

Minutes
January 19, 2017
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Messer at 8:30 a.m. in the Council Chambers at City Hall. Also present were Commissioner Evans, Commissioner Stricklen, Commissioner Brousseau and Commissioner Rideoutte.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Dugan, Ms. Etelamaki, Mr. Keith, Mr. Frost, Ms. Terrill, Mr. Jefferson, Mr. Estrada, and Ms. Menard. Mr. Linneman, Chair of the Noise Compatibility Committee, was also in attendance.

B. PLEDGE OF ALLEGIANCE

C. AGENDA

There was one modification to the agenda. Mr. Rozansky stated that for Action Item No. 7, Authorization for the Executive Director to Execute Concession Agreements with the General Aviation Rental Car Providers, in lieu of approving contracts with all four proposers, he was requesting a request for change to execute agreements with three of the four proposers and asking for discretion in executing a contract with one of the proposers contingent upon their payment of past due rents and charges.

D. MINUTES

1. December 15, 2016 Regular Meeting

Commissioner Stricklen moved approval of the December 15, 2016 Regular Meeting minutes. Commissioner Rideoutte seconded. Motion passed 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Noise Compatibility Committee Member Interviews

Ms. Terrill announced that there were three candidates to interview for the City-at-Large position on the Noise Compatibility Committee. The selected individual would serve the balance of a resigned member's term through March, 2019. Ms. Terrill introduced the three candidates, Mr. George Kartsimus, Mr. Cliff Holland and Mr. Michael Lenhard. She advised that after the interviews, the Board would be requested to appoint the City-at-Large representative under G. Action Items, No. 1. Chair Messer welcomed the applicants and provided instructions for the interview process.

- a. Mr. Kartsimus, 2880 Gulf Shore Boulevard, Naples, provided a brief statement as to why he applied for the position and provided a summary of his background and aviation experience. A question and answer period followed.

- b. Mr. Holland, 3135 Leeward Lane, Naples, provided a statement of why he was interested in volunteering for a position on the NCC and a brief background of his experience. A question and answer period followed.
- c. Mr. Lenhard, Aqualane Shores, 800 17th Avenue South, Naples, provided a brief summary of his background and a statement of why he was interested in volunteering for a position on the NCC. A question and answer period followed. Mr. Lenhard indicated that he was in the process of reconstructing his home at 800 17th Avenue and will permanently move into the home in May 2017. He stated that he is currently residing on River Reach Drive, Naples. Mr. Rozansky reported that the issue of Mr. Lenhard's residency within the City was investigated by the Authority's Legal Counsel recently when Mr. Lenhard applied for a Board position, and Mr. Owens determined that Mr. Lenhard is a resident of the City of Naples. Mr. Owens added that Mr. Lenhard's intent was at all times to reside in the place where he was constructing.

F. PUBLIC COMMENTS

There were no public comments.

G. ACTION ITEMS (Public comments accepted for each item; 5 minute limit)

1. Noise Compatibility Committee Member Selection

Chair Messer asked the Board for their NCC member nomination for City at Large. Commissioner Stricklen nominated Mr. Lenhard. Chair Messer nominated Mr. Holland. Chair Messer asked for a raise of hands for Mr. Lenhard; there were two (Commissioner Stricklen and Commissioner Brousseau). Vote was 2 to 3 with Chair Messer, Commissioner Evans, and Commissioner Rideoutte against; Mr. Lenhard was not selected as the City at Large representative.

Chair Messer asked for a raise of hands for Mr. Holland. There were three (Chair Messer, Commissioner Rideoutte and Commissioner Evans). Vote was 3 to 2 with Commissioner Stricklen and Commissioner Brousseau against; Mr. Holland was selected as the City at Large representative.

Chair Messer thanked the candidates for their interest. She reported that there will be three openings available March 31, 2017, with geographical restrictions, and encouraged the two other candidates to apply again. She expressed the difficulty in the voting process because of the terrific qualifications of each applicant. Board members echoed her sentiments.

2. Election of Chair

Commissioner Evans nominated Commissioner Stricklen for Chair for a period of one year.

Commissioner Rideoutte nominated Commissioner Messer for Chair for a period of one year.

There were no other nominations. Commissioner Stricklen and Commissioner Messer accepted the nomination to serve as Chair. A vote was taken, and with a majority vote of 3-0 (Commissioner Evans, Commissioner Brousseau, and Commissioner Stricklen), Commissioner Stricklen was elected to be the Chair of the Board for a period of one year. Commissioner Rideoutte and Chair Messer voted 2-0 to elect Chair Messer to continue in the role of Chair.

Chair Stricklen thanked the Board for their confidence in electing him to the Chair position. He said he looks forward to an outstanding year. He thanked Commissioner Messer for her outstanding service as Chair over the past year. He added that her dedication has moved the Authority a long way in achieving the Board's goals and looks forward to her continued service on the Board.

3. Election of Vice Chair

Chair Stricklen nominated Commissioner Evans to serve as Vice Chair. Commissioner Evans accepted the nomination to serve as Vice Chair. Motion passed 5-0 to elect Commissioner Evans to be the Vice Chair of the Board. Chair Stricklen thanked Vice Chair Evans for his willingness to serve.

4. Committee Appointments (Chair)

Chair Stricklen appointed Commissioners to serve as follows:

Audit Committee:	Mr. Rideoutte, Chair Mr. Brousseau, Member
Consultant Selection Committee:	Mr. Evans, Chair Ms. Messer, Member
Legal Liaison:	Mr. Brousseau
Noise Compatibility Committee:	Ms. Messer
Air Service Liaison:	None

Chair Stricklen commented that he was not inclined to appoint an Air Service Liaison and will hold on an appointment until such time that there is air carrier activity to undertake.

Chair Stricklen added that following the precedent that was set with Commissioner Messer's leadership, he, as Chair, will serve in the capacity of the liaison between the Board, in partnership with the Executive Director, to represent the Board to outside agencies such as the FAA.

5. Resolution 2017-1, Delegation of Powers

Mr. Rozansky requested Board authorization for the Chair to execute Resolution No. 2017-1, Resolution of City of Naples Airport Authority Delegating Certain Administrative and Operational Powers and Duties to the Executive Director; and, to repeal Resolution 2014-6 and 2016-1. Mr. Rozansky pointed out that this Resolution is brought before the Board every year at the January Regular meeting. He summarized the three recommended changes. The first change was to Repeal Resolution 2014-6, providing authorization to the Executive Director to implement and administer the Authority's Lease Term Buy-Back Program, and incorporate the authority into Resolution 2017-

1, instead of having multiple resolutions. The second change was to amend Article II(A)(2) and remove the statement "it is the policy of the Board that no Level Three Leases of airport facilities shall be permitted." The third change was to amend Articles III, IV and V to include the Executive Director's authority to execute contracts and agreements for various supplies, equipment or services when the expenditures and acquisitions within a specified term limit, are not in excess of \$40,000, and the expenditure or acquisition is within either the Authority's operating budget or the Authority's capital budget.

Vice Chair Evans moved Board authorization for the Chair to execute Resolution 2017-1, Delegation of Powers, as amended, and repeal Resolution 2014-6 and 2016-1. Commissioner Messer seconded. Motion passed 5-0.

6. Authorization for the Executive Director to Purchase a Caterpillar 416F2 Backhoe in an Amount Not to Exceed \$100,000

Mr. Keith requested Board authorization for the Executive Director to Purchase a Caterpillar 416F2 Backhoe. He displayed a slide depicting the existing and proposed equipment. He provided an overview of the request and reviewed the capabilities of the new equipment and reason for the replacement. Mr. Keith noted that the replacement backhoe is budgeted in FY 2017. A question and answer period followed. Mr. Keith will develop appropriate training procedures for staff on the proper operation of the equipment.

Commissioner Messer moved Board authorization for the Executive Director to purchase the Caterpillar backhoe in an amount not to exceed \$100,000 as presented by Mr. Keith. Commissioner Brousseau seconded. Motion passed 5-0.

7. Authorization for the Executive Director to Execute Concession Agreements with the General Aviation Rental Car Providers

Mr. Estrada, Authority's Operations Manager, requested Board authorization for the Executive Director to execute concession agreements with the current four rental car providers at the General Aviation Terminal. He said an Invitation to Bid was issued on November 6th, and on December 16th, four bids were received, resulting in a revenue increase of \$23,000 from what we anticipated in the FY 2017 budget. Mr. Rozansky added that staff is seeking an amendment to the request to execute three agreements and to execute the agreement with a fourth company, contingent upon its payment of past due obligations. Mr. Rozansky stated that this request is for a one-year agreement with up to four one-year renewals.

Mr. Estrada and Mr. Frost explained the minimum annual guarantees and the various fees that encompass the overall package of what the rental car services are obligated to pay. A question and answer period followed.

Commissioner Rideoutte moved Board approval for the Executive Director to execute the concession agreements with the rental car companies at the General Aviation Terminal as presented by Mr. Frost, Mr. Estrada, and Mr. Rozansky. Commissioner Messer seconded. Motion passed 5-0.

H. NEW BUSINESS

There was no new business.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Commissioner Messer reported that the NCC has not met since the last Regular Board Meeting and therefore, there was nothing new to report. She reminded the public that the next regular meeting of the NCC is scheduled for Thursday, January 26th, at 9 a.m. in the Airport Office Building, 200 Aviation Drive North, and encouraged the public to attend. It was noted that there would be a Florida's Ethics, Sunshine, and Public Records Laws presentation at that meeting. Chair Stricklen commented that there has been a great deal of discussion at City Council meetings regarding ethics rules and if City Council does take a look at those situations, it may be of interest for Authority Board members at that time to make sure that they understand that their obligations under those ethics rules with respect to conflict of interest and items of that nature.

2. Air Service Update

Mr. Rozansky reviewed the financial summary of air service for FY 2017 through December 2016 which was distributed in advance to the Board. He reviewed Elite Airways' schedule and stated that it was disappointing to learn that Elite canceled a number of flights in Naples in January and announced that they will resume their regularly scheduled service on February 3rd.

3. Elite Airways

Mr. Rozansky reported that he met with Mr. Pearsall, President of Elite Airways, and Jack Wert, Director of the Collier County Convention Visitors Bureau, at the Authority offices on Friday, January 13th. At this meeting, Mr. Rozansky presented Mr. Pearsall with a letter, which was emailed to the Board, reserving the Authority's rights to enforce the agreement regarding Elite Airways' nonperformance of the incentive agreement executed in October 2015. Mr. Rozansky provided a summary of the discussion and stated that Mr. Wert agreed to provide Elite Airways with current zip code information of where visitors are originating their trips from. Mr. Pearsall was receptive of reviewing the data in the hopes to develop a plan to provide meaningful service.

Vice Chair Evans appreciated the statement in the letter which could require Elite to reimburse the Authority for the incentives received and to pay the Authority for rents and fees going forward.

There was Board, staff, and legal counsel discussion regarding Elite's service, legal options and considerations, the necessity for a review of the documents associated with air carrier service, and the option of conducting focus groups to re-evaluate the community's desire for air service.

Mr. Rozansky pointed out that the master plan will include an element on air service in Naples as part of that study.

Chair Stricklen deferred any action until the next Board meeting to see what direction Elite Airways takes. He added that this does merit further discussion at some future date of what the Board's strategy should be.

J. MANAGEMENT TEAM REPORT

1. Management Team Report

On page 4 of the Management Team Report with respect to the AvTrip program, Mr. Rideoutte asked if staff was able to measure the success or failure of this program. Mr. Rozanksy responded that it is a subjective analysis and difficult to delineate clearly what portion of fuel sales are a result of the AvTrip points. There was Board discussion regarding improved customer relations as a result of offering the program. Commissioner Messer recommended that after the new furniture arrives, it would be beneficial to conduct a customer survey to see if we can get a better sense of the program's success.

Commissioner Brousseau commented on the hold markings at the Taxilane A holding area. Staff was aware of the confusion there and is speaking with the FAA since it is an FAA design requirement. Mr. Keith explained the specific requirements as it relates to visibility and when an airplane is within two miles on approach. Commissioner Brousseau suggested that flashing lights would be an easier method to understand under certain conditions.

K. FINANCIAL REPORTS

1. Financial Summary

Ms. Etelamaki provided a summary of year-to-date financial reports at the end of December 2016. She commented that the financials for the third month of the fiscal year were favorable to budget.

Chair Stricklen commented that he and Mr. Rozansky were surprised that our operations and financials show a decline in VFR traffic, yet an increase in fuel sales. Mr. Frost thought it was a good observation, and one assumption that he made is that there is a lack of flight training operations during peak days. He said that he would investigate these findings further.

Vice Chair Evans moved acceptance of the Financial Summary. Commissioner Messer seconded. The motion passed 5-0.

L. COUNSEL'S REPORT

1. Counsel's Report

Mr. Owens reported that there was no pending or new litigation.

M. PUBLIC COMMENTS (5 minute limit)

There were no public comments.

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

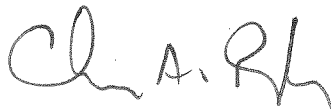
With respect to the strategic planning consultant activity being put in place, Chair Stricklen asked Board members if there would be any interest in organizing a Workshop Meeting, managed by the consultant, to discuss business strategy and review our business portfolio to examine how it is performing. There was Board and staff discussion regarding the strategic planning, business planning and master planning processes, and the quandary of the order in which the processes should be conducted. There was consensus to organize a Workshop Meeting with the strategic planning consultant.

With respect to an airline industry expert's statement read by Commissioner Messer at the December 15, 2016 Regular Meeting, pertaining to the Elite and air service discussion, Vice Chair Evans commented that it was one of the most powerful sentences that has come across his desk.

Mr. Rozansky requested the Audit Committee work with Ms. Menard to schedule the Audit Committee meeting for the review of the 2016 CAFR.

O. ADJOURN

With no further business, the meeting adjourned at 10:30 a.m.



Christopher A. Rozansky
Secretary

NOTE: Printed copies of all visual presentations and handouts are on file in the Executive Assistant's Office.

**CITY OF NAPLES AIRPORT AUTHORITY (NAA)
Board of Commissioners
Notice of Regular Meeting**



FINAL AGENDA

City Hall Council Chambers
735 Eighth Street South
Naples, FL 34102

**Thursday, January 19, 2017
8:30 a.m.**

**Commissioner Donna M. Messer, Board Chair; Noise Compatibility Committee Liaison
Commissioner James Rideoutte – Air Service Liaison
Commissioner Dick Evans – Audit Committee Chair
Commissioner Raymond Stricklen – Consultant Selection Committee Chair
Commissioner Ted Brousseau**

Welcome. If you wish to address the Board of Commissioners regarding an item listed on the Agenda, please complete a Speaker Registration form (available at the rear of the room) and hand it to the Executive Assistant prior to consideration of that item. We ask that speakers limit comments to 5 minutes and that large groups name a spokesperson whenever possible. All written, audio-visual, and other materials distributed to the Board or staff during this meeting will become the property of NAA and will be a public record. Thank you for your interest and participation.

NOTICE

Formal action may be taken on any item listed on the Agenda below, or added to the Agenda before or during the meeting, or discussed during the meeting without being added to the Agenda. Also, the sequence of items may be changed as the meeting progresses.

Any person who decides to appeal a decision of this Board with respect to any matter considered at this meeting (or hearing) will need a record of the proceeding and may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be heard.

Any person with a disability requiring auxiliary aids or services in order to participate in this proceeding for meetings at the City Council Chamber may call the City Clerk's Office at 213-1015, or for meetings at the Airport Office Building, the NAA Executive Assistant's Office at 643-0733, with requests at least two business days before the meeting.

Information on Action Items and other items which has been provided in advance of this meeting may be inspected at the office of the Executive Assistant, General Aviation Terminal Building, 2nd Floor, 160 Aviation Drive North. Minutes of this meeting will be prepared for Board approval, usually at the next Regular Meeting.

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. AGENDA (Add, delete or re-sequence items)

D. MINUTES

1. December 15, 2016 Regular Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Noise Compatibility Committee Member Interviews

F. PUBLIC COMMENTS ON GENERAL TOPICS NOT ON THE CURRENT AGENDA

G. ACTION ITEMS (Public comments accepted for each item; 5 minute limit)

1. Noise Compatibility Committee Member Selection
2. Election of Chair
3. Election of Vice Chair
4. Committee Appointments (Chair)
5. Resolution 2017-1, Delegation of Powers
6. Authorization for the Executive Director to Purchase a Caterpillar 416F2 Backhoe in an Amount Not To Exceed \$100,000
7. Authorization for the Executive Director to Execute Concession Agreements with the General Aviation Rental Car Providers

H. NEW BUSINESS

I. OLD BUSINESS

1. Noise Compatibility Committee Update
2. Air Service Update
3. Elite Airways

J. MANAGEMENT TEAM REPORT

1. Management Team Report

K. FINANCIAL REPORTS

1. Financial Summary

L. COUNSEL'S REPORT

1. Counsel's Report

M. PUBLIC COMMENTS (5 minute limit)

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

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