Minutes
November 21, 2019
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Messer at 8:30 a.m. in the Council Chambers at City Hall.

Also present were Vice Chair Lenhard, Commissioner Brousseau, Commissioner Dustin and Commissioner Rideoutte.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Terrill, Mr. Keith, Mr. Warriner, Mr. Jefferson, Mr. Estrada, Mr. Hushek, Mr. Holmes, Ms. Sarcona, Ms. Bradbury 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.

D. MINUTES

1. October 17, 2019 Regular Meeting

Commissioner Rideoutte moved approval of the October 17, 2019, Regular Meeting minutes. Commissioner Dustin seconded. Motion passed unanimously 5-0.

2. October 31, 2019 Joint Workshop Meeting

Commissioner Dustin moved approval of the October 31, 2019, Joint Workshop Meeting minutes. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Employee of the Quarter

Chair Messer recognized Ms. Georgiana Bradbury, Senior Accounting Clerk – Accounts Receivable, as the Employee of the Quarter. Ms. Bradbury was thanked for her excellent customer service, kindness and success in communicating and collecting the audit results.

Mr. Rozansky noted that Ms. Bradbury came to the NAA without prior aviation experience, during the midst of the fuel program changes. Ms. Bradbury quickly got up to speed and found opportunities to improve efficiency and customer service.

F. PUBLIC COMMENTS

Mr. Michael Schumann, 1150 Sandpiper Street, Naples, expressed concern with the increase in t-hangar lease rates, as well as the method used by the appraisal firm, which compared lease rates at the Naples Airport to larger metropolitan areas instead of rates at the LaBelle and Immokalee Airports. He added that he was disappointed that the appraisal study was conducted without any notification to the tenants and requested the Board to readdress the entire policy with input by the general aviation community during season when more tenants are here.

There was Board and staff discussion regarding Mr. Schumann's comments. Mr. Rozansky stated that an apples-to-apples appraisal was conducted at comparable general aviation airports and a fair valuation of hangars with slider doors as well as hangars with automatic doors was completed. Mr. Rozansky agreed with Commissioner Dustin's statement that Naples Airport is no comparison to the airport locations in Immokalee and Labelle. He commented that staff could not find any record that an appraisal had ever been done on t-hangars and that with a wait list of nearly 100 aircraft, it became a supply and demand issue. Mr. Rozansky clarified that in accordance with the lease terms, notice of rent increases were sent out at least a month before the rates took effect. He said that in the past 10 years, the cumulative rent increase was 11%. Regarding the timing of the appraisal process, Mr. Rozansky said that it is unreasonable for the airport staff to conduct all of its business during season. With that said, Mr. Rozansky stated that consideration will be given to send additional notice about anticipated, future rent adjustments and that staff will continue to monitor the economy to determine whether future rent increases are prudent.

Commissioner Brousseau expressed support for Mr. Schumann's comments.

There was discussion regarding the NAA's continued support of the general aviation community including staff and logistical assistance for the Young Eagles, rent-free space for the Civil Air Patrol, an enhanced Pilot's Lounge and support for the Experimental Aircraft Association on the Youth Aviation Building Project.

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

1. **Resolution 2019-5, authorizing a Public Transportation Grant Agreement (PTGA) with the Florida Department of Transportation (FDOT) to participate in the Part 150 Noise Study Update Not to Exceed $30,000**

Mr. Keith requested Board authorization for the Chair to execute Resolution 2019-5, authorizing the Executive Director to execute a PTGA with FDOT to participate in the Part 150 Noise Study Update in an amount not to exceed $30,000. He noted that when an FAA grant is awarded for a project at 90%, FDOT will typically provide a 5% matching grant.

Mr. Owens clarified that the grant agreement has not yet been received, although it has been approved by FDOT. He provided clarification that the motion is to give authority to the Chair to execute and date the Resolution effective as of the date the PTGA is actually received.

A question and answer period followed.

Vice Chair Lenhard moved Board approval for the Chair to execute Resolution 2019-5, as presented by Mr. Keith, effective the date the PTGA is received. Commissioner Dustin seconded. The motion passed unanimously 5-0.

2. **Airfield Markings and Repairs Not to Exceed $270,580.31**

Mr. Estrada requested Board authorization for the Executive Director to execute a contract with Hi-Lite Airfield Services LLC to repair and repaint airfield markings in an amount not to exceed $270,580.31. Mr. Estrada stated that the project will ensure that the FAA 139 guidelines and standards for airfield markings is maintained. He said that the project was anticipated in the FY 2020 operating budget and that the repair work is necessary due to defects in the milling overlay project from 2009. Mr. Rozansky added that laying down the markings was done too soon after the asphalt was paved, and it didn't become apparent until long after the contractor's one-year warranty had expired.

Commissioner Dustin moved Board approval for the Executive Director to execute a contract with Hi-Lite Airfield Services LLC to repair and repaint airfield markings in an amount not to exceed $270,580.31. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

3. **Purchase an Aircraft Tug Not to Exceed $114,501**

Mr. Hushek requested Board authorization for the Executive Director to purchase a replacement aircraft tug in an amount not to exceed $114,501. He said that the current tug has been in service since 2002 and has reached the end of its useful life. Mr. Hushek provided a summary of the Invitation to Bid process in which two bids were received. He said the first bid was for a Lektro Model AP8850SDA in the amount of $114,501, which included delivery and a larger required battery. The second bid was for a TronAir EJP-12 in the amount of $113,113.65 but did not include delivery or the larger required battery.

Mr. Hushek explained that the Lektro battery pack offers a useful life of 16 hours a day compared to eight hours a day for the TronAir. He said that since the tugs are used all day, especially during season, staff was recommending the Lektro model. He said that $115,000 was included in the FY 2020 budget for this purchase.

In response to Commissioner Rideoutte's question regarding the financial viability of the manufacturer, Mr. Owens stated that in the Invitation to Bid, the terms of the agreement specify full payment to be made upon delivery of equipment. Mr. Rozansky added that the vendor is well known in the industry, and the NAA has purchased tugs from them in the past. Regarding service, Mr. Hushek stated that Lektro is one of the best known brands in the business and that at least two of the NAA's Facilities staff have gone to the Lektro factory to become certified in maintenance.

As part of the due diligence process in making a major purchase, there was Board consensus for staff to check the financial viability of the vendor. Mr. Owens suggested that separate independent reports, such as a Dun & Bradstreet business credit report or a financial disclosure, could be requested as part of the bidding process.

Commissioner Dustin thanked Commissioner Rideoutte for providing the history of the NAA's past engagement with a vendor who eventually went bankrupt.

Vice Chair Lenhard moved Board approval for the Executive Director to purchase the Lektro Tug Model AP8850SDA in an amount not to exceed $114,501. Commissioner Dustin seconded. Motion passed unanimously 5-0.

4. **Renew Property Insurance Policy**

Mr. Warriner requested Board discussion of two options for property insurance coverage and authorization for the Executive Director to bind a policy with the selected insurer. He stated that the Board previously approved a three-year, fixed premium property insurance policy with AmRisc that expires on November 30, 2019. He said that staff engaged the NAA's broker, Michele Martin of Public Risk Insurance Advisors (PRIA), to solicit business for our insurance renewal, and two quotes were received for the amount of coverage requested ($46 million).

Ms. Martin provided an overview of the current insurance marketplace, renewal process and summarized the two options for consideration. The first option is with our current carrier, AmRisc, with a dedicated policy limit of $46 million, 3% named storm deductible, flood coverage of $5 million, a contingent time element coverage of $1 million and $250,000 coverage for professional fees in event of a loss. She stated that the annual premium for this coverage would be $381,113 but that it could be reduced to $352,923 if the named storm deductible was increased to 5%.

The second option is with Preferred Governmental Insurance Trust (PGIT) for $332,821 with a 3% named storm deductible, pooled limit policy (PGIT has $340 million of coverage that we would share and prorate with all their insured clients in the event of a loss), flood coverage of $5 million, no contingent time element coverage and $20,000 coverage for professional fees. Ms. Martin added that we would be sharing limits with other entities in this pool and there are a few who are located in Lee and Collier Counties.

Mr. Warriner added that an increase of 20% for property insurance expense was anticipated in our FY 2020 budget.

A question and answer period followed.

There was Board discussion regarding the two options as well as the option to increase the named storm deductible from 3% to 5% as presented in Option 1.

Commissioner Dustin moved Board authorization for the Executive Director to bind a one-year renewal policy with AmRisc at a premium of $352,923 which includes the 5% named storm deductible. Vice Chair Lenhard seconded. Motion passed unanimously 5-0.

5. **Purchase and Install a Storage Area Network (SAN) Not to Exceed $99,000**

Ms. Terrill requested Board authorization for the Executive Director to execute a Task Order with ITVantage, Inc., the NAA's IT provider, to purchase and install a Storage Area Network (SAN) in an amount not to exceed $99,000. She said that one of the items identified in the audit that ITVantage conducted during their onboarding phase was that our storage space was severely limited and is currently nearly fully allocated. ITVantage's recommendation is to increase the storage capability from 10 terabytes to 30 terabytes for better utilization and providing a solution into the future.

Mr. Josiah Hines of ITVantage explained the capabilities of the 30 terabyte server and the additional features it provides.

A question and answer period followed.

Commissioner Dustin moved Board approval for the Executive Director to execute a Task Order with ITVantage, Inc. to purchase and install a Storage Area Network in an amount not to exceed $99,000. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

H. NEW BUSINESS

1. Part 150 Noise Study Technical Advisory Committee Discussion

In preparation for kicking off the Noise Study early next year, Mr. Rozansky requested Board discussion and consensus regarding the formation of the Technical Advisory Committee (TAC), including membership criteria and process by which members are selected/appointed. He reviewed the proposed makeup of the Committee which was outlined in the briefing paper and stated that there will be approximately eight TAC meetings throughout the course of the 2.5 year Study.

Ms. Autumn Ward, Deputy Project Manager of Environmental Science Associates (ESA), provided an overview of how the TAC is established, the steps to be taken in the member nomination process, attributes of committee members that are ideal for the program to succeed and expectations of the selected/appointed members. She stated that ESA would review the qualifications and recommend one or two members from each entity or geographical quadrant for Board consideration and selection.

Mr. Rozansky reiterated that the TAC does play an important role, but it is not the only opportunity for community participation and feedback. He said that there would be a number of public workshops, retail style outreach events and a number of small community meetings.

There was discussion regarding whether or not the TAC would be subject to the Sunshine Law. Mr. Rozansky recommended that staff and Mr. Owens give this more consideration and bring the pros and cons of doing so to the Board for discussion at the December Regular Meeting.

Mr. Thomas Lauer, 739 11th Avenue South, Naples, requested clarification of how the residents would be solicited for participating on the TAC. Mr. Rozansky said that residents would be communicated with through the HOA's in the city and the county. In response to Mr. Lauer's concern that some of the residents may not live in an HOA or reside in a non-mandatory HOA community, Ms. Ward stated that information would be disseminated via the flynaples.com website, word of mouth, the internet and identifying other community groups that would capture citizens' interest.

Commissioner Rideoutte said there would also be news articles to get the word out. He added that it would be unreasonable to send a mailing out to every individual who lives in the community.

Commissioner Dustin said that he related to Mr. Lauer's concern because in his community there are 875 residential units with only about 150 volunteer HOA members. He stated that it is difficult to communicate with everybody, but that it was important to trust ESA as they are experienced in the process.

Chair Messer reiterated that it is the goal of the NAA Board to conduct the Noise Study process during season and stated that the Board is sensitive to Mr. Lauer's concerns.

Mr. Lauer thanked the Board for their transparency and for being open about the process.

Mr. Rozansky indicated that it is staff's intent to present the Committee makeup and ESA's recommendations to the Board at its January Regular Meeting so that a Committee meeting could be held in early February.

There was unanimous consensus to move forward with the formation of the TAC which will include preparation of the communications, applicant forms, membership criteria, gathering of contact information and process by which members are selected/appointed.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Chair Messer announced that at the October 31st Regular Meeting of the NCC, Mr. Holland was elected Chair, Mr. Auron was elected Vice Chair and the NCC set its meeting schedule for 2020. She said that following NCC meeting, the NAA Board and NCC held a Master Plan Joint Workshop Meeting at which time the 20-year Capital Improvement Plan was presented as a result of the nearly two-year Master Plan Study. She stated that staff presented the Master Plan to City Council and the Planning Advisory Board on November 18th and that public outreach events were held on November 18th and 19th.

On behalf of the Board, Commissioner Dustin thanked Mr. Bruce Byerly, who was in the audience, for his service as Chair of the NCC.

J. LEADERSHIP TEAM REPORT

1. Leadership Team Report

There was discussion regarding the NAA's internal financial controls to prevent fraud. Mr. Rozansky stated that there is adequate protection for processing payments; and at the recommendation of ITVantage, the NAA has added security protection to help identify tactics that could result in some type of fraud. Commissioner Rideoutte cautioned that staff be alert whenever a creditor requests a change of address and to take the steps necessary to validate the authenticity of the change.

Commissioner Dustin commented on the upward trend of aviation fuel sales as reported in the Aviation Fuel Gallons and Aircraft Operations Historical Comparison. There was discussion regarding the trend and the probability of a strong season ahead.

K. FINANCIAL REPORTS

1. Financial Summary

Mr. Warriner provided a review of the financials and reported favorably on actuals against budget for the month of October. He noted that the financial package has been improved and streamlined for the new fiscal year. He welcomed the Board to provide input on any additional information they would like presented.

A question and answer period followed.

Commissioner Dustin moved acceptance of the October Financial Summary. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

L. COUNSEL'S REPORT

1. Counsel's Report

Mr. Owens reported that there were no pending legal matters or material issues to discuss.

PUBLIC COMMENTS (5-minute limit)

There were no public comments.

M. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

There were no additional comments and requests/meetings.

N. ADJOURN

With no further business, the meeting adjourned at 10:11 a.m.

Christopher A. Rozansky
Secretary

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

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

Naples AIRPORT AUTHORITY
Celebrating 50 YEARS | 1969-2019

FINAL AGENDA

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

Thursday, November 21, 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

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

NOTICE

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

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

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

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

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

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

D. MINUTES

1. October 17, 2019 Regular Meeting

2. October 31, 2019 Joint Workshop Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Employee of the Quarter

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

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

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2. Airfield Markings and Repairs Not To Exceed $270,580.31

3. Purchase an Aircraft Tug Not To Exceed $114,501

4. Renew Property Insurance Policy

5. Purchase and Install a Storage Area Network (SAN) Not to Exceed $99,000

H. NEW BUSINESS

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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/MEETINGS

O. ADJOURN