Thursday, September 19, 2024 - Amended
Naples Airport Authority: Regular Meeting Minutes

The meeting was called to order by Chair Ruppert at 8:30 a.m. in the Council Chambers at City Hall.

A. ROLL CALL

Present were Chair Ruppert, Vice Chair Cuddihy, Commissioner Dustin, Commissioner Cavanaugh, and Commissioner Burns.

Staff and Authority Counsel present were Mr. Owens, Mr. Rozansky, Mr. Lobb, Mr. Warriner, Mr. Brown, Ms. Zadorecky, Ms. King, Mr. Carballo, Ms. Wiggins, Ms. LeDuc, Mr. Burch, Mr. Herman, Mr. Keith, Mr. Gray, Ms. Acosta, and Ms. Menard.

B. PLEDGE OF ALLEGIANCE

Chair Ruppert led the Pledge of Allegiance.

C. AGENDA

Mr. Rozansky announced the following revisions:

- **Minutes of the August 15, 2024, Regular** Meeting were corrected to more accurately reflect the comments as follows:

  - On Page 1 - Under Roll Call:

    Chair Ruppert moved to approve Vice Chair Cuddihy to participate and vote via Zoom videoconference. Commissioner Dustin asked if the audiovisual equipment has been improved since the last meeting. He said that if it hasn't improved, this could change his vote. Mr. Rozansky stated that a sound test was conducted with Vice Chair Cuddihy, and he could hear her clearly. After an additional test, Vice Chair Cuddihy's sound was determined to be adequate.

  - On Page 13 - Bottom of 1st Paragraph (Part of Action 2, Executive Director's Annual Review):

    Commissioner Dustin addressed Commissioner Burns' review. He stated that on page 1, Relationship of Board of Commissioners, Commissioner Burns used the word "manipulated." In light of Mr. Rozansky's statements, he requested Commissioner Burns to reconsider that word, since it implies a lack of integrity. Commissioner Dustin remembered the facts as Mr. Rozansky described them, and he didn't believe there was any manipulation. He said the use of that word really bothered him. Secondly, on page 2, Commissioner Dustin pointed out that Commissioner Burns made a comment that some in the community are convinced fuel prices are influencing landings for less expensive fuel in spite of the Executive Director's efforts to explain them. Commissioner Dustin expressed concern and objected to putting in public records items that the Board believes are not true and we should not be reflecting community comments, that the Board does not believe are true.~~believes are incorrect, into a public document.~~

- Page 19 - 2nd Paragraph under Leadership Team Report:

Vice Chair Cuddihy stated that on the UL94 program update, the initial subsidy was $182,500. The amount used to date is $113,850. She asked what was the timeframe of the ~~that~~ initial subsidy and was it for a timeframe and a dollar amount or just a dollar amount. ~~was sold~~. Mr. Rozansky said it was just a dollar amount and that the heaviest consumers are the flight schools, and their use is being monitored as the NAA nears exhausting that approved subsidy. Mr. Rozansky said when other airports or stakeholders inquire about the program, they are pleasantly surprised at how high the volume is; and to the FBO's credit, the subsidy price per gallon has decreased dramatically since a tank has been dedicated and the NAA receives deliveries by 18-wheelers rather than 300-gallon totes.

- **Action 1, Resolution 2024-7, Adoption of Fiscal Year 2025 Operating and Capital Budget -** The Chair's name on the signature page was corrected to read Richard Ruppert.

D. MINUTES

1. August 15, 2024, Regular Meeting Minutes

Commissioner Dustin moved approval of the August 15, 2024, Regular Meeting minutes, as amended. Vice Chair Cuddihy seconded the motion. The motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Master Drainage Plan Submittal Update

Mr. Miguel Carballo, Director of Planning and Development, introduced Mr. Scott Brady of EG Solutions to provide an update on the Master Drainage Plan (MDP).

Mr. Brady provided the status of the Mater Drainage Plan as follows:

The alternative water management strategies portion of the MDP was complete.

The following items were underway:

- Future condition models
- Public and regulatory briefings and meetings
- Maintenance plan
- Permit forms
- Master drainage plan narrative

Mr. Brady noted that the Environmental Resource Permit Application for the conceptual permit would be filed on September 30, 2024. He provided detailed information on future conditions of the ponds in the Southeast, Southwest, Northwest, and Northeast Quadrants, stating that future development aligns with the 2021 FAA-approved Airport Layout Plan. He mentioned that the NAA would need to prepare a maintenance plan, and he outlined its key elements. He explained how credits could be earned through the maintenance plan. He did a rough calculation and thought our

maintenance activities could reduce phosphorus by around 50 lbs./year, saving $1.5 million in capital costs of new structural controls. Mr. Brady also discussed the project's phasing, costs, and how a monitoring plan would be integrated into the process.

A question-and-answer period followed the presentation. Topics included the percentage of surface water collection from off-property and the fact that the Naples Airport treats water beyond just airport needs. The discussion also covered future conditions for the northwest quadrant, details of the approved Airport Layout Plan, the project timeframe, the cross-connection between the ponds in the SE quadrant, and the availability of grant funding to help mitigate the estimated cost of $12 million. Commissioner Burns asked what the building was appearing on the slide, Future Conditions – NW Quad, above the words, New Dry Infiltration Pond. Mr. Rozansky stated that it appears to be an error because the building shown is the marina and is not part of airport property. Mr. Brady will correct this exhibit.

The Board unanimously agreed to continue moving forward with the MDP.

2. Revenue Enhancement Opportunities

Mr. Ken Warriner, Senior Director of Finance and Administration, stated that a goal of the strategic plan was to explore Revenue Enhancement Opportunities, especially in relation to non-aeronautical revenues. The NAA has engaged Mr. Josh Sicard, Principal with Carroll and Carroll and a local real estate expert, to present opportunities to the Board, as well as Mr. Santiago Fernandez of CHA Consultants, to discuss the rental car business and parking at the airport.

Mr. Sicard stated that he was asked to evaluate three non-aeronautical revenue opportunities at Naples Airport. He presented a Market Analysis covering retail, office, and industrial land uses, discussing the vacant land parcels along with their strengths and weaknesses. He also reviewed potential uses for the properties and the associated economic impact.

The first parcel, 1.9 acres on Airport Road, was recommended for a retail ground lease, potentially including a restaurant because of the exposure to Airport Road.

The second parcel, 7.8 acres in front of the North Road Terminal, was suggested for storage-type uses (non-aeronautical), such as low-impact secure site storage or indoor car storage. Nearby dealerships on Airport-Pulling Road could be potential users, and there appears to be adequate demand for these storage options. The site could also be marketed to industrial users connected to the airport or to office or civic users, depending on demand.

The third parcel, 9.6 acres on North Road across from the Observation Deck, was recommended for marketing to civic users or investigating recreational uses that utilize the waterfront, such as a "paddle park" or a boat ramp with paid parking. Other possibilities include leasing space for a beverage/bar kiosk, food truck pads, or even a pickleball facility. These recreational uses would likely have low impact on the ground, allowing for future alternative development.

Mr. Warriner summarized alternative revenue implementation options, which included:

- Design marketing collateral for parcels to determine interest.
- Explore other non-allowable uses through zoning changes.

- Look at potential Public Private Partnership opportunities.
- Contact Collier County and the City of Naples for interest in developing.

During the question-and-answer period, there were discussions about whether the NAA could develop city-owned land and lease it back to the city, whether workforce housing would be a viable option, and if there had ever been interest in constructing a hotel near the airport. Mr. Rozansky addressed these questions. A brief discussion followed about the potential for a small hotel on one of the properties mentioned. Commissioner Dustin asked if one of the parcels could be used for affordable housing. Mr. Rozansky stated that the airport purchased the land with federal noise money for the explicit purpose of preventing residential development after the condos nearby were developed. Philosophically speaking, Mr. Rozansky stated that it would be difficult to support housing within 1,000 feet from the primary runway. Commissioner Burns asked if anyone had ever approached the airport to build a hotel. Mr. Rozansky said that there has been interest. Commissioner Burns asked if the 1.9-acre parcel was large enough to build a small hotel. Mr. Sicard said that it was and that the 7.8-acre parcel in the South Quadrant could also be used for that purpose. A zoning change would be needed on the 9.6-acre parcel. Commissioner Burns asked if there were restrictions for using the pond in front of the 1.9-acre parcel. Mr. Rozansky said perhaps a deck could be constructed but discouraged any water use because of the rock filters just below the surface of the water. Commissioner Burns suggested that this limitation appear in the marketing materials if the NAA goes forward with this. Regarding the 9.6-acre parcel, Commissioner Cavanaugh expressed interest in affordable housing on that land because there are very few developments available in the City. He respected the Executive Director's opinion about not supporting affordable housing on this parcel of land but did not want to take it off the table if it's possible to build a structure using state-of-the-art technology appropriate for comfortable living.

Mr. Fernandez presented a Rental Car and Parking Study, outlining its goals to assess local market needs and estimate project costs for recommended facilities. The study aimed to determine the market potential for NAA's rental car facilities and parking system, including the development of a new consolidated rental car facility (CONRAC) and a "use for fee" parking system at Naples Airport. It also proposed creating a pro forma model and a system of rates and charges to enhance revenue. Mr. Fernandez shared that interviews were conducted with rental car companies, along with surveys of customers in the North Road Terminal to learn more about the customers. The surveys reported that most of them were coming to the NRT for rental cars. He reviewed the proposed financial model and displayed a layout in the reuse of our existing facilities. He discussed airport parking rates and an added security/lot control system.

Mr. Warriner summarized alternative revenue implementation options, which included:

- Revenue Enhancement
- Business Retention and Expansion
- Customer Parking Services

During the question-and-answer session, discussions focused on parking options, the demographics of car renters, parking lot usage, the condition of existing parking lots, current security issues being experienced, and short- and long-range planning considerations.

Mr. Fernandez noted that currently, there is not a specific budget for maintaining parking facilities, but implementing the discussed options could create a much-needed revenue stream.

Mr. Rozansky added that this project was considered during the last budget and strategic planning cycle. The primary improvements were managing parking lots to enhance revenue and improving the car wash and fueling facilities.

There was unanimous consensus to not proceed with any recommendations regarding the three parcels until a decision had been made about the airport exploratory study. However, they unanimously agreed to move forward with efforts to enhance revenue through the car rental and parking facilities.

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

Collier County Commissioner District 4 Dan Kowal, provided an update on behalf of the Board of County Commissioners regarding the airport exploratory study. The NAA Board had inquired during the August 15th Regular Meeting whether County Commissioners would be willing to meet for a joint session since the proposed sites lay within the jurisdiction of Collier County. Kowal stated that he brought up the item to the full Board of County Commissioners during their August 27th meeting. He reported that the County Commission expressed no interest in relocating the airport into the County and they had no desire for a joint meeting. He also mentioned that the Commissioners selected him as their liaison with the NAA Board on the exploratory study.

Chair Ruppert thanked Commissioner Kowal for his follow-through. Commissioner Cavanaugh concurred with Chair Ruppert's comments.

G. NOISE

1. Noise Compatibility Committee Update

The Noise Compatibility Committee (NCC) last met on May 2nd, and a report on that meeting was provided at the May 2024 Regular Board Meeting.

The next meeting of the Noise Compatibility Committee is scheduled for October 30th in the Airport Office Building, not November 7th as originally planned due to scheduling conflicts.

Public outreach and engagement are critical to the NAA's efforts to engage with the community. Robin King, Director of Community Relations and Communications, will be working with the Board, NCC members, and other community leaders to schedule meetings and presentations with key stakeholders. Anyone interested in scheduling a meeting, presentation, an airport tour, or hosting a noise monitor should contact her at 239-643-0733 or rking@flynaples.com and visit our website at www.flynaples.com to join the subscriber list for airport updates.

2. Noise Report

Ms. King presented the Noise Report for August, highlighting outreach efforts to those violating the noise curfew. She noted that over a year ago, the number of people contacted about curfew violations dramatically increased. However, the number of comments from households decreased by 17% in the past month as shown on the chart on page 3. On page 4, Ms. King discussed the top

10 curfew violators, many of which are flight schools, but noted improvements over the last month due to increased communication and awareness. On page 6, nine flight schools appear on the top curfew violators list. Ms. King said that in October, the Noise Abatement Specialist will visit flight schools along the state's east coast to raise awareness about NAA's curfew. She mentioned that trends and comparisons remained stable, with fluctuations due to residents being out of town during the summer. Old Naples remains at the top of the list of neighborhoods submitting noise complaints.

Vice Chair Cuddihy suggested it might be beneficial to visit the flight schools again next year, especially with the daylight savings time change. With the longer days, flight schools will be working toward nighttime operations. Ms. King said there would also be personnel changes at the flight schools and internal plans are being made to maintain contact with flight schools outside of Naples to track any new instructors.

Commissioner Cavanaugh inquired about the distinction between residential, commercial, and institutional noise complaints. Ms. King responded that staff reviewed historical records and found that one commercial entity from the industrial area had filed a comment approximately a year and a half ago. She said going forward, staff will be able to denote separately on the report when comments are made by a commercial entity vs residents.

Commissioner Burns asked if the flight schools use one runway over another. Ms. King responded that Air Traffic Control has the primary responsibility over what runway to use.

H. CONSENT AGENDA

1. Second Amendment to the Agreement with EG Solutions for the Purchase of Water Quality Monitoring Equipment for $642,240

2. Agreement with Public Trust Advisors, LLC

3. Amended and Restated Lease with Collier County for MedFlight

4. First Amendment to the Agreement with Vector Airport Systems, LLC

Commissioner Dustin made a motion to approve the Consent Agenda, Item Nos. 1 - 4. Vice Chair Cuddihy seconded the motion. The motion was approved by a unanimous vote, 5-0.

Chair Ruppert called for a short recess at 10:06 a.m. The meeting was reconvened at 10:18 a.m.

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

1. Resolution 2024-7, Adoption of Fiscal Year 2025 Operating and Capital Budget

Mr. Warriner reviewed the changes to the Fiscal Year 2025 Operating and Capital Budget. He stated that a 5% increase in fuel margins was budgeted to help offset rising operating expenses. The seasonal fuel pricing model would continue, along with new seasonal aircraft overnight parking rates. Additionally, hangar, building, and land rentals were increased by an average of 9%,

which is in line with the consumer price index and market adjustments. Mr. Warriner provided an overall summary of the budget. He requested Board approval of the expenses and expenditures for FY25 in the amount of $67,356,000. After speaking with our customers, Mr. Warriner stated that our five-year forecast was revised to a 1% increase in volume of gallons.

Commissioner Burns asked if Mr. Rozansky or Mr. Warriner could recap the NAA's presentation to the City Council at their September meeting. He said he would like to discuss Council Member Hutchison's comments made at that meeting. Chair Ruppert stated that at that meeting, there were comments made outside of the Budget presentation, and he would like to focus the Board's attention on this agenda item.

Commissioner Burns expressed discomfort with including the South Quadrant T-Hangar Construction project in the amount of $2,250,000 in the budget until questions raised at the City Council meeting were addressed.

Commissioner Cavanaugh inquired about the cost of contracted fire and police services. Mr. Warriner explained that it depends on payroll costs plus a small administration fee, with the NAA receiving a quarterly invoice. Mr. Rozansky added that the fee is an hourly rate for 24-hour staffing of two firefighters.

Chair Ruppert was pleased with the reduction in personnel in the budget and encouraged continued restraint in adding employees in the future.

Commissioner Dustin asked Mr. Rozansky to reflect on their conversation regarding private air travel. Mr. Rozansky explained that over the past 8.5 years, fuel sales have increased, with a dramatic spike during COVID as more people opted for private travel. In the post-COVID environment, demand remains higher than pre-pandemic levels. However, some weaknesses, particularly in the charter market, are emerging. He noted that service consolidation might be seen in the future, and projections for the year ahead in the private air travel sector are uneven.

Chair Ruppert inquired about funding related to grant acceptance. Mr. Warriner responded that in the second year, the NAA would need to draw from reserves if no grant revenue is received.

Mr. Rozansky explained that when the budget was presented to the City Council, there was considerable discussion about the T-Hangar project and the airport utilization plan. He clarified that the project had been included in the airport utilization plan since 2018 or earlier. Vice Mayor Hutchison raised concerns that the Council had previously stated no more hangars would be built at the airport. In 2021, the utilization plan was updated, and two additional hangar projects were added to the list of 10 projects. At that time, the Master Plan and Noise Study were ongoing, and the NAA, in good faith, removed the additional hangars from the 2021 utilization plan. However, the T-Hangar project had already been approved, and funding had been expended for the design, with a signed FDOT grant. The plans will soon be submitted to the Design Review Board, and the hangars will primarily serve existing tenants who are on a waitlist. The hangars are proposed to replace an existing outdoor aircraft parking area and would accommodate aircraft with less than a 50-foot wingspan.

Commissioner Burns noted that the community does not distinguish between the 2018 and 2021 plans. Mr. Rozansky said that he would provide meeting minutes and background on the utilization plan. Commissioner Burns thanked Mr. Rozansky for the clarification.

Commissioner Cavanaugh made a motion to adopt Resolution No. 2024-7, adopting the FY 2025 operating and capital budget plan as presented. Commissioner Dustin seconded the motion. The motion was approved by a unanimous vote, 5-0.

2. Adopt FY 2025 Strategic Plan Scorecard, Including Certain Requirements of 189.0694 Florida Statutes

Mr. Lobb, Deputy Director of Aviation, explained that the Strategic Plan Scorecard is a tool for tracking and reporting the NAA's progress toward its goals and objectives. It provides a summary of major projects and initiatives that staff will undertake during the fiscal year, starting on October 1, 2024. The process of developing the Scorecard for FY 2025 has been ongoing since the spring, and the final draft now includes revisions from the August draft based on Board feedback, placing more emphasis on results achieved rather than activities undertaken. Mr. Lobb provided a summary of the proposed projects included under Goal 1, Objective 2, which will be reflected in the monthly financial statements.

Mr. Lobb referenced Florida Statute 189.0694, adopted in 2024, which requires all special districts to establish goals, objectives, and performance measures for each program and activity, effective October 1, 2024. By December 1st of each following year, each Special District must publish an annual report on its website detailing the goals and objectives achieved, the performance measures and standards used to evaluate them, and any unmet goals or objectives.

Mr. Lobb explained that the overall strategic plan is guided by SMART objectives, which are designed as ambitious stretch goals. In contrast, the statutory requirements focus more on broader, objective, and operational aspects. To meet these requirements, certain objectives and outcomes will be formatted in a report to satisfy the statutory mandate. This approach has been reviewed and approved by Mr. Owens.

Commissioner Cavanaugh asked Mr. Owens if the new statute required Board approval. Mr. Owens responded that while the statute did not provide much guidance, he recommended seeking Board approval. Commissioner Cavanaugh expressed a preference for avoiding redundant discussions and suggested reviewing the Scorecard and allowing management to proceed with the statutory requirement. He proposed that the Board could approve it at next month's meeting. Commissioner Dustin agreed with Commissioner Cavanaugh's approach.

Vice Chair Cuddihy pointed out that the submission would need to occur before the next Board meeting. Mr. Rozansky suggested that staff could publish a preliminary report and bring it back to the Board in October, separating the Scorecard from the statutory requirement.

Mr. Owens advised the Board to provide some level of approval concerning the statutory establishment of goals and objectives. He noted that today's presentation was part of the strategic plan, with certain areas highlighted that staff was recommending be included in the statutory publication. He suggested the Board either decide on the highlighted items or grant staff the discretion to make those decisions.

Chair Ruppert proposed deferring the establishment of the statutory goals and objectives to staff, allowing them to report on the highlighted items (marked with a red diamond) as suggestions. He expressed a preference for guidance on the already highlighted areas.

Mr. Lobb focused on the Scorecard and then circled back to the operational items, reviewing the goals and outcomes presented.

Regarding the objective "explore lease end alternatives," Commissioner Cavanaugh reminded the Board of the upcoming joint meeting with the City Council in November to obtain feedback on the airport exploratory study and noted that, so far, no other constituencies had been consulted. He questioned how success could be measured for this and other goals without broader input.

Vice Chair Cuddihy asked if Commissioner Cavanaugh was suggesting the need to determine next steps in addition to gathering feedback. Commissioner Cavanaugh confirmed this. Commissioner Dustin added that he believed the County Commission had been clear on the matter, making further discussion seem unnecessary at this point.

Chair Ruppert reviewed the Board's decisions from their August meeting and stated that he would share feedback from his meeting with the Mayor before the joint meeting with the Council.

Commissioner Cavanaugh clarified that the elements he would be looking for, in addition to determining whether to proceed with the next step of the study, would include a work product that encompasses the following:

- Everyone who has been contacted about the possible relocation, to include other agencies and constituencies
- A financial study indicating the magnitude of the relocation
- How funding would occur whether possible or not possible (explanation)
- Projections in terms of moving forward based on need
- Whether the airport should be a commercial airport or general aviation airport

Chair Ruppert reiterated the steps previously discussed and agreed upon by the Board, then asked if they wanted to expand the study to include the elements described by Commissioner Cavanaugh. Commissioner Burns inquired about what the NAA planned to achieve in the next 12 months, expressing support for how the outcomes had been presented.

Commissioner Cavanaugh believed more work was needed to determine whether it would be logical to proceed with the exploratory study.

Vice Chair Cuddihy suggested that additional language be added to the Scorecard for the year. She commended staff for incorporating feedback from the City and County but recommended including a statement about presenting the next steps to the Board since they would ultimately decide whether to continue the exploratory study.

Commissioner Dustin felt that the wording should remain as presented.

Chair Ruppert agreed that the outcomes should remain unchanged. He asked Mr. Rozansky if the Board could revisit the next steps after the joint meeting with the City Council, to which Mr. Rozansky confirmed they could.

Vice Chair Cuddihy suggested modifying Goal 1 by adding the following language: "City and County feedback obtained on Airport Exploratory Study and initiation of next steps," removing the phrase "if any." Mr. Rozansky cautioned that removing "if any" might imply that the next steps are guaranteed, whereas the original wording was intentionally ambiguous due to the uncertainty.

Chair Ruppert referred to the Capital Project phase outcome in Goal 1 and asked how the NAA would ensure accountability for projects with estimated completions in future years. Mr. Lobb explained how the projects would be tracked across future years.

Mr. Lobb then reviewed Goal 2. Vice Chair Cuddihy observed there was no numerical value for the outcome "Community sentiment survey conducted: findings/recommendations reported" because it was intended to establish a baseline. Mr. Lobb confirmed.

Mr. Rozansky provided updates on two outcomes. He mentioned that Hughes Aerospace would visit the Board next month to discuss flight procedures. He also noted that the Leaderboard for the most recent quarter had been published, and operators were actively engaged, and the program has had a positive result.

Mr. Lobb reviewed Goals 3 and 4.

Commissioner Dustin moved to approve the Scorecard, deferring the statutory goals and objectives to staff as highlighted in the presentation, with consideration to the language change in Goal 1. Vice Chair Cuddihy seconded the motion. The motion passed unanimously, 5-0. Commissioner Cavanaugh reluctantly voted in favor of the objectives but stated he struggles with the outcomes and how we are going to determine success a year from now.

Mr. Lobb noted that the highlighted items were presented for the Board's consideration and that they could decide if these were appropriate. He also mentioned that some guidance had been received from the State, and the Board might want to focus on objectives that align with enabling legislation and/or are budgeted for the upcoming fiscal year.

Chair Ruppert asked if anyone had questions or wished to remove any of the items highlighted by staff as recommendations.

Mr. Rozansky stated that at the state level, there has been increased focus on special districts. Mr. Owens provided a summary of recent state activities, highlighting the greater scrutiny placed on special districts. He reviewed some of the recent legislation affecting special districts. Mr. Rozansky then summarized the guidance received, emphasizing the need for the NAA to review its enabling legislation and budget.

For statutory purposes under Goal 1, Mr. Rozansky reviewed the highlighted items and suggested that the Customer Service rating be removed, as it was not core to the enabling legislation. There were no objections, and the Customer Service rating was removed from consideration.

Under Goal 2, Mr. Rozansky noted that none of the highlighted items were included in the enabling legislation and could also be removed. However, he suggested that if one item were to remain, it should be promoting voluntary curfew compliance, but without the 100% qualifier. Chair Ruppert agreed with this recommendation. Commissioner Dustin thought the new flight procedures and the community sentiment survey should have been highlighted, while Commissioner Burns,

Commissioner Cavanaugh, and Vice Chair Cuddihy all supported Mr. Rozansky's recommendation.

The unanimous consensus was to follow Mr. Rozansky's recommendation.

Under Goal 3, Strengthen the Airport's Economic Vitality, Mr. Rozansky said that our financial integrity and our audit are core to being accountable to the Commission and the public. He recommended the outcome, Unqualified (clean audit) opinion obtained with no unmitigated findings, be added to comply with the statutory requirement. Mr. Rozansky said that cybersecurity is an important issue and would like to add the penetration testing outcome as well. Commissioner Dustin suggested adding a mention of the budgeted operating margin but did not like the detail of 18.6%. Vice Chair Cuddihy commented that she wouldn't want to add margins but that there is something in our enabling legislation or elsewhere that we have to make our budget. Mr. Rozansky said that what she may be referring to is the statutory requirement on the budget with maximum budgeted expenditures. He said the goal could be to comply with Florida Statutes as referenced on page 8 in the budget presentation. Commissioner Burns said that he had no objections to this. Commissioner Dustin expressed concern with cybersecurity and hackers and the outcome as written. Chair Ruppert recommended to simplify the item to "IT penetration test completed," which Mr. Rozansky supported. There was also consensus on adding all three outcomes to comply with the Statutes.

For Goal 4, Mr. Rozansky noted that significant focus had been placed on this goal. He recommended retaining the succession planning component but suggested that the professional development line did not need to remain highlighted.

Commissioner Burns raised the point that under Goal 1, the Objective "Explore lease-end alternatives" and Outcome "City and County feedback obtained on Airport Exploratory study and next steps, if any, initiated" should be highlighted. Mr. Rozansky stated that the enabling legislation addresses the Naples Airport, not a different airport, and he cautioned about putting this objective and outcome in the statutory report. There was majority consensus, 4-1, to not add this goal and outcome to the new statute.

Commissioner Dustin moved approval to proceed with the Goals and Objectives to be included in the Florida Statutory required document as discussed, based on direction given to Mr. Rozansky. Vice Chair Cuddihy seconded. The motion passed unanimously, 5-0.

3. Authorize Amendment #1 with EG Solutions (EGS) for the North Quadrant – Environmental Assessment

Mr. Miguel Carballo, Director of Planning and Development, introduced the item to authorize the Executive Director to sign Amendment #1 with EGS for the North Quadrant Environmental Assessment (EA) under the Professional Services Agreement. This includes site preparation design, permitting, bidding, and construction administration for an amount not to exceed $704,958, plus a 10% contingency, totaling no more than $775,453.80. He provided background on the request.

Mr. Scott Brady of EG Solutions presented the project background, explaining the environmental assessment of the North Quadrant. Mr. Rozansky noted that this project would follow a similar process used in a previous landfill relocation. Mr. Brady explained that the North Quadrant of the

airport contains a closed municipal landfill, which needs to be relocated to improve water quality management, enhance maintenance, and prepare for potential future development. He discussed the project's impact on groundwater quality and shared baseline data from a prior test. He also outlined the Environmental Assessment Process, including its elements and benefits, and reviewed the project cost.

Commissioner Burns asked if the sole purpose of the study was to improve water quality or some other purpose, and Mr. Rozansky confirmed that it is the primary purpose. He added that separately in the future, there could be hangar development on the site, but the immediate issue is the challenge of maintaining the site and the water quality concerns. He said it's also a wildlife hazard in its current condition.

Vice Chair Cuddihy made a motion to approve the Executive Director to execute Amendment #1 with EG Solutions in an amount not to exceed $775,453.80. Commissioner Dustin seconded. The motion passed unanimously, 5-0.

J. NEW BUSINESS

There was no new business.

Chair Ruppert called for a short recess at 12:14 p.m. The meeting reconvened at 12:23 p.m.

K. OLD BUSINESS

1. Governance

Mr. Rozansky stated that a governance workshop was held on May 15, 2024. Board discussion and consensus was being requested on the following topics:

- Review and potentially amend the bylaws as they relate to the roles of the Board, officers, and remote attendance.
- Enhance the Commissioner onboarding process to include roles, professional development, and publication of best practices.
- Develop annual performance review of, for, and by the Board
- Analyze the Board packet process and make recommendations for improvements

Mr. Rozansky stated that the staff had already been working on an improved Board packet process and that reports provided to the Board were also being enhanced.

Regarding remote attendance at meetings, Vice Chair Cuddihy did not believe the Bylaws needed to be changed but agreed with Chair Ruppert that remote attendance should be limited. Chair Ruppert expressed that remote participation should only be allowed in certain circumstances such as for a medical issue or a last-minute flight cancellation, and not for personal convenience, as it creates challenges. He encouraged everyone to attend meetings in person.

Commissioner Dustin suggested improving the onboarding process for new Commissioners and felt Mr. Owens should incorporate corporate and commission governance into the process. Commissioner Cavanaugh inquired if former commissioners could meet with new ones to discuss

procedures and if so, he suggested that this be incorporated into the process. Mr. Owens clarified that active commissioners may not speak with a commissioner-elect or appointee, but former commissioners could serve as a helpful resource.

Chair Ruppert stated that he had volunteered to meet with prospective applicants to give them his perspective on what it has been like serving on the Board. He thought the onboarding process needed some improvement.

Commissioner Dustin mentioned he had asked for and received a copy of a self-evaluation document for Board members. He encouraged Mr. Rozansky to share that document with the whole Board for a discussion in October. Mr. Rozansky stated that his understanding would be that the self-reviews would be facilitated by a third-party or the Board could decide to facilitate it themselves.

Commissioner Burns requested the Board establish a process to discuss ideas on long-range planning. Chair Ruppert thought it should be discussed annually or no more than twice a year. Commissioner Dustin felt it did not require a special meeting but should be addressed during a regular meeting. Vice Chair Cuddihy asked for clarification from Commissioner Burns, who shared some ideas of what he wanted to discuss.

Mr. Owens advised that a majority vote would be necessary if the Board wished to add a future agenda item in response to Commissioner Burns' request.

Commissioner Cavanaugh made a motion to create an agenda item at a future meeting to review the work product of Commissioner Burns as it relates to his concerns and ideas around long-term planning with Board review of that document to determine if as a Commission, we want to move forward with long-term planning, and if so, what process and what timing. Commissioner Burns seconded. The motion passed unanimously, 5-0.

Commissioner Cavanaugh said that he would like to get more information before a meeting so that it doesn't have to be discussed at the meeting, but the Board has time to absorb it and do not have to spend 5, 10 or 30 minutes on a particular item at a meeting. Mr. Lobb said that is one of our objectives in the consolidated Board report that will be presented next month. Commissioner Cavanaugh said it requires the Board to understand that it is information only and if a Board member has questions, they can be asked during the one-on-one meeting with the Executive Director and Authority Counsel.

L. LEADERSHIP TEAM REPORT

1. Leadership Team Report

Vice Chair Cuddihy commented about NAA staff's attendance at the 2024 Florida Airports Council Annual Conference, and several members were appointed into leadership roles at that conference. She congratulated Mr. Rozansky and his team.

Commissioner Burns mentioned emerging aviation technologies and thought another update would be helpful. Mr. Rozansky said it had not evolved much since the last update, but at the desire of the Board, staff would prepare an update. Chair Ruppert said that Mr. Stephen Myers closely follows that topic and suggested inviting him to provide an update to the Board.

At Vice Chair Cuddihy's request, Mr. Rozansky provided an update from his meeting with the Collier County Manager and leadership staff. He said they agreed to focus on the exploratory study's outcome before discussing a potential collaboration regarding airport operations.

M. FINANCIAL REPORTS

1. Financial Summary

Mr. Warriner provided a brief review of the August financials. He asked if there were any questions.

Vice Chair Cuddihy made a motion to accept the financial report for the month of August. Commissioner Dustin seconded the motion. The motion passed unanimously, 5-0.

N. COUNSEL'S REPORT

Mr. Owens reported no pending litigation or other material legal matters to discuss.

O. PUBLIC COMMENTS (5-minute limit)

There were no public comments.

P. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

Commissioner Burns wished to discuss JSX, noting the Executive Director had explained they could not be prohibited from flying into the Naples Airport. He raised concerns about safety and asked for an update on the agreement.

A discussion ensued regarding TSA security procedures for single seat charter airlines, JSX pilots' experience, and potential reduction of other operations due to the JSX services. Commissioner Burns said if the FAA was looking at this type of charter operation, perhaps it would be prudent to wait and observe the safety of JSX operation before an agreement is signed. Mr. Rozansky said JSX has a robust security and screening program, however, it is not conducted by TSA. He said NAA's aviation counsel, Peter Kirsch, was asked about the regulatory dispute, and given the different situation in Westchester County, his response was that the airport does not have a choice whether or not to limit their operation at the airport. However, the airport would have discretion about where and how they operate.

Commissioner Cavanaugh provided comments on the airport exploratory study's cost and process. He stated that several County Commissioners and City Council Members have provided inaccurate statements and would like to respond to their opinions with correct information. First, the cost of the study did not use one dime of any County or City taxpayer funds. The NAA is a nontaxing body and all costs of the NAA are borne by the aviation community through services the NAA provides or through Florida Department of Transportation or Federal Aviation Administration grants. The funds for this study would have been used for other airport needs had they not been allocated to this project. Additionally, the NAA will pay the City of Naples over a million and half dollars this year for fire and police protection.

The NAA is an operating authority with very little transportable assets. It has no taxing authority and can only issue $15 million in debt. It is outlined in the study that the cost of relocation is substantial. The locations outlined are all in the County, and the County will need to be the sponsoring entity and provide significant funding for any potential move they would support. The City should also realize that they will need to provide a financial incentive of substantial size to make a potential relocation feasible. He opined that the real estate will need to be monetized for this to happen. The NAA is the organization responsible for managing the airport and this study, but the County and the City will need to be the primary players from a planning, investment, and execution perspective for such a relocation.

He also disagreed strongly with members of the County and City governments who say the study is financially wasteful and a waste of time. Many constituents had requested the study. As an appointed official, Commissioner Cavanaugh sees the value in listening to all voices and provide reliable information for citizens to make informed decisions. This exploratory study does just that. He finds it discouraging and wrong for elected officials to dismiss the study as a waste of time. He was disappointed the County Commissioners did not wish to meet in an open public setting for a discussion. He thanked the City of Naples for scheduling an upcoming joint session and looks forward to the workshop in November.

Vice Chair Cuddihy raised the issue of the Picayune Strand State Forest (PSSF) as a potential relocation site because it continues to be discussed in the community, which is causing much angst. She cited a recent newspaper article and assumed Commissioner Burns did the interview for the piece. Vice Chair Cuddihy recalled that during the May Board meeting, potential sites were discussed and Commissioner Burns proposed that the PSSF be included. During that discussion, Commissioner Burns wanted to keep it in, Commissioner Cavanaugh wanted more information, and a Board voted whether to include it. She noted the vote was 3-2 to not have the PSSF in the study. She expressed concern that PSSF continues to be discussed in the community and that Commissioner Burns continues to promote it. She feels it is a reflection on the Board when he does that, but the Board decided in May to not include it in the study. She wondered why this continues to come up because it seems to prompt government officials' responses, and the Conservancy has spent a tremendous amount of time on it. She said considering the recent governance workshop, she would like to find a way for the Board to support its own decisions. She said Board members can have dissenting opinions, but a member should comment as such, and indicate the Board had voted against it. Commissioner Burns appreciated Vice Chair Cuddihy raising the issue. He assured Vice Chair Cuddihy that he was 100 percent behind the Board's vote of 3-2 to take the PSSF out of the picture for the exploratory study. He said he respects the Board and the vote. He said the Naples Daily News reporter asked him after the May meeting why he felt the way he did about the PSSF. He requested that she email her questions to him for a response. He claimed he responded but the article didn't appear until she chose the timing of when to put the article in the paper, which was after the August meeting. He said it was disappointing to him.

Chair Ruppert provided an update on a recent meeting held on September 5, 2024, with the Mayor, City Manager, and Executive Director Rozansky. Topics discussed in the two-hour meeting included the scheduling of a joint workshop on November 7th, the status of the exploratory study, next steps for City Council to vote on it, and confirmation that the PSSF option was removed from the study as a potential site as of the May Board Meeting. At the October 14, 2024, City Council Meeting, the NAA will present a debrief of the exploratory study to City Council. Other topics discussed were the County's response to the NAA's request for a joint meeting, the progress on flight procedures, an FAA Reauthorization presentation by Peter Kirsch at the November 7th joint

meeting, joint lobbying efforts with congressional leaders, the Fly Safe Fly Quiet Leaderboard, the airport utilization plan concerning new development, expanded support from the Naples Police Department for the airport, use of noise monitors for data collection, and the Board's position on continuing to accept FAA grant funds. Chair Ruppert also elaborated on his own position about being open for a discussion about the suspension of taking FAA grant funding if two criteria would be met – one being more local control and the second being financial underwriting in an NAA cash deficit for lack of taking grants.

Chair Ruppert stated that Mr. Rozansky is working with Mr. Boodheshwar on the agenda. In order to make best use of time at the workshop meeting, Commissioner Cavanaugh said that it would be beneficial for City Council to share their questions in advance of the October 17th Regular Meeting in preparation for the November 7th Joint Workshop.

Q. ADJOURNMENT

With no further business, the meeting adjourned at approximately 1:28 p.m.

Christopher A. Rozansky
Secretary

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

FCITY 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 19, 2024
8:30 a.m.

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

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 15, 2024, Regular Meeting Minutes

E. PRESENTATIONS AND TIME CERTAIN ITEMS

1. Master Drainage Plan Submittal Update

2. Revenue Enhancement Opportunities

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

G. NOISE

1. Noise Compatibility Committee Update

2. Noise Report

H. CONSENT AGENDA

1. Second Amendment to the Agreement with EG Solutions for the Purchase of Water Quality Monitoring Equipment for $642,240

2. Agreement with Public Trust Advisors, LLC

3. Amended and Restated Lease with Collier County for MedFlight

4. First Amendment to the Agreement with Vector Airport Systems, LLC

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

1. Resolution 2024-7, Adoption of Fiscal Year 2025 Operating and Capital Budget

2. Adopt FY25 Strategic Plan Scorecard, Including Certain Requirements of 189.0694, Florida Statutes

3. Authorize Amendment #1 with EG Solutions (EGS) for the North Quadrant - Environmental Assessment

J. NEW BUSINESS

K. OLD BUSINESS

1. Governance

L. LEADERSHIP TEAM REPORT

1. Leadership Team Report

M. FINANCIAL REPORTS

1. Financial Summary

N. COUNSEL'S REPORT

1. Counsel's Report

O. PUBLIC COMMENTS (5-minute limit)

P. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

Q. ADJOURN