUSTRY UPDATE AND DISCUSSION:

Stephen D. Van Beek, Ph.D., Director & Head of North American Aviation, Steer Davies Gleave provided a presentation on Understanding the Evolving Aviation Industry and its Implications for San Diego and the ADP which included the State of the Industry 2018, San Diego's Place within the NAS, The West Coast, Capital Development and the ADP, and New Airport Terminals and Landside Connectivity in the Customer Era.

2. DISCUSSION REGARDING THE AIRPORT DEVELOPMENT PLAN:

Kimberly J. Becker, President/CEO; and Dennis Probst, Vice President, Development provided an overview and introduction regarding the discussions on the ADP to be presented as part of Item 3 on the agenda and reviewed key decisions up to the Capital Improvement Program Oversight Committee (CIPOC) – Master Plan, Board Action on Preferred Alternative 5 and the recent update at CIPOC.

Joe Barden, Vice President, Landrum & Brown provided a presentation on Terminal/Facilities Customer Experience which included improving on the Green Build, Defining Terminal Configurations, Terminal 1 Layout, Recent Domestic Terminal Examples, Defining Customer Experience and Journey Through Tomorrow's Trends.

The Board adjourned the meeting at 4:15 p.m. to Saturday, March 10, 2018 at 9:00 a.m.

The Board reconvened at 9:07 a.m. on Saturday, March 10, 2018. Board Members Binns (Ex Officio), Desmond, Sessom, West and Woodworth (Ex Officio) were ABSENT.

3. DISCUSSION REGARDING THE AIRPORT DEVELOPMENT PLAN AND STRATEGIC PLAN:

Dennis Probst, Vice President, Development and Scott Brickner, Vice President, Finance & Asset Management/Treasurer provided a presentation regarding the Airport Development Plan Project Delivery Methodology Evaluation which included an overview of the ADP Project and Preliminary Costs, Delivery Methodologies Considered, Comparison of Project Progression and Duration, Alternatives Further Evaluated, a comparison of project delivery alternatives and financing.

KAMRAN HAMIDI, SAN DIEGO, spoke in support of the ADP.

Kimberly J. Becker, President/CEO provided an update on the Strategic Plan which included areas of key priority and how staff is executing the plan. She also reviewed proposed revisions to the plan based on the dynamic and changing environment.

The Board concurred with the proposed revisions to the Strategic Plan and agreed to review the plan annually during the Board retreat.

CLOSED SESSION: The Board recessed into closed session at 12:10 p.m. to discuss Item 5.

5. PUBLIC EMPLOYEE APPOINTMENT:

Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into open session at 12:35 p.m.

4. APPOINTMENT OF CHIEF AUDITOR:

Chairman Boling reported that the Board wishes to appoint Lee Parravano upon the following terms and conditions and authorize the General Counsel to prepare the employment agreement and approve it as to legal form; 1) Term: A term of one year and three months beginning April 4, 2018, 2) Renewal: Automatic renewal on June 30th at the end of each contract term without any action by either party unless notice is given 30 days prior to the termination date of intent not to renew, 3) Base salary: \$167,000, 4) Consumer Price Index (CPI): Base salary shall be adjusted on July 1st of each year except July 1, 2018 based on the percentage increase in CPI; no single increase shall exceed 5%, 5) Bonus: Board may award discretionary bonus up to 10% of base salary in any 12 month period, 6) Benefits: Executive standard benefits including participation in SDCERS retirement plan, 401(a) deferred compensation Authority contribution of \$5,000 per year, paid time off, health and life insurance, holidays and other fringe benefits, car allowance of \$500 per month, 7) Employment is at-will, 8) Severance: if termination is not "for cause" or the Executive terminates employment for "good reason", Executive will receive upon execution of a mutually agreeable release, a severance equal to the lesser of (a) 1 year of base salary or (b) the number of months of the then-remaining term, and 8) Execution of a standard arbitration and proprietary information agreement. The Board also wishes to authorize, Chairman April Boling to sign the final agreement.

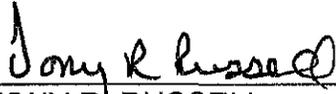
RECOMMENDATION: Adopt Resolution No. 2018-0027, appointing the Chief Auditor and authorizing the General Counsel to negotiate an employment contract.

ACTION: Moved by Chairman Boling and seconded by Board Member Robinson to approve the appointment of Lee Parravano as Chief Auditor of the San Diego County Regional Airport Authority; authorizing the General Counsel to prepare the employment agreement in accordance with the proposed terms above and approve it as to legal form; and authorizing the Chairman of the Board to execute the contract on behalf of the Authority. Motion carried by the following Vote: YES – Boling, Cox, Kersey, Robinson, Schiavoni, Schumacher; NO – None; ABSENT – Desmond, Sessom, West (Weighted Vote Points: YES – 68; NO – 0; ABSENT – 32).

BOARD COMMENT: None.

ADJOURNMENT: The meeting was adjourned at 12:37 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 3rd DAY OF MAY, 2018.



TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL