September 17, 2020
Regular Meeting - *Corrected*

A. ROLL CALL

Meeting was called to order by Chair Lenhard at 8:30 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.

B. PLEDGE OF ALLEGIANCE

Chair Lenhard led the Pledge of Allegiance.

C. AGENDA

Mr. Rozansky noted the following changes and additions: 1) A correction to the minutes on page 3 under Action Item 5; 2) A revision to Action Item 1, FY 2021 Budget on a budgeted amount for the Runway 5-23 Drainage Project; and 3) A new item, Action Item 7, Fourth Amendment to Leasehold Agreement with Hartford Realty, LLC.

D. MINUTES

1. August 20, 2020 Regular Meeting Minutes

Mr. Rozansky noted that on page 3, under Action Item 5, there was a correction to the motion made and seconded in the minutes due to a scrivener's error. The corrected minutes were revised to read:

> Commissioner Messer moved Board approval for the Executive Director to execute a contract with Project Combo, Inc. dba Lykins Signtek Inc. for the rehabilitation of the airport monument signs and associated landscape monuments in an amount not to exceed $63,990. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

Vice Chair Dustin moved approval of the August 20th Regular Meeting minutes as corrected. Commissioner Messer seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

There were no presentations.

F. PUBLIC COMMENTS

There were no public comments.

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

1. Resolution 2020-5, Adoption of Fiscal Year 2021 Operating and Capital Budget

Mr. Warriner requested Board authorization for the Chair to execute Resolution 2020-5, Adoption of Fiscal Year 2021 Operating and Capital Budget. He stated that the Draft Budget was originally presented in June, an update was provided in August, a presentation of the August draft was made to the Naples City Council on September 14th and that the Final Draft was being presented today. He reviewed changes from the August Draft and presented the final budget.

Commissioner Messer thanked Mr. Warriner and his team for preparing the budget in the COVID environment and for providing a budget comparison based on estimated actuals for FY 2020.

Vice Chair Dustin asked if staff had a chance to look at Canadian travel. Mr. Rozansky stated that we are pessimistic on Canadian visitors this year. However, he was optimistic that with the international travel restrictions, there will be more domestic travel to destinations like Naples this winter.

Chair Lenhard thanked Mr. Warriner and echoed Commissioner Messer's comments.

Vice Chair Dustin moved Board approval for the Chair to execute Resolution 2020-5 as presented by Mr. Warriner. Commissioner Messer seconded. Motion passed unanimously 5-0.

2. Renew Certain Insurance Policies in an Amount Not to Exceed $119,120

Mr. Warriner requested Board authorization for the Executive Director to renew the following insurance policies:

Policy Description	Carrier		Annual Premium
Commerical Package including Inland Marine (equipment), Public Officials, Crime, Cyber and Automobile (2nd year of policy - 10/1/19-9/2021)	PGIT	*	$ 74,682
Airport Liability (2nd year of policy 10/1/19-9/30/22)	ACE/Chubb	*	$ 37,706
Equipment Breakdown	The Hartford		$ 2,248
Fiduciary Liability	Federal / Chubb		$ 4,484
			$119,120

* not bid out due to multiple year policy

Mr. Warriner reported that our premiums decreased $1,575 or 1.3% from the prior year amount of $120,695 primarily due to obtaining a lower premium on the equipment breakdown policy.

In response to Vice Chair Dustin's question regarding who the Authority's designated risk manager was, Mr. Warriner stated that he is and regularly evaluates the policies. Ms. Martin from Public Risk Insurance Agency (PRIA), the Authority's insurance broker, added that over the past year, their process has been to assess exposure and contractual risk transfer due to the new aircraft rescue firefighting facility (ARFF), demolition of the existing ARFF structure, tenant leases and various vendor

arrangements. She stated that from a workers compensation perspective, she is working with Ms. Bendle on a safety plan and other safety initiatives. She said that she regularly provides information on new and emerging exposures going on today, discusses new products and ensures that our existing limits on our current products are adequate.

Vice Chair Dustin moved Board approval for the Executive Director to renew the insurance policies as presented by Mr. Warriner. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

3. **Second Amendment and Assumption of Professional Services Agreement for Retirement Plan Investment Advisory Services**

Mr. Warriner stated that the Second Amendment and Assumption of Professional Services Agreement for Retirement Plan Investment Advisory Services is related to our Montgomery Retirement Plan Advisors, Inc. Agreement (Montgomery) that has been in place since 2016. He reported that Montgomery recently was acquired by Resources Investment Advisors Resource, LLC (RIA). Mr. Warriner added that the two primary Montgomery principals joined RIA and will continue to be our investment advisors. Mr. Warriner requested Board authorization for the Executive Director to sign the second amendment and assumption so that RIA can assume the terms under the existing contract.

Commissioner Rideoutte asked if there were any financial problems that forced the merger. Mr. Warriner said he was unaware of any constraints.

Commissioner Rideoutte moved Board approval for the Executive Director to sign a second amendment and assumption of an existing agreement for retirement plan investment advisory services under which (i) RIA will assume all of the obligations of IFP Advisors, LLC as the registered investment adviser and (ii) Ronald A. Letaw, W. Michael Montgomery and James Battmer will assume all of the obligations of Montgomery as the registered investment adviser representatives for the remainder of the contract term (which expires January 20, 2021). Commissioner Messer seconded. Motion passed unanimously 5-0.

Vice Chair Dustin commented that he recently read a pension plan performance summary for the top pension plans and will send it to Mr. Warriner if he can locate it.

4. **First Amendment to the Professional Services Agreement with AVCON in an amount not to exceed $133,274**

Mr. Keith stated that the Board previously approved a contract for the design, bidding and permitting of the East Quadrant ramp rehabilitation. He requested Board authorization for the Executive Director to execute the first amendment with AVCON for construction phase services related to this project in an amount not to exceed $133,274. The services will include review of submittals, requests for information, inspections and a full time Resident Project Representative (RPR) to ensure compliance with the construction documents, management of the schedule to minimize tenant disruptions and to assist with close-out documents. Mr. Keith noted that the RPR engineer will be on site almost full time.

Vice Chair Dustin moved Board approval for the Executive Director to execute the First Amendment to the Professional Services Agreement with AVCON for an amount not to exceed $133,274 for the East Quadrant ramp rehabilitation project as presented by Mr. Keith. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

5. Purchase a replacement Aircraft Rescue and Firefighting vehicle in an amount not to exceed $862,000

Mr. Estrada requested Board authorization for the Executive Director to execute an Equipment Purchase Agreement with E-One Inc. for the purchase of a replacement of our current 2006 Aircraft Rescue and Firefighting (ARFF) vehicle in an amount not to exceed $862,000.

Mr. Estrada provided a summary of the bid process, which was issued on August 3rd with two base bids and eight additive bids received. As the lowest priced and most responsive bid, Mr. Estrada stated that staff is recommending purchase of the E-One Titan 4x4 1,500 gallon ARFF vehicle, including Additive Bids #5, 6 and 7 and a 5% contingency. He said that this amount was anticipated in the FY 2021 budget.

Mr. Rozansky thanked the City of Naples Fire Department. He said that staff worked closely with them on the specifications of this vehicle. He added that it will be equipped with tools that can be used for accidents and emergencies off the airport as well. Mr. Rozansky stated that the lead time on the equipment is one year and that no deposit will be paid up front.

A question and answer period followed.

Commissioner Rideoutte moved Board approval for the Executive Director to execute an Equipment Purchase Agreement with E-One Inc. for the purchase of a replacement ARFF vehicle in an amount not to exceed $862,000 as presented by Mr. Estrada. Commissioner Messer seconded. Motion passed unanimously 5-0.

6. Third Amendment to Employment Agreement with Executive Director

Mr. Warriner requested Board authorization for the Chair to execute a Third Amendment to Employment Agreement with the Executive Director. He said that this is in relation to the cost of living increase provision under 3.0 Compensation, Subsection 3.1(b) of the Executive Director's employment agreement that states:

> On October 1st of each year during the Term, Employee's Base Salary shall be adjusted by an amount equal to the cost of living increase computed by reference to the "Consumer Price Index Revised – All Urban Consumers (U.S. City Average)" issued by the U.S. Department of Labor, as available on May 1st immediately preceding the October 1st annual salary adjustment.

Mr. Warriner stated that our internal compensation procedure for all employees has historically followed cost of living computations as specified in the Executive Director's agreement. He noted that the April numbers reported in the May consumer price index was a 0.1% increase for the prior 12 months. He added that this was when COVID-19 hit when historically, the increase has been about 2%. In order to closely align the compensation procedure with the fiscal year for our employees, the question was raised why the CPI was measured in May rather than in October, when our fiscal year begins. Mr. Warriner reported that the September CPI index for the August numbers showed a 1.3% increase. He said that the amendment would align the Executive Director's employment agreement with the anticipated change to the compensation procedure.

Mr. Warriner stated that a second modification included in the Executive Director's amendment is to revise the commencement date of any annual increases in compensation from October 1st to "the first pay period beginning in the Authority's new fiscal year during the Term of this Agreement" to improve

the efficiency of administering annual compensation increase(s). Mr. Warriner stated that the October 1st date is usually in the middle of a pay period which makes it challenging for payroll staff to split a payroll pay period in two different rates.

Vice Chair Dustin confirmed that the September CPI index for the last 12 months was 1.3%. Chair Lenhard asked why May was selected for the CPI provision, and Mr. Rozansky responded that it may have been chosen since the first draft budget was in June and historically, the Executive Director's performance review was conducted in May.

Mr. Warriner added that 2% was budgeted in the FY 2021 operating and capital plan.

Commissioner Messer moved Board approval for the Chair to execute a Third Amendment to Employment Agreement with the Executive Director, as presented by Mr. Warriner. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

7. Fourth Amendment to Leasehold Agreement with Hartford Realty, LLC

Ms. LeDuc requested Board authorization for the Executive Director to execute the Fourth Amendment to Leasehold Agreement between Hartford Realty, LLC (Hartford) and the Authority.

During the August 2020 Board meeting, Ms. LeDuc reported that the Board authorized the Executive Director to execute a contract to rehabilitate the East Quad north general aviation ramp, including grading and drainage improvements. A portion of this project includes the ramp that is part of the Hartford leasehold, shown in red on the exhibit she displayed of the area. She noted while maintenance of the ramp is the tenant's responsibility, two surface inlets, depicted in white on the exhibit, support drainage for the entire apron, and they are located on Hartford's leasehold. She said that the Authority proposes to fund 50% of the $300,000 rehabilitation cost and that Hartford agreed to amortize their contribution of $150,000 over the remaining term of their lease as additional rent at a rate of $3,000 per month beginning on November 1, 2020 subject to annual adjustments based on the CPI.

Commissioner Messer moved Board approval for the Executive Director to execute the Fourth Amendment to Leasehold Agreement between Hartford and the Authority as presented by Ms. LeDuc. Vice Chair Dustin 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 reported that on Monday, September 14th, at the City Council's Workshop Meeting, Project Manager Michael Arnold of Environmental Science Associates (ESA), presented the Naples Airport Part 150 Noise and Land Use Compatibility Study and that following his presentation, Project Manager Douglas DiCarlo of ESA provided a current Master Plan and Utilization Plan Update and Mr. Warriner provided answers on the August Draft FY 21 Budget for which a presentation was previously sent to City Council.

She noted that the next Regular Meeting of the NCC is scheduled for Thursday, October 29th, at 9 a.m. The venue for the meeting will be announced soon. 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 meeting of the Board of Commissioners. She had no new information or updates at this point in time. She announced that the next Regular Meeting of the TAC is scheduled for Thursday, November 5th at 9:30 a.m. and the venue for the meeting will be announced soon. She invited the public to participate.

J. LEADERSHIP TEAM REPORT

1. **Leadership Team Report**

Commissioner Messer commented on staff's endeavors noted under Outreach on page 3 regarding the number of voluntary curfew letters sent to Cirrus Aviation in Sarasota and their head of training's commitment to follow up with their instructors and students to ensure future operations during Quiet Hours are reduced to zero. She added that the efforts of the NCC and staff are appreciated.

In response to Vice Chair Dustin's question regarding how the recent Leadership Retreat was managed within the COVID environment, Mr. Rozansky said that the number of participants were reduced and that our facilitator participated remotely. He commented that the focus was narrowed to a look back of the organization's performance last year what do we need to change for the year ahead as a result of COVID.

K. FINANCIAL REPORTS

1. **Financial Summary**

Mr. Warriner provided a review of the August financials and reported that the change in net position was favorable to budget for the month and year to date. He reported that fuel sales were slightly above the prior year for August. He said that overall, we are in a strong financial position going into fiscal year end.

Vice Chair Dustin commented that on page 8 under the capital project for Runway 5-23, the schedule shows that the project is 60% complete but costs are 65% complete. He asked if this is a sign that we might get a little tight on this. Mr. Warriner stated that the project completion was not updated from the last report and that the project completion percentage should be approximately 70%. Mr. Rozansky stated that this is the design portion only and invoicing should be up to date. He added that Phase 1 of construction is expected to begin in December.

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

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 9:12 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, September 17, 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. August 20, 2020 Regular Meeting Minutes

E. PRESENTATIONS AND TIME CERTAIN ITEMS

F. PUBLIC COMMENTS

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

1. Resolution 2020-5, Adoption of Fiscal Year 2021 Operating and Capital Budget
2. Renew Certain Insurance Policies in an Amount Not to Exceed $119,120
3. Second Amendment and Assumption of Professional Services Agreement for Retirement Plan Investment Advisory Services
4. First Amendment to the Professional Services Agreement with AVCON in an amount not to exceed $158,274
5. Purchase a replacement Aircraft Rescue and Firefighting vehicle in an amount not to exceed $862,000
6. Third Amendment to Employment Agreement with Executive Director
7. Fourth Amendment to Leasehold Agreement with Hartford Realty, LLC

H. NEW BUSINESS

I. OLD BUSINESS

1. Noise Compatibility Committee Update
2. Technical Advisory 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