

EMPLOYMENT AGREEMENT

The Employment Agreement (Agreement) is dated this 29th day of December 2020, under the laws of the State of California, by and between the San Diego Unified Port District (District), a public corporation organized and existing under the San Diego Unified Port District Act (Harbor and Navigation Code Appendix I) (Port Act), and Joseph Stuyvesant ("Stuyvesant"), in view of the following facts:

A. The District is in need of a qualified individual to fill the position of Executive Director/President/Chief Executive Officer (CEO).

B. Stuyvesant desires to provide such services.

C. This Agreement will set forth the terms and conditions under which the District shall employ Stuyvesant to provide the services of Executive Director/President/Chief Executive Officer (CEO) described herein.

NOW, THEREFORE, THE DISTRICT AND STUYVESANT HEREBY MUTUALLY AGREE AND PROMISE AS FOLLOWS:

1. TERM.

1.1 The District hereby agrees and does employ Stuyvesant as Executive Director/President/Chief Executive Officer (CEO) for a term of five (5) contract years commencing February 1, 2021, and continuing through January 31, 2026, unless earlier terminated pursuant to Section 5 hereof.

1.2 Unless written notice of non-extension is provided one year before the expiration of the initial term of this Agreement, or of any extension of such term, this Agreement shall be deemed extended for one additional year, unless terminated pursuant to section 5 hereof.

2. COMPENSATION AND BENEFITS.

Stuyvesant shall receive the following compensation and benefits for service to the District:

2.1 Salary. Stuyvesant's biweekly salary shall be a minimum of Twelve Thousand Five Hundred Dollars (\$12,500.00). Increases and Meritorious Performance Lump Sum Payments shall be subject to review by the Board of Port Commissioners (Board) annually and will be based upon performance and cost of living.

2.2 Transportation.

2.2.1 Stuyvesant shall be provided an automobile allowance of One Thousand Dollars (\$1,000) per month, subject to increases made at the sole

discretion of the Board.

2.2.2 This automobile allowance shall cover all official travel within San Diego County. Travel outside of San Diego County shall be reimbursed to Stuyvesant at the rate per mile paid to other District employees, except that in no case shall the mileage reimbursement for any one trip exceed the cost of the lowest round trip coach airfare for that same trip.

2.3 Retirement. Stuyvesant shall be subject to the provisions of the District's Salary Ordinance (as it may be amended from time to time) with respect to participating in the District's retirement plan.

2.4 Health, Life and Disability Benefits.

2.4.1 Stuyvesant shall be entitled to coverage under the District's health, medical, vision, and dental insurance policies in effect at the time of execution of this Agreement, or such similar policies and plans that may be implemented at a future date, subject to the terms and conditions of said policies on eligibility; provided however that in the event of a change in the provider for the District's health, medical, vision and dental plans, the District shall provide Stuyvesant coverage no less than the coverage existing as of the date of this Agreement or the cost thereof where such coverage is not purchased by the District.

2.4.2 The District will pay One Hundred Percent (100%) of the health, medical, vision and dental premiums for Stuyvesant and his eligible dependents.

2.4.3 The District will provide a term life insurance policy for Stuyvesant in an amount equal to Two and One-Half (2.5) times Stuyvesant's annual salary, subject to any required evidence of insurability. The term life insurance up to \$500,000 is provided without Evidence of Insurability. An amount greater than \$500,000 will require Evidence of Insurability.

2.5 401(a) Retirement Plan. The District shall fund a supplemental 401(a) Executive Retirement Plan for Stuyvesant in the sum of One Thousand Dollars (\$1,000) per year, subject to the terms and conditions of said plan.

2.6 Deferred Compensation. Stuyvesant shall be entitled to participate in other employee benefit programs not mentioned in this Agreement (e.g., "deferred compensation") to the same extent as other executive employees of the District.

2.7 Annual Leave. In lieu of Annual Leave as provided for in Section 10.1 of the District's Personnel Rules and Regulations, Stuyvesant shall be entitled to the following time off: (i) 120 hours of Annual Leave upon appointment, and shall accrue 144 hours annually and (ii) 40 hours of unclassified (use or lose) personal leave. Stuyvesant shall be entitled to all regular District holidays.

3. DUTIES.

3.1 Stuyvesant shall be the Executive Director/President/CEO of the District. Stuyvesant shall report directly to and be directly supervised by the Board.

3.2 Stuyvesant shall perform the duties of the Executive Director/President/CEO whose duties are from time to time determined by the Board in accordance with applicable law. In addition, Stuyvesant shall have such additional powers and duties which may be delegated to him by the Board. Stuyvesant shall use his best efforts to perform under this Agreement, and shall faithfully execute all powers and duties in accordance with direction from the Board, with ordinances and resolutions of the Board, with District regulations and policies, and with the Port Act, and all other applicable state and federal laws.

3.3 Stuyvesant has received and reviewed the District's "Performance Management Expectations" attached hereto as Exhibit "A" and incorporated by reference and made a part hereof. Stuyvesant acknowledges and agrees that he will comply with the expectations and management requirements set forth in Exhibit "A" and will support the District's constructive behaviors and commitment to performance management. Stuyvesant further acknowledges and agrees that failure to comply with the expectations and management requirements set forth in Exhibit "A" may be grounds for termination for "cause" as set forth in Section 5.2.3 below.

4. OUTSIDE PROFESSIONAL ACTIVITIES.

Stuyvesant understands and agrees that the District will be his primary employer and that he will not engage in any activities that conflict with his full-time duties as Executive Director/President/CEO.

5. TERMINATION AND SEVERANCE.

Termination of Stuyvesant's employment and of this Agreement shall be made as provided herein.

5.1 Termination. Stuyvesant shall and does serve at the will and pleasure of the District and may be removed from office (terminated) at any time for any reason or no reason by the District. Nothing in this Agreement shall prevent the District from terminating this Agreement and the services of Stuyvesant, at its sole discretion.

5.2 Notice of Termination/Resignation/Separation Pay.

5.2.1 Resignation by Stuyvesant. Stuyvesant shall provide the District with Ninety (90) days' notice of his resignation by providing written notice of resignation to the Board. Upon receipt of Stuyvesant's notice of resignation, the Board shall determine the effective date of the termination of Stuyvesant's employment. Provided that Stuyvesant provides at least Ninety (90) days' notice of resignation, he shall continue to receive his salary and other benefits of employment for Ninety (90) days following the date

of receipt of his written notice of resignation.

5.2.2 Termination by the District Other Than "For Cause". In the event the Board terminates Stuyvesant's employment other than "for cause", the Board shall provide Stuyvesant with a severance payment in the form of Stuyvesant's salary and insurance, as set forth in this Agreement, for a maximum period of Twelve (12) months [twenty-six (26) pay periods] from the date the Board notifies Stuyvesant of its election or an amount equal to his salary and insurance multiplied by the number of months left on the unexpired term of this Agreement, whichever is less.

5.2.3 Termination by the District With Cause. In the event the Board terminates Stuyvesant from the position of Executive Director/President/CEO for cause as defined in this Agreement, the Board shall determine in its sole discretion the effective date of termination of Stuyvesant's employment, and no particular period of notice shall be required. In the event of termination for cause, Stuyvesant shall not be entitled to any severance pay; provided however, the reason for dismissal for cause shall be provided in writing to Stuyvesant.

No severance shall be paid by the District if the Board in its sole discretion determines that a disciplinary basis for termination exists as defined under the District's Personnel Rules and Regulations or where "cause" exists. For purposes of this Agreement, "cause" means any of the following: (i) fraud, theft or other acts of dishonesty in connection with duties; (ii) violation of District policy governing the conduct of District employees including but not limited to the Performance Management Expectations (Attachment "A"); (iii) failure or refusal of Stuyvesant to carry out lawful duties assigned to him by the Board; or (iv) conviction of a felony or a crime of moral turpitude.

5.2.4 Pre-termination Hearing. In the event of a termination pursuant to this Agreement, Stuyvesant expressly waives any right he may have as to reasons for his termination, prior notice, and/or a public hearing in connection with the termination of his employment. Notwithstanding the foregoing, Stuyvesant may upon request be heard by the Board in closed session before any termination for cause.

5.2.5 Confidentiality. In the event of termination of this Agreement during its term, the reason for the termination and any agreements between the parties with respect to the termination or severance arrangement shall be kept confidential by Stuyvesant and the District to the fullest extent permitted by law.

5.2.6 Application of Government Code Section 53260.

Government Code Section 53260 provides that all contracts of employment with the District must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than Eighteen (18) months if the unexpired term exceeds Eighteen (18) months. The severance payments provided herein are expressly limited by this provision (e.g., if termination occurred with Six (6)

months left in the term, severance would be equal to the monthly base salary multiplied by Six (6) rather than Twelve (12).

5.2.7 Application of Government Code Section 53243.2.

Notwithstanding Section 5.2.2 of this Agreement, if Stuyvesant's employment is terminated, any cash settlement related to Stuyvesant's termination shall be fully reimbursed by Stuyvesant to the District if Stuyvesant is convicted of a crime involving abuse of his office or position. All provisions of Government Code Section 53243.2 and any amendments thereto shall take precedence over the terms of this Agreement.

5.2.8 Application of Government Code Section 3511.2.

Notwithstanding any other provisions of this Agreement, it shall be prohibited for this Agreement to provide an automatic renewal hereof that provides for an automatic compensation increase in excess of a cost-of-living adjustment or a maximum cash settlement in excess of certain limits. Government Code Section 3511.2 is hereby incorporated into the terms of this Agreement as follows:

On or after January 1, 2012, any contract executed or renewed between a local agency and a local agency executive shall not provide for the following:

- (a) An automatic renewal of a contract that provides for an automatic increase in the level of compensation that exceeds a cost-of-living adjustment.
- (b) A maximum cash settlement that exceeds the amounts determined pursuant to Article 3.5 (commencing with Section 53260) of Chapter 2 of Part 1 of Division 2 of Title 5 (i.e., a cash settlement that exceeds Eighteen (18) months of the salary and benefits).

6. EVALUATION.

Stuyvesant shall meet with the Board in closed session on an annual basis, or as otherwise determined by the Board, to review Stuyvesant's performance and to discuss the Board's evaluation of said performance.

7. DRUG AND ALCOHOL FREE WORK ENVIRONMENT.

The District has a Drug and Alcohol Policy. Stuyvesant is subject to all provisions of said policy and as it may be amended from time to time.

8. BONDING AND KEY PERSON INSURANCE.

At the discretion of the District, Stuyvesant may be included in a blanket fidelity bond. Stuyvesant agrees to fully cooperate with any process necessary to secure such a bond.

At the discretion of the District, key person insurance covering Stuyvesant may be obtained. In the event the District elects to obtain key person insurance, Stuyvesant agrees to cooperate with the District to carry out the process of obtaining key

person insurance and taking any medical or physical examinations that may be required.

9. GENERAL PROVISIONS.

9.1 Integration Clause. This Agreement supersedes any and all other Agreements, either oral or written, between the parties hereto with respect to the employment of Stuyvesant by the District and contains all of the covenants and agreements between the parties with respect to the employment of Stuyvesant by the District. The parties agree that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party that are not set forth herein and that no other agreement or statement of promises not contained in this Agreement shall be valid or binding upon either party.

9.2 Modifications. Any modifications or alteration to this Agreement will be effective only if made in writing and signed by both Stuyvesant and the Board.

9.3 Interpretation. The parties agree that each has had the opportunity to have this Agreement reviewed by a representative of their choosing and that the language of this Agreement has been mutually drafted and thus, any ambiguities contained herein shall not be resolved against either party as the drafter of this Agreement.

9.4 Choice of Law. Regardless of the State in which this Agreement is signed, the laws of the State of California shall govern this Agreement and venue shall be in San Diego County, California.

9.5 Notices. Any notices required under this Agreement shall be delivered by personal or electronic delivery to recipient or by registered mail.

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10. SIGNATURES.

The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of themselves or their legal entity. This agreement will not take effect until approved by the Board of Port Commissioners in open session at a regular meeting.

IN WITNESS WHEREOF, the parties have signed this Agreement on the 29th day of December 2020.

APPROVED AS TO
FORM AND LEGALITY:

SAN DIEGO UNIFIED PORT DISTRICT



Dec 29, 2020

THOMAS A. RUSSELL
GENERAL COUNSEL



Dec 29, 2020

ANN MOORE
CHAIR, BOARD OF PORT COMMISSIONERS

JOSEPH STUYVESANT

JOSEPH STUYVESANT

ATTACHMENT "A"

PERFORMANCE MANAGEMENT EXPECTATIONS

I, Joseph Stuyvesant, acknowledge that I was informed of the constructive behaviors expected of management at the District. This information was presented to me by Chairman Ann Moore at the time of my offer and acceptance of this position as Executive Director. In addition, I was also informed about the organization's mission, vision, strategy and values.

As such, I am aware and support the District's commitment to performance management as a continuous communication process. It involves establishing clear expectations and understanding regarding the following:

- Leadership - Communicates the District's vision in positive ways that gain the support of others. Mentors, motivates and guides others toward goals without using passive-aggressive behaviors.
- Team Focus - Works cooperatively and effectively with others to achieve common goals. Participates in building group identity characterized by pride, trust, and commitment.
- Occupational Knowledge Technology Orientation - Demonstrates the appropriate level of proficiency in the principles and practices of one's field or profession. Demonstrates a commitment to continuous improvement, to include understanding and application of technology (hardware, software, equipment, and processes).
- Inclusiveness - Fosters respect for all individuals and points of view. Interacts appropriately with all members of the District, Board of Port Commissioners, community, member cities, and business and community partners without regard to individual characteristics. Demonstrates a personal commitment to create a hospitable and welcoming environment.
- Customer/Quality Focus - Anticipates, monitors, and meets the needs of customers and responds to them in an appropriate manner. Demonstrates a personal commitment to identify customers' apparent and underlying needs and continually seeks to provide the highest quality service and product to all customers.
- Communication - Effectively conveys information and expresses thoughts and facts. Demonstrates effective use of listening skills and displays openness to other people's ideas and thoughts.
- Adaptability - Adjusts planned work by gathering relevant information and applying critical thinking to address multiple demands and competing priorities in a changing environment.

- Accountability - Accepts responsibility for one's own actions and decisions and demonstrates commitment to accomplish work in an ethical, efficient, and cost-effective manner.

Characteristics of a Constructive Culture:

Achievement - Characterizes organizations that value interpersonal relationships.

Achievement behaviors include:

- Taking moderate risks
- Thinking ahead and planning
- Pursuing a standard of excellence
- Exploring alternatives before acting
- Working for the sense of accomplishment
- Openly showing enthusiasm
- Taking on challenging tasks
- Knowing the business
- Setting moderately difficult goals
- Working to achieve self-set goals

Self-actualizing - Characterizes organizations that value creativity, personal autonomy and individual growth. Self-actualizing behaviors include:

- Thinking in unique and independent ways
- Enjoying their work
- Being open about self
- Maintaining their personal integrity
- Communicating ideas
- Emphasizing quality over quantity
- Being spontaneous
- Being concerned about their own growth
- Doing even simple tasks well
- Resisting conformity

Humanistic - encouraging - Characterizes organizations that are participative and person-centered. Humanistic-encouraging behaviors include:

- Helping others to grow and develop
- Helping others to think for themselves
- Giving positive rewards to others
- Involving others in decisions affecting them
- Encouraging others
- Being a good listener

- Taking time with people
- Resolving conflicts constructively
- Being supportive of others
- Showing concern for the needs of others

Affiliative - Characterizes organizations that value interpersonal relationships. Affiliative behaviors include:

- Sharing feelings and thoughts
- Treating people as more important than things
- Being open, warm
- Using good human relations skills
- Showing concern for people
- Motivating others with friendliness
- Being tactful
- Thinking in terms of the group's satisfaction
- Dealing with others in a friendly, pleasant way
- Cooperating with others

BENEFITS OF CONSTRUCTIVE CULTURE

Anticipated business benefits from shift to Constructive Culture:

- Increased ability to adapt to changing conditions
- Reduced internal power struggles and miscommunication
- Increased cross functional synergy
- Improved willingness and ability to accept feedback and criticism and greater ability to self-correct
- Improved recruiting because a better place to work attracts higher caliber candidates
- Increased willingness to take smart risks
- Increased openness to new ideas, ability to innovate

Anticipated benefits to employees from a shift to Constructive Culture:

Because of

- Increased job satisfaction,
- A positive work climate, and
- Being encouraged to interact with others,

Employees feel appreciated and recognized for their contribution and also experience high levels of satisfaction with, and commitment to, the organization.