

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND EXECUTIVE AND FINANCE COMMITTEE MEETING
MINUTES
MONDAY, MARCH 7, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the Special Board and Executive and Finance Committee meeting to order at 9:02 a.m., on Monday, March 7, 2016, in the Board Room of the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Janney led the Pledge of Allegiance.

ROLL CALL:

Board

Present: Board Members: Alvarez, Boling, Cox, Gleason, Janney, Robinson, Sessom

Absent: Board Members: Berman (Ex-Officio), Desmond, Hubbs, Ortega (Ex-Officio), Woodworth (Ex-Officio)

Executive Committee

Present: Committee Members: Gleason, Janney, Robinson,

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Alvarez, Boling, Cox, Janney, Sessom

Absent: Committee Members: None

Also Present: Angela Shafer-Payne, Vice President, Operations; Breton Lobner, General Counsel; Tony Russell, Director of Corporate and Information Governance/Authority Clerk; Ariel Levy-Mayer, Assistant Authority Clerk I

Board member Alvarez arrived during the course of the meeting.

NON-AGENDA PUBLIC COMMENT: None

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the February 8, 2016 regular meeting.

Chair Gleason requested that Item 3, Approval of Minutes, be amended by removing "noting Board Member Sessom as ABSENT" from the action, because she is not a member of the Executive Committee.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve staff's recommendation as AMENDED. Motion carried unanimously.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SEVEN MONTHS ENDED JANUARY 31, 2016:

Scott Brickner, Vice President, Finance and Asset Management/Treasurer, and Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Unaudited Financial Statements for the Seven Months Ended January 31, 2016, which included Operating Revenues for the Month Ended January 31, 2016; Operating Expenses for the Month Ended January 31, 2016; Non-operating Revenue & Expenses for the Month Ended January 31, 2016; Revenue & Expense (Unaudited) for the Seven Months Ended January 31, 2016; Operating Revenues for the Seven Months Ended January 31, 2016 (unaudited); Operating Expenses for the Seven Months Ended January 31, 2016; Financial Summary for the Seven Months Ended January 31, 2016 (Unaudited); Non-operating Revenues & Expenses for the Seven Months Ended January 31, 2016 (Unaudited); Statements of Net Position (Unaudited) as of January 31, 2016.

Board Member Gleason requested that staff provide an update on the Harbor Police billing issue.

RECOMMENDATION: Accept the report.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JANUARY 31, 2016:

Geoff Bryant, Manager, Airport Finance provided a presentation of the Authority's Investment Report as of January 31, 2016, which included Total Portfolio Summary; Portfolio Composition by Security Type; Portfolio Composition by Credit Rating; Portfolio Composition by Maturity; Benchmark Comparison; Detail of Security Holdings as of January 31, 2016; Portfolio Investment Transactions; Bond Proceeds Summary; and Bond Proceeds Investment Transactions.

RECOMMENDATION: Accept the report.

EXECUTIVE COMMITTEE NEW BUSINESS

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

5. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 17, 2016 BOARD MEETING:

Angela Shafer-Payne, Vice President, Operations, provided an overview of the draft agenda for the March 17, 2016 Board Meeting.

In response to Chair Gleason regarding whether the Board will be receiving an update on the Metroplex and community noise issues, Jeffrey Woodson stated that an update would be provided in April.

6. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 17, 2016 AIRPORT LAND USE COMMISSION MEETING:

Angela Shafer-Payne, Vice President, Operations, provided an overview of the draft agenda for the March 17, 2016 ALUC Meeting.

Chair Gleason requested that staff include the order in which the ALUCP's will be updated.

Board Member Alvarez stated that the City of San Diego has not adopted the Airport Land Use Compatibility Plan and recommended that the City of San Diego City Council be notified of the ALUCP process and requirements.

Chair Gleason requested that staff draft a letter for his signature to City Council as well as Civic San Diego. He also suggested that staff brief Council Member Zapf and her staff on the ALUCP process and requirements.

Board Member Boling requested that the Board be updated on the status of the notifications.

ACTION: Moved by Board Member Janney and seconded by Board Member Robinson to approve Items 5 and 6. Motion carried unanimously.

BOARD BUSINESS

7. APPOINTMENT OF AND APPROVAL OF CONTRACT WITH GENERAL COUNSEL:

Chair Gleason made a motion to appoint Amy Gonzalez as General Counsel effective June 1, 2016 through June 30, 2017 with the following provisions:

- Base salary of \$235,825
- Senior executive standard benefits to include a car allowance of \$500 per month, participation in SDCERS retirement plan pursuant to plan provisions, Authority deferred compensation contribution of \$5,000 into a 401(a) account, paid time off, health and life insurance, holidays, and other employee fringe benefits.
- Employment is "at will" unless terminated by cause, death or disability, severance to be the amount of salary due for the remaining term of the contract.

He requested authorization for outside counsel, Rod Betts of Paul, Plevin, Sullivan, & Connaughton, to prepare the employment agreement and approve it as to form; and authorize the Board chair to execute the contract on behalf of the Authority.

Several Board members questioned the recommended termination, renewal and severance provisions.

Chair Gleason requested input from staff regarding the termination, renewal and severance provisions in the contract for the President/CEO, Chief Auditor, and General Counsel and a referral to the Executive Personnel and Compensation Committee for discussion.

RECOMMENDATION: Adopt Resolution No. 2016-0018, appointing the General Counsel and approving the contract with the General Counsel.

ACTION: Moved by Chair Gleason and seconded by Board Member Robinson to approve the recommendation. Motion carried by the following vote: YES – Alvarez, Boling, Cox, Gleason, Janney, Robinson, Sessom; NO – None; Absent – Desmond, Hubbs (Weighted Vote Points: YES – 76; NO – 0; ABSENT – 24)

CLOSED SESSION: The Board did not recess into Closed Session.

8. PUBLIC EMPLOYEE EMPLOYMENT (GC 54957): Title: General Counsel

NON-AGENDA PUBLIC COMMENT: None

COMMITTEE MEMBER COMMENTS: None

ADJOURNMENT:

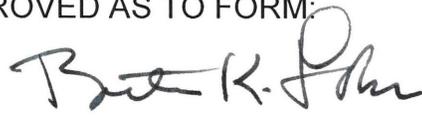
The meeting was adjourned at 9:50 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, April 4, 2016, at 9:00 a.m. in the Board Room at the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 21st DAY OF APRIL, 2016.



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

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL