# Minutes
# January 6, 2023
# Consultant Selection Committee

## A. ROLL CALL

The meeting was called to order by Consultant Selection Committee Chair Ruppert at 9:04 a.m. in the Larson Conference Room, General Aviation Terminal. Chair Ruppert and Committee member Burns were present.

Authority Counsel and Staff present were Mr. Rozansky, Mr. Owens, Ms. LeDuc, Ms. Best, Mr. Gamboa and Ms. Menard.

## B. PLEDGE OF ALLEGIANCE

Chair Ruppert led the Pledge of Allegiance.

## C. AGENDA

Mr. Rozansky stated there were no additions or deletions to the agenda.

## D. DISCUSSION ITEMS

There was Committee and staff discussion about the overall Request for Proposal process. Chair Ruppert explained that the three references are not always provided as requested in the RFP. For today's meeting, he said that one of the party's main references who are still working with the firm didn't respond to our request for a reference. Ms. Best said that she finally received that reference just before the meeting. Mr. Rozansky asked her to distribute the reference to Committee members. Chair Ruppert suggested that in the future Ms. Best let the responding firms know when the reference checks are not being responded to and the importance of our receiving them. Commissioner Burns concurred and said he appreciated Ms. Best's diligence in getting them.

Chair Ruppert questioned why we have changed the contract from a one-year agreement, with options to renew for four years to a five-year agreement. Mr. Rozansky stated that it was for efficiency reasons and that the contract includes a 30-day termination clause.

Chair Ruppert stated that both responding firms have cited Naples Airport as part of their portfolio experience. He said that he will be asking the firms about this experience at the conclusion of their presentations. Additionally, after both firms have interviewed, he would like staff input on their experience with each firm.

Commissioner Burns asked how and why we use appraisal services. Mr. Rozansky stated that federal guidelines require us to lease property at market rates. When managing real estate like the NAA docs, it is healthy to use an appraiser as a best practice every three to five years. He said that appraisal services are used as a basis for establishing land, t-hangar, tiedowns and bulk hangar rents. He further stated that when we have a land parcel available, we put it out for a Request for Proposals, and the appraisal is used to set a floor, oftentimes resulting in a response above that rate.

Mr. Rozansky stated that we are currently under contract with Slack, Johnston, Magenheimer. He added that both firms are highly regarded in this industry and are capable and competent firms.

1. **Interviews and Ranking of Responses to Request for Qualifications and Proposals (RFP) #22-5513, On Call Real Estate Appraisal Services**

Introductory Comments

Ms. LeDuc provided an overview of the RFP process that was advertised on August 24, 2022 for RFP No. 22-5513 – On Call Real Estate Appraisal Services, which resulted in four proposals received. On October 14th, she stated that each firm was evaluated by staff at a public meeting resulting in Airport Business Solutions and Slack, Johnston, Magenheimer being shortlisted for consideration today. Ms. LeDuc reviewed the categories for consideration and stated the intent of this RFP was to secure the services of at least one firm to provide on-call services. She said following the presentations, Committee members will have an opportunity to interview the respondents. She said following the interviews, staff is requesting Committee members to make a rank-order recommendation to the full Board for their meeting on January 19th. She stated that upon Board approval, staff will work with Authority Counsel and the selected respondent to negotiate a contract.

Interviews

Chair Ruppert welcomed Mr. Andy Magenheimer, President and Principal of Slack, Johnston, Magenheimer and reminded him the presentation should consist of a maximum of 15 minutes to allow for a question-and-answer period afterwards.

a. Slack, Johnston, Magenheimer

Mr. Magenheimer introduced himself and thanked the Committee for selecting his firm to present today. Mr. Magenheimer presented an overview of his firm and experience, mainly in the state of Florida. He provided a list of the subconsultants that his team works with and noted several Florida airports that he provides appraisal services for. He highlighted various airport valuation assignments he has successfully completed. He summarized his involvement in the Florida aviation community and his experience at the Naples Airport.

A question-and-answer period followed.

b. Airport Business Solutions

Chair Ruppert welcomed Mr. Michael Hodges, President and C.E.O. of Airport Business Solutions and reminded him the presentation should consist of a maximum of 15 minutes to allow for a question-and-answer period afterwards.

Mr. Hodges introduced himself and said he appreciated the opportunity to present today. He stated that he has 40 years' experience in the appraisal services industry of which 33 years are in the aviation industry. He provided a summary of his firm's broad experience in airport operations, emphasized the value of his work conducted throughout the country and added that he recently moved back to Florida.

A question-and-answer period followed.

Initial Rankings

Chair Ruppert said he would like Committee's feedback on the two candidates and that before a final ranking is made, he would like to ask staff to share their thoughts about the two firms.

Commissioner Burns stated that both firms were excellent. He commented that he liked Mr. Hodges' presentation and noted that it was interesting in that as soon as he moved from Atlanta, he was hired as an outside consultant for a firm in Atlanta, validating his good reputation. He said that he was going to rely on staff's feedback on this one.

Mr. Rozansky stated that Slack, Johnston, Magenheimer is the incumbent, but both firms are well regarded and competent with a broad range of experience. Mr. Rozansky stated that Mr. Hodges explained his understanding of the Lease Term Buy Back program well; and since the inception of the program at the Naples Airport, Mr. Magenheimer has capably handled it. Mr. Rozansky added that his overall experience working with Mr. Magenheimer over many, many years has been professional.

Ms. LeDuc said that she has worked directly with several appraisers in the state of Florida and by far, her most broad experience has been with Mr. Magenheimer's firm. She said that she has worked with them for more than 16 years, and it has always been a positive experience. She said Mr. Hodges' firm has a great reputation and are well known in the industry but did not personally have direct experience with them.

Ms. Best stated that the NAA has done work with Slack, Johnson and Magenheimer at least since 2014.

Mr. Rozansky clarified that the work Mr. Hodges performed for the Naples Jet Center had nothing to do with the airport, but rather he helped them through some business issues on the sale of the company.

Chair Ruppert agreed that we have two excellent candidates but did see differences in them. Initially, he said he felt Mr. Magenheimer's firm was a small firm servicing a very large geographical area of Florida almost single-handedly. However, by the end of the interview, he felt less concerned about that. He outlined the advantages in that Mr. Magenheimer has local experience here and when asked, was quick to answer that the Boca Raton airport was similar to the Naples Airport regarding the 99-year lease. He also commented that Mr. Magenheimer published usage and fuel flowage information during the COVID-19-pandemic to both commercial and general aviation airports. He liked both presentations but thought Mr. Magenheimer being based out of Miami and from a responsiveness viewpoint, would be a highly responsible partner.

Regarding Mr. Hodges' firm, Chair Ruppert commented that he was not sold on the idea that a national database is a strong basis for making a Naples Airport decision on an appraisal, but felt he had great capabilities. Chair Ruppert expressed concern that his team was based geographically outside of the state in Nevada and Colorado, with a time zone difference and a lag in communication. When asked who staff would be dealing with, Chair Ruppert was happy that Mr. Hodges was hands on and that we would not be dealing with two or three different people coming in to do appraisals on the property. From a

capacity viewpoint, he felt Mr. Magenheimer's firm had a bigger team based in Florida to service us and they have been servicing us well already.

Regarding the national perspective, Commissioner Burns said he differed with Chair Ruppert about Airport Business Solutions' national perspective. He stated outside information and the fact that he specializes in aviation is good. He noted that Airport Business Solutions manages the Minden/Tahoe Airport, which is what the Naples Airport Authority does. Commissioner Burns commented that Airport Business Solutions hasn't done as much work as Slack, Johnston, Magenheimer in Florida and didn't wish to hold that against him; however, Florida is our market and is probably where the appraisers are going to look first for comparables.

In response to Commissioner Burns' comment about the Airport Business Solutions' managing the Tahoe Airport, Chair Ruppert said that managing an airport is a big job. If the manager there is going to be backing Mr. Hodges up, being in Nevada between the time zone differences and the lag time if someone had to travel to Naples was a concern. Chair Ruppert said that there were two others on the team but they were in Colorado and Mr. Hodges was located in Jacksonville. Mr. Hodges' point to want to do more work in Florida is interesting, but not as much a motivator since Mr. Magenheimer has his feet on the ground and road miles on his car, working the territory already.

Staff Feedback

Chair Ruppert asked staff for their input.

Mr. Rozansky said when it comes to Florida knowledge, there is no one who knows more than Mr. Magenheimer. He added that Mr. Magenheimer has a very unique relationship with airports and tenants throughout the state with detailed knowledge. Regarding the circumstances nationally vs. in state, he said the Nevada airport looks to be an intensive sky diving and glider activity airport without much jet activity and is an apples to oranges comparison to the Naples Airport. Mr. Rozansky could understand why the local government outsourced the management of that airport.

Final Rankings

Commissioner Burns made a motion to rank the firms in order of preference to present to the full Board of Commissioners for approval on January 19, 2023, as follows: 1) Slack, Johnston, Magenheimer; 2) Airport Business Solutions.

Chair Ruppert seconded. The motion passed 2-0 unanimously.

Chair Ruppert stated the Committee's recommendations will be presented to the Board at the January 19th Regular meeting.

## E. PUBLIC COMMENTS

There were no public comments.

## F. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/ MEETINGS

There were no additional comments or requests/meetings.

## G. ADJOURN

The meeting adjourned at 11:12 a.m.

Christopher A. Rozansky
Secretary

**CITY OF NAPLES AIRPORT AUTHORITY (NAA)**
**Board of Commissioners**
**Notice of Consultant Selection Committee Meeting**

# FINAL AGENDA

**General Aviation Terminal, Larson Conference Room, 160 Aviation Drive N., Naples, FL**
**Friday, January 6, 2023**
**9 a.m.**

**Commissioner Kerry C. Dustin – Chair**
**Commissioner Rick Ruppert – Vice Chair, Consultant Selection Committee Chair, Audit Committee Member**
**Commissioner Rita Cuddihy – NCC and TAC Liaison**
**Commissioner Robert P. Burns – Consultant Selection Committee Member, Audit Committee Member**
**Commissioner Terrence W. Cavanaugh – Audit Committee Chair**
**Executive Director: Christopher A. Rozansky**
**Authority Attorney: William L. Owens, Esq. of Bond, Schoeneck & King, PLLC**

**Welcome.** If you wish to address the Consultant Selection Committee regarding an item listed on the Agenda, please complete a Speaker Registration form 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 Committee members 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 Committee 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. DISCUSSION ITEM**

1. Interviews and Ranking of Responses for Qualifications and Proposals for Appraisal Services; RFP #22-5513, On-Call Real Estate Appraisal Services

   a. Slack, Johnston, Magenheimer

   b. Airport Business Solutions

**E. PUBLIC COMMENTS (Public comments accepted for items not otherwise listed on the Agenda; 5 minute limit)**

**F. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS**

**G. ADJOURN**

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Information on Discussion 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.

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**NOTE:** The Consultant Selection Committee is comprised of Committee Chair Ruppert and Commissioner Burns. All NAA Commissioners are welcome to attend and can "opt in" to participate and vote.