November 19, 2020
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Lenhard at 8:37 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, Mr. Burch and Ms. Menard.

Ms. Menard announced that Commissioner Brousseau would be leaving the meeting at 9:45 a.m. due to an unanticipated conflict.

B. PLEDGE OF ALLEGIANCE

Chair Lenhard led the Pledge of Allegiance.

C. AGENDA

There were no changes to the agenda.

D. MINUTES

1. October 15, 2020 Regular Meeting Minutes

Commissioner Rideoutte moved approval of the October 15th Regular Meeting minutes. Vice Chair Dustin seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Presentation to Commissioner Brousseau

Chair Lenhard recognized outgoing Commissioner Brousseau for his public service and contributions to the NAA and the community. He presented a plaque to Commissioner Brousseau in appreciation of his many contributions to the Naples Airport Authority from 2016 – 2020.

2. Employee of the Quarter

Chair Lenhard recognized Mr. Jose Lotero of the Facilities Department as Employee of the Quarter. He congratulated Jose for his attention to detail, desire to learn and willingness to assist. Chair Lenhard noted Jose achieved his American Association of Airport Executives (AAAE), Airport Certified Employee (ACE) certification in airfield lighting maintenance and volunteered to disinfect NAA-owned buildings to keep us all safe during the COVID-19 pandemic.

3. 2019 GFOA Certificate of Excellence in Financial Reporting

Chair Lenhard announced that for the 15th year in a row, the Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Naples Airport Authority by Government Finance Officers Association of the United States and Canada for its 2019 Comprehensive Annual Financial Report (CAFR). He added that this is the highest form of recognition in governmental accounting and financial reporting. Additionally, Chair Lenhard noted that an Award of Financial Reporting Achievement has been awarded to Mr. Ken Warriner, NAA Director of Finance and Administration, as the individual primarily responsible for preparing the award-winning CAFR. He said that the award is a testament to the quality of our financial reporting, which is an objective under Goal 3 of our Strategic Plan - assuring the fiscal health and integrity of the Naples Airport Authority. Mr. Warriner accepted the award on behalf of his entire Finance and Administration team.

4. General Aviation Terminal and Airport Office Building and Commercial Airline Terminal Improvements Project

Mr. Rozansky introduced Mr. Craig Hanson, Architect and Principal of SchenkelShultz Architecture, who presented via Zoom on the progress to date and current design status of the General Aviation Terminal (GAT) and Airport Office Building (AOB) Improvement Program Update.

Mr. Hanson provided a current scope update of the GAT and AOB interior and exterior improvements. He presented an update on the Commercial Air Terminal (CAT) interior and site improvements that are being made in order to utilize the facility as a temporary fixed base operator (FBO) during the renovations to the GAT and AOB. He reviewed the ancillary impacts including the installation of temporary modular buildings next to the CAT for line and administrative staff, and furniture and equipment replacement/relocation.

Mr. Hanson provided a cost update of the project and reviewed the schedule and key dates for requesting bids, approval and commencing/completing the improvements.

There was discussion regarding the assumptions used for determining the useful life of the newly renovated building; the inadequacy of the existing FBO facility especially during peak season and the need to a refresh the nearly 12-year old facility layout and decor; and the demand for more efficiency, productivity, excellence in customer service, and keeping up with trends in the community to a more modern design.

Vice Chair Dustin asked if any thought was given to the potential of installing solar panels in the parking lot and there being reflective issues to pilots. Mr. Rozansky stated that the most modern PV panels have very little reflectivity that could cause glare, but we would consult with FPL and a study will be done.

Mr. Rozansky and Mr. Hanson stated that the project will be refined and is expected to be advertised for bid in January, and another update will be provided to the Board.

F. PUBLIC COMMENTS

There were no public comments.

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

1. Board Ratification of the Executive Director's Declaration of Emergency

In accordance with the Delegation of Powers, Mr. Rozansky requested Board ratification of the Executive Director's Emergency Declaration made on November 8th at 3 p.m. He said that in preparation for Tropical Storm Eta, there was uncertainty about the track, intensity and potential impacts. The storm was short-lived, however, and he said that he was able to rescind the declaration the next day. He added that to date there were no contracts or expenditures that had been entered into and that food and supplies were purchased for staff estimated at less than $5,000.

Vice Chair Dustin moved Board ratification of the Executive Director's Emergency Declaration and ratification of related expenditures authorized by the Executive Director as presented. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

2. Renew Property Insurance

Mr. Warriner stated that our property insurance policy was expiring at the end of the month. He requested Board authorization for the Executive Director to bind a property insurance policy with AmRisc, the Authority's incumbent carrier, for the December 1, 2020 renewal period. He introduced Mr. Felipe Garcia, our insurance broker representative from Alliant Insurance Services, Inc., who solicited more than 30 domestic and international carriers. Mr. Warriner noted that the property market is experiencing a correction, and rates in high risk areas such as Florida are increasing up to 30%. He added that our rate increase is approximately 12% over last year and that Alliant recommended renewing with AmRisc for a premium of approximately $399,383, plus some additional fees, while maintaining a 5% named storm deductible and a dedicated increased policy limit of $51,137,000, primarily due to the new ARFF Building and additional business interruption coverage.

Vice Chair Dustin expressed concern relative to what we are insuring since the new ARFF station was built to all the latest codes and the likelihood of losing the entire building was low. He asked if staff had considered retaining more of the risk. Chair Lenhard shared Vice Chair Dustin's concern.

Mr. Rozansky stated that our approach to date has been to insure the market assessed value of all Authority buildings. He said that we could have a philosophical discussion of this topic going forward.

There was discussion amongst Board members, staff and Mr. Garcia regarding the renewal policy deductible, our low claims experience, flood exposure and the feasibility of getting a quote with a higher deductible. Since the policy renewal period begins on December 1st, Mr. Rozansky recommended that the Board give authorization for him to work with Alliant to explore alternative options up to but not to exceed a specific amount and to make a judgment call to bind coverage for the renewal period.

Vice Chair Dustin moved Board approval for the Executive Director to seek alternative coverage and deductible options and bind coverage up to and not to exceed $403,000. Commissioner Brousseau seconded. Motion passed unanimously 5-0.

3. Construct Security Improvements in an amount not to exceed $2,771,342.75

Mr. Keith requested Board authorization for the Executive Director to execute a contract with American Infrastructure Services, Inc.(AIS) for the Security Improvement Project in an amount not to exceed $2,771,342.75 which includes the base bid of $2,519,402.50 plus a 10% contingency of $251,940.25.

Mr. Keith provided a summary of the bid process, which was issued on September 6th with two bids received. He stated that there were two bidders. American Infrastructure Services, Inc. (AIS) was the lowest bidder at $3,012,210.50 and Integrated Fire and Security Solutions, Inc. (IFSS) was at $3,819,311.16. Mr. Keith said that staff negotiated with AIS and were able to reduce the cost by approximately $500,000 without reducing the project scope. He said that there are still additional items that are being discussed with the supplier that may result in additional savings.

Mr. Keith stated that when the project was initially envisioned, there were areas that were omitted in the original scope. He said that the project was budgeted for $1 million in our FY 2021 budget; however, the additional amount needed for design and construction is available to cover the added costs.

Mr. Keith displayed a graphic showing the original and expanded project scope. He said that the expanded project includes about 180 cameras because of conversations with similar agencies and facilities. In discussions with the City of Naples, Southwest Florida International Airport (RSW) and the Punta Gorda Airport, he learned that they have roughly 400, 460 and 100 cameras, respectively.

Mr. Keith initially had concerns regarding the cost of ongoing maintenance expenses but after speaking with RSW representatives, he stated that their expenses were minimal.

Mr. Rozansky stated that we are still looking at options for recording on site or via a cloud-based system, but he added that cloud-based may be significantly more expensive.

A question and answer period followed.

Commissioner Messer moved Board approval for the Executive Director to execute a contract with American Infrastructure Services, Inc. (AIS) for the Security Improvement Project in an amount not to exceed $2,771,342.75 which includes the base bid of $2,519,402.50 plus a 10% contingency of $251,940.25. Commissioner Rideoutte seconded. Motion passed 4-0 with Commissioner Brousseau absent.

4. Amendment 1 to Professional Service Agreement for the Security Improvement Project

As a follow up to the expanded scope of the security improvement project, Mr. Keith stated that there will be a lot more work that goes into the design and construction phase services oversight. He requested Board authorization for the Executive Director to execute Amendment 1 to the Professional Services Agreement with Hanson Professional Services Inc. for the Security Improvement Project in an amount not to exceed $126,820.

The original Board approved agreement for this project was negotiated at $104,450 which was based on 60 cameras. Amendment 1 will increase professional fees to $231,270 and is funded by the NAA and is available in the FY 2021 budget.

A question and answer period followed.

Vice Chair Dustin moved Board authorization for the Executive Director to execute Amendment 1 to the Professional Services Agreement with Hanson Professional Services Inc. for the Security Improvement Project in an amount not to exceed $126,820. Commissioner Messer seconded. Motion passed 4-0 with Commissioner Brousseau absent.

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 October 29th. She reported that Mr. Cliff Holland was re-elected Chair and Mr. Chris Auron was re-elected Vice Chair. She said that ESA gave presentations on several topics, the NCC Bylaws were revised to provide for virtual attendance under extraordinary circumstances and the NCC set its meeting schedule for 2021.

Commissioner Messer noted that the next Regular Meeting of the NCC is scheduled for Thursday, January 28th, at 9 a.m. and stated that the meeting will be held via Zoom. She encouraged the public to participate.

2. Technical Advisory Committee (TAC) Update

Commissioner Messer stated that the TAC last met virtually on November 5th. She reported that ESA provided several presentations on Part 150 Noise Study topics. She said that the next TAC meeting is scheduled for Thursday, February 11th at 9:30 a.m. and that the venue for this meeting will be posted by February 5th. She encouraged the public to participate.

J. LEADERSHIP TEAM REPORT

1. Leadership Team Report

There were no comments.

Mr. Rozansky added that this was not reported in the Leadership Team Report but he wanted to publicly thank the Operations and Facilities Departments for springing into action quickly to prepare the airport for the impending Tropical Eta storm. He noted that staff was true to our values in being agile to protect our airport, customers and prevent damage and injury.

K. FINANCIAL REPORTS

1. Financial Summary

Mr. Warriner stated that we began our new fiscal year with a strong month. He noted that our fuel sales were up 28% over the prior year and 37% over budget. He presented the October financial results and reported that the change in net position before capital contributions was favorable to budget by $544,352.

As a reminder, Mr. Rozansky stated that our revenue projections were based on last year's actuals so the impact is understated relative to how we have reported in the past (which was based on budget).

Commissioner Messer moved acceptance of the October Financial Summary. Commissioner Rideoutte seconded. Motion passed 4-0 with Commissioner Brousseau absent.

L. COUNSEL'S REPORT

1. Counsel's Report

Mr. Owens reported that the Authority is continuing to pursue our pre-petition bankruptcy claims against Hertz. He said that as far as he is aware, Hertz is currently paying all of their post-petition bankruptcy amounts due. He noted that a proof of claim was filed, and we are proceeding to recover those amounts but this will be an ongoing matter for some time. Other than that, Mr. Owens stated that there were no other 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, November 19, 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. October 15, 2020 Regular Meeting Minutes

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Presentation to Commissioner Brousseau
2. Employee of the Quarter
3. 2019 GFOA Certificate of Excellence in Financial Reporting
4. General Aviation Terminal and Airport Office Building and Commercial Airline Terminal Improvements Update

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

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

1. Board Ratification of the Executive Director's Declaration of Emergency
2. Renew Property Insurance
3. Construct Security Improvements in an amount not to exceed $2,771,342.75
4. Amendment 1 to Professional Service Agreement for the Security Improvement Project

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