October 15, 2020
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Lenhard at 8:33 a.m. in the Council Chambers at City Hall.

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

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Mr. Warriner, Mr. Keith, Mr. Frost, Ms. Bendle, Mr. Estrada, Ms. LeDuc and Ms. Menard.

Vice Chair Dustin announced that due to a longstanding, conflicting meeting, he would need to leave the meeting just before 10 a.m.

B. PLEDGE OF ALLEGIANCE

Chair Lenhard led the Pledge of Allegiance.

C. AGENDA

Mr. Rozansky noted the following revisions to the Board materials: 1) Two corrections made to the Regular Meeting minutes of September 17th; 2) On Action Item 3, Terminations of Select Tenancies and Concession Agreements, there were a couple of minor, non-substantive corrections made, and 3) On Action Item 4, Construct Runway 5-23 Drainage Improvements in an amount not to exceed $4,343,850, two of the figures in the financial impact section did not add up properly and were corrected.

D. MINUTES

1. September 17, 2020 Regular Meeting Minutes

On page 2, second paragraph, the spelling of Commissioner Messer's name was corrected, and on page 6, under the Technical Advisory Committee Update, the next meeting date was corrected to read Thursday, November 5th, rather than Tuesday.

Commissioner Messer moved approval of the September 17th Regular Meeting minutes as corrected. Vice Chair Dustin seconded. Motion passed unanimously 5-0.

2. September 17, 2020 Special Meeting Minutes

Commissioner Rideoutte commented about the financial viability criteria outlined in the Request for Proposals (RFP) process and the different weighting measure applied by another Commissioner. There was discussion regarding the submittals of each qualified bidder, other factors used to rank the successful bidder and the terms outlined in the lease.

Commissioner Messer moved approval of the September 17th Special Meeting minutes. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

3. September 24, 2020 Consultant Selection Committee Meeting Minutes

Commissioner Rideoutte moved approval of the September 24th Consultant Selection Committee Meeting minutes. Vice Chair Dustin seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Recognition of FBO Manager Mike Hushek, NBAA 40 Under 40 Honoree

Chair Lenhard announced that the National Business Aviation Association (NBAA) awarded FBO Manager, Mike Hushek, as one of NBAA's Top 40 Under 40 recipients for 2020. NBAA is the leading organization for companies that rely on general aviation aircraft to help make their businesses more efficient, productive and successful. Chair Lenhard noted that since 2018, NBAA has been annually honoring talented young people who are driving meaningful change and impactful results across all segments of business aviation. He congratulated Mr. Hushek for his proven track record of leadership success, embodying servant leadership and being recognized for going the extra mile.

F. PUBLIC COMMENTS

There were no public comments.

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

1. Consultant Selection Committee Ranking of Firms for Insurance and Risk Management Broker Services and Authorization to Execute a Professional Services Agreement

Mr. Warriner requested Board approval of the rankings from the Consultant Selection Committee meeting held on September 24th and for the Executive Director to negotiate and execute a Professional Services Agreement with Alliant Insurance Services, Inc.

Mr. Warriner stated that Mr. Felipe Garcia, Vice President of Alliant Insurance Services was in the audience to answer any questions. Mr. Warriner presented an overview of the Request for Proposals (RFP) process and reported that the Consultant Selection Committee ranked the qualified responding firms as follows:

1. Alliant Insurance Services, Inc.
2. Public Risk Insurance Advisors
3. McGriff Insurance Services

Mr. Warriner said that Alliant's proposed fees are a fixed amount of $60,000 per year, approximately the same fees as under the current commission-based structure with the incumbent firm.

Vice Chair Dustin moved Board approval of the rankings as presented by Mr. Warriner and moved Board approval for the Executive Director to negotiate and execute a Professional Services Agreement with Alliant Insurance Services, Inc. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

2. Lease Agreement with Gulf Coast Commercial Corporation

Business Manager Heather LeDuc stated that in September, Gulf Coast Commercial Corporation (Gulf Coast) was selected as the top-ranked respondent to an RFP for the development of land Parcel 3 in the North Quadrant of the airport. She requested Board authorization for the Executive Director to execute a Leasehold Agreement ("Lease") with Gulf Coast for development of an aeronautical facility. She provided terms of the proposed Lease for a land parcel containing 40,699 square feet (0.934 acres) at an initial negotiated rental rate of $0.60 per square foot per annum.

Vice Chair Dustin commented regarding the delta between the highest bidder at $0.75 and Gulf Coast's negotiated rate of $0.60 per square foot. Mr. Rozansky stated that the rate of $0.60 is reasonable upon consideration given to the quality and use of the overall development.

Commissioner Rideoutte moved Board approval for the Executive Director to execute a Lease with Gulf Coast for development of an aeronautical facility as presented by Ms. LeDuc. Vice Chair Dustin seconded. Motion passed unanimously 5-0.

3. Terminations of Select Tenancies and Concession Agreements

Ms. LeDuc stated that in August, Board authorization was granted for the Executive Director to execute an Amendment to the agreement with SchenkelSchultz for the design, bidding and permitting of commercial airline terminal (CAT) improvements that will enable FBO operations to temporarily move into that facility while the general aviation terminal (GAT) undergoes renovations. She said that before construction in the CAT can begin, it is necessary to terminate existing month-to-month leases with tenants who are currently occupying areas that will be affected by the construction. She noted that the terminations will be effective November 15th of this year. Ms. LeDuc advised that she has spoken with the affected tenants and that a temporary waiver of the minimum standards requirement for office space at the airport has been offered to tenants in good standing. Ms. LeDuc added that the Gulf Coast Museum of Military History will be consolidating their operations into one of their occupied spaces, outside of the construction area.

She stated that concession agreements with rental car operators in the CAT and GAT would be terminated with new short-term agreements put in place in order to consolidate rental car operations in the CAT while construction is underway in the GAT. Upon completion of construction, Ms. LeDuc said that an RFP for operation of car rental concessions will be issued, and new agreements will be negotiated.

While most tenants and concessionaires have expressed cooperation to vacate the premises on schedule, she requested Board authorization for the Executive Director to initiate legal action in the event that it becomes necessary to gain legal possession of the premises in question.

She reviewed the financial impact of the anticipated lost rental income in the amount of $25,000 – $28,000.

A question and answer period followed.

Vice Chair Dustin moved Board approval for the Executive Director to initiate legal action, if necessary, to terminate select tenancies and concession agreements in the CAT and GAT in preparation for remodeling both facilities. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

4. Construct Runway 5-23 Drainage Improvements in an amount not to exceed $4,343,850

Mr. Keith requested Board authorization for the Executive Director to execute a contract with Wright Construction for the Runway 5-23 Drainage Improvement project in an amount not to exceed $4,343,850 which includes the base bid of $4,137,000 plus a contingency of 5% or $206,850.

Mr. Keith displayed a phasing plan of the areas for improvement. He said that this project is partially funded by the FAA in the amount of $2,464,301 (for Phases 1 and 2) with the potential for additional FAA funding pending the outcome of an ongoing update to the Airport's Wildlife Hazard Management Plan (WHMP). Mr. Keith stated that if approved by the Board, the Executive Director intends to issue a Notice to Proceed for Phases 1 and 2 totaling $2,067,514.50, to begin in January 2021. A determination regarding Phase 3 of the project totaling $2,069,485.50 will be made once the FAA completes their review of the WHMP. He stated that a pre-app will be submitted to the FAA next week with an updated WHMP to follow shortly thereafter. A decision to proceed with Phase 3 will be made no later than August 30, 2021.

A question and answer period followed.

Vice Chair Dustin moved Board authorization for the Executive Director to execute a contract with Wright Construction for the Runway 5-23 Drainage Improvement project in an amount not to exceed $4,343,850 which includes the base bid of $4,137,000 plus a contingency of 5% or $206,850. Commissioner Messer seconded. Motion passed unanimously 5-0.

5. Amend the NAA Bylaws

Ms. Terrill requested Board authorization to amend the Naples Airport Authority Bylaws pertaining to quorum, attendance at Board, Board Committee and Public Committee meetings. Ms. Terrill stated that Governor DeSantis' Executive Order #20-69 allowing public meetings of local governments to be held virtually expires on November 1st. With the ongoing uncertainty of the COVID-19 pandemic, she said that NAA staff continue to adhere to CDC best practices for the health and safety of employees, customers and the community. Ms. Terrill provided a summary of CDC recommendations for events and gatherings which included the option of offering on-line attendance in addition to in-person attendance to help reduce the number of attendees. She said that the existing NAA Bylaws are not in keeping with current conditions. She reviewed the proposed revisions pertaining to Article VI Meetings, Section 6 (Quorum) and Section 10 (Public Committees).

Commissioner Messer requested clarification regarding the permanency of the changes. Mr. Owens stated that the Bylaw changes would be permanent until the Board of Commissioners decided to modify it. There was discussion regarding the value of meeting in person and potential disruption to the mission of the committees by meeting virtually. Mr. Owens suggested that the Board set a definitive date to review the NAA Bylaws in the future.

Vice Chair Dustin moved Board authorization to amend the NAA Bylaws pertaining to quorum, attendance at Board, Board Committee and Public Committee meetings as presented by Ms. Terrill and moved Board authorization to review the Bylaws in June of 2021 or sooner if conditions warrant it. Commissioner Messer seconded. Motion passed unanimously 5-0.

H. NEW BUSINESS

There was no new business.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Commissioner Messer stated that the NCC last met virtually on June 25th and she reported on that meeting at the August 20th Regular Meeting.

She noted that the next Regular Meeting of the NCC is scheduled for Thursday, October 29th, at 9 a.m. and stated that the meeting will be held via Zoom. She provided instructions for the public to participate by registering at the link provided on the flynaples.com website. She encouraged the public to participate.

2. Technical Advisory Committee (TAC) Update

Commissioner Messer stated that the TAC last met virtually on June 23rd and she reported on that meeting at the August 20th Regular Meeting. She said that the next TAC meeting is scheduled for Thursday, November 5th at 9:30 a.m. and the venue will be a hybrid type meeting with in-person and virtual attendance. She encouraged the public to participate.

3. Modification to Executive Director's Performance Review

Mr. Rozansky requested Board discussion and consensus on proposed revisions to the Executive Director's Performance Evaluation form. He presented two alternative forms to consider for the next review cycle. He said that Alternative 1 changes scoring on the Administration and Regulatory Compliance categories from a scale of 1-5 to "Satisfactory" or Unsatisfactory." He said that Alternative 2 deletes the section on Administration and incorporates those elements into "Leadership" and "Relationship with the Board of Commissioners", shortening the form. He said that Alternative 2 also deletes the section on Regulatory Compliance since aspects of regulatory compliance are measures in the Strategic Plan.

In response to Commissioner Rideoutte's question regarding the two forms, Mr. Rozansky said that his preference would be to use the Alternative 2 form even though he does not have a strong opinion either way. There was Board consensus to adopt Alternative 2 as the preferred Performance Evaluation form for the period from September 2020 to August 2021.

4. **Mr. John Grady, Public Trust Advisors – Economic Update/Investment Portfolio**

Mr. Warriner provided opening comments regarding Public Trust Advisors who have been engaged to help us build out our investment portfolio, look at our cash accounts and provide professional oversight of this function. He introduced Mr. John Grady, Managing Director of Public Trust Advisors. Mr. Grady presented a customized investment strategy for NAA that ensures safety and liquidity for long term projects in the duration of zero to five years and offered sample strategies based upon liquidity needs. He presented several charts showing historical returns and volatility, the Federal Open Market Committee Dot Plot as of September 16th, short term interest rates as of October 2020, yield curves and the spreads of taxable municipal bonds and U.S. Treasuries. He provided a recommended approach for the NAA.

Vice Chair Dustin excused himself from the meeting.

A question and answer period followed.

J. LEADERSHIP TEAM REPORT

1. **Leadership Team Report**

On page 2 under Risk Management, Commissioner Rideoutte asked if the damage to Gate 9E was caused by the fault of the person driving through it. Mr. Rozansky said that Gate 9E is located immediately next to our FBO and that the vehicle was a tall flatbed type vehicle. As the vehicle went halfway through the gate, the sensors stopped observing the vehicle, and the gate began to close. He said that the claim was submitted to our insurance company and expects that they would go back to the entity to follow up on it. Mr. Rozansky added that staff has made modifications to the gate in an attempt to prevent this from happening in the future.

K. FINANCIAL REPORTS

1. **Financial Summary**

Mr. Warriner reported that Fiscal Year 2020 ended September 30th, and that despite the COVID-19 circumstances, our fuel sales were 8.2 million gallons which was above the all-time record set last year. He provided a review of the September financials and reported that for the year-to-date period, the change in net position before capital contributions was favorable to budget by $4,738,481. He said that overall, it was a successful year. He added that the auditors will be at the NAA next week to conduct the annual audit and that his department is well prepared for them.

Commissioner Messer commented on the chart that Mr. Rozansky sent to the Board the previous night, showing the impact of COVID, flowage fees and fuel at Florida general aviation airports. She said she was amazed at how our airport was such an anomaly and how it compared to the others.

Commissioner Messer moved acceptance of the September Financial Summary. Commissioner Rideoutte seconded. Motion passed unanimously 4-0 with Vice Chair Dustin absent.

L. COUNSEL'S REPORT

1. Counsel's Report

Mr. Owens reported that there are no pending litigation or material matters to discuss.

M. PUBLIC COMMENTS (5-minute limit)

There were no public comments.

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

There were no comments and requests/meetings.

O. ADJOURN

With no further business, the meeting adjourned at 10:02 a.m.

Christopher A. Rozansky
Secretary

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

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

FINAL AGENDA

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

Thursday, October 15, 2020
8:30 a.m.

Commissioner Michael Lenhard – Chair and Consultant Selection Committee Member
Commissioner Kerry C. Dustin – Vice Chair and Audit Committee Chair
Commissioner Donna M. Messer – NCC Liaison
Commissioner James Rideoutte – Consultant Selection Committee Chair and Audit Committee Member
Commissioner Ted Brousseau – Legal Liaison
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. September 17, 2020 Regular Meeting Minutes
2. September 17, 2020 Special Meeting Minutes
3. September 24, 2020 Consultant Selection Committee Meeting Minutes

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Recognition of FBO Manager Mike Hushek, NBAA 40 Under 40 Honoree

F. PUBLIC COMMENTS

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

1. Consultant Selection Committee Ranking of Firms for Insurance and Risk Management Broker Services and Authorization to Execute a Professional Services Agreement
2. Lease Agreement with Gulf Coast Commercial Corporation
3. Terminations of Select Tenancies and Concession Agreements
4. Construct Runway 5-23 Drainage Improvements in an amount not to exceed $4,343,850
5. Amend the NAA Bylaws

H. NEW BUSINESS

I. OLD BUSINESS

1. Noise Compatibility Committee Update
2. Technical Advisory Committee Update
3. Modification to Executive Director's Performance Review
4. Mr. John Grady, Public Trust Advisors – Economic Update/Investment Portfolio

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