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

Naples AIRPORT AUTHORITY

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

Thursday, January 17, 2019
8:30 a.m.

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

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Notice of Regular Board Meeting – Final Agenda
January 17, 2019
Page 2

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

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

D. MINUTES
   1. December 20, 2018 Regular Meeting
   2. December 20, 2018 Special Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS

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

G. ACTION ITEMS (Public comments accepted for each item; 5 minute limit)
   1. Election of Chair
   2. Election of Vice Chair
   3. Committee Appointments (Chair)
   4. Authorize the Chair to execute Resolution No. 2019-1, Resolution of City of Naples Airport Authority Delegating Certain Administrative and Operational Powers and Duties to the Executive Director; and Repealing Resolution 2018-1
   5. Approve Consultant Selection Committee Ranking of Firms to Provide Employee Benefits Broker Services and Authorize the Executive Director to Negotiate and Execute a Professional Services Agreement with the Top-Ranked Firm
   6. Authorize the Executive Director to Execute an Assignment and Assumption of City of Naples Airport Authority Leasehold Agreement from Tennyson Enterprises, Inc. to DFA404, LLC
   7. Authorize the Executive Director to Execute a Consent to Sublease between Hartford Realty, LLC and Naples Air Center, Inc.

H. NEW BUSINESS

I. OLD BUSINESS
   1. Noise Compatibility Committee Update

J. LEADERSHIP TEAM REPORT
   1. Leadership 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/METEINGS

O. ADJOURN
Minutes
December 20, 2018
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.

Present were Chair Messer, Commissioner Brousseau, Vice Chair Lenhard and Commissioner Rideoutte. Commissioner Dustin had an excused absence.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Terrill, Mr. Keith, Mr. Frost, Mr. Warriner, Ms. Jackson, Mr. Jefferson, Ms. Bendle, Ms. Leduc, Ms. Kidd, and Ms. Menard.

B. **PLEDGE OF ALLEGIANCE**

Chair Messer led the Pledge of Allegiance.

C. **AGENDA**

Mr. Rozansky announced two changes to the agenda as follows:

1) Under Action Items, G3, Authorize the Executive Director to Execute a Consent to Sublease between Hartford Realty, LLC and Naples Air Center, Inc., has been deleted from the agenda. Mr. Rozansky stated that before this item could be presented for Board approval, it was contingent upon the tenant, Hartford Realty, LLC, to pay legal fees and they have not yet agreed to do so. He said that staff’s next step is to speak with them. Mr. Owens noted that the legal fees were less than $300.

Action Items G4 – G6 were re-sequence to G3 – G5.

2) Under Old Business, I4, Strategic Plan Incentive Program, a revision was made to the FY 2019 scorecard, and it was distributed to the Board at the start of the meeting.

D. **MINUTES**

1. November 15, 2018 Regular Meeting

Commissioner Rideoutte moved approval of the November 15, 2018 Regular Meeting minutes. Vice Chair Lenhard seconded. Motion passed 4-0 with Commissioner Dustin absent.

2. December 4, 2018 Consultant Selection Committee Meeting

Commissioner Rideoutte moved approval of the December 4, 2018 Consultant Selection Committee Meeting minutes. Vice Chair Lenhard seconded. Motion passed 4-0 with Commissioner Dustin absent.
E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Certificate of Achievement for Excellence in Financial Reporting

Chair Messer announced that the Authority’s Finance and Administration Department was awarded the Certificate of Achievement for Excellence in Financial Reporting, the highest form of recognition in governmental accounting and financial reporting, for the 13th consecutive year for the submission of the Comprehensive Annual Financial Report for fiscal year ending September 30, 2017. She recognized the entire Finance and Administration Department team for their efforts and presented Mr. Warriner with the Certificate of Achievement. Mr. Warriner thanked Chair Messer for the recognition.

2. Employee of the Year

Chair Messer provided a summary of the Employee of the Year program and announced that Cole Wright, a valuable member of the Facilities Department and skilled Maintenance Technician II, was named Employee of the Year. She said that Mr. Wright had also received Employee of the Quarter earlier in the year. On behalf of the NAA employees and the Board of Commissioners, Chair Messer congratulated Mr. Wright and thanked him for his commitment to excellence.

F. PUBLIC COMMENTS

Mr. Mike Rogan, 1121 Gulf Shore Boulevard North, Unit 6, Naples, a resident of Naples since 1986, provided a summary of his family’s development of real estate in Naples and his coaching history in wrestling. He said his family was from Chicago and they make artwork. Examples of their work include the Vietnam War Memorial in Washington, DC, the National Civil Rights Memorial in Montgomery, and artwork at several U.S. Embassies and many corporate headquarters. He was interested in opening up a dialog with the Authority in order to capture the history of the Naples Airport through art and architecture. Chair Messer appreciated his input and said that as the Authority continues its process of preparing the Master Plan Update, it would be a good time to discuss this idea.

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

1. Authorize the Executive Director to Enter into an Agreement to Design and Install an Aircraft Data Collection and Operations Reporting System in an Amount Not to Exceed $295,000.00

Ms. Jackson provided a summary of the Request for Proposal process that was issued on October 24th to design and install an aircraft data collection and operations reporting system. She reported that two responses were received, and VECtOr Airport Systems and Planning Technology, Inc. was determined to have provided the most comprehensive solution for the needs of the airport based on the selection criteria. She displayed the suggested camera locations for identifying aircraft. She noted that staff was proposing a five-year contract. Ms. Jackson reviewed the cost breakout for the design, purchase and installation of equipment as well as for the VNOMS software license and operation, processing, monitoring and maintenance of the system in the first year through the fifth year. She noted that the contract would be signed after obtaining FAA approval for camera locations. A question and answer period followed.
Vice Chair Lenhard moved Board authorization for the Executive Director to enter into an agreement to design and install an aircraft data collection and operations reporting system with VECtor Airport Systems and Planning Technology, Inc. in an amount not to exceed $295,000.00 as presented by Ms. Jackson. Commissioner Brousseau seconded. Motion passed 4-0 with Commissioner Dustin absent.

2. **Board approval of the Consultant Selection Committee Rankings of the General Aviation Terminal Improvement Project Consultant Firm**

Mr. Keith said that as a result of the feasibility study completed as part of the Master Plan, staff published a Request for Qualifications on October 8th for an architect for the General Aviation Terminal and received three proposals. He reported that prior to the Consultant Selection Committee meeting of December 4th, one of the responding firms removed themselves from consideration due to other commitments. The Consultant Selection Committee interviewed two candidates, SchenkelShultz Architecture and PGAL, and ranked the firms as follows: 1) SchenkelShultz Architecture and 2) PGAL.

Mr. Keith said that the architectural firm selected will conduct an expanded analysis of the needs for Administration and Operations and then proceed based on those recommendations which would include architectural drawings for remodeling in the final assessment. Pending Board approval of the rankings, staff will commence negotiations for a contract with the No. 1 ranked firm, SchenkelShultz Architecture.

Vice Chair Lenhard moved Board approval of the Consultant Selection Committee rankings of the General Aviation Terminal Improvement Project Consultant Firm as follows: 1) SchenkelShultz Architecture and 2) PGAL. Commissioner Rideoutte seconded. Motion passed 4-0 with Commissioner Dustin absent.

3. **Authorize the Executive Director to Execute a First Amendment to Leasehold Agreement with Tennyson Enterprises, Inc.**

Ms. Jackson reported that with the development of our new aircraft rescue and firefighting (ARFF) facility underway, the adjoining parcel of land in a Leasehold Agreement with Tennyson Enterprises, Inc. has a portion of undeveloped land which the Authority will need for stormwater management. She said that the Authority would like to execute a First Amendment to Leasehold Agreement with Tennyson to redefine the parcel from 29,900 square feet to 26,450 square feet and reduce the rent revenue by approximately $130 per month. Ms. Jackson commented that the utility of the leasehold will not be impacted.

Commissioner Rideoutte moved Board authorization for the Executive Director to execute a First Amendment to Leasehold Agreement with Tennyson Enterprises, Inc. as presented by Ms. Jackson. Vice Chair Lenhard seconded. Motion passed 4-0 with Commissioner Dustin absent.

4. **Authorize the Executive Director to Execute an Assignment and Assumption of City of Naples Airport Authority Leasehold Agreement from MK Homes Limited to RexAir Hangar, LLC**

Ms. Jackson stated that effective August 1, 2017, the Authority entered into an Amendment and Restatement of Leasehold Agreement with RexAir to replace the original land lease that was dated August 1, 1994 for use of the premises as an aircraft hangar, including office space and related aviation facilities. On January 5, 2018, the Amendment and Restatement of Leasehold Agreement was assigned.
to MK Homes Limited. MK Homes Limited is now requesting the Authority's consent to assign the Leasehold Agreement to RexAir. Mr. Owens clarified that the principal of MK Homes acquired the business of RexAir Hangar, LLC. He said the next action item is related to this item, and it is because the bank is requiring the loan to be in the name of the business, Rex Air Hangar; and as a condition precedent to that, the Leasehold Agreement needs to be assigned back to RexAir Hangar. Ms. Jackson said that RexAir will reimburse the Authority for any legal fees incurred.

Vice Chair Lenhard moved Board authorization for the Executive Director to execute an Assignment and Assumption of City of Naples Airport Authority Leasehold Agreement from MK Homes Limited to RexAir Hangar, LLC. Commissioner Brousseau seconded. Motion passed 4-0 with Commissioner Dustin absent.

5. **Authorize the Executive Director to Execute a Consent to Encumbrance and Agreement with Lender, IBERIABANK, for RexAir Hangar, LLC**

Ms. Jackson stated that in accordance with the terms of their lease, RexAir Hangar, LLC, submitted a Consent to Encumbrance and Agreement with lender for consideration by the NAA. She noted that the Consent is our standard form prepared by the Authority’s legal counsel. Mr. Owens added that the bank that is making the loan is, as collateral, taking a leasehold mortgage on the lease parcel. He said it requires the consent of the Authority and we enter into the Consent to Encumbrance form to evidence and authorize that transaction.

Vice Chair Lenhard moved Board authorization for the Executive Director to execute a Consent to Encumbrance and Agreement with Lender, IBERIABANK, for RexAir Hangar, LLC. Commissioner Rideoutte seconded. Motion passed 4-0 with Commissioner Dustin absent.

**H. NEW BUSINESS**

There was no new business.

**I. OLD BUSINESS**

1. **Noise Compatibility Committee (NCC) Update**

Chair Messer said that a summary of the October 25th NCC meeting was reported on at the November 15, 2018 Regular Meeting. She reported that a Request for Qualifications for noise consulting services has been published and responses were due today. She announced that the Consultant Selection Committee will interview and rank responding firms at a meeting on January 31st and that the NCC has been encouraged to attend.

Chair Messer reported that the Federal Aviation Administration (FAA) Pre-Application for a Part 150 Noise Study Update was submitted in November. She said this application is one of the first steps in the FAA grant application process.

Chair Messer announced that the next regular meeting of the NCC is scheduled for 9 a.m. on Thursday, January 31st in the Airport Office Building, 200 Aviation Drive North. She encouraged the public to attend.
2. **Updates to the FY 2017 – FY 2021 Strategic Plan**

Ms. Terrill presented an overview of the updates to the FY 2017 – FY 2021 Naples Airport Authority Strategic Plan that was approved at the June 21, 2018 Regular Meeting. She requested Board adoption of the revisions to this Plan.

Commissioners commended Authority staff members for its great work on the Strategic Plan.

Vice Chair Lenhard moved Board adoption of the revisions to the FY 2017 – FY 2021 Naples Airport Authority Strategic Plan. Commissioner Brousseau seconded. Motion passed 4-0 with Commissioner Dustin absent.

3. **Strategic Plan Scorecard – FY 2018 End of Year Report**

Ms. Terrill presented and requested Board review and acceptance of the FY 2018 End of Year Scorecard Report. A question and answer period followed. Vice Chair Lenhard suggested a different shade of green be used in the “status” column to distinguish projects on schedule from projects completed.

Commissioner Rideoutte moved Board acceptance of the FY 2018 End of Year Scorecard Report. Vice Chair Lenhard seconded. Motion passed 4-0 with Commissioner Dustin absent.

4. **Strategic Plan Incentive Program**

Ms. Bendle requested Board discussion and consensus to adopt a Strategic Plan Incentive Program for NAA staff. She presented an overview of the program summary that included three incentive options and reviewed the sample strategic plan scorecard for calculating achievement of the measures.

A question and answer period followed.

There was Board consensus to adopt the Strategic Plan Incentive Program with Option 2 as presented by staff.

**J. LEADERSHIP TEAM REPORT**

1. Leadership Team Report

There were no comments for discussion.

**K. FINANCIAL REPORTS**

1. Financial Summary

Mr. Warriner provided a review of the financials and reported on actuals against budget for the month of November. He noted that in the financial packet, a variance column was incorporated into the Income Statement on pages 3 and 4 to make it clearer to interpret.
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   1. November 15, 2018 Regular Meeting
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E. PRESENTATIONS AND TIME CERTAIN ITEMS
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   2. Employee of the Year

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H. NEW BUSINESS

I. OLD BUSINESS
   1. Noise Compatibility Committee Update
   2. Updates to the FY 2017 – FY 2021 Strategic Plan
I. OLD BUSINESS (CONTINUED)

3. Strategic Plan Scorecard - FY 2018 End of Year Report

4. Strategic Plan Incentive Program

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1. Leadership 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

1. June 20, 2019 Regular Meeting – Change of Location

O. ADJOURN
Commissioner Rideoutte moved acceptance of the November Financial Summary. Vice Chair Lenhard seconded. Motion passed 4-0 with Commissioner Dustin absent.

I. COUNSEL’S REPORT

1. Counsel’s Report

Mr. Owens stated that at a previous Regular Meeting, the Board authorized the Executive Director to commence litigation against a delinquent t-hangar tenant to regain position of the leasehold premises. Since that time, he said the Authority was successful in negotiating an agreement with that tenant to terminate the lease, remove the aircraft and other personal property; and therefore, assuming the tenant continues to cooperate and perform, the Authority will avoid the necessity of litigation.

A question and answer period followed.

There were no other matters to report.

M. PUBLIC COMMENTS (5 minute limit)

There were no public comments.

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

1. June 20, 2019 Regular Meeting – Change of Location

Mr. Rozansky stated that he was advised by City staff that there will be construction in City Chambers during the month of June that will cause us to move the location of the June Regular Meeting. He proposed moving the location to the Airport Office Building at the airport. There was Board consensus to accept Mr. Rozansky’s recommendation in the change of venue to the Airport Office Building.

O. ADJOURN

With no further business, the meeting adjourned at 9:50 a.m.

Christopher A. Rozansky
Secretary

NOTE: Printed copies of all visual presentations and handouts are on file in the Executive Assistant’s Office.
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8:30 a.m.

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Commissioner Ted Brousseau – Legal Liaison
Commissioner Kerry C. Dustin, Audit Committee Member
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I. OLD BUSINESS
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2. Updates to the FY 2017 – FY 2021 Strategic Plan
I. OLD BUSINESS (CONTINUED)

3. Strategic Plan Scorecard - FY 2018 End of Year Report

4. Strategic Plan Incentive Program

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1. Leadership Team Report

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1. Counsel’s Report

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N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

1. June 20, 2019 Regular Meeting – Change of Location

O. ADJOURN
Minutes
December 20, 2018
Special Meeting

A. **ROLL CALL**

Meeting was called to order by Chair Messer at 10:07 a.m. in the Council Chambers at City Hall.

Present were Chair Messer, Commissioner Brousseau, Vice Chair Lenhard and Commissioner Rideoutte. Commissioner Dustin had an excused absence.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Terrill, Mr. Keith, Mr. Frost, Ms. Jackson, Ms. Leduc and Ms. Menard.

B. **PLEDGE OF ALLEGIANCE**

Chair Messer led the Pledge of Allegiance.

C. **AGENDA**

Mr. Rozansky stated that there were no changes to the agenda; however, the briefing paper was revised to clarify that it should not have been addressed to the Consultant Selection Committee but rather to the full Board.

D. **ACTION ITEMS (Public comments accepted for each item: 5 minute limit)**

1. **Interviews and Rankings of Responses to Request for Proposals for Land Leases for Development of North Quadrant Parcels 1 and 2**

Chair Messer provided a brief summary for today’s interviews and rankings of the responding firms to the Request for Proposals (RFP) for land leases for the development of the North Quadrant Parcels 1 and 2. She said that Parcel 1 respondents will present first and after each presentation, the Board will conduct the interview, followed by a question and answer period. The Board will then rank the Parcel 1 respondents. She said that Parcel 2 respondents will follow the same process.

   a. Parcel 1 Respondents

      • Marco Hangars, LLC

Chair Messer welcomed Mr. Mirash Vataj, Owner of Marco Hangars, LLC. Mr. Vataj provided a brief summary of his and his firm’s experience. He offered $.55 per square foot for the lease rate. Mr. Vataj introduced Mr. Luc Carriere of Hole Montes, Inc., Fort Myers, Florida. Mr. Carriere would be the project manager for the development of this parcel. Mr. Carriere presented a proposed site plan and elevation information. Mr. Vataj provided proposal highlights of the project. A question and answer period followed. Mr. Rozansky stated that staff called the Danbury Municipal Airport for a reference check on Mr. Vataj, and we received positive feedback that Mr. Vataj is in good standing at that airport. In response to Mr. Rozansky, Mr. Vataj said that he was willing to accept a lease which only permits commercial uses and doesn’t allow for private aircraft storage.
• Naples Jet Center

Mr. Matt Hagans, Owner of Naples Jet Center, said that he requested space in Parcel 1 to expand his business to use for aircraft management, aircraft maintenance and storage. Mr. Hagans provided a summary of the evaluation criteria, a history of his firm’s and his team’s experience, displayed an artist rendering of the hangar construction and offices as well as a proposed site plan and overview of the use of premises. Mr. Matthew Kragh of MHK Architecture & Planning, 975 Sixth Avenue South, Suite 200, Naples, introduced himself and his firm. Mr. Kragh described the architectural details of the proposed project, reflecting the Naples style. Mr. Hagans concluded his presentation highlighting his firm’s experience, proven record of success and financial capacity. He presented his proposed lease terms including his support for a 20% premium for all runway facing airside leases or $.48 per square foot. A question and answer period followed. Regarding Vice Chair Lenhard’s question regarding funding, Mr. Rozansky added that there is a requirement for the qualified party to provide a letter of credit or a construction bond prior to construction and that would protect the Authority if there was a finance or construction default.

Following the discussion, Mr. Rideoutte moved Board approval to rank the firms for the development of Parcel 1 as follows: (1) Naples Jet Center and (2) Marco Hangars, LLC. Commissioner Brousseau seconded. The motion passed 4-0 with Commissioner Dustin absent.

b. Parcel 2 Respondents

• Marco Hangars, LLC

Mr. Vataj provided a brief summary of his and his firm’s experience. He offered $.55 per square foot for the lease rate. Mr. Vataj re-introduced Mr. Luc Carriere of Hole Montes, Inc., Fort Myers, Florida, who would be the project manager for the development of this parcel. Mr. Carriere mentioned some of the hangar projects that he has designed at the Naples Airport. He presented a proposed site plan and elevation information. Mr. Vataj provided proposal highlights of the project and commented that if his firm is selected, he would coordinate the development of this parcel with the other successful respondent. A question and answer period followed.

• Quality Enterprises USA, Inc./APF Development IV

Mr. Howard Murrell, Quality Enterprises USA, Inc./APF Development IV, 2827 Silverleaf Lane, Grey Oaks, Naples, thanked the Commissioners and staff for the opportunity to participate in the process. Mr. Murrell provided a brief history of his firm and summary of his experience. He reviewed the proposed use of the premises, the financial benefits to the NAA, the quality of development, and his references. He displayed a proposed site plan and front elevation as designed by MHK Architecture & Planning. A question and answer period followed.

Mr. Rozansky stated that the RFP specified that proposals will provide for the highest and best use of the premises that will result in high-quality commercial aeronautical services to the public. There was discussion regarding Mr. Murrell’s intent to use the development for his company business and/or as a Part 135 operation. Mr. Murrell proposed a rent rate of $.45 per square foot.

Following the presentations, there was Board and staff discussion regarding the two responding firms for Parcel 2. Commissioner Rideoutte commented that QE Enterprises had a strong presentation, are
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Notice of Special Meeting

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D. Action Items (Public comments accepted for each item; 5 minute limit)

1. Interviews and Ranking of Responses to Request for Proposals for Land Leases for Development of North Quadrant Parcels 1 and 2
   
   a. Parcel 1 Respondents
      
      • Marco Hangars, LLC
      • Naples Jet Center
   
   b. Parcel 2 Respondents
      
      • Marco Hangars, LLC
      • Quality Enterprises USA, Inc./APF Development IV

E. Public Comments (5 minute limit)

F. Correspondence/Commissioner Comments & Requests/Meetings

G. Adjourn
experienced in the community, have the financial strength, but he was unclear whether QE Enterprises' intent was to use the development for his company business or for a charter operation. Commissioner Rideoutte noted that QE Enterprises offered a lower lease rate than Marco Hangars. Vice Chair Lenhard agreed with Commissioner Rideoutte's assessment, but he felt that Quality Enterprises architectural design complemented the design of Naples Jet Center.

At the suggestion of Mr. Rozansky, the Board invited Mr. Vataj back to the podium to discuss the physical appearance of his proposed hangar. Mr. Vataj stated that he would support adjusting his architectural design to make it the same as the Naples Jet Center.

Mr. Murrell was also invited back to the podium to make clarifying remarks regarding his use of the premises. Mr. Murrell stated that he would not put Quality Enterprises' plane in the hangar but rather he would lease it out as a Part 135 operation. He said that he would be interested in speaking to the charter companies that Mr. Rozansky referred to earlier.

Mr. Vataj was again invited back to the podium to address Vice Chair Lenhard's question regarding his business exit strategy. Mr. Vataj stated that initially, he would run the operation himself but after approximately 10 years, he would re-evaluate his plan.

After further Board discussion, Vice Chair Lenhard moved Board approval to rank the firms for Parcel 2 as follows: (1) Marco Hangars, LLC; and (2) Quality Enterprises USA, Inc./APF Development IV. Commissioner Brousseau seconded. The motion passed 4-0 with Commissioner Dustin absent.

E. PUBLIC COMMENTS (5 minute limit)

There were no public comments.

F. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

There were no additional comments and requests/meetings.

G. ADJOURN

With no further business, the meeting adjourned at 12:11 p.m.

Christopher A. Rozansky
Secretary

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

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

Thursday, December 20, 2018
10:30 a.m. or Immediately Following Regular Meeting

Commissioner Donna M. Messer – Chair and NCC Liaison
Commissioner Michael Lenhard – Vice Chair and Consultant Selection Committee Chair
Commissioner James Rideoutte – Audit Committee Chair, Consultant Selection Committee Member
Commissioner Ted Brousseau – Legal Liaison
Commissioner Kerry C. Dustin, Audit 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. ACTION ITEMS (Public comments accepted for each item; 5 minute limit)

1. Interviews and Ranking of Responses to Request for Proposals for Land Leases for Development of North Quadrant Parcels 1 and 2

   a. Parcel 1 Respondents

      • Marco Hangars, LLC
      • Naples Jet Center

   b. Parcel 2 Respondents

      • Marco Hangars, LLC
      • Quality Enterprises USA, Inc./APF Development IV

E. PUBLIC COMMENTS (5 minute limit)

F. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

G. ADJOURN
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Robin Menard, Executive Assistant

Meeting Date: January 17, 2019

Re: ACTION ITEM

1. Election of Chair

SUMMARY: The Board to elect a Commissioner to serve as Chair of City of Naples Airport Authority for a term of one (1) year.

BACKGROUND: In accordance with City of Naples Airport Authority Bylaws, Article IV, Section 1, second paragraph:

"The officers of the Board shall be a Chairman, Vice Chairman and such other officers as the Board may determine. The Chairman and Vice Chairman shall be elected by the Board at the Regular Meeting in January for a term of one (1) year. The Chairman is not eligible to serve more than two (2) consecutive terms in that office."

COMMUNICATIONS PLAN: A press release will be prepared regarding the Chair, Vice Chair and Committee appointments. This information will also be posted on the Authority’s website and included in the next Tenant Newsletter.

FINANCIAL IMPACT: None.
Election of Officers

1. Chair opens nominations from the floor
   a. A member has to be recognized by the Chair in order to make a nomination
   b. A member can nominate self
   c. A nomination does not need a second
   d. A member cannot nominate more than one person for an office until everyone has had the opportunity to make a nomination
   e. A member can decline a nomination (The Chair should ask nominee if willing to accept the nomination)
   f. After each nomination, the Chair repeats the name to the committee
      i. For example, Chair: “Joe Smith, for Chair. Are there further nomination for Chair?”
   g. A motion to close nominations is not necessary

2. When more than one person has been nominated, the Chair will request a roll call vote on the candidates in the order in which they were nominated.
   a. Each member must vote yes or no
   b. The first candidate to receive a majority vote wins

3. Following the vote for Chair, the new Chair takes over the meeting and opens nominations for Vice Chair
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Robin Menard, Executive Assistant

Meeting Date: January 17, 2019

Re: ACTION ITEM

2. Election of Vice Chair

SUMMARY: The Board to elect a Commissioner to serve as Vice Chair of City of Naples Airport Authority for a term of one (1) year.

BACKGROUND: In accordance with City of Naples Airport Authority Bylaws, Article IV, Section 1, fourth paragraph:

"The Vice Chairman shall be a Commissioner and shall assume the powers and duties of the Chairman in the event of the temporary absence or disability of the Chairman ("the Vice Chairman"). In the event of the resignation or death of the Chairman, the Vice Chairman shall become Acting Chairman and perform the duties of the Chairman until such time as the Board shall elect a new Chairman."

COMMUNICATIONS PLAN: A press release will be prepared regarding the Chair, Vice Chair and Committee appointments. This information will also be posted on the Authority’s website and included in the next Tenant Newsletter.

FINANCIAL IMPACT: None.
3. Committee Appointments

**SUMMARY:** At the discretion of the Chair, appoint Commissioners to the Audit Committee, Consultant Selection Committee and to liaison responsibilities to assist staff with noise and legal issues.

**BACKGROUND:** In accordance with City of Naples Airport Authority Bylaws, Article VI, Section 9, states in part:

"The Board may create committees of the Board consisting of Commissioners and assign duties and responsibilities to each committee as the Board deems necessary or advisable. The Chairman shall appoint members of all committees of the Board who shall serve at the pleasure of the Chairman. The Executive Director or his/her designee, neither of whom shall be members of the Committee, shall act as Secretary to each Committee of the Board and shall keep proper Minutes of all Committee meetings and recommendations."

Committee appointments for calendar year 2018 were as follows:

**Audit Committee:**
- Mr. Rideoutte, Chair
- Mr. Dustin, Member

**Consultant Selection Committee:**
- Mr. Lenhard, Chair
- Mr. Rideoutte, Member

**Legal Liaison:**
- Mr. Brousseau

**Noise Compatibility Committee:**
- Ms. Messer
**COMMUNICATIONS PLAN:** A media release will be prepared regarding the Committee appointments. This information will also be posted on the Authority’s website and included in the next Tenant Newsletter.

**FINANCIAL IMPACT:** None.
To: Honorable Chair and Commissioners  
From: Christopher A. Rozansky, Executive Director  
By: Diane Terrill, Deputy Executive Director  
Meeting Date: January 17, 2019  
Re: ACTION ITEM  

4. Authorize the Chair to execute Resolution No. 2019-1, Resolution of City of Naples Airport Authority Delegating Certain Administrative and Operational Powers and Duties to the Executive Director; and Repealing Resolution 2018-1

SUMMARY: Board authorization for the Chair to execute Resolution No. 2019-1, Resolution of City of Naples Airport Authority Delegating Certain Administrative and Operational Powers and Duties to the Executive Director; and Repealing Resolution 2018-1.

BACKGROUND: Article XII (titled “Continuing Resolution”) of the existing Executive Director’s Delegation of Powers, Resolution 2018-1, provides:

“This Resolution, 2018-1 shall remain in full force and effect until repealed or amended by the Board. The Executive Director is instructed to include on the Board’s regular meeting agenda each year an item for the review of this Resolution and for the consideration of amendments.”

Attached to this Action Item is a redline comparison of the recommended Resolution 2019-1 to the existing Resolution No. 2018-1. A clean version of Resolution 2019-1 incorporating all of the recommended revisions is also attached hereto. Of particular note are the following:

1. Article II (titled “Naples Municipal Airport Facilities”), Section A (titled “Leasing Programs”), Subsection 2, has been amended to consolidate the Executive Director’s lease term duration authority. The existing Executive Director’s Delegation of Powers, Resolution 2018-1, permits the Executive Director to execute leases “which have (i) an initial term of up to three (3) years or (ii) a provision to extend the initial term up to two (2) additional years.” The recommended Resolution 2019-1 combines such initial and extension terms to authorize the Executive Director to execute and consent to “leases
which have initial and/or renewal/extension terms in the aggregate not exceeding five (5) years (each individually a ‘Short Term Lease’).” The FAA generally considers leases having a term of five (5) years or less to be short term.

2. The Authority’s Lease Term Buy-Back Program expired on December 31, 2018. As such, the last paragraph of Article II (titled “Naples Municipal Airport Facilities”), Section A (titled “Leasing Programs”), Subsection 2, referencing such program was deleted in its entirety.

3. Given the potential time-sensitivity and somewhat routine nature of tenant default and eviction matters, Article II (titled “Naples Municipal Airport Facilities”), Section A (titled “Leasing Programs”), Subsection 3, was revised to authorize the Executive Director to take all action necessary to enforce any lease agreement governing a “Short Term Lease” (i.e., any lease whose aggregate initial and/or renewal/extension terms does not exceed five (5) years), including commencing and/or settling litigation to take possession of leasehold property and recover for the Authority all remedies and damages. Since such authority is limited to Short Term Leases, no litigation relating to longer-term land leases can be commenced or terminated without the direction of the Board. For consistency, Article IX (titled “Litigation”) was modified to reference the Executive Director’s litigation authority with respect to Short Term Leases.

4. Article II (titled “Naples Municipal Airport Facilities”), Section B (titled “Miscellaneous Airport Facilities Documents”), Subsections 1 and 2, were amended so that the Executive Director’s authority with respect to miscellaneous agreements affecting airport facilities would be consistent with his recommended leasing authority described above (i.e., initial and/or renewal/extension terms up to an aggregate of five (5) years).

5. The Executive Director’s authority for public works projects and procurement of commodities or contractual services has been limited to $40,000 since 2013. In an effort to keep pace with inflation, both Article III (titled “Agreements For Performance Of Public Works Projects”), Section C, and Article IV (titled “Contracts For Procurement Of Commodities And Contractual Services”), Section B, were revised to increase such authority to $45,000.

6. Article IV (titled “Contracts For Procurement Of Commodities And Contractual Services”), Section B, was amended so that the Executive Director’s authority with respect to direct purchases, contracts and agreements for procurement of commodities or contractual services would be consistent with his recommended leasing authority described above (i.e., initial and/or renewal/extension terms up to an aggregate of five (5) years).

7. Given the frequency of changes in aviation fuel rates (and the ambiguousness of the term “material”), the sentence in Article VI (titled “Aviation Fuels”) requiring the Executive
Director to “keep the Board advised of any material changes in the aviation fuel rates and charges at the Naples Municipal Airport” was deleted in its entirety. The remaining language in Article VI (titled “Aviation Fuels”) still requires the Executive Director to “advise the Board of any material changes to the Authority’s Aviation Fuel Program before it is promulgated . . . .”

8. Subsection (17) of Florida Statutes §218.415 solely governs investments of surplus funds when a written investment policy has not been adopted. To expand and diversify the investment options available to the Authority, staff intends to recommend to the Board for approval at an upcoming regular meeting an investment policy in compliance with the other subsections of Florida Statutes §218.415. As such, the restrictive reference to subsection “(17)” was deleted from Article X (titled “Authority Funds”).

**COMMUNICATIONS PLAN:** Not applicable for this Action Item.

**FINANCIAL IMPACT:** None.
RESOLUTION NO. 2019-1

RESOLUTION OF CITY OF NAPLES AIRPORT AUTHORITY DELEGATING CERTAIN ADMINISTRATIVE AND OPERATIONAL POWERS AND DUTIES TO THE EXECUTIVE DIRECTOR; AND REPEALING RESOLUTION NO. 2018-1.

WHEREAS, City of Naples Airport Authority created by the City of Naples Airport Authority Act, Laws of Fla. Ch. 69-1326, as amended (“the Enabling Act”), is governed by a Board of Commissioners appointed by the Council of the City of Naples; and

WHEREAS, Sec. 4. [Powers.] (m) of the Enabling Act authorized the City of Naples Airport Authority (“the Authority”) through the Board of Commissioners to do all acts and things necessary or convenient to carry out the powers granted by the Enabling Act; and

WHEREAS, the Authority has in prior years adopted policy directives delegating administrative and operational powers and duties to the Executive Director for the purpose of carrying out the powers granted by the Enabling Act; and

WHEREAS, the Bylaws for the Governance and Operation of City of Naples Airport Authority adopted on September 20, 2018 (the “Bylaws”), at Article IV, Section 2, state that the Executive Director shall act as the chief operating officer, chief financial officer, and Secretary to the Board of Commissioners; and

WHEREAS, the Board of Commissioners of the City of Naples Airport Authority (the “Board”) has, from time to time, found it prudent to review and revise the powers and duties delegated to the Executive Director, and

WHEREAS, the Board now intends to restate and confirm the powers and duties delegated by it to the Executive Director and to repeal Resolution No. 2018-1:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. Resolution No. 2018-1 is hereby repealed.

2. The following Resolution on the delegation of administrative and operational powers and duties to the Executive Director is hereby adopted:

I. GENERAL PROVISIONS

A. This Resolution is adopted by the Board of Commissioners of the City of Naples Airport Authority for the purpose of defining the administrative and operational powers and duties of the Executive Director, and authorizing the Executive Director to employ personnel and to delegate to them such administrative or operational control as is necessary and advisable for the efficient exercise of the Executive Director's responsibilities.

B. This Resolution delegates specific powers and duties to the Executive Director. The Executive Director may appoint Authority employees to act in the place of the Executive Director with regard to the powers and duties delegated herein. Nonetheless, the
responsibility for all Authority administration and operations rests with the Executive Director, subject to and consistent with the delegation of powers set forth herein.

C. This Resolution requires that the Executive Director promulgate policies and establish procedures controlling the administration, finance, operations, human resources, airport facilities, communications, engineering, and planning for airport facilities of the Authority.

D. This Resolution directs the Executive Director to consult with Authority Counsel and with the Board at all times that such consultation will further the intent of the Enabling Act.

E. This Resolution delegates to the Executive Director such decision-making authority as is consistent with his roles as chief operating officer, chief financial officer, and Secretary to the Board obtaining, when necessary or appropriate, the advice and consent of the Board. These titles shall incorporate the duties and responsibilities of chief executive officer of the Authority.

F. This Resolution directs the Executive Director to manage the operations of the Authority in strict compliance with all applicable federal, state and local laws, statutes or ordinances and to consult with the Authority’s Counsel at any time in order to effectuate the general intent of this Resolution that the Authority be in compliance with the law.

II. NAPLES MUNICIPAL AIRPORT FACILITIES

The Authority leases approximately one square mile of land from the City of Naples and has legal title to additional land along the eastern bank of the Gordon River. Upon this land the Authority has constructed airport facilities as defined in Section 2 of the Enabling Act and has been charged, in Section 3 of the Enabling Act, with the duty of operating and maintaining the airport facilities thereon.

A portion of the land and airport facilities are leased or licensed by the Authority to public and private entities who may further lease their interest to additional airport users. The administration of all land and airport facilities is herein delegated to the Executive Director under the following terms and conditions:

A. Leasing Programs:

1. All leases of land and airport facilities shall be in writing, in a form approved by Authority Counsel, executed by the tenant and guaranteed as required by the Executive Director.

2. The Executive Director is authorized to execute and consent to all leases which have initial and/or renewal/extension terms in the aggregate not exceeding five (5) years (each individually a “Short Term Lease”). All leases for terms in
excess of the Executive Director’s authority hereunder shall be approved by the Board.

The Executive Director is authorized to renew or extend all leases when such renewals or extensions are provided for in the lease; the material terms of the lease remain unchanged; rent adjustments provided for in the lease are made; and, neither the lease nor any other agreement between the Authority and the tenant is in material default.

The Executive Director may authorize a change in the name of a tenant or guarantor of a lease provided that the majority ownership and control of the actual leasing entity remains unchanged.

The Executive Director may approve transfers of title to all leasehold condominium hangars located on the airport facilities.

3. The Executive Director shall enforce the terms and conditions of all lease agreements. The Executive Director may issue appropriate notices of default and notices of termination with regard to all lease agreements. The Executive Director will, in his discretion, keep the Board advised with respect to lease default and termination notices. The Executive Director may default or terminate all lease agreements pursuant to the terms and conditions contained therein. Upon default or termination of any Short Term Lease, the Executive Director may take all action necessary, including commencing and/or settling litigation, notwithstanding anything to the contrary in Article IX hereof, to enforce the lease agreement governing the Short Term Lease, to take possession of the leasehold property demised under the Short Term Lease and/or to recover for the Authority all remedies and damages, including obligations and sums due pursuant to the lease agreement governing the Short Term Lease.

4. The Executive Director shall from time to time establish and promulgate comprehensive leasing standards, including form leases, for the leasing of all land and airport facilities.

5. The Executive Director shall from time to time establish and promulgate lease and rental rates for all land and airport facilities.

6. The Executive Director shall consult with Authority Counsel on each lease. Except for tie-down, t-shelter, t-hangar and common storage leases having a term of two (2) years or less, Authority Counsel shall approve in writing all leases as to form and legal sufficiency.

B. Miscellaneous Airport Facilities Documents: The Executive Director may execute and consent to on behalf of the Authority such other agreements, contracts, instruments and documents, after consultation with Authority Counsel, he deems necessary or appropriate to do all acts and things necessary or convenient for the efficient and prudent
operation of the Authority; provided, however, the Executive Director shall not without the advice and consent of the Board at a regular or special meeting:

1. Enter into or consent to any agreement, contract, instrument or document affecting the land or airport facilities having initial and/or renewal/extension terms in the aggregate exceeding five (5) years.

2. Take any actions, or permit any restrictions, liens, encumbrances, subordinations or easements, which unreasonably limit or constrain the future use or development of the land or airport facilities for initial and/or renewal/extension terms in the aggregate exceeding five (5) years.

3. Enter into any agreement with an air carrier to provide regularly scheduled passenger air service to Naples Municipal Airport.

III. AGREEMENTS FOR PERFORMANCE OF PUBLIC WORKS PROJECTS

A. The Executive Director is designated the administrator for all of the Authority's public works projects, and he may designate a manager for each specific project. The Executive Director is authorized to prepare and advertise solicitations (when required by law and/or the Authority's policies and procedures) and to make recommendations to the Board on all agreements for public works projects.

B. Contracts and agreements for public works projects will be procured under the design/competitive bid/build format unless the Board has approved an alternative method prior to solicitation.

C. The Executive Director is authorized to execute contracts and agreements for public works projects on the airport facilities in amounts not in excess of $45,000, provided that the expenditure does not cause the Authority's total operating or capital budget for the current fiscal year to be exceeded.

In instances where public works contracts have been awarded and under which the work is in progress and changes in the plans or specifications are deemed necessary in order to accomplish the work, the Executive Director is authorized to execute written change orders to the contract, when the public works contract permits change orders, and the total change orders authorized will not cause the project cost to exceed the project budget.

IV. CONTRACTS FOR PROCUREMENT OF COMMODITIES AND CONTRACTUAL SERVICES

A. The Executive Director is designated the administrator for the procurement of all the Authority's commodities and contractual services, and he may designate a manager for each direct purchase or contract. The Executive Director is authorized to prepare and advertise solicitations (when required by law and/or the Authority's policies and
procedures) and to make recommendations to the Board on all direct purchases or contracts for commodities and contractual services.

B. The Executive Director is authorized to directly purchase or execute contracts or agreements for the procurement of commodities or contractual services in amounts not in excess of $45,000, provided that: (i) the expenditure does not cause the Authority’s total operating or capital budget for the current fiscal year to be exceeded; and (ii) the initial and/or renewal/extension terms of such direct purchase, contract or agreement in the aggregate does not exceed five (5) years.

C. The Executive Director is authorized to declare an emergency (an “Emergency”) which may require expedited expenditure authority, and the Executive Director thereafter shall have the authority to acquire, either directly or through the execution of contracts, materials, equipment, supplies and/or services necessary to respond to the Emergency. The Executive Director shall, at the next meeting of the Board following the Executive Director’s declaration of an Emergency, request that the Board ratify his declaration of an Emergency and any direct purchase and/or contract entered into by the Executive Director in response thereto.

Following the declaration of an Emergency, the Executive Director shall conscientiously advise each Commissioner of developments relating to the Emergency and the status of any direct purchase and/or contract entered into by the Executive Director in response thereto.

Every contract executed pursuant to the power granted herein shall contain a clause which states that the contract is subject to ratification by the Board and that, if ratification is not forthcoming, the contract shall terminate. Notwithstanding the foregoing, the contract vendor shall be compensated for services and materials provided to the Authority up to and including the date the Board declined to ratify the contract.

V. SURPLUS PROPERTY

The Executive Director is designated as the custodian of surplus property.

Surplus property shall be disposed of by the Executive Director in accordance with the policies and procedures approved by the Board.

VI. AVIATION FUELS

The Executive Director shall have the authority to (i) effectuate aviation fuel sales to the Authority’s customers, (ii) determine and publish aviation fuel rates and charges and (iii) administer the licensing of private self-fueling activities in accordance with the Authority’s Rules and Regulations.

The Executive Director shall advise the Board of any material changes to the Authority’s Aviation Fuel Program before it is promulgated by the Executive Director.
VII.  **HUMAN RESOURCES**

The Executive Director shall be responsible for all employees and all personnel matters at the Authority.

The Executive Director shall prepare, maintain and distribute an employee handbook which shall contain rules, procedures and guidelines for the employment, retention, training, grievance procedures, benefits, salaries and termination of Authority employees.

The Executive Director shall implement the rules, procedures and guidelines set forth in the employee handbook.

VIII.  **DISPOSITION OF UNCOLLECTIBLE ACCOUNTS**

The Executive Director is authorized to perfect and enforce lien rights, including, but not limited to, prop locking aircraft, to secure payment of accounts receivable and other fees and charges as may accrue to the Authority. The Executive Director shall consult with Authority Counsel prior to taking enforcement action.

The Executive Director shall establish accounting procedures to report uncollectible accounts receivable incurred in normal Authority operations. Prior to designating an account receivable as uncollectible, the Executive Director shall make a reasonable effort to cause the collection of the account and shall report any uncollectible account receivable in an amount in excess of $10,000 to the Board for consideration.

IX.  **LITIGATION**

A.  Unless otherwise provided herein, the Executive Director is instructed to recommend to the Board, at a regular or special meeting, the commencement of any litigation or administrative proceeding or the report of a non-emergency incident to any law enforcement agency that, in the judgment of the Executive Director, is prudent or necessary to protect the interests of the Authority. Except as authorized under Article II, Section A, Subsection 3, hereof, no litigation shall be commenced or terminated without the direction of the Board at a regular or special meeting.

B.  The Executive Director shall make a reasonable effort to notify each Commissioner of the Authority and the Authority Counsel of any suit or administrative proceedings brought against the Authority, and shall instruct Authority Counsel to represent the Authority.

When any action is brought against any Commissioner, the Executive Director or any employee in their official capacity, the Executive Director shall instruct Authority Counsel to defend such person as permitted by Florida law and The Florida Bar Code of Professional Responsibility, unless otherwise directed by the Board.
Unless otherwise provided herein, in any suit or proceeding where the Executive Director and Authority Counsel agree that settlement is in the best interest of the Authority, the Executive Director shall advise and consult with the Board at the next regular or special meeting of the Board. Except as authorized under Article II, Section A, Subsection 3, hereof, the power to settle any claim, suit or administrative proceeding is reserved to the Board.

X. AUTHORITY FUNDS

The Executive Director shall deposit all funds received from sales, services and rents in state approved depositories for credit to the general operating account of the Authority. Withdrawal of funds from any bank account shall be made only upon authorized signature(s). Funds as determined by the Executive Director in excess of those required for ordinary operating expenses shall be invested in accordance with section 218.415, Florida Statutes. A summary report of such investments, sales and interfund transfers shall be provided to the Board quarterly.

XI. RULES AND REGULATIONS

The Executive Director is responsible for the implementation, publication and enforcement of the Authority’s Rules and Regulations.

The Executive Director shall recommend to the Board for approval any revisions to the Authority’s Rules and Regulations as he deems necessary or appropriate.

XII. CONTINUING RESOLUTION

This Resolution 2019-1 shall remain in full force and effect until repealed or amended by the Board. The Executive Director is instructed to include on the Board’s regular meeting agenda each year an item for the review of this Resolution and for the consideration of amendments.

DULY PASSED AND ADOPTED this 17th day of January, 2019.

Attest: ________________________________
Christopher A. Rozansky
Executive Director

Approved as to form and legal sufficiency:

William L. Owens, Esq.
Counsel to the Authority

CITY OF NAPLES AIRPORT AUTHORITY

By: ________________________________
Name: Donna M. Messer
Title: Chair
RESOLUTION NO. 20198-1

RESOLUTION OF CITY OF NAPLES AIRPORT AUTHORITY DELEGATING CERTAIN ADMINISTRATIVE AND OPERATIONAL POWERS AND DUTIES TO THE EXECUTIVE DIRECTOR; AND, REPEALING RESOLUTION NO. 20187-1.

WHEREAS, City of Naples Airport Authority created by the City of Naples Airport Authority Act, Laws of Fla. Ch. 69-1326, as amended ("the Enabling Act"), is governed by a Board of Commissioners appointed by the Council of the City of Naples; and

WHEREAS, Sec. 4. [Powers.] (m) of the Enabling Act authorized the City of Naples Airport Authority ("the Authority") through the Board of Commissioners to do all acts and things necessary or convenient to carry out the powers granted by the Enabling Act; and

WHEREAS, the Authority has in prior years adopted policy directives delegating administrative and operational powers and duties to the Executive Director for the purpose of carrying out the powers granted by the Enabling Act, and

WHEREAS, the Bylaws for the Governance and Operation of City of Naples Airport Authority adopted on September 20187 (the "Bylaws"), at Article IV, Section 2, state that the Executive Director shall act as the chief operating officer, chief financial officer, and Secretary to the Board of Commissioners; and

WHEREAS, the Board of Commissioners of the City of Naples Airport Authority (the "Board") has, from time to time, found it prudent to review and revise the powers and duties delegated to the Executive Director, and

WHEREAS, the Board now intends to restate and confirm the powers and duties delegated by it to the Executive Director and to repeal Resolution No. 20187-1:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. Resolution No. 20187-1 is hereby repealed.

2. The following Resolution on the delegation of administrative and operational powers and duties to the Executive Director is hereby adopted:

I. GENERAL PROVISIONS

A. This Resolution is adopted by the Board of Commissioners of the City of Naples Airport Authority for the purpose of defining the administrative and operational powers and duties of the Executive Director, and authorizing the Executive Director to employ personnel and to delegate to them such administrative or operational control as is necessary and advisable for the efficient exercise of the Executive Director’s responsibilities.

B. This Resolution delegates specific powers and duties to the Executive Director. The Executive Director may appoint Authority employees to act in the place of the Executive Director with regard to the powers and duties delegated herein. Nonetheless, the
responsibility for all Authority administration and operations rests with the Executive Director, subject to and consistent with the delegation of powers set forth herein.

C. This Resolution requires that the Executive Director promulgate policies and establish procedures controlling the administration, finance, operations, human resources, airport facilities, communications, engineering, and planning for airport facilities of the Authority.

D. This Resolution directs the Executive Director to consult with Authority Counsel and with the Board at all times that such consultation will further the intent of the Enabling Act.

E. This Resolution delegates to the Executive Director such decision-making authority as is consistent with his roles as chief operating officer, chief financial officer, and Secretary to the Board obtaining, when necessary or appropriate, the advice and consent of the Board. These titles shall incorporate the duties and responsibilities of chief executive officer of the Authority.

F. This Resolution directs the Executive Director to manage the operations of the Authority in strict compliance with all applicable federal, state and local laws, statutes or ordinances and to consult with the Authority’s Counsel at any time in order to effectuate the general intent of this Resolution that the Authority be in compliance with the law.

II. NAPLES MUNICIPAL AIRPORT FACILITIES

The Authority leases approximately one square mile of land from the City of Naples and has legal title to additional land along the eastern bank of the Gordon River. Upon this land the Authority has constructed airport facilities as defined in Section 2 of the Enabling Act and has been charged, in Section 3 of the Enabling Act, with the duty of operating and maintaining the airport facilities thereon.

A portion of the land and airport facilities are leased or licensed by the Authority to public and private entities who may further lease their interest to additional airport users. The administration of all land and airport facilities is herein delegated to the Executive Director under the following terms and conditions:

A. Leasing Programs:

1. All leases of land and airport facilities shall be in writing, in a form approved by Authority Counsel, executed by the tenant and guaranteed as required by the Executive Director.

2. The Executive Director is authorized to execute and consent to all leases which have (i) an initial and/or renewal/extension terms in the aggregate not exceeding of up to five-three (53) years (each individually a “Short Term Lease”) or (ii) a provision to extend the initial term up to two (2) additional years. All leases
for a-terms in excess of the Executive Director’s authority hereunder shall be approved by the Board.

The Executive Director is authorized to renew or extend all leases when such renewals or extensions are provided for in the lease; the material terms of the lease remain unchanged; rent adjustments provided for in the lease are made; and, neither the lease nor any other agreement between the Authority and the tenant is in material default.

The Executive Director may authorize a change in the name of a tenant or guarantor of a lease provided that the majority ownership and control of the actual leasing entity remains unchanged.

The Executive Director may approve transfers of title to all leasehold condominium hangars located on the airport facilities.

Upon Board approval of each tenant’s request to participate in the Authority’s Lease Term Buy-Back Program, the Executive Director is authorized to discharge on behalf of the Authority all acts necessary or prudent to implement and administer the Lease Term Buy-Back Program, including, without limitation, the power to direct Authority Counsel to prepare all documentation; and to execute on behalf of the Authority all agreements, leases, closing documents and miscellaneous instruments necessary or prudent to effect the lease transaction.

3. The Executive Director shall enforce the all terms and conditions of all the lease agreements. The Executive Director may issue all-appropriate notices of default and notices of termination with regard to all the lease agreements. The Executive Director will, in his discretion, keep the Board advised with respect to lease default and termination notices. The Executive Director may default or terminate all any lease agreements pursuant to the terms and conditions contained therein. Upon default or termination of any Short Term Lease, the Executive Director may take all action necessary, including commencing and/or settling litigation, notwithstanding anything to the contrary in subject to Article IX heretofor, to enforce the lease agreement governing the Short Term Lease, to take possession of the leasehold property demised under the Short Term Lease and/or to recover for the Authority all remedies and damages, including obligations and sums due pursuant to the lease agreements governing the Short Term Lease.

4. The Executive Director shall from time to time establish and promulgate comprehensive leasing standards, including form leases, for the leasing of all land and airport facilities.

5. The Executive Director shall from time to time establish and promulgate lease and rental rates for all land and airport facilities.
6. The Executive Director shall consult with Authority Counsel on each lease. Except for tie-down, t-shelter, t-hangar and common storage leases having a term of two (2) years or less, Authority Counsel shall approve in writing all leases as to form and legal sufficiency.

B. Miscellaneous Airport Facilities Documents: The Executive Director may execute and consent to on behalf of the Authority such other agreements, contracts, instruments and documents, after consultation with Authority Counsel, he deems necessary or appropriate to do all acts and things necessary or convenient for the efficient and prudent operation of the Authority; provided, however, the Executive Director shall not without the advice and consent of the Board at a regular or special meeting:

1. Enter into or consent to any agreement, contract, instrument or document affecting the land or airport facilities having (i) an initial and/or renewal/extension terms in the aggregate exceeding of more than five and one third (5 1/3) years or (ii) a provision to extend the initial term beyond two (2) years.

2. Take any actions, or permit any restrictions, liens, encumbrances, subordinations or easements, which unreasonably limit or constrain the future use or development of the land or airport facilities for (i) an initial and/or renewal/extension terms in the aggregate exceeding of more than five and one third (5 1/3) years or (ii) any extension of the initial term beyond two (2) years.

3. Enter into any agreement with an air carrier to provide regularly scheduled passenger air service to Naples Municipal Airport.

III. AGREEMENTS FOR PERFORMANCE OF PUBLIC WORKS PROJECTS

A. The Executive Director is designated the administrator for all of the Authority’s public works projects, and he may designate a manager for each specific project. The Executive Director is authorized to prepare and advertise solicitations (when required by law and/or the Authority’s policies and procedures) and to make recommendations to the Board on all agreements for public works projects.

B. Contracts and agreements for public works projects will be procured under the design/competitive bid/build format unless the Board has approved an alternative method prior to solicitation.

C. The Executive Director is authorized to execute contracts and agreements for public works projects on the airport facilities in amounts not in excess of $450,000, provided that the expenditure does not cause the Authority’s total operating or capital budget for the current fiscal year to be exceeded.

In instances where public works contracts have been awarded and under which the work is in progress and changes in the plans or specifications are deemed necessary in order to
accomplish the work, the Executive Director is authorized to execute written change orders to the contract, when the public works contract permits change orders, and the total change orders authorized will not cause the project cost to exceed the project budget.

IV. CONTRACTS FOR PROCUREMENT OF COMMODITIES AND CONTRACTUAL SERVICES

A. The Executive Director is designated the administrator for the procurement of all the Authority’s commodities and contractual services, and he may designate a manager for each direct purchase or contract. The Executive Director is authorized to prepare and advertise solicitations (when required by law and/or the Authority’s policies and procedures) and to make recommendations to the Board on all direct purchases or contracts for commodities and contractual services.

B. The Executive Director is authorized to directly purchase or execute contracts or agreements for the procurement of commodities or contractual services in amounts not in excess of $450,000, provided that: (i) the expenditure does not cause the Authority’s total operating or capital budget for the current fiscal year to be exceeded; and (ii) the initial and/or renewal/extension terms of such direct purchase, contract or agreement in the aggregate does not exceed five (5) years, and (iii) any extension of the initial term does not exceed two (2) years.

C. The Executive Director is authorized to declare an emergency (an “Emergency”) which may require expedited expenditure authority, and the Executive Director thereafter shall have the authority to acquire, either directly or through the execution of contracts, materials, equipment, supplies and/or services necessary to respond to the Emergency. The Executive Director shall, at the next meeting of the Board following the Executive Director’s declaration of an Emergency, request that the Board ratify his declaration of an Emergency and any direct purchase and/or contract entered into by the Executive Director in response thereto.

Following the declaration of an Emergency, the Executive Director shall conscientiously advise each Commissioner of developments relating to the Emergency and the status of any direct purchase and/or contract entered into by the Executive Director in response thereto.

Every contract executed pursuant to the power granted herein shall contain a clause which states that the contract is subject to ratification by the Board and that, if ratification is not forthcoming, the contract shall terminate. Notwithstanding the foregoing, the contract vendor shall be compensated for services and materials provided to the Authority up to and including the date the Board declined to ratify the contract.

V. SURPLUS PROPERTY

The Executive Director is designated as the custodian of surplus property.
Surplus property shall be disposed of by the Executive Director in accordance with the policies and procedures approved by the Board.

VI. AVIATION FUELS

The Executive Director shall have the authority to (i) effectuate aviation fuel sales to the Authority’s customers, (ii) determine and publish aviation fuel rates and charges and (iii) administer the licensing of private self-fueling activities in accordance with the Authority’s Rules and Regulations.

The Executive Director shall advise the Board of any material changes to the Authority’s Aviation Fuel Program before it is promulgated by the Executive Director. The Executive Director shall also keep the Board advised of any material changes in the aviation fuel rates and charges at the Naples Municipal Airport.

VII. HUMAN RESOURCES

The Executive Director shall be responsible for all employees and all personnel matters at the Authority.

The Executive Director shall prepare, maintain and distribute an employee handbook which shall contain rules, procedures and guidelines for the employment, retention, training, grievance procedures, benefits, salaries and termination of Authority employees.

The Executive Director shall implement the rules, procedures and guidelines set forth in the employee handbook.

VIII. DISPOSITION OF UNCOLLECTIBLE ACCOUNTS

The Executive Director is authorized to perfect and enforce lien rights, including, but not limited to, prop locking aircraft, to secure payment of accounts receivable and other fees and charges as may accrue to the Authority. The Executive Director shall consult with Authority Counsel prior to taking enforcement action.

The Executive Director shall establish accounting procedures to report uncollectible accounts receivable incurred in normal Authority operations. Prior to designating an account receivable as uncollectible, the Executive Director shall make a reasonable effort to cause the collection of the account and shall report any uncollectible account receivable in an amount in excess of $10,000 to the Board for consideration.

IX. LITIGATION

A. Unless otherwise provided herein, the Executive Director is instructed to recommend to the Board, at a regular or special meeting, the commencement of any litigation or administrative proceeding or the report of a non-emergency incident to any law enforcement agency that, in the judgment of the Executive Director, is prudent or
necessary to protect the interests of the Authority. Except as authorized under Article II, Section A, Subsection 3, hereof, no litigation shall be commenced or terminated without the direction of the Board at a regular or special meeting.

B. The Executive Director shall make a reasonable effort to notify each Commissioner of the Authority and the Authority Counsel of any suit or administrative proceedings brought against the Authority, and shall instruct Authority Counsel to represent the Authority.

When any action is brought against any Commissioner, the Executive Director or any employee in their official capacity, the Executive Director shall instruct Authority Counsel to defend such person as permitted by Florida law and The Florida Bar Code of Professional Responsibility, unless otherwise directed by the Board.

Unless otherwise provided herein, in any suit or proceeding, where the Executive Director and Authority Counsel agree that settlement is in the best interest of the Authority, the Executive Director shall advise and consult with the Board at the next regular or special meeting of the Board.

Except as authorized under Article II, Section A, Subsection 3, hereof, the power to settle any claim, suit or administrative proceeding is reserved to the Board.

X. AUTHORITY FUNDS

The Executive Director shall deposit all funds received from sales, services and rents in state approved depositories for credit to the general operating account of the Authority. Withdrawal of funds from any bank account shall be made only upon authorized signature(s). Funds as determined by the Executive Director in excess of those required for ordinary operating expenses shall be invested in accordance with section 218.415(17), Florida Statutes. A summary report of such investments, sales and interfund transfers shall be provided to the Board quarterly.

XI. RULES AND REGULATIONS

The Executive Director is responsible for the implementation, publication and enforcement of the Authority’s Rules and Regulations.

The Executive Director shall recommend to the Board for approval any revisions to the Authority’s Rules and Regulations as he deems necessary or appropriate.

XII. CONTINUING RESOLUTION

This Resolution, 20198-1 shall remain in full force and effect until repealed or amended by the Board. The Executive Director is instructed to include on the Board’s regular meeting agenda each year an item for the review of this Resolution and for the consideration of amendments.
DULY PASSED AND ADOPTED this 178th day of January, 2019.

CITY OF NAPLES AIRPORT AUTHORITY
(Authority Seal)

Attest: ________________________________
Christopher A. Rozansky
Executive Director

By: ________________________________
Name: ________________________________
Title: Chair

Approved as to form and legal sufficiency:

_______________________________
William L. Owens, Esq.
Counsel to the Authority
To:         Honorable Chair and Commissioners

From:      Christopher A. Rozansky, Executive Director  CR

By:        Diane Terrill, Deputy Executive Director  DT

Meeting Date: January 17, 2019

Re:        ACTION ITEM

5. Approve Consultant Selection Committee Ranking of Firms to Provide Employee Benefits Broker Services and Authorize the Executive Director to Negotiate and Execute a Professional Services Agreement with the Top-Ranked Firm

ACTION REQUESTED: Board approval of the Consultant Selection Committee’s ranking of firms interviewed to provide Employee Benefits Broker Services and authorization for the Executive Director to negotiate and execute a Professional Services Agreement with the top-ranked firm.

BACKGROUND: A Request for Qualifications (RFO) for Employee Benefits Broker was issued December 7, 2018. The current contract was negotiated in 2014 and expires February 18, 2019. The Consultant Selection Committee met January 11, 2019 and interviewed two firms. The Consultant Selection Committee rankings were:

1. Baldwin Krystyn Sherman Partners
2. Gehring Group

Pending Board approval, staff will work with legal counsel to draft a Professional Services Agreement with Baldwin Krystyn Sherman Partners, to be executed by the Executive Director.

COMMUNICATIONS PLAN: The finalists have been notified of the final rankings, and the results were posted on our website.

FINANCIAL IMPACT: The firm will be compensated through commissions from the insurance carrier.
FORM 8B  MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME
Dustin, Kerry C.

MAILING ADDRESS
599 9th Street North, Suite 101, Naples, FL 34102

CITY
Naples

COUNTY
Collier

DATE ON WHICH VOTE OCCURRED
January 17, 2019

NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE
Board of Commissioners of the City of Naples Airport Authority

THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:

☐ CITY
☐ COUNTY
☐ OTHER LOCAL AGENCY

NAME OF POLITICAL SUBDIVISION:
City of Naples Airport Authority

MY POSITION IS:
☐ ELECTIVE
☐ APPOINTEE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which would inure to his or her special private gain or loss. Each elected or appointed local officer also MUST ABSTAIN from knowingly voting on a measure which would inure to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent, subsidiary, or sibling organization of a principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies (CRAs) under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a “relative” includes only the officer’s father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A “business associate” means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, co-owner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; and

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you are not prohibited by Section 112.3143 from otherwise participating in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

• You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on page 2)
APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER’S INTEREST

1. Kerry C. Dustin

   hereby disclose that on January 17, 2019:

   (a) A measure came or will come before my agency which (check one or more)

   ___ inured to my special private gain or loss;
   ___ inured to the special gain or loss of my business associate,
   ___ inured to the special gain or loss of my relative,
   ___ inured to the special gain or loss of my employer, Falls River Group, LLC,
       by whom I am retained; or
   ___ inured to the special gain or loss of
       , which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

   (b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

On January 17, 2019, the Board of Commissioners of the City of Naples Airport Authority will vote on a measure to approve the ranking of two firms, Baldwin Krystyn Sherman Partners and Gehring Group, to provide employee benefits broker services and authorize the Executive Director to negotiate and execute a professional services agreement with the top-ranked firm. As of January 17, 2019, my employer, Falls River Group, LLC, has an existing contractual relationship with Baldwin Krystyn Sherman Partners. Pursuant to Section 112.3143, Florida Statutes, I am abstaining from voting upon and participating in such measure. I am disclosing the nature of my conflicting interest as a public record by filing a Form 8B, Memorandum Of Voting Conflict For County, Municipal, And Other Local Public Officers, with the person responsible for recording the minutes of the meeting who should incorporate the form in the minutes.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

January 17, 2019
Date Filed
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Diane Jackson, Director of Communications and Business Development

Meeting Date: January 17, 2019

Re: ACTION ITEM

6. Authorize the Executive Director to Execute an Assignment and Assumption of City of Naples Airport Authority Leasehold Agreement from Tennyson Enterprises, Inc. to DFA404, LLC

SUMMARY: Board authorization for the Executive Director to execute an Assignment and Assumption of City of Naples Airport Authority Leasehold Agreement between Tennyson Enterprises, Inc., DFA404, LLC and the Authority.

BACKGROUND: On August 1, 1997, the Board of Commissioners authorized a 30-year land lease with Tennyson Enterprises, Inc. for construction of an aircraft hangar to be used for non-commercial aeronautical activities, which was amended in December 2018. On December 28, 2018, Tennyson Enterprises, Inc. completed the Lease Term Buy Back process and entered into an amended and restated Leasehold Agreement expiring on July 31, 2047.

Tennyson Enterprises, Inc. is now requesting the Authority’s consent to assign the Leasehold Agreement to DFA404, LLC.

COMMUNICATIONS PLAN: Not applicable to this item.

FINANCIAL IMPACT: The tenant will reimburse the Authority for any legal fees associated with the assignment and assumption of the land lease.
ASSIGNMENT AND ASSUMPTION
OF AMENDMENT AND RESTATEMENT OF LEASEHOLD AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF AMENDMENT AND RESTATEMENT OF LEASEHOLD AGREEMENT (this "Assignment") is made effective as of the 17th day of January, 2019 (the "Effective Date"), by and among TENNYSON ENTERPRISES, INC., an Iowa corporation whose address is 13133 Angle Road, Ottumwa, Iowa 52501 ("Assignor"), DFA 404, LLC, a Missouri limited liability company whose address is 262 Little Harbour Lane, Naples, Florida 34102 ("Assignee"), and the CITY OF NAPLES AIRPORT AUTHORITY, a political subdivision of the State of Florida whose address is 160 Aviation Drive North, Naples, Florida 34104 ("Authority") (the Assignor, Assignee and Authority collectively the "Parties").

RECITALS

WHEREAS, Assignor is the present holder as "Tenant" of a leasehold interest under the Lease. As used herein, "Lease" means that certain Amendment And Restatement Of Leasehold Agreement between the Authority and Assignor, dated December 28, 2018 (the "Lease");

WHEREAS, Assignor desires to assign the Lease to Assignee, and Assignee desires to accept the assignment from Assignor and assume all of the obligations of Assignor as "Tenant" under the Lease;

WHEREAS, the Authority consents to the assignment to, and assumption by, Assignee of the Lease in accordance with the terms and conditions of this Assignment.

NOW, THEREFORE, the Parties, in consideration of the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby represent, warrant, undertake, covenant and agree as follows:

TERMS

1. Recitals. The above recitals are true and correct and incorporated herein.

2. Assignment and Assumption. By execution of this Assignment, (a) Assignor hereby assigns, transfers, sets over and conveys to Assignee all of Assignor's right, title and interest in and to the Lease, and (b) Assignee accepts the assignment of the Lease from Assignor and hereby assumes all of the obligations of Assignor as "Tenant" under the Lease for the entire term thereof.

3. Consent to Assignment. Subject to and conditioned upon the terms, representations, warranties and covenants of this Assignment, the Authority hereby (a) consents to the assignment of the Lease to Assignee hereunder and (b) agrees that Assignor shall have no further obligations under the Lease after the Effective Date.

4. Representations, Warranties and Hold Harmless. Assignor and Assignee hereby jointly and severally represent, covenant and warrant to the Authority that (a) the Lease is in full force and effect and, after the assignment hereunder, is binding upon Assignee, (b) Assignor is not in default under any of its covenants or obligations under the Lease, (c) Assignor is the sole holder of the leasehold interest granted under the Lease and has good right and title to assign the same to Assignee hereunder, (d) the Authority has heretofore fully performed all of its obligations under the Lease and (e) Assignor and Assignee have no defenses, claims or offsets against the Authority or against the obligations of the "Tenant" under the Lease. Assignor and Assignee do hereby jointly and severally release and hold harmless the Authority, its officers, employees, attorneys, insurers and agents from and against any claim, action, suit, demand, cost, expense or liability of any kind, whether known or unknown, relating in any way to the Lease, as assigned and assumed hereby, or the administration thereof, or the communications.
and business dealings between Assignor, Assignee and/or the Authority through the Effective Date hereof.

5. **Miscellaneous.** If any provision of this Assignment shall be held by a court of competent jurisdiction to be illegal, void or unenforceable, then such provision shall be of no force and effect, and the illegality or unenforceability of such provision shall have no effect upon, and shall not impair the enforceability of, any other provision of this Assignment. This Assignment shall be construed and enforced in accordance with the statutes and common law of the State of Florida, except to the extent federal law controls. Any proceeding between the Parties relating to this Assignment shall be held in a court of competent jurisdiction in the State of Florida, Collier County, and the Parties agree to be subject to the personal jurisdiction of such courts. To the extent that there is any inconsistency or conflict with any of the provisions contained in this Assignment with the Lease, the provisions set forth in this Assignment shall govern the understanding between the Parties. All terms and conditions in the Lease not specifically referenced in or modified by this Assignment shall and do remain in full force and effect and are hereby ratified by the Parties. This Assignment may be executed and delivered electronically and in counterparts, each of which shall be an original as against each of the Parties who signed it, and all of which shall constitute one and the same document.

IN WITNESS WHEREOF, the Parties have caused this Assignment to be executed and effective as of the Effective Date.

ASSIGNOR:

TENNYSON ENTERPRISES, INC.,
an Iowa corporation

By: [Signature]
    Rochelle Tennyson, President

ASSIGNEE:

DFA 404, LLC,
a Missouri limited liability company

By: [Signature]
    Douglas Fred Adams, Manager

AUTHORITY:

CITY OF NAPLES AIRPORT AUTHORITY,
a political subdivision of the State of Florida

By: [Signature]
    Christopher A. Rozansky, Executive Director

Approved as to form and legal sufficiency:

William L. Owens
Counsel to Authority
To: Honorable Chair and Commissioners
From: Christopher A. Rozansky, Executive Director
By: Diane Jackson, Director of Communications and Business Development
Meeting Date: January 17, 2019
Re: ACTION ITEM

7. Authorize the Executive Director to Execute a Consent to Sublease between Hartford Realty, LLC and Naples Air Center, Inc.

ACTION REQUESTED: Board authorization for the Executive Director to execute a Consent to Sublease between Hartford Realty, LLC and Naples Air Center, Inc.

BACKGROUND: Hartford Realty, LLC leases land from the Authority under a 30-year land lease that commenced in April, 1993. The lease provides for commercial activity in accordance with the Authority's Minimum Standards, including flight training activities as stipulated in the sublease agreement. The term of the sublease is for five (5) years.

The Consent to Sublease agreement has been reviewed by staff and Legal Counsel. The Executive Director's Delegation of Powers limits the Executive Director's approval to subleases with an initial term of three (3) years or less.

COMMUNICATIONS PLAN: Not applicable.

FINANCIAL IMPACT: The legal fees incurred by the Authority have been reimbursed by Hartford Realty, LLC.
CONSENT TO SUBLlease

This consent to sublease (this "Consent") is made effective as of the 1st day of September, 2018 (the "Effective Date"), by and among HARTFORD REALTY LLC, a Maryland limited liability company ("Sublandlord"), whose address, telephone number and email are:

240 Aviation Drive North, Suite 200
Naples, Florida 34104
phone no.: 239-261-6700
email: DSherill@HartfordFL.com

and NAPLES AIR CENTER, INC., a Florida corporation ("Subtenant"), whose address, telephone number and email are:

230 Aviation Drive South
Naples, Florida 34104
phone no.: 239-643-1717
email: richard@naples-air-center.com

and the CITY OF NAPLES AIRPORT AUTHORITY, a political subdivision of the State of Florida (the "Authority"), whose address, telephone number and email are:

160 Aviation Drive North
Naples, FL 34104
phone no.: 239-643-0733
e-mail: administration@flynaples.com

Recitals

A. The Authority and Stetson Air, Inc., a Florida corporation ("Initial Tenant"), entered into that certain leasehold agreement, dated April 26, 1993 (the "Initial Lease" which is incorporated herein by reference and made a part of this Consent), demising that certain leased premises at the Naples Municipal Airport described in the Initial Lease (the "Leased Premises"). The Initial Lease was amended by (i) that certain Amendment To Lease between the Authority and Initial Tenant, dated July 20, 1994 (the "First Amendment" which is incorporated herein by reference and made a part of this Consent), and (ii) that certain Amendment To Lease Agreement between the Authority and Initial Tenant, dated June 1, 1995 (the "Second Amendment" which is incorporated herein by reference and made a part of this Consent).

B. Initial Tenant constructed a multi-use facility on the Leased Premises (the "Facility"). Pursuant to the Initial Lease, no portion of the Facility may be subleased without the Authority’s prior written consent.

C. All of Initial Tenant’s interest in the Initial Lease, as amended by the First Amendment and Second Amendment, was assigned to Sublandlord pursuant to that certain Assignment Of Lease between Initial Tenant and Sublandlord, dated August 28, 1997 (the "Assignment" which is incorporated herein by reference and made a part of this Consent). The Initial Lease, as amended and assigned by the First Amendment, Second Amendment and Assignment, was further amended pursuant to that certain Amendment To Leasehold Agreement between the Authority and Sublandlord, dated February 1, 2000 (the "Third Amendment" which is incorporated herein by reference and made a part of this...
Consent). As used herein, the term “Lease” collectively means: (i) the Initial Lease, as amended and assigned by the First Amendment, Second Amendment, Assignment and Third Amendment; (ii) any and all leases, agreements and other documents previously executed which were renewed, extended, modified, amended, restated, consolidated, assigned, assumed, substituted and/or otherwise evidenced in whole or in part by the Initial Lease; and (iii) any and all renewals, extensions, modifications, amendments, restatements, consolidations, assignments, assumptions and/or substitutions of any of the foregoing.

D. Sublandlord and Subtenant entered into that certain Sublease on or about August 17, 2018 (the “Sublease” which is incorporated herein by reference and made a part of this Consent), subleasing all or that certain portion of the Facility described in the Sublease (the “Subleased Premises”). The term of the Sublease is for five (5) years beginning on September 1, 2018, and ending on August 31, 2023. Sublandlord has requested the Authority’s consent to the Sublease.

E. The Authority has agreed to provide its consent to the Sublease conditioned upon the terms and conditions of this Consent. Sublandlord and Subtenant acknowledge and agree that the Authority would not have consented to the Sublease without Sublandlord’s and Subtenant’s commitment to and undertaking of the terms and conditions of this Consent.

Terms

NOW THEREFORE, for mutual and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. The parties acknowledge that all of the statements contained in the Recitals portion of this Consent (A. through E. above) are true and correct and are incorporated herein.

2. Subject to the terms and conditions of this Consent, the Authority hereby consents to the Sublease; provided, however, Sublandlord and Subtenant acknowledge and agree that the Authority’s consent hereunder is limited to the act of permitting Sublandlord to lease the Subleased Premises to Subtenant and is not in any manner an approval of or consent to the specific terms of the Sublease. The Sublease is absolutely subordinate and subject to each and every term and condition of the Lease. The Authority’s consent hereunder in no manner modifies or diminishes Sublandlord’s continuing responsibility to comply with and assume all of the obligations of the “Tenant” (or term of similar context) under the Lease. To the extent that there are any provisions under the Sublease which conflict and are incompatible with any of the provisions contained in the Lease, the provisions set forth in the Lease shall govern the understanding between the parties.

3. Notwithstanding any provision in the Lease or this Consent to the contrary, the Authority’s consent to the Sublease is not intended to, and shall in no way, modify or amend the Lease, nor to provide a release of Sublandlord regarding any provision therein.

4. By signing this Consent, Subtenant agrees to comply with each and every provision of the Lease and this Consent for the entire term of the Sublease, except for Sublandlord’s respective rent payment obligations. Subtenant acknowledges receipt of copies of the Lease and agrees that it shall commit no act or omission that would violate the terms and conditions thereof. If the consent or approval of the Authority or any other party is required under the Lease with respect to any matter relating to the Leased Premises, it shall also be required under this Consent with respect to the same or similar matter relating to the Subleased Premises.

5. Sublandlord agrees to guarantee the performance of each and every provision of the Lease and this Consent by Subtenant, including, but not limited to, the payment of all costs and attorneys’
fees, if any, incurred by the Authority in enforcing the terms of the Lease or this Consent. Sublandlord acknowledges and agrees that the Authority may look solely to Sublandlord for acts or omissions of Subtenant, and any default or failure by Subtenant to perform its obligations under the Lease or this Consent shall be deemed a material default and failure by Sublandlord to perform its obligations under the Lease and this Consent.

6. Sublandlord and Subtenant shall comply with each of the following:

(a) any and all (i) City Of Naples Airport Authority Rules And Regulations For Naples Municipal Airport, Naples, Florida, as amended or restated, (ii) regulatory or compliance regulations, and (iii) all other rules, regulations, standards, procedures, policies, or guidelines on file in the offices of the Executive Director of the Authority or as hereafter promulgated, established, amended, or restated from time to time by the Authority for any reason in its sole discretion without notice (collectively the “Airport Rules and Regulations” which are incorporated herein by reference and made a part of this Consent). Upon request, Sublandlord and Subtenant shall have the right to review any of the Airport Rules and Regulations during regular business hours at the offices of the Executive Director of the Authority;

(b) any and all applicable laws, statutes, ordinances, codes, rules, regulations, orders, and governmental requirements.

7. Sublandlord and Subtenant represent, warrant, covenant and agree that (i) the initial term of the Sublease does not exceed five (5) years and (ii) the Sublease does not contain any provisions authorizing extensions or renewals of the initial term thereof beyond the initial term. Notwithstanding anything in this Consent, the Sublease or any other document to the contrary, Sublandlord and Subtenant acknowledge and agree that upon the occurrence of any of the following events, this Consent, the Sublease and all of the other rights and privileges granted to Sublandlord and Subtenant thereunder shall, at the Authority’s sole option, automatically terminate and cease to exist:

(a) termination of the Lease or Sublease for any reason;

(b) Sublandlord or Subtenant fails to strictly comply with, fulfill, perform, keep, or observe any of the Airport Rules and Regulations or any of the terms, covenants, conditions and obligations under this Consent;

(c) The appointment of a receiver to take possession, or the attachment, execution, or other judicial seizure, of the Lease, the Sublease, this Consent, or all or any part of Sublandlord’s or Subtenant’s business or assets;

(d) A general assignment by Sublandlord or Subtenant for the benefit of creditors; or

(e) Any voluntary or involuntary petition, or similar pleading, under any bankruptcy act shall be filed by or against Sublandlord or Subtenant or any voluntary or involuntary proceeding in any court shall be instituted to declare Sublandlord or Subtenant insolvent or unable to pay their respective debts. In the event that under applicable law the trustee in bankruptcy (or Sublandlord or Subtenant) have the right to affirm the Lease, the Sublease, or this Consent and continue to lease the Leased Premises or Subleased Premises thereunder, such trustee (or Sublandlord and Subtenant) shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Sublandlord and Subtenant thereunder outstanding as of the date of the affirmance of the Lease, the Sublease, or this Consent and provide to the Authority such adequate assurances as may be necessary to
distribute or receive fuel from any third party, including each other or any other tenants, subtenants, licensees, invitees, fixed based operators, persons or entities at the Naples Municipal Airport. Sublandlord and Subtenant shall only receive fuel directly from the Authority or individually and separately participate in an aviation fuel program offered by the Authority.

14. All notices and communications under this Consent shall be in writing and shall be given by personal delivery or certified first class United States mail, return receipt requested, to the respective parties at the addresses first stated above, with copies sent to the Executive Department at the Authority and to the Authority’s Attorney, William L. Owens, Esq., Bond, Schoeneck & King, PLLC, 4001 Tamiami Trail North, Suite 250, Naples, Florida 34103.

Notice shall be deemed given upon personal delivery or upon receipt. Either party may change its mailing address by giving written notice to the other parties in accordance with the requirements of this paragraph 13.

15. The failure of the Authority to enforce at any time or for any period of time any one or more of the provisions of the Lease or this Consent shall not be construed to be and shall not be a waiver of any such provision or provisions or of its right thereafter to enforce each and every such provision. The waiver by the Authority of a breach of any provision of the Lease or this Consent shall not be deemed a continuing waiver or a waiver of any subsequent breach of the same or any other provision thereof.

16. The invalidity of any one or more of the provisions contained in this Consent shall not affect the enforceability of any or all of the remaining provisions hereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the provisions contained in this Consent shall be declared invalid, this Consent shall be construed as if such invalid provisions had not been inserted.

17. Subject to the restrictions on assignment by Sublandlord and Subtenant under the Lease and paragraph 12 of this Consent, this Consent shall bind and inure to the benefit of Sublandlord, Subtenant and the Authority, and their respective heirs, personal representatives, successors and permitted assigns, and no other person or entity shall have or acquire any right by virtue of this Consent.

18. In the event of any controversy, claim, dispute or litigation relating to the Lease or this Consent or the breach thereof, the prevailing party shall be entitled to recover from the losing party the prevailing party’s costs and expenses, including, without limitation, reasonable attorneys’ fees.

19. This Consent shall be interpreted under, and its performance governed by, the laws of the State of Florida (excluding any conflict of law rule or principle that would refer to the laws of another jurisdiction). Each party hereto irrevocably submits to the jurisdiction of the Circuit Court of the State of Florida, Collier County, in any action or proceeding arising out of or relating to the Lease, the Sublease, or this Consent, and each party hereby irrevocably agrees that all claims in respect of any such action or proceeding must be brought and/or defended in such court; provided, however, that matters which are under the exclusive jurisdiction of the Federal courts shall be brought in the Federal District Court for the Middle District of Florida. Each party hereto consents to service of process by any means authorized by the applicable law of the forum in any action brought under or arising out of the Lease, the Sublease, or this Consent, and each party irrevocably waives, to the fullest extent each may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court. THE SUBLANDLORD, SUBTENANT AND THE AUTHORITY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING ARISING UNDER THE LEASE, THE SUBLEASE, OR THIS CONSENT.
20. Subtenant’s rights and privileges under the Sublease and this Consent are subject and subordinate to any and all rights, liens, licenses, tenancies, mortgages, uses and other encumbrances which may now or hereafter bind the Authority or encumber the Subleased Premises, Leased Premises, and the Naples Municipal Airport, and to all renewals, modifications, and extensions thereof. Sublandlord and Subtenant shall, upon request of the Authority, execute any subordination documents which the Authority may deem necessary, but no such document shall be required to effectuate this subordination.

21. The Authority does not warrant or represent that the Leased Premises and Subleased Premises are safe, healthy or suitable for the purposes for which they are permitted to be used under the Lease, the Sublease, and this Consent.

22. From and after the execution and delivery of this Consent, Sublandlord and Subtenant shall cooperate with the Authority in taking such actions, executing such instruments and granting such rights as may be reasonably necessary or requested by the Authority to effectuate the purposes of this Consent and to perfect the rights and privileges granted and the obligations assumed hereunder. Provided, however, it is agreed by the parties hereto that neither this Consent nor the Sublease shall be recorded in the Public Records of Collier County, Florida.

23. Sublandlord and Subtenant each hereby warrant and agree that as of the Effective Date that (a) the Authority has fulfilled all of its covenants and obligations under the Lease and is not in default thereunder, (b) the Lease and this Consent is in full force and effect and binding on each of them and (c) Sublandlord and Subtenant have no defenses, claims or offsets against the Authority or against the covenants and obligations of the “Tenant” under the Lease. Sublandlord and Subtenant do hereby release and hold harmless the Authority, its officers, employees, attorneys, insurers and agents, from and against any claim, action, suit, demand, cost, expense or liability of any kind, whether known or unknown, relating in any way to the Lease and this Consent, or the administration thereof, or the communications and dealings between Sublandlord, Subtenant and/or the Authority through the Effective Date hereof. All terms and conditions in the Lease not specifically referenced in or amended by this Consent shall and do remain in full force and effect and are hereby ratified and confirmed by Sublandlord and Subtenant in all other respects. In the event of any conflict between the terms of the Sublease and the terms of this Consent, the terms of this Consent shall control.

24. This Consent (including the Lease, Sublease, and Airport Rules and Regulations which are incorporated herein by reference) represents the entire agreement between Sublandlord, Subtenant and the Authority and supersedes all prior agreements, oral or written, and all other communications relating to the subject matter hereof. Each party has had the opportunity to review with an attorney the form of this Consent (including the Lease, Sublease, and Airport Rules and Regulations) and to negotiate same. Therefore, any ambiguity in this Consent shall not be construed against any party by virtue of having drafted this Consent. This Consent may be executed in any number of counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts shall together constitute the same agreement. Delivery of an executed signature page by facsimile transmission shall be as effective as delivery of a manually signed counterpart. No modification or change to this Consent shall be valid or binding upon the parties unless in writing and executed by the party or parties intended to be bound by it.

25. This Consent may be executed in counterparts, each of which shall be deemed an original and all of which together will constitute one and the same instrument. Moreover, facsimile signatures shall be deemed originals.
IN WITNESS WHEREOF, Sublandlord, Subtenant and the Authority have executed this Consent as of the Effective Date.

SUBLANDLORD:

HARTFORD REALTY LLC,
a Maryland limited liability company

By: C. David Sherrill, Managing Member

SUBTENANT:

NAPLES AIR CENTER, INC.,
a Florida corporation

By: Richard J. Gentil, President

AUTHORITY:

CITY OF NAPLES AIRPORT AUTHORITY,
a political subdivision of the State of Florida

By: Christopher A. Rozansky, Executive Director

Approved as to form and legal sufficiency by:

William L. Owens, Esq.
Counsel to the Authority
LEADERSHIP TEAM REPORT

December 2018 – January 2018

FOSTER A VALUED, ENGAGED AND EMPOWERED WORKFORCE

Employee and Leadership Development

Two Line Service Technicians attended the American Association of Airport Executives (AAAE) Airport Safety & Operations Specialist School (ASOS) in Alexandria, VA in December. The two-day class covered a variety of topics required for Part 139.

Security staff has been working on Incident Command System (ICS) courses throughout the month of December. In addition, the Operations Coordinator and Operations Manager both completed the G-400 Advanced Incident Command Certification Course.

PROVIDE SERVICE EXCELLENCE EVERY DAY

Alerts

There was one alert for the month of December 2018.

<table>
<thead>
<tr>
<th>DATE</th>
<th>ALERT</th>
<th>TYPE A/C</th>
<th>PROBLEM</th>
<th>RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/4/2018</td>
<td>6</td>
<td>TB20</td>
<td>Both main brakes locked up after landing roll-out RWY 23 @ TWY A-1.</td>
<td>Aircraft was placed on the dolly and removed from the movement area. No Injuries.</td>
</tr>
</tbody>
</table>

Rebranding – Staff hosted a reception on December 18th to celebrate the launch of our new brand. Attendees included the new City Manager, a City Council member, a Collier County Commissioner, Naples Airport Authority Board members, Noise Compatibility Committee members and numerous staff members.

Rebranding efforts are ongoing to include new uniforms and reviewing the airport signage plan to incorporate the new branding.

Annual Financial Audit – Our annual audit has been completed and the draft Comprehensive Annual Financial Report (CAFR) has been sent to the Audit Committee for their review at the January 11th Audit Committee meeting.
AvTrip Program

<table>
<thead>
<tr>
<th>Month</th>
<th>Full Retail</th>
<th>Volume Discount</th>
<th>Contract</th>
<th>Prepaid Program</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oct-18</td>
<td>71,187</td>
<td>71,518</td>
<td>n/a</td>
<td>36,491</td>
<td>179,196</td>
</tr>
<tr>
<td>Nov-18</td>
<td>77,525</td>
<td>14,685</td>
<td>164,062</td>
<td>66,903</td>
<td>323,175</td>
</tr>
<tr>
<td>Dec-18</td>
<td>53,866</td>
<td>1,560</td>
<td>191,005</td>
<td>53,947</td>
<td>300,378</td>
</tr>
<tr>
<td>Gallons Sold by Program</td>
<td>202,578</td>
<td>87,763</td>
<td>355,067</td>
<td>157,341</td>
<td>802,749</td>
</tr>
<tr>
<td>% by Program</td>
<td>25.2%</td>
<td>10.9%</td>
<td>44.2%</td>
<td>19.6%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cost of AvTrip Points by Fuel Program</td>
<td>$4,052</td>
<td>$1,755</td>
<td>$7,101</td>
<td>$3,147</td>
<td>$16,055</td>
</tr>
</tbody>
</table>

Facilities – The Florida Department of Transportation will perform non-destructive pavement friction testing on all runways in January. This type of testing determines whether we will be required to remove excess rubber from the touch down areas of the runways. A detailed report will be provided and available upon request.

The North Self Fueler pump has been replaced and the tank has been placed back in service.

The Collier County Pollution Control Inspection continued with three more site tanks inspected with no discrepancies.

Due to high winds on December 21st, the Sun Sail at the Observation deck was damaged, requiring it to be removed. A replacement has been ordered.

Master Plan – Open Houses are scheduled for January 29th at the Commercial Terminal from 9 a.m. – 11 a.m. and at the Naples Regional Library from 4:30 p.m. – 6:30 p.m. The next Joint Workshop Meeting of the NAA and NCC is scheduled for January 30th at 8:30 a.m. at City Hall.

ARFF Services Building Design – Final bid plans are due in January. After review, a Request for Proposal (RFP) will be issued for construction proposals. Based on the results, a recommendation will be presented to the Board at the March or April meeting. Concurrent with the RFP, the plans will be submitted to the City for permitting.

Irma Recovery – Hangar replacement doors were delivered on January 7th. Alen Construction will begin the door installation as they complete the final hangar painting on the north ramp. Taxiway D Realignment – The contractor has resumed work on the final phase of the taxiway between Runway 14/32 and Taxiway C. This will take approximately four weeks. The final work, including any punch-list items, is scheduled to be completed by February 11th.
Fuel Farm Expansion – A pre-construction meeting was held on January 9th, and the Notice to Proceed was issued for permitting and submittals. Due to the tank manufacturer’s lead time of approximately 20 weeks, actual construction is estimated to commence in May or June.

COMMITTED TO SUSTAINABILITY

Outreach

The Senior Director of Operations, FBO Manager, and a Customer Service Representative will attend the upcoming National Business Aviation Association (NBAA) Schedulers and Dispatchers Conference being held in San Antonio, Texas, at the end of January.

Holiday e-cards were sent to customers, the Naples Airport Authority Board of Commissioners and the Noise Compatibility Committee.

On January 4th the Executive Director welcomed the new City Manager and provided an in-depth tour of the Naples Airport.

Staff attended the monthly Experimental Aircraft Association (EAA) meeting on January 9th. Scholarships were given two students from Lorenzo Walker Technical High School. Both received a new tool kit and tools, courtesy of EAA and Lowe’s.

The airport hosted the Leadership Collier Class of 2019 on January 10th as part of government day. This day was to provide the class with a diverse spectrum of government perspectives. The class was greeted by the Executive Director in partnership with Mr. Justin Lobb from Collier County Airports. The Executive Director gave a brief presentation on the Naples Airport and provided the class with an airfield tour that ended at Collier Mosquito Control District.

The airport is currently coordinating with Marine Industries for the 2019 Naples Boat Show event scheduled at the Commercial Terminal from January 17th – 20th, 2019.

Flag drop-offs have increased over the past several months. On December 20th, Operations staff conducted a flag Retirement Ceremony at the Commercial Terminal Ramp; approximately 500 additional flags were retired.

Tours

There were no tours during the month of December.
The following is a high-level summary for December 2018, plus information on upcoming events:

December 2018 compared to December 2017:

- Total Aircraft operations are up 1.1%
- IFR (Instrument Flight Rules) operations are up 0.2%
- VFR (Visual Flight Rules) operations are up 1.9%
- Voluntary curfew (10pm – 7am) operations are down 20.5%
- 63.4% of the operations occurred during the “shoulder hours” in December 2018 as compared to 68.8% during December 2017.
- Voluntary curfew compliance rate is 98.5% in December 2018, as compared to 98.2% in December 2017.

FY 2019 compared to FY 2018 (October-December):

- Total Aircraft operations are up 5.2%
- IFR (Instrument Flight Rules) operations are up 5.3%
- VFR (Visual Flight Rules) operations are up 5.2%
- Voluntary curfew (10pm – 7am) operations are up 2.2%
- Voluntary YTD curfew compliance rate is 98.5% for FY 2019 and 98.4% for FY 2018.

The next Noise Compatibility Committee Regular Meeting will be is scheduled for Thursday, January 31st, 2019, at 9 a.m., in Airport Office Building Conference Room located at 200 Aviation Drive North, 2nd floor. The public is encouraged to attend.

Videos of NCC Meetings are available for viewing at:

NCC and NAA Annual Reports are posted on the Authority’s website at:
Voluntary Curfew Activity by Aircraft Category, Current Month

<table>
<thead>
<tr>
<th></th>
<th>Arrivals</th>
<th>Departures</th>
<th>Total</th>
<th>% of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jets</td>
<td>41</td>
<td>38</td>
<td>79</td>
<td>42%</td>
</tr>
<tr>
<td>Turboprops</td>
<td>4</td>
<td>5</td>
<td>9</td>
<td>5%</td>
</tr>
<tr>
<td>Piston</td>
<td>26</td>
<td>26</td>
<td>52</td>
<td>28%</td>
</tr>
<tr>
<td>Helo</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Public Service</td>
<td>30</td>
<td>16</td>
<td>46</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>101</strong></td>
<td><strong>85</strong></td>
<td><strong>186</strong></td>
<td></td>
</tr>
</tbody>
</table>

% of Activity 54% 46%

US Customs and Border Protection Aircraft Clearings

<table>
<thead>
<tr>
<th></th>
<th>Cleared and Stayed</th>
<th>Cleared and Departed</th>
<th>Total Cleared</th>
<th>Cleared and Stayed</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011*</td>
<td>304</td>
<td>6</td>
<td>310</td>
<td>98.1%</td>
</tr>
<tr>
<td>FY 2012</td>
<td>492</td>
<td>16</td>
<td>508</td>
<td>96.9%</td>
</tr>
<tr>
<td>FY 2013</td>
<td>549</td>
<td>12</td>
<td>561</td>
<td>97.9%</td>
</tr>
<tr>
<td>FY 2014</td>
<td>762</td>
<td>26</td>
<td>788</td>
<td>96.7%</td>
</tr>
<tr>
<td>FY 2015</td>
<td>874</td>
<td>32</td>
<td>906</td>
<td>96.5%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>1025</td>
<td>47</td>
<td>1072</td>
<td>95.6%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>1204</td>
<td>22</td>
<td>1226</td>
<td>98.2%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>1334</td>
<td>28</td>
<td>1362</td>
<td>97.9%</td>
</tr>
<tr>
<td>FY 2019 YTD</td>
<td>335</td>
<td>8</td>
<td>343</td>
<td>97.7%</td>
</tr>
</tbody>
</table>

* Facility opened December 30, 2010

64.89% of night operations took place during the hours of 10 pm - midnight and 6 a.m. - 7 a.m.
### General Aviation Terminal - HVAC

**Contractor:** Advanced Air Systems- Low Bidder  
**Consultant:** Hanson Professional Services, Inc  
**Funding:** NAA  
**Date:** 1/9/2019  

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Approved Budget - Design Phase I</td>
<td>$34,410.00</td>
<td></td>
</tr>
<tr>
<td>Board Approved Budget - Construction</td>
<td>$500,000.00</td>
<td></td>
</tr>
<tr>
<td>Hanson Professional Services, Inc.- Design Phase I</td>
<td>$34,410.00</td>
<td>$39,000.00</td>
</tr>
<tr>
<td>Hanson Professional Services, Inc.-Construction Phase II</td>
<td>$5,930.00</td>
<td></td>
</tr>
<tr>
<td>Contractor: Advanced Air Systems</td>
<td>$441,813.00</td>
<td>$397,631.67</td>
</tr>
<tr>
<td>Direct Purchase</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Project Budget</strong></td>
<td>$534,410.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Cost to Date</strong></td>
<td></td>
<td>$436,631.67</td>
</tr>
<tr>
<td><strong>Total available to Complete</strong></td>
<td>$97,778.33</td>
<td></td>
</tr>
</tbody>
</table>

Work is complete, final payment with permit closeout

### Taxiway D North Quad Realignment Design & Const. Phase

**Contractor:** Quality Enterprises USA, Inc.  
**Consultant:** EG Solutions  
**Funding:** FDOT-80%, NAA- 20%  
**Date:** 1/9/2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Approved Budget - Design &amp; Construction Phase Serv.</td>
<td>$606,641.00</td>
<td></td>
</tr>
<tr>
<td>Board Approved Budget - Construction</td>
<td>$3,675,999.25</td>
<td></td>
</tr>
<tr>
<td>EG Solutions - Design &amp; Const. Phase</td>
<td>$606,641.00</td>
<td>$606,779.91</td>
</tr>
<tr>
<td>Contractor: Quality Enterprises USA, Inc.</td>
<td>$3,675,999.25</td>
<td>$3,264,044.88</td>
</tr>
<tr>
<td>Bid Advertisement</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Project Cost - Design &amp; Construction</strong></td>
<td>$4,282,640.25</td>
<td></td>
</tr>
<tr>
<td><strong>Total Cost to Date</strong></td>
<td></td>
<td>$3,870,824.79</td>
</tr>
<tr>
<td><strong>Total available to Complete</strong></td>
<td>$412,015.46</td>
<td></td>
</tr>
</tbody>
</table>

### ARFF Replacement Station

**Contractor:** TRD  
**Consultant:** Atkins North America, Inc.  
**Funding:** FDOT-80%, NAA- 20%  
**Date:** 1/9/2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Approved Budget - Design Phase Services</td>
<td>$500,000.00</td>
<td></td>
</tr>
<tr>
<td>Atkins- Design Phase</td>
<td>$457,761.00</td>
<td>$415,927.90</td>
</tr>
<tr>
<td>Contractor: TBD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bid Advertisement</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Project Cost</strong></td>
<td>$500,000.00</td>
<td></td>
</tr>
<tr>
<td><strong>Total Cost to Date</strong></td>
<td></td>
<td>$415,927.90</td>
</tr>
<tr>
<td><strong>Total available to Complete</strong></td>
<td>$84,072.10</td>
<td></td>
</tr>
</tbody>
</table>
### Master Plan
Consultant: Environmental Science Associates Corp.

Funding: Base Fee- FAA 90%, FDOT 5%, NAA 5%
Funding: Alternate Fee - NAA 100%

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Board Approved Budget</td>
<td>$1,200,000.00</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Base Fee</td>
<td>$781,995.00</td>
<td>$433,658.02</td>
</tr>
<tr>
<td>3</td>
<td>Alternate Fee</td>
<td>$414,410.00</td>
<td>$98,866.86</td>
</tr>
<tr>
<td>4</td>
<td><strong>Total Project Cost</strong></td>
<td><strong>$1,196,405.00</strong></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Total Cost to Date</td>
<td></td>
<td>$532,524.88</td>
</tr>
<tr>
<td>7</td>
<td>Total Available to Complete</td>
<td></td>
<td>$663,880.12</td>
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</table>

### Irma Repair - Exec Hangar 3
Contractor: Alen Construction Group
Consultant: Hanson Professional Services, Inc
Funding: NAA

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Board Approved Budget - Design and Construction</td>
<td>$278,208.00</td>
<td></td>
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<tr>
<td>2</td>
<td>Contractor: Alen Construction Group</td>
<td>$278,208.00</td>
<td>$252,435.72</td>
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<td>3</td>
<td><strong>Total Project Cost</strong></td>
<td><strong>$278,208.00</strong></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Total Cost to Date</td>
<td></td>
<td>$252,435.72</td>
</tr>
<tr>
<td>5</td>
<td>Total available to Complete</td>
<td></td>
<td>$25,772.28</td>
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</tbody>
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### Irma Repair - T Hangars
Contractor: Alen Construction Group
Consultant: Hanson Professional Services, Inc
Funding: NAA

<table>
<thead>
<tr>
<th>#</th>
<th>Description</th>
<th>Cost</th>
<th>Costs to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Board Approved Budget -</td>
<td>$1,031,707.20</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Contractor: Alen Construction Group</td>
<td>$1,031,707.20</td>
<td>$445,924.18</td>
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<tr>
<td>3</td>
<td><strong>Total Project Cost</strong></td>
<td><strong>$1,031,707.20</strong></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Total Cost to Date</td>
<td></td>
<td>$445,924.18</td>
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<tr>
<td>5</td>
<td>Total available to Complete</td>
<td></td>
<td>$585,783.02</td>
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<tr>
<td></td>
<td>Description</td>
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<td>---</td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>Board Approved Budget - Design and Construction Services</td>
<td>$ 224,263.00</td>
<td></td>
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<tr>
<td>2</td>
<td>Hanson Professional Services, Inc.</td>
<td>$ 224,263.00</td>
<td>$ 124,514.12</td>
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<td>3</td>
<td>Total Project Cost</td>
<td>$ 224,263.00</td>
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<td>4</td>
<td>Total Cost to Date</td>
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<tr>
<td>5</td>
<td>Total available to Complete</td>
<td>$ 99,748.88</td>
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<tr>
<td>MONTH</td>
<td>TOTAL AIRCRAFT CLEARED</td>
<td>AIRCRAFT CLEARED/STAYED IN NAPLES</td>
<td>CLEARED/DEPARTED FOR DESTINATION</td>
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<tr>
<td>-----------</td>
<td>------------------------</td>
<td>-----------------------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>OCTOBER</td>
<td>55</td>
<td>63</td>
<td>14.5</td>
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<tr>
<td>NOVEMBER</td>
<td>126</td>
<td>143</td>
<td>13.5</td>
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<tr>
<td>DECEMBER</td>
<td>156</td>
<td>137</td>
<td>-12.2</td>
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<tr>
<td>JANUARY</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEBRUARY</td>
<td></td>
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</tr>
<tr>
<td>MARCH</td>
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<tr>
<td>APRIL</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAY</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>JUNE</td>
<td></td>
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<td>JULY</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>AUGUST</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SEPTEMBER</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>YTD TOTALS</td>
<td>337</td>
<td>343</td>
<td>1.8</td>
</tr>
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</table>
Aviation Fuel Gallons & Aircraft Operations Historical Comparison
36 Months

Aviation Gallons

Aircraft Operations

**NOTE**: Jet Operations figures are provided by Flight Aware and are subject to change due to their reporting methods. **
City of Naples Airport Authority  
31-Dec-18  
HUMAN RESOURCES METRICS

Voluntary Turnover

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.9%</td>
<td>4.1%</td>
<td>8.1%</td>
<td>10.0%</td>
<td>2.3%</td>
<td></td>
</tr>
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Voluntary Turnover History (Annual)

**EMPLOYMENT**

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted Positions (Non Seasonal)</td>
<td>72.5</td>
<td>73.6</td>
<td>74.8</td>
<td>76.0</td>
<td>86.0</td>
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<tr>
<td>Budgeted Positions (Seasonal)</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>12.0</td>
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<tr>
<td>Actual Positions (Non Seasonal)</td>
<td>68.7</td>
<td>72.2</td>
<td>73.9</td>
<td>72.0</td>
<td>72.0</td>
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<tr>
<td>Actual Positions (Seasonal)</td>
<td>3.0</td>
<td>2.8</td>
<td>2.6</td>
<td>2.0</td>
<td>11.0</td>
</tr>
</tbody>
</table>

Budgeted vs Actual Full Time: FY 2019

Years of Service with the Authority

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>YTD FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>3+ years</td>
<td>72.1%</td>
<td>66.8%</td>
<td>66.7%</td>
<td>64.9%</td>
<td>65.3%</td>
</tr>
<tr>
<td>5+ years</td>
<td>63.2%</td>
<td>58.9%</td>
<td>56.9%</td>
<td>55.4%</td>
<td>52.8%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>5+ Years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>52.8%</td>
</tr>
<tr>
<td>3+ Years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>65.3%</td>
</tr>
</tbody>
</table>

Work Injuries

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Injuries</td>
<td>1</td>
<td>3</td>
<td>5</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Days Away from Work²</td>
<td>-</td>
<td>1</td>
<td>5</td>
<td>49</td>
<td>20</td>
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</tbody>
</table>

Damage Incidents³

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per actual positions (FTE)</td>
<td>0.13</td>
<td>0.09</td>
<td>0.05</td>
<td>0.01</td>
<td>-</td>
</tr>
</tbody>
</table>

1. Effective January 2018 a change in the report reflects annual budgeted positions and actual positions year to date. Prior years reflect fiscal year adjusted FTE's.
2. The number of days is a single incident that resulted in 2 surgeries. Days missed carried over into new fiscal year. Employee returned to work 10/31/2018.
3. Report does not reflect Hurricane Irma damage.
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Ken Warriner, Director of Finance and Administration

Date: January 7, 2019

Re: December 2018 Financials

1. Financial Summary

For the month of December 2018, Operating Revenue (net of cost of goods sold) was $1,823,298 compared to the budget of $1,507,390. This was favorable to budget by $315,908 or 21%. Operating expenses were favorable to budget by $71,447 or 7%. Income from Operations was $844,059 or $387,355 favorable to the budget. The net income was favorable to budget by $394,147. The Authority’s net income for the month was budgeted at $208,932 and the actual was $603,080.

<table>
<thead>
<tr>
<th>YTD Budget-to-Actual Comparisons</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 18-19 Budget</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Jet A Net Fuel Revenue</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Sold</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Pumped</td>
</tr>
<tr>
<td>Ramp Fee Revenue</td>
</tr>
<tr>
<td>S/T Storage Rentals</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YTD Prior Year to Current Year Comparisons</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 17-18 Actual</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>Aircraft Fuelings</td>
</tr>
<tr>
<td>Jet A Fuelings</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Pumped</td>
</tr>
<tr>
<td>Ramp Fee Transactions</td>
</tr>
</tbody>
</table>

As of the end of December, the Authority was still at capacity for aircraft storage rentals, with a waiting list of 102 for various size rental spaces. Of these, 25% are current tenants and 75% are prospective tenants.
# City of Naples Airport Authority
## Financial Reports
### For the Period Ending December 31, 2018

## INDEX

<table>
<thead>
<tr>
<th>Management Reports</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of Fuel Sales</td>
<td>2</td>
</tr>
</tbody>
</table>

### Financial Statements

<table>
<thead>
<tr>
<th>Financial Statements</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Statement – Month</td>
<td>3</td>
</tr>
<tr>
<td>Income Statement – Fiscal Year-to-Date</td>
<td>4</td>
</tr>
<tr>
<td>Operating Expenses by Department - Month</td>
<td>5</td>
</tr>
<tr>
<td>Operating Expenses by Department – Fiscal Year-to-Date</td>
<td>6</td>
</tr>
<tr>
<td>Statement of Cash Flows</td>
<td>7</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>8</td>
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</table>
City of Naples Airport Authority  
Statement of Fuel Sales  
For the Period ended December 31, 2018

<table>
<thead>
<tr>
<th>Fuel Sales Revenue</th>
<th>Current Month</th>
<th>Year-To-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 18 - 19 Budget</td>
<td>FY 18 - 19 Actual</td>
</tr>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
</tr>
<tr>
<td>Jet A Full Service</td>
<td>270,787</td>
<td>$1,107,898</td>
</tr>
<tr>
<td>Contract Fuel</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Jet A Prepaid</td>
<td>144,509</td>
<td>476,344</td>
</tr>
<tr>
<td>Volume Discount</td>
<td>239,269</td>
<td>717,168</td>
</tr>
<tr>
<td>Flowage Fees</td>
<td>32,659</td>
<td>10,079</td>
</tr>
<tr>
<td>Total Jet A</td>
<td>687,224</td>
<td>$2,311,489</td>
</tr>
<tr>
<td>100LL Full Service</td>
<td>14,994</td>
<td>$60,967</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>9,078</td>
<td>33,293</td>
</tr>
<tr>
<td>100 LL Prepaid</td>
<td>10,290</td>
<td>39,951</td>
</tr>
<tr>
<td>Total 100LL</td>
<td>34,362</td>
<td>$134,211</td>
</tr>
<tr>
<td>Car Wash Facility</td>
<td>2,321</td>
<td>$8,800</td>
</tr>
<tr>
<td>Aviation Oil</td>
<td>1,900</td>
<td>600</td>
</tr>
<tr>
<td>Total Fuel Sales</td>
<td>723,907</td>
<td>$2,455,100</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jet A Full Service</td>
<td>270,787</td>
<td>$557,809</td>
</tr>
<tr>
<td>Contract Fuel</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Fuel Program</td>
<td>144,509</td>
<td>291,233</td>
</tr>
<tr>
<td>Volume Discount</td>
<td>239,269</td>
<td>483,738</td>
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<tr>
<td>Flowage Fees</td>
<td>32,659</td>
<td>-</td>
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<tr>
<td>Total Jet A Cost</td>
<td>687,224</td>
<td>$1,336,780</td>
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<td>100LL Full Service</td>
<td>14,994</td>
<td>$47,981</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>9,078</td>
<td>29,050</td>
</tr>
<tr>
<td>Fuel Program</td>
<td>10,290</td>
<td>32,640</td>
</tr>
<tr>
<td>Total 100LL Cost</td>
<td>34,362</td>
<td>$109,671</td>
</tr>
<tr>
<td>Car Wash Facility</td>
<td>1,979</td>
<td>$6,900</td>
</tr>
<tr>
<td>Aviation Oil</td>
<td>$600</td>
<td>52</td>
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<tr>
<td>Credit Card Fees</td>
<td>$28,400</td>
<td>$14,094</td>
</tr>
<tr>
<td>Contract Credit Card Fees</td>
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<td></td>
</tr>
<tr>
<td>Total Cost of Sales</td>
<td>723,565</td>
<td>$1,453,951</td>
</tr>
<tr>
<td>Total Net Fuel Revenue</td>
<td>$1,001,149</td>
<td>$1,295,228</td>
</tr>
</tbody>
</table>

Page 2
City of Naples Airport Authority  
Income Statement  
(Budget-to-Actual Comparison)  
For the Period Ending December 31, 2018  

<table>
<thead>
<tr>
<th>FY 18-19</th>
<th>Current Period</th>
<th>Variance Explanation for Amounts &gt;$10,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget</td>
<td>Actual</td>
</tr>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Sales (net of COGS)</td>
<td>$1,001,149</td>
<td>$1,295,228</td>
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<tr>
<td>Concession Fees</td>
<td>59,522</td>
<td>53,899</td>
</tr>
<tr>
<td>Hangar/T-Shelter/Tiedowns</td>
<td>236,107</td>
<td>228,344</td>
</tr>
<tr>
<td>Building &amp; Land Rent</td>
<td>110,990</td>
<td>118,124</td>
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<tr>
<td>Line Services</td>
<td>62,962</td>
<td>78,325</td>
</tr>
<tr>
<td>U.S. Customs User Fees</td>
<td>34,954</td>
<td>46,765</td>
</tr>
<tr>
<td>Other</td>
<td>1,706</td>
<td>2,613</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td><strong>$1,507,390</strong></td>
<td><strong>$1,823,298</strong></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td></td>
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<tr>
<td>Personnel Expense</td>
<td>503,234</td>
<td>439,729</td>
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<td>Professional Fees</td>
<td>172,461</td>
<td>174,804</td>
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<td>Legal Fees</td>
<td>21,701</td>
<td>14,586</td>
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<td>Communications Expense</td>
<td>9,577</td>
<td>15,358</td>
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<td>Insurance Expense</td>
<td>44,407</td>
<td>46,877</td>
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<td>Health, Life and Long Term Dis. Ins</td>
<td>69,267</td>
<td>79,262</td>
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<td>Employee Recognition Affairs</td>
<td>19,650</td>
<td>16,307</td>
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<td>Uniforms</td>
<td>4,727</td>
<td>16,057</td>
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<td>Training &amp; Education / Webinars</td>
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<td>2,417</td>
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<td>Professional Development</td>
<td>2,133</td>
<td>-</td>
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<td>Conferences</td>
<td>7,792</td>
<td>368</td>
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<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>4,666</td>
<td>1,929</td>
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<tr>
<td>Utilities &amp; Environmental Expense</td>
<td>39,350</td>
<td>25,421</td>
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<td>Office/Supplies/Postage/Printing Ex</td>
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<td>15,221</td>
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<tr>
<td>Police Services</td>
<td>3,000</td>
<td>2,620</td>
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<tr>
<td>Dues/Subscriptions/Fees Expense</td>
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<td>4,107</td>
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<tr>
<td>Auto Gas &amp; Diesel Fuel Expense</td>
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<td>6,726</td>
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<td>Pilot Services</td>
<td>13,333</td>
<td>13,617</td>
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<tr>
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<td>20,641</td>
<td>7,692</td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>23,750</td>
<td>9,339</td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>12,497</td>
<td>47,813</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>6,250</td>
<td>2,123</td>
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<tr>
<td>Equipment Maintenance</td>
<td>22,154</td>
<td>28,477</td>
</tr>
<tr>
<td>Small Tools, Equipment and Supplies</td>
<td>4,413</td>
<td>5,685</td>
</tr>
<tr>
<td>Cleaning Supplies</td>
<td>2,833</td>
<td>2,689</td>
</tr>
<tr>
<td>Miscellaneous Expense</td>
<td>-</td>
<td>15</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$1,050,685</strong></td>
<td><strong>979,239</strong></td>
</tr>
<tr>
<td>Income/(Loss) from Operations</td>
<td>$456,704</td>
<td>$844,059</td>
</tr>
<tr>
<td>Other Income/(Expense)</td>
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<td>Customer Facility Charges</td>
<td>18,092</td>
<td>17,973</td>
</tr>
<tr>
<td>Depreciation Exp-Operations</td>
<td>(179,574)</td>
<td>(201,167)</td>
</tr>
<tr>
<td>Depreciation Exp-Contributions</td>
<td>(121,965)</td>
<td>(121,182)</td>
</tr>
<tr>
<td>Interest Revenue</td>
<td>35,675</td>
<td>63,396</td>
</tr>
<tr>
<td>Other Revenue (Expense)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Other Income (Expense)</strong></td>
<td><strong>($247,772)</strong></td>
<td><strong>(240,980)</strong></td>
</tr>
<tr>
<td><strong>Net Income (Loss)</strong></td>
<td><strong>$208,932</strong></td>
<td><strong>$603,080</strong></td>
</tr>
</tbody>
</table>
City of Naples Airport Authority
Income Statement
(Budget-to-Actual Comparison)
For the Fiscal Year-to-Date Period Ending December 31, 2018

<table>
<thead>
<tr>
<th>Operating Revenue</th>
<th>FY 18-19</th>
<th>Year-to-Date</th>
<th>Favorable/Unfavorable</th>
<th>Variance Explanation for Amounts &gt;$25,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budget</td>
<td>Actual</td>
<td>(Unfavorable)</td>
<td>%</td>
</tr>
<tr>
<td>Fuel Sales (net of COGS)</td>
<td>$2,640,114</td>
<td>$3,337,592</td>
<td>$697,478</td>
<td>26% November 13th.</td>
</tr>
<tr>
<td>Concession Fees</td>
<td>125,353</td>
<td>125,455</td>
<td>103</td>
<td></td>
</tr>
<tr>
<td>Hangar/T-Sheeter/Tiedowns</td>
<td>684,855</td>
<td>686,737</td>
<td>1,882</td>
<td></td>
</tr>
<tr>
<td>Building &amp; Land Rent</td>
<td>340,961</td>
<td>356,261</td>
<td>15,300</td>
<td></td>
</tr>
<tr>
<td>Line Services</td>
<td>183,504</td>
<td>210,495</td>
<td>26,991</td>
<td>Increase in ramp fees from budget</td>
</tr>
<tr>
<td>U.S. Customs User Fees</td>
<td>97,148</td>
<td>116,240</td>
<td>19,092</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>5,342</td>
<td>9,641</td>
<td>4,299</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$4,077,276</td>
<td>$4,842,420</td>
<td>$765,144</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>FY 18-19</th>
<th>Year-to-Date</th>
<th>Favorable/Unfavorable</th>
<th>Variance Explanation for Amounts &gt;$25,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Expense</td>
<td>1,511,758</td>
<td>1,438,666</td>
<td>73,092</td>
<td>5%</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>507,649</td>
<td>497,319</td>
<td>10,331</td>
<td></td>
</tr>
<tr>
<td>Legal Fees</td>
<td>96,111</td>
<td>86,588</td>
<td>9,523</td>
<td></td>
</tr>
<tr>
<td>Communications Expense</td>
<td>43,953</td>
<td>35,380</td>
<td>8,573</td>
<td></td>
</tr>
<tr>
<td>Insurance Expense</td>
<td>133,221</td>
<td>121,701</td>
<td>11,520</td>
<td></td>
</tr>
<tr>
<td>Health, Life and Long Term Dis.</td>
<td>207,801</td>
<td>226,309</td>
<td>(18,508)</td>
<td>(9)</td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>21,040</td>
<td>17,490</td>
<td>3,550</td>
<td></td>
</tr>
<tr>
<td>Uniforms</td>
<td>14,090</td>
<td>30,882</td>
<td>(16,793)</td>
<td>(119)</td>
</tr>
<tr>
<td>Training / Education / Webinars</td>
<td>35,092</td>
<td>8,186</td>
<td>26,906</td>
<td>77% Budget amounts not yet spent.</td>
</tr>
<tr>
<td>Professional Development</td>
<td>6,399</td>
<td>6,399</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Conferences</td>
<td>24,863</td>
<td>2,081</td>
<td>22,782</td>
<td>92%</td>
</tr>
<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>15,730</td>
<td>12,216</td>
<td>3,514</td>
<td></td>
</tr>
<tr>
<td>Utilities &amp; Environmental Expense</td>
<td>118,014</td>
<td>78,540</td>
<td>39,474</td>
<td>33% Actual is consistent with prior year.</td>
</tr>
<tr>
<td>Office/Supplies/Postage/Printing</td>
<td>53,531</td>
<td>30,113</td>
<td>23,418</td>
<td>44%</td>
</tr>
<tr>
<td>Police Services</td>
<td>9,000</td>
<td>7,600</td>
<td>1,400</td>
<td></td>
</tr>
<tr>
<td>Dues/Subscriptions/Fees Expense</td>
<td>16,982</td>
<td>11,140</td>
<td>5,842</td>
<td>34%</td>
</tr>
<tr>
<td>Auto Gas &amp; Diesel Fuel Expense</td>
<td>21,249</td>
<td>19,872</td>
<td>1,377</td>
<td>6%</td>
</tr>
<tr>
<td>Pilot Services</td>
<td>39,999</td>
<td>32,986</td>
<td>7,013</td>
<td></td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>61,911</td>
<td>51,557</td>
<td>10,354</td>
<td>17%</td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>71,247</td>
<td>24,469</td>
<td>46,778</td>
<td>66% Budget amounts not yet spent.</td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>37,487</td>
<td>59,736</td>
<td>(22,249)</td>
<td>(59)</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>18,745</td>
<td>4,861</td>
<td>13,884</td>
<td>74%</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>65,559</td>
<td>63,180</td>
<td>2,379</td>
<td>4%</td>
</tr>
<tr>
<td>Small Tools, Equipment and Supply</td>
<td>13,227</td>
<td>18,362</td>
<td>(5,135)</td>
<td>(39)</td>
</tr>
<tr>
<td>Cleaning Supplies</td>
<td>8,499</td>
<td>6,974</td>
<td>1,525</td>
<td>18%</td>
</tr>
<tr>
<td>Miscellaneous Expense</td>
<td>-</td>
<td>(1,965)</td>
<td>1,965</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$3,153,156</td>
<td>$2,884,243</td>
<td>$268,913</td>
<td>9%</td>
</tr>
</tbody>
</table>

Income/(Loss) from Operations

<table>
<thead>
<tr>
<th>Income/(Loss) from Operations</th>
<th>FY 18-19</th>
<th>Year-to-Date</th>
<th>Favorable/Unfavorable</th>
<th>Variance Explanation for Amounts &gt;$25,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$924,119</td>
<td>$1,958,177</td>
<td>$1,034,057</td>
<td>112%</td>
</tr>
</tbody>
</table>

Other Income/(Expense)

<table>
<thead>
<tr>
<th>Other Income/(Expense)</th>
<th>FY 18-19</th>
<th>Year-to-Date</th>
<th>Favorable/Unfavorable</th>
<th>Variance Explanation for Amounts &gt;$25,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Facility Charges</td>
<td>$54,276</td>
<td>$40,290</td>
<td>($13,986)</td>
<td>(26%)</td>
</tr>
<tr>
<td>Depreciation Exp-Operations</td>
<td>($530,231)</td>
<td>($588,899)</td>
<td>($58,668)</td>
<td>11%</td>
</tr>
<tr>
<td>Depreciation Exp-Contributions</td>
<td>($381,513)</td>
<td>($363,550)</td>
<td>$17,963</td>
<td>(5)</td>
</tr>
<tr>
<td>Interest Revenue</td>
<td>$107,025</td>
<td>$187,547</td>
<td>$80,522</td>
<td>Higher interest rates than budgeted</td>
</tr>
<tr>
<td>Grant Revenue</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Other Revenue (Expense)</td>
<td>$0</td>
<td>$74</td>
<td>$74</td>
<td>100%</td>
</tr>
<tr>
<td>Rental Credit Expense</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Gain (Loss) on Disposal of Assets</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Interest Expense</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Other Income (Expense)</strong></td>
<td>($750,443)</td>
<td>($724,538)</td>
<td>$25,905</td>
<td>(3%)</td>
</tr>
</tbody>
</table>

Net Income (Loss)

<table>
<thead>
<tr>
<th>Net Income (Loss)</th>
<th>FY 18-19</th>
<th>Year-to-Date</th>
<th>Favorable/Unfavorable</th>
<th>Variance Explanation for Amounts &gt;$25,000 and 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$173,676</td>
<td>$1,233,638</td>
<td>$1,059,962</td>
<td>610%</td>
</tr>
</tbody>
</table>
## City of Naples Airport Authority
### Operating Expenses by Select Departments
#### Month of December 31, 2018

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>Air Traffic Control Tower</th>
<th>Airport Rescue Fire Fighting</th>
<th>IT</th>
<th>US Customs &amp; Border Protection</th>
<th>All Other Operating</th>
<th>Monthly Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Expense</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 439,729</td>
<td>$ 439,729</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>-</td>
<td>55,562</td>
<td>25,128</td>
<td>20,573</td>
<td>73,541</td>
<td>174,804</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14,586</td>
<td>14,586</td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,358</td>
<td>15,358</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>46,877</td>
<td>46,877</td>
</tr>
<tr>
<td>Health, Life and Long Term Dis. Ins</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>79,262</td>
<td>79,262</td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,307</td>
<td>16,307</td>
</tr>
<tr>
<td>Uniforms</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,057</td>
<td>16,057</td>
</tr>
<tr>
<td>Training &amp; Education / Webinars</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,417</td>
<td>2,417</td>
</tr>
<tr>
<td>Professional Development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Conferences</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>368</td>
<td>368</td>
</tr>
<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,929</td>
<td>1,929</td>
</tr>
<tr>
<td>Utilities &amp; Environmental</td>
<td>1,803</td>
<td>999</td>
<td>1,016</td>
<td>1,929</td>
<td>21,603</td>
<td>25,421</td>
</tr>
<tr>
<td>Office/Supplies/Postage/Printing</td>
<td>44</td>
<td>20</td>
<td>380</td>
<td>73</td>
<td>14,704</td>
<td>15,221</td>
</tr>
<tr>
<td>Police Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,620</td>
<td>2,620</td>
</tr>
<tr>
<td>Dues/Subscriptions/Fees</td>
<td>-</td>
<td>-</td>
<td>253</td>
<td>-</td>
<td>3,854</td>
<td>4,107</td>
</tr>
<tr>
<td>Auto Gas &amp; Diesel Fuel</td>
<td>68</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,658</td>
<td>6,726</td>
</tr>
<tr>
<td>Pilot Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>13,617</td>
<td>13,617</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>9,057</td>
<td>117</td>
<td>60</td>
<td>(1,542)</td>
<td>7,692</td>
<td>7,692</td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,339</td>
<td>9,339</td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>47,813</td>
<td>47,813</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,123</td>
<td>2,123</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>3,774</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>24,703</td>
<td>28,477</td>
</tr>
<tr>
<td>Small Tools, Equip and Supplies</td>
<td>-</td>
<td>-</td>
<td>429</td>
<td>-</td>
<td>5,255</td>
<td>5,684</td>
</tr>
<tr>
<td>Cleaning Supplies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,689</td>
<td>2,689</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$ 14,746</strong></td>
<td><strong>$ 56,698</strong></td>
<td><strong>$ 26,189</strong></td>
<td><strong>$ 21,722</strong></td>
<td><strong>$ 859,883</strong></td>
<td><strong>$ 979,239</strong></td>
</tr>
<tr>
<td><strong>Budget</strong></td>
<td><strong>$ 5,167</strong></td>
<td><strong>$ 70,835</strong></td>
<td><strong>$ 34,542</strong></td>
<td><strong>$ 30,759</strong></td>
<td><strong>$ 909,383</strong></td>
<td><strong>$ 1,050,686</strong></td>
</tr>
<tr>
<td><strong>Favorable / (Unfavorable)</strong></td>
<td><strong>$ (9,579)</strong></td>
<td><strong>$ 14,137</strong></td>
<td><strong>$ 8,353</strong></td>
<td><strong>$ 9,037</strong></td>
<td><strong>$ 49,500</strong></td>
<td><strong>$ 71,447</strong></td>
</tr>
</tbody>
</table>
City of Naples Airport Authority  
Operating Expenses by Select Departments  
Fiscal Year-To-Date as of December 31, 2018

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>US Customs &amp; Border Protection</th>
<th>All Other Operating</th>
<th>YTD Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Air Traffic Control Tower</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Expense</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,438,446</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>- 208,188</td>
<td>56,357</td>
<td>61,719</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Health, Life and Long Term Dis. Ins</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Uniforms</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Training &amp; Education / Webinars</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Professional Development</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Conferences</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Utilities &amp; Environmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Office/Supplies/Postage/Printing</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Police Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dues/Subscriptions/Printing</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Auto Gas &amp; Diesel Fuel</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Pilot Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>9,981</td>
<td>507</td>
<td>120</td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>3,774</td>
<td>-</td>
<td>230</td>
</tr>
<tr>
<td>Small Tools, Equip and Supplies</td>
<td>-</td>
<td>-</td>
<td>429</td>
</tr>
<tr>
<td>Cleaning Supplies</td>
<td>460</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>$ 20,129</td>
<td>$ 215,019</td>
<td>$ 58,261</td>
</tr>
</tbody>
</table>

| Budget                                | $ 15,485                      | $ 212,473           | $ 103,612 | $ 92,253   | $ 2,729,334 |
|**Favorable / (Unfavorable)**          | $ (4,644)                     | $ (2,546)           | $ 45,351  | $ 26,870   | $ 203,883  | $ 268,914  |
City of Naples Airport Authority  
Statement of Cash Flows  
For the Periods Ending  
December 31, 2018

<table>
<thead>
<tr>
<th></th>
<th>Month</th>
<th>Fiscal YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flows from Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Income (Loss)</td>
<td>$844,059</td>
<td>$1,958,177</td>
</tr>
<tr>
<td>Changes in Working Capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) Decrease in Accounts Receivable</td>
<td>$(713,683)</td>
<td>$(888,281)</td>
</tr>
<tr>
<td>(Increase) Decrease in Inventories</td>
<td>22,870</td>
<td>96,740</td>
</tr>
<tr>
<td>(Increase) Decrease in Prepaid Expenses and Other</td>
<td>$(197,212)</td>
<td>$(344,110)</td>
</tr>
<tr>
<td>Increase (Decrease) in Accounts Payable</td>
<td>30,454</td>
<td>10,677</td>
</tr>
<tr>
<td>Increase (Decrease) in Accrued Expenses and Other Current Liab</td>
<td>24,026</td>
<td>(6,963)</td>
</tr>
<tr>
<td>Increase (Decrease) in Deferred Revenue</td>
<td>235,112</td>
<td>233,346</td>
</tr>
<tr>
<td><strong>Net Cash Provided (Used) by Operating Activities</strong></td>
<td><strong>245,627</strong></td>
<td><strong>1,059,587</strong></td>
</tr>
</tbody>
</table>

| Cash Flow from Investing Activities: |         |            |
| Acquisition, Construction of Capital Assets | $(1,069,624) | $(2,798,780) |
| Proceeds from Disposal of Fixed Assets | -       | -          |
| Interest and Dividends on Investments | 63,396  | 187,547    |
| Other Revenue                         | -       | 44         |
| **Net Cash Provided (Used) in Investing Activities** | **(1,066,228)** | **(2,611,189)** |

| Cash Flow from Financing Activities: |         |            |
| Capital Contributions                | -       | -          |
| Customer Facility Charge Revenue    | 17,973  | 27,795     |
| **Net Cash Provided (Used) by Financing Activities** | **17,973** | **27,795** |

| Increase (Decrease) in Cash and Equivalents | $(742,629) | $(1,523,807) |

| Cash and Equivalents at Beginning of Period | 32,874,837 | 33,656,015 |
| Cash and Equivalents at End of Period      | 32,132,208 | $32,132,208 |
City of Naples Airport Authority  
Balance Sheet  
As of December 31, 2018

Assets

Cash $32,132,208
Accounts Receivable 1,314,929
S/T Asset Receivable -
Due From Government Agencies 1,430,186
Inventories 306,521
Prepaid Expenses 500,985

Total Current Assets 35,684,829

Land 2,973,788
Land Improvements 6,047,553
Buildings 23,897,964
Building Improvements 2,240,443
Equipment 8,584,493
Software 534,873
Vehicles 1,144,629
Office Furniture & Fixtures 962,926
Intangible Assets - Net 286,258
Construction in Progress 5,826,682
Infrastructure 60,291,570
Less Accumulated Depreciation (48,089,438)

Total Property, Plant & Equip 64,701,742

Total Assets $100,386,571

Liabilities

Accounts Payable $3,133,954
Accrued Salaries & Benefits 167,015
Payroll & Other Taxes Payable 30,969

Total Current Liabilities 3,331,938

Long Term Liabilities 5,024,837

Total Liabilities 8,356,775

Equity

Contributed Capital 35,247,528
Retained Earnings 55,548,630
Current Year Retained Earnings 1,233,638

Total Equity 92,029,796

Total Liabilities and Equity $100,386,571