

Minutes
May 18, 2017
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Messer at 8:35 a.m. in the Council Chambers at City Hall. Also present were Commissioner Brousseau, Commissioner Lenhard, Vice Chair Evans, and Commissioner Rideoutte.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Dugan, Mr. Keith, Ms. Terrill, Mr. Jefferson, Mr. Estrada, Ms. Gabel, and Ms. Menard.

B. PLEDGE OF ALLEGIANCE

C. AGENDA

Mr. Rozansky stated that there was one revision to the agenda as follows: The date of August 1, 2017 in Action Item G.4. should be corrected to read, "Approve Offering the Authority's Lease Term Buy-Back Program for a 12-Month Period Commencing with Lease Anniversary Dates Beginning on July 1, 2017."

D. MINUTES

1. April 20, 2017 Regular Meeting

Vice Chair Evans moved approval of the April 20, 2017 Regular Meeting minutes. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

2. April 21, 2017 Workshop Meeting

Commissioner Brousseau moved approval of the April 21, 2017 Workshop Meeting minutes. Commissioner Lenhard seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Aircraft Rescue and Fire Fighting (ARFF) Update by Thomas E. Roda, Atkins

Mr. Thomas Roda, Project Manager and Lead Civil Engineer of Atkins and Mr. Craig Hanson, Lead Architect of SchenkelSchultz Architecture gave an ARFF Building Replacement Program presentation. Mr. Roda provided photographs of the current facilities and its location within the Building Restriction Line (BRL) and the Runway Visual Zone (RVZ) on the Airport. He stated that the existing ARFF station penetrates both of these surfaces, therefore, not only is a new ARFF building necessary but a new location as well, since the existing site does not meet current FAA standards. He presented four alternative locations on the airport that would allow for an ARFF building and meet the FAA standards. He showed a site evaluation matrix showing the pros and cons of each site and distributed the matrix to Board members. Mr. Roda stated that Site 1 was the most viable site. Mr. Hanson presented the conceptual floor plan and elevation plan based on Site #1, and

Mr. Roda reviewed a rough order of magnitude cost estimate for the project. A question and answer period followed. Mr. Rozansky commented that the Authority received an FDOT grant for design and that it is anticipated additional funds will be available later this year for construction.

2. Noise Compatibility Committee Member Interviews

Chair Messer provided a brief summary of the interview process and requested Board interviews of the Noise Compatibility Committee candidates for the Northeast Quadrant position. She stated that the candidates would be interviewed in alphabetical order by their last name.

On behalf of his family, Mr. M. Richard Mellon, 116 Edgemere Way South, Wyndemere community, Naples expressed his personal thanks to Authority staff and Board members for their concern and prayers for his son following a tragic accident in November. Mr. Mellon provided a brief history of the Northeast Quadrant communities, his background and experience. A question and answer period followed.

Mr. Robert Rosenfeld, 250 Edgemere Way East, Wyndemere community, Naples provided a brief history of his background and experience. A question and answer period followed.

Mr. Russell Tuff, 5101 31st Avenue SW, Naples provided a brief history of his background and experience. A question and answer period followed.

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 for the Northeast Quadrant Area

Chair Messer reviewed the nomination and appointment process for the NCC member selection.

For the Northeast Quadrant position, Vice Chair Evans nominated Mr. Rosenfeld, Commissioner Brousseau nominated Mr. Mellon and Commissioner Rideoutte nominated Mr. Tuff. Mr. Owens clarified that the vote would take place in the order of the nomination.

Chair Messer asked the Board for a vote for Mr. Rosenfeld; there was one (Vice Chair Evans). The vote was 1-4 with Commissioner Brousseau, Commissioner Lenhard, Commissioner Rideoutte and Chair Messer against. Mr. Rosenfeld was not selected as the Northeast Quadrant representative.

Chair Messer asked the Board for a vote for Mr. Mellon; there were two (Commissioner Brousseau and Commissioner Lenhard). The vote was 2-3 with Vice Chair Evans, Commissioner Rideoutte and Chair Messer against. Mr. Mellon was not selected as the Northeast Quadrant representative.

Chair Messer asked the Board for a vote for Mr. Tuff; there were two (Commissioner Rideoutte and Chair Messer). The vote was 2-3 with Commissioner Brousseau, Commissioner Lenhard and Vice Chair Evans against. Mr. Tuff was not selected as the Northeast Quadrant representative.

Mr. Owens noted that under the rules that were discussed and in accordance with the NCC Bylaws, an affirmative vote of at least three Commissioners is required. He added that Mr. Mellon and Mr. Tuff each only received two votes. He said that the Board could start the nomination process and revote again or table the action item and start the process over again. Chair Messer recommended that the Board start the nomination and voting process again.

Commissioner Brousseau nominated Mr. Mellon, and Mr. Rideoutte nominated Mr. Tuff for the Northeast Quadrant position. Mr. Owens clarified that the vote would begin with Mr. Mellon.

Chair Messer asked the Board for a vote for Mr. Mellon; there were two (Commissioner Brousseau and Commissioner Lenhard). The vote was 2-3 with Commissioner Rideoutte, Chair Messer and Vice Chair Evans against. Mr. Mellon was not selected as the Northeast Quadrant representative.

Chair Messer asked the Board for a vote for Mr. Tuff; there were three (Commissioner Rideoutte, Chair Messer and Vice Chair Evans). The vote was 3-2 with Commissioner Brousseau and Commissioner Lenhard against. Mr. Tuff was appointed as the Northeast Quadrant representative.

Chair Messer thanked the three candidates for taking the time to apply for the open position and thanked Mr. Mellon for his past service.

2. Board Authorization for the Executive Director to Execute the Consent to Encumbrance and Agreement with Lender – BankUnited, N.A. (Arthur L. Allen)

Ms. Dugan requested Board authorization for the Executive Director to execute the Consent to Encumbrance and Agreement with lender between City of Naples Airport Authority and BankUnited, N.A. Ms. Dugan displayed an aerial of the land lease location and provided a brief summary of Mr. Allen's long term North Quadrant land lease. She advised that Mr. Allen wishes to refinance his existing leasehold mortgage with BankUnited, N.A. Ms. Dugan stated that the Consent to Encumbrance Agreement with Lender is the standard form previously approved by the Board.

Commissioner Rideoutte moved approval for the Executive Director to execute the Consent to Encumbrance and Agreement with Lender as presented by Ms. Dugan. Commissioner Lenhard seconded. Motion passed unanimously 5-0.

3. Workers' Compensation Insurance Renewal Recommendation

Ms. Etelamaki requested Board authorization for the Executive Director to maintain Workers' Compensation insurance with Preferred Governmental Insurance Trust (PGIT) for the 2017-2019 policy years. The total estimated annual premium for the one year period is \$96,763. She explained several factors that determine the amount of premiums, including the Authority's "MOD Factor" (Experience Modification Rate) of .78 which is based on the number of work-related injuries and associated time lost from work. She reported that the Florida Office of Insurance Regulation (OIR) approved a statewide workers' compensation rate increase of 14.5 percent to take effect in 2017 due to two Florida court cases settled in 2016. Since the Authority's renewal date is June 1st, PGIT is not building the anticipated increase into our premium because the renewal is before the effective date of the across-the-board rate increase. Ms. Etelamaki stated that PGIT has offered a two-year policy at the fixed renewal annual premium of \$96,763, an increase of \$16,082 or 19.93% over the current premium of which 5.17% is due to increased payroll level and 14.71% due to increased MOD. She

said that the premium rate for the second year could change if the Authority's MOD experience changes during that period of time. Ms. Etelamaki stated that given the state rate increases are expected to go up significantly during this year, she believed it was a prudent move to accept the two-year policy. A question and answer period followed.

Commissioner Rideoutte moved approval for the Executive Director to maintain Workers' Compensation insurance with PGIT for the 2017-2019 policy years at the estimated annual premium of \$96,763. Commissioner Lenhard seconded. The motion passed unanimously 5-0.

4. Approve Offering the Authority's Lease Term Buy-Back Program for a 12-Month Period Commencing with Lease Anniversary Dates Beginning on July 1, 2017

Ms. Dugan requested Board approval to offer the Authority's lease term buy-back program to tenants with long-term land leases for aviation use, excluding governmental agencies, for a 12-month period commencing with lease anniversary dates beginning on July 1, 2017. She provided a history of the lease term buy-back program since its approval in 2014. A question and answer period followed.

Vice Chair Evans moved Board approval to offer the lease term buy-back program to tenants with long term land leases as described by Ms. Dugan. Commissioner Brousseau seconded. The motion passed unanimously 5-0.

Mr. Rozansky publicly thanked Ms. Dugan for her efforts in the development of this innovative program. He said it was this type of program that sets the Naples Airport apart from its peers.

5. Executive Director's Review

Chair Messer facilitated a two-part discussion on the Executive Director's review and on a potential discretionary merit adjustment. She read Sections 3.1.b and 3.1.c, Compensation – Salary of the Executive Director's employment agreement. She explained the methodology for computing the overall average review result of 2.75, which was summarized in the Board packet. Commissioner Lenhard commented that the rating system of 1 through 4 was limiting, and he suggested a different rating scale be provided in the future for more flexibility. There was Board discussion regarding the review form that was used in comparison to the last review form used whereby the rating was between 1 through 25. There was Board consensus to have a Board workshop in the timeframe of late August/early September to discuss the review form and rating system for the Executive Director and Legal Counsel, as the strategic planning process will be completed and better measurements will be in place.

Vice Chair Evans moved approval of the Executive Director's review and the overall average rating of 2.75 as summarized in the Board packet. Commissioner Lenhard seconded. The motion passed unanimously 5-0.

Chair Messer led the discussion of a potential discretionary merit adjustment. She reviewed the terms for the annual cost of living adjustment and Mr. Rozansky's eligibility for an additional discretionary merit adjustment to his base salary. Because Mr. Rozansky's contract has no guidelines for an increase, Chair Messer recommended using the guidelines in place for all Authority employees as detailed in the Personnel Procedure entitled Compensation and Administration policy. She read the

merit pay section of the procedure, and Board discussion followed. Mr. Owens clarified the terms for an additional discretionary merit adjustment to Mr. Rozansky's base salary.

Commissioner Lenhard moved approval for a 2.75 percent discretionary merit adjustment to Mr. Rozansky's base salary. Vice Chair Evans seconded. Motion passed unanimously 5-0.

Mr. Rozansky thanked Commissioners for their comments and stated that he was open to constructive feedback to improve performance and to better serve the employees. He stated that the Authority is in the process of performing a compensation study for employees with a national known firm, PayScale; the last analysis was conducted in 2004. He noted that this is a project listed in the strategic plan and stated that it has become a competitive and challenging environment in competing with other agencies for employees. Mr. Rozansky added that it has been his pleasure to serve and work with the Board and staff and that the best work lies ahead.

H. NEW BUSINESS

There was no new business.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Chair Messer provided an update of the April 27th Regular Meeting of the NCC, and 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.

2. Update on Strategic Plan and Rebranding

Ms. Terrill stated that a revised draft strategic plan for FY 2017-2021 was emailed to Commissioners in advance of the meeting, as well as distributed at this meeting. She said the revised draft incorporated the Board's comments made at the Workshop meeting held on April 21st. She thanked the Board for their foresight and taking the time to go through the process. She said that staff is refining the strategic plan over the next two weeks so that the SMART principle (Specific, Measurable, Attainable, Realistic, and Timely) is applied to the measures/benchmarks. She advised that during the upcoming one-on-one budget meetings with the Commissioners, the final draft strategic plan will be shared so that it can be presented for approval at the June Regular Meeting. She provided a timeline for reviewing the plan on an ongoing basis.

Mr. Rozansky clarified that after the Strategic Plan is approved, a status report will be presented to the Board semi-annually, in December and June of each year. He informed the Board that the one-on-one budget and strategic plan meetings with Commissioners will be scheduled soon.

Vice Chair Evans suggested putting a revision date on the document to identify the most current draft version.

Chair Messer added that the Strategic Plan is a dynamic document for our guiding principles and concurred that it was important to review it every six months.

J. MANAGEMENT TEAM REPORT

1. Management Team Report

As reported on page 5 of the Management Team Report, Chair Messer commented regarding the Naples Airport's overall ranking in the 2017 Professional Pilot survey and applauded the entire team for the fantastic jump in rankings. Mr. Rozansky pointed out that we jumped 10 spots from the prior year's rankings and credited a portion of that to the implementation of the AvTrip program. He also noted that the Naples Airport ranked fifth in the Best Independent FBO category.

K. FINANCIAL REPORTS

1. Financial Summary

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

Chair Messer commented regarding the 50 percent increase in Customs user fees and in landings. Mr. Rozansky provided an explanation of several factors that may be impacting the increase.

Vice Chair Evans moved acceptance of the Financial Summary. Commissioner Brousseau seconded. The motion passed unanimously 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

Commissioner Brousseau expressed concern regarding the status of commercial air service as specified in the FY 2016-2017 Goals and Objectives and the Board's current position in the event an air service opportunity was presented. He added that using this part of the Board agenda to discuss these types of issues more fully is important. There was Board and staff discussion regarding commercial air service, and there was consensus to schedule a Board workshop meeting in the fall to discuss this in greater detail. Mr. Rozansky added that the effort will tie into the Master Plan because it will help in decision making for the commercial terminal.

Commissioner Brousseau requested Board input on its expectations of the Executive Director to communicate with the Board on high level employee actions. He also added that in the Executive Director's review, there were many questions that were difficult to answer because he was not directly involved in certain areas. Commissioner Lenhard expressed his confidence in the Executive Director's capabilities for employee decisions; and although he understood Commission Brousseau's

comments about the review, he said that as volunteers of this Board, he felt that the Board should be more concerned with policy rather than the actual day-to-day inner workings of the organization. Commissioner Lenhard commented that the Executive Director's review can be discussed and adjusted at the workshop meeting to make it easier for the Board to review Mr. Rozansky fairly in the future. Chair Messer also understood Commissioner Brousseau's points regarding the review; and she added that as Chair, she has had more interaction with the Executive Director. Commissioner Rideoutte said that the concerns raised regarding the review needs to be discussed and resolved at a workshop meeting. Regarding employee actions, Commissioner Rideoutte stated that no one likes to be surprised and if it is anything major, he would expect the Executive Director to advise the Board, but there is a delicate line that he doesn't wish for the Board to cross. He believes that the Board has been appointed to set policy.

O. ADJOURN

With no further business, the meeting adjourned at 11:08 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, May 18, 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. April 20, 2017 Regular Meeting
2. April 21, 2017 Workshop Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Aircraft Rescue and Fire Fighting (ARFF) Update by Thomas E. Roda, Atkins
2. 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 for the Northeast Quadrant Area
2. Board Authorization for the Executive Director to Execute the Consent to Encumbrance and Agreement with Lender – BankUnited, N.A. (Arthur L. Allen)
3. Workers' Compensation Insurance Renewal Recommendation
4. Approve Offering the Authority's Lease Term Buy-Back Program for a 12-Month Period Commencing with Lease Anniversary Dates Beginning on July 1, 2017
5. Executive Director's Review

H. NEW BUSINESS

I. OLD BUSINESS

1. Noise Compatibility Committee Update
2. Update on Strategic Plan and Rebranding

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

O. ADJOURN