

Minutes
June 15, 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 Brousseau, Vice Chair Evans, and Commissioner Rideoutte. Commissioner Lenhard was present via teleconference.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Dugan, Mr. Keith, Ms. Terrill, Mr. Jefferson, Mr. Frost, Ms. Etelamaki, Ms. Bendle, Ms. Monville, and Ms. Menard. Ms. Jennifer Hamilton of Gravina, Smith, Matte & Arnold was also present.

B. PLEDGE OF ALLEGIANCE

C. AGENDA

Mr. Rozansky stated that there were three changes to the agenda as follows: 1) Action Item G.3. should be amended to read, "Approval for the Executive Director to execute a Professional Services Agreement and sign a Task Order for the design of Taxiway D Realignment in an amount not to exceed \$606,841." Copies of the revised action item were distributed to Board members. 2) The Master Plan Update has been revised to include a cost reduction of approximately \$38,000; hence, Action Item G.4. should be amended to read, "Authorize the Executive Director to submit a Grant Application to the FAA to prepare a Master Plan Update with an optional water management proposal and to execute a grant, if offered, in an amount not to exceed \$2,538,539. 3) Regarding Agenda item J.1., Management Team Report, the Noise Report of May, 2016 was accidentally included in the original Board package. It has been replaced with the May, 2017 Noise Report and was emailed to the Board with hard copies provided to Board members this morning.

D. MINUTES

1. May 18, 2017 Regular Meeting

Vice Chair Evans moved approval of the May 18, 2017 Regular Meeting minutes. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

2. May 23, 2017 Audit Committee Meeting

Commissioner Rideoutte moved approval of the May 23, 2017 Audit Committee Meeting minutes. Vice Chair Evans seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Presentation of the Wright Brothers Master Pilot Award to M. Richard Mellon, J.D. by H. Matt Simpson, Lead Representative, Federal Aviation Administration Safety Team

Mr. Simpson introduced and recognized Mr. Mellon as recipient of the Wright Brothers Master Pilot Award, the FAA's most prestigious award presented to recreational, commercial or military aviators who have over 50 years of service and exhibit professionalism, integrity, leadership, and mentoring attributes. Mr. Mellon reflected on his aviation and airport experience and thanked Mr. Simpson for the

honor. Chair Messer thanked Mr. Mellon for his work in the community, service to the airport and to the Noise Compatibility Committee.

2. Employee of the Quarter

Chair Messer announced Jennifer Monville as the recipient of the Authority's Employee of the Quarter. Chair Messer publicly recognized Ms. Monville's notable achievements and thanked her for her enthusiasm and dedication.

3. Strategic Planning Presentation – Mindy Price, Direct Effect Solutions, Inc. and Dr. David A. Byers, Quadrex Aviation, LLC

Ms. Price praised the Board members' and staff's contributions and efforts in the rapid development of the Strategic Plan. She provided a summary of the final five-year, FY 2017 – FY 2021 Strategic Plan and requested Board adoption of the Plan. Vice Chair Evans pointed out that when the document was initially discussed and presented to the public, there were comments made regarding the lack of NCC objectives being incorporated. He stated that the Board and staff were listening and included NCC goals under Goal #4 of the Plan and elsewhere in the Plan. Chair Messer commented that the positive result of the process is that it involved a lot of people who are fully engaged. She added that every six months, the Board and staff will review it; and if something doesn't fit, the plan can be altered. She congratulated the entire team for a terrific job.

F. PUBLIC COMMENTS

Mr. Alan Parker, 741 Third St. South, Naples thanked airport staff for publishing the detailed month-by-month operations of the airport by segment, by type of aircraft for the 11-year period from 2005 to 2016. He commented that he and Mr. Laurence Schultz have long sought to have that information made public and added that it was his hope that the airport would find it valuable and keep it updated. Chair Messer stated that as the Authority goes through the master plan, some of the data will be used to guide us.

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

1. Adoption of Strategic Plan

Commissioner Rideoutte moved Board adoption of the FY 2017 – FY 2021 Strategic Plan as presented by Ms. Price. Vice Chair Evans seconded. The motion passed unanimously 5-0.

2. Board approval of the Audit Committee's ranking of Professional Audit Services and Board authorization for the Chair and Executive Director to sign the 2017 Audit Engagement Letter

Ms. Etelamaki requested: 1) Board approval of the Audit Committee's ranking of Professional Audit Services and 2) Board authorization for the Chair and Executive Director to sign the 2017 audit engagement letter with Moore Stephens Lovelace, P.A. She asked the Board to vote on each request separately.

Ms. Etelamaki provided a brief summary of the Request for Qualifications (RFQ) process for Professional Audit Services and stated that on May 23, 2017, the Audit Committee listened to

presentations by the three firms, each followed by a question and answer period. Following the interviews, the Audit Committee provided the following recommend rankings: 1) Moore Stephens Lovelace, P.A.; 2) CliftonLarsonAllen, LLP, and 3) EFPR Group, CPAs, PLLC.

Commissioner Rideoutte moved approval of the Audit Committee's ranking of Professional Audit Services as follows: 1) Moore Stephens Lovelace, P.A.; 2) CliftonLarsonAllen, LLP, and 3) EFPR Group, CPAs, PLLC. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

Ms. Etelamaki reviewed the second request regarding Board authorization for the Chair and Executive Director to sign the 2017 audit engagement letter with Moore Stephens Lovelace, P.A. and added that Mr. Jeff Wolfe, Moore Stephens Lovelace's manager on this audit, was in the audience to respond to any questions.

Vice Chair Evans moved Board approval for the Chair and Executive Director to sign the 2017 audit engagement letter with Moore Stephens Lovelace, P.A. Commissioner Rideoutte seconded. The motion passed unanimously 5-0.

3. Approval for the Executive Director to execute a Professional Services Agreement and sign a Task Order for the design of Taxiway D Realignment in an amount not to exceed \$606,841

Mr. Keith requested Board approval for the Executive Director to execute a Professional Services Agreement and sign a Task Order with EG Solutions for the design of Taxiway D Realignment in an amount not to exceed \$606,841. He displayed an aerial and provided a summary of the Taxiway D Realignment project. Mr. Keith stated that this is an FDOT/NAA (80%/20%) funded project, and the current committed funding by FDOT is \$2 million. The project is estimated to cost \$3 million. Mr. Keith commented that there has been discussions with FDOT representatives to increase their funding for this project. A question and answer period followed. Mr. Rozansky added that currently, there is no readily available development sites in the north quad and that staff has received some interest – one from an existing tenant who would like to sign an option for one of the parcels. Mr. Rozansky believes that this project will provide a good return on investment.

Vice Chair Evans moved Board approval for the Executive Director to execute a Professional Services Agreement and sign a Task Order with EG Solutions for the design of Taxiway D Realignment in an amount not to exceed \$606,841. Commissioner Brousseau seconded. The motion passed unanimously 5-0.

4. Authorize the Executive Director to submit a Grant Application to the FAA to prepare a Master Plan Update with an optional water management proposal and to execute a grant, if offered, in an amount not to exceed \$2,538,539

Mr. Keith requested Board authorization for the Executive Director to submit a Grant Application to the FAA to prepare a Master Plan Update with an optional water management proposal and to execute a grant, if offered, in an amount not to exceed \$2,538,539. Mr. Keith provided a summary of the changes to the previously submitted pre-application to the FAA, which increased the cost from \$1 million to approximately \$1.5 million with an additional proposed \$1,044,055 for the optional water management study. He presented and reviewed the optional water management proposal including the water management requirements before and after the Pond 212 Study, the expected water management

reduction and direct potential benefits if the follow-on/expanded study is done and provided the original pond study costs. A question and answer period followed. Mr. Rozansky reported that the FAA has seen the proposal and are receptive to considering it. Mr. Keith said that if approved, it is anticipated that the FAA would reimburse 90 percent of the eligible project costs while FDOT and the Authority would each pay for 5 percent. Mr. Rozansky stated that if we are unable to secure funding, staff would bring the project back to the Board to discuss and seek other alternatives. He clarified that if the FAA makes minor downward revisions in the grant cost, staff would not come back to the Board with those changes; however, if the FAA makes a substantial change in the scope of the master plan or the storm water plan that the FAA is unwilling to fund, staff would bring the item back to the Board for discussion.

Commissioner Rideoutte moved Board authorization for the Executive Director to submit a Grant Application to the FAA to prepare a Master Plan Update with an optional water management proposal and to execute a grant, if offered, in an amount not to exceed \$2,538,539. Commissioner Lenhard seconded. The motion passed unanimously 5-0.

5. Board approval of recommendations for the City of Naples regarding the proposed Kelly's Landing project

Regarding the proposed Kelly's Landing development, Mr. Keith requested Board approval to submit the proposed recommendations, which were outlined in the Board package, to the City of Naples. Mr. Keith displayed the City of Naples Future Land Use Map and an aerial of the proposed Kelly's Landing location. He said that since the development is situated in the Airport Noise Impact Zone, the letter recommends to the City several items to include in their approval of the Kelly's Landing site plan application. With the exception of some condo document declarations, the recommendations are virtually the same as the conditions requested for the Hyatt House, which is also located in the Airport Noise Impact Zone. A question and answer period followed.

Commissioner Brousseau moved approval of the recommendations for the City of Naples regarding the proposed Kelly's Landing project. Commissioner Rideoutte seconded. The motion passed unanimously 5-0.

6. Authorize the Executive Director to execute the assignment and assumption of City of Naples Airport Authority lease from RexAir Hangar, LLC to MK Homes Limited

Ms. Dugan requested Board authorization for the Executive Director to execute the Assignment and Assumption of City of Naples Airport Authority Lease from RexAir Hangar, LLC to MK Homes Limited. Ms. Dugan provided a brief overview of the original 30-year land lease, approved by the Board in August 1994, which was assigned to new tenants on multiple occasions. The assignment to RexAir Hangar was approved by the Board in January 2007. Ms. Dugan displayed an aerial of the lease location and announced that Rex and Lisa Gasteiger, the RexAir Hangar principals, were in the audience. She stated that the execution of the assignment and assumptions is contingent upon MK Homes participation in the Lease Term Buy-Back Program. She said that there is currently seven years remaining on the land lease and under the Lease Term Buy-Back Program, MK Homes would be eligible to purchase an additional 20 years to July 31, 2044. A question and answer period followed.

Vice Chair Evans moved authorization for the Executive Director to execute the assignment and assumption of City of Naples Airport Authority lease from RexAir Hangar, LLC to MK Homes Limited as presented by Ms. Dugan. Commissioner Brousseau seconded. The motion passed unanimously 5-0.

H. NEW BUSINESS

There was no new business.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Chair Messer announced that Mr. Russell Tuff was appointed to the Noise Compatibility Committee at the Authority Board meeting on May 18th and is scheduled for an airport tour and orientation with staff in July. She provided a status update of the Central South Florida Metroplex project and added that we have not yet heard back from the FAA or received a formal response to our written letter of April 26th.

She announced that the next regular meeting of the NCC is scheduled for Thursday, October 26th, at 9 a.m. in the Airport Office Building, 200 Aviation Drive North, and encouraged the public to attend.

J. MANAGEMENT TEAM REPORT

1. Management Team Report

Chair Messer commented that the monthly noise report was updated and re-distributed to Board members at the start of the meeting. Mr. Rozansky reported that there was an increase in curfew activity in May due to a flight school from the East Coast. He said that staff has been in contact with the flight school, and they seemed receptive to honoring our nighttime curfew hours in the future. Staff will continue to monitor their activity.

There were no other comments.

K. FINANCIAL REPORTS

1. Financial Summary

Ms. Etelamaki provided a summary of year-to-date financial reports at the end of May 2017 and reported year-to-date operating revenues and operating expenses were favorable to budget.

A question and answer period followed.

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

2. First Draft – FY 2018 Operating and Capital Expenditures Budget

Ms. Etelamaki presented the proposed FY 2018 Operating and Capital Expenditures Budget – First Draft. It included FY 2018 base assumptions, key revenue and expense budget assumptions, major capital projects eligible for outside funding, the proposed capital and operating budget, FY 2017 and FY 2018 net assets summary and FY 2017 and FY 2018 expenses and expenditures. She said that a second draft Budget will be presented at the August Regular Meeting. A question and answer period followed.

L. COUNSEL'S REPORT

1. Counsel's Report

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

2. Article IV, Section 3 of the Bylaws – Authority Counsel

Mr. Owens reminded Commissioners that in August, the Authority Counsel will be reviewed. Pursuant to Article IV, Section 3 of the Bylaws, he said it provides that "Authority Counsel shall be reviewed annually by the Board to assess his/her performance and accomplishments. At three-year intervals the Board shall consider and decide whether to renew the agreement with the Authority Counsel." Mr. Owens stated that in July of 2016 the Board decided to defer the Authority Counsel review and the three-year interval decision to the August 2017 meeting. Mr. Owens said he will send out the evaluation form in July, using the same form during the last Authority Counsel review. He added that Mr. Rozansky will complete an evaluation form to share with the Board since Commissioners do not work with Mr. Owens on a daily basis.

M. PUBLIC COMMENTS (5 minute limit)

There were no public comments.

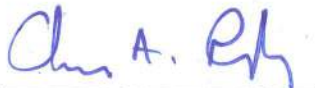
N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

Mr. Rideoutte commented regarding the FAA reauthorization bill and asked Mr. Rozansky what its impact would be on the air traffic control program. Mr. Rozansky stated that it was unclear what the impact will be but stated that the contract tower program enjoys tremendous support in the House and Senate. He added that the President's proposal does not specifically mention the contract tower program.

Vice Chair Evans commented regarding the increase in the Customs and Border Protection clearings. Mr. Rozansky stated that at this time staff is treating it as an anomaly and our budget reflects what we originally anticipated. He added that if we continue to see higher than expected clearings against the budget, it will be reflected in next year's budget as a trend.

O. ADJOURN

With no further business, the meeting adjourned at 10:11 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, June 15, 2017
8:30 a.m.**

**Commissioner Donna M. Messer – Board Chair and NCC Liaison
Commissioner Dick Evans – Vice Chair and Consultant Selection Committee Chair
Commissioner James Rideoutte – Audit Committee Chair
Commissioner Ted Brousseau – Legal Liaison and Audit Committee Member
Commissioner Michael Lenhard – Consultant Selection Committee Member
Executive Director: Christopher A. Rozansky
Authority Attorney: William L. Owens, Esq. of Bond, Schoeneck & King, PLLC**

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. May 18, 2017 Regular Meeting
2. May 23, 2017 Audit Committee Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Presentation of the Wright Brothers Master Pilot Award to M. Richard Mellon, J.D by H. Matt Simpson, Lead Representative, Federal Aviation Administration Safety Team
2. Employee of the Quarter
3. Strategic Planning Presentation – Mindy Price, Direct Effect Solutions, Inc. and Dr. David A. Byers, Quadrex Aviation, LLC

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

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

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5. Board approval of recommendations for the City of Naples regarding the proposed Kelly's Landing project
6. Authorize the Executive Director to execute the assignment and assumption of City of Naples Airport Authority lease from RexAir Hangar, LLC to MK Homes Limited

H. NEW BUSINESS

I. OLD BUSINESS

1. Noise Compatibility Committee Update

J. MANAGEMENT TEAM REPORT

1. Management Team Report

K. FINANCIAL REPORTS

1. Financial Summary
2. First Draft – FY 2018 Operating and Capital Expenditures Budget

L. COUNSEL’S REPORT

1. Counsel’s Report
2. Article IV, Section 3 of the Bylaws – Authority Counsel

M. PUBLIC COMMENTS (5 minute limit)

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

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