June 17, 2021
Regular Meeting

Meeting was called to order by Chair Lenhard at 8:32 a.m. in the Council Chambers at City Hall.

A. ROLL CALL

Present were Chair Lenhard, Vice Chair Dustin, Commissioner Messer, Commissioner Rideoutte and Commissioner Ruppert.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Cooper, Mr. Lobb, Mr. Warriner, Mr. Keith, Ms. Bendle, Mr. Frost, Mr. Burch and Ms. Menard.

B. PLEDGE OF ALLEGIANCE

Chair Lenhard led the Pledge of Allegiance.

C. AGENDA

Mr. Rozansky stated that the following four action items were being added to the agenda:

- Action Item 5 – Amendment to Agreement for Design and Construction Phase Services for the Air Traffic Control Tower Improvements Project
- Action Item 6 – Lease Assignment from RexAir Hangar LLC to RexAir Aviation Hangars, LLC for 304 Citation Point
- Action Item 7 - Lease Assignment from RexAir Hangar LLC to RexAir Aviation Hangars, LLC for 302 Citation Point
- Action Item 8 - Consents to Encumbrance and Agreement with Lender and Landlord's Waivers for RexAir Aviation Hangars, LLC

Mr. Rozansky noted that briefing papers and a location map (for Action Items 6-8) were printed and distributed to the Board.

Under Financial Reports Item 2, Mr. Rozansky stated that a Budget presentation to be given by Mr. Warriner today was provided to the Board in advance of the meeting.

D. MINUTES

1. May 20, 2021 Regular Meeting Minutes

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

2. May 20, 2021 Workshop Meeting Minutes

Vice Chair Dustin moved approval of the May 20th Workshop Meeting minutes. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

3. June 7, 2021 Audit Committee Meeting Minutes

Commissioner Ruppert moved approval of the June 7th Audit Committee Meeting minutes. Commissioner Messer seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

There were none.

F. PUBLIC COMMENTS

Mr. Mark London, President of Elite Jets, 100, 125 and 150 Aviation Drive South, Naples commented regarding his firm's recent participation in the Lease Term Buy Back Program and his disappointment regarding the outcome of the appraisal process. He stated that the valuation provided by the NAA's appraiser differed greatly from his bank's appraiser and an additional independent certified appraiser. He expressed concern that the Lease Term Buy Back program does not include a negotiation or appeal process.

Chair Lenhard deferred to Mr. Rozansky and then stated he would open it up for Board members to ask questions. Mr. Rozansky stated that the program commenced in the 2014 time frame to estimate the future value of extending leasehold interests. He added it is not a current fair market appraisal. He said that the program has strict guidelines for the Executive Director to administer the program, however there is no negotiation or appeal process.

Mr. Rozansky said that there is concern about treating tenants equitably and he feels that has been achieved. Mr. Rozansky commented that Elite Jets opted into the Lease Term Buy Back program previously in 2018 at an appraised value of $2.25 million, but Elite chose not to extend the lease. When their leasehold again became eligible, they opted in for a second time, and the valuation was $3.1 or $3.2 million. Mr. Rozansky acknowledged the significant up-front cash requirement, but added that he has shared information with Elite to demonstrate the value of the Lease Term Buy Back should they decide to sell. He said that staff met with Elite recently and there was discussion regarding the feasibility of negotiating because of their recent improvements made prior to opting into the program.

A question-and-answer period followed regarding the assumptions applied in the three appraisals, the impact of changing the procedure, the concern about treating tenants equitably, and Elite Jets' $1.3 million of facility improvements made in advance of the appraisal. Mr. Rozansky added that it is easy to come up with a lower valuation by changing the assumptions.

Mr. London said that he was not asking to change the program but was requesting the Board to give direction to the Executive Director on a process for appealing the appraised valuation.

Mr. Stephen Myers, Executive Vice President of Elite Jets, commented on Commissioner Ruppert's suggestion to potentially opt out of this program cycle and opt into a potentially new process in the

future. Mr. Myers asked if Elite Jets waits for the next cycle, could that be done quickly. Commissioner Ruppert clarified that he was not pushing to expedite the process.

Vice Chair Dustin said that he would not be in favor of two or three appraisals but may be willing to have someone evaluate the assumptions that the current appraiser uses and have an independent review of those assumptions. Commissioner Rideoutte stated that we can't make any changes to the program out of fairness to others who have already participated and if the process becomes too big of a problem, the Board could decide to terminate the program.

Mr. London said that he should have informed the Authority about the $1.3 million in improvements in advance of opting into the program. Mr. Rozansky stated that staff did commit to discussing this further with Elite Jets, but it would be outside of the Lease Term Buy Back program.

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

1. **Audit Firm Engagement Letter – FY 2021 Audit**

Mr. Warriner requested Board authorization for the Executive Director to execute the FY 2021 Audit Engagement Letter with MSL, our auditors. He noted that earlier in the meeting the Board approved the minutes from the Audit Committee meeting held on June 7th which provided comments regarding the firm's performance. Mr. Warriner added that MSL did a great job with the audit and are entering their fifth year of engagement. He stated that the engagement letter is essentially the same as last year. The fees are the same as last year with the exception of a newly added fee of $5,000 for MSL's preparation of our Comprehensive Annual Financial Report.

Vice Chair Dustin moved Board approval for the Executive Director to execute the FY 2021 Audit Engagement Letter with MSL. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

2. **Air Traffic Control Tower (ATCT) Improvements**

Mr. Keith requested Board approval for the Executive Director to execute a contract with the lowest responsive bidder, Curran Young Construction, in an amount not to exceed $893,730 for the ATCT Improvement Project. This includes the bid amount of $744,775 plus a contingency of $148,955 (20%) to account for the potential high degree of complexity associated with this project.

Mr. Keith stated that the Board approved a contract with Hanson Professional Services for the design of the ATCT Improvement Project at the December 2019 Board meeting. He provided an overview of the bid process which resulted in 4 bids ranging from $744,775 - $1,594,670.

Mr. Keith noted that the qualifications and references for Curran Young Constructions of Bonita Springs were favorable with completion of projects on time and within budget. He said the project was designed in two phases and work will be completed at night between 10 p.m. and 6 a.m. with the tower remaining functional during normal operating hours.

Including initial design and Phase 1 construction costs, the total amount of the project with contingencies is $1,481,230. Additional funds are available in the FY 2021 budget, but combined with other capital project cost increases, a FY 21 budget amendment may be required at a future meeting.

A question-and-answer period followed regarding the four bid amounts, the nighttime schedule to get the ATCT operational by 6 a.m., a backup plan during the project construction in case of an emergency, our experience with the contractor, Curran Young's subcontractors' experience in tower work and cost implications that went overbudget in Phase 1,

Commissioner Rideoutte moved approval for the Executive Director to execute a contract with Curran Young Construction in an amount not to exceed $893,730 for the ATCT Improvement Project. Commissioner Messer seconded. The motion passed unanimously 5-0.

3. General Aviation Terminal Furniture

Mr. Keith requested Board authorization for the Executive Director to execute a contract with BOS, Inc., in an amount not to exceed $560,000 for new furnishings in the renovated General Aviation Terminal (GAT). He said that this includes direct costs of $510,000, and a contingency of $50,000 (10%).

Mr. Keith provided a summary of the GAT improvement and modernization project which was approved at the May 2021 Board meeting and stated that the new furnishings compliment the planned coastal-modern design.

Mr. Keith noted that all furnishings procured under this contract have been solicited through the State of Florida in accordance with Section 287.057 of Florida Statutes concerning procurement of commodities by public agencies, as confirmed by the Authority's legal counsel. BOS has confirmed that the payment terms will not include any deposit prior to delivery. Mr. Keith added that the project is funded by the NAA, and adequate funds are available in the FY 2021 budget.

A question-and-answer period followed regarding the furniture amount and the necessity of a contingency.

Vice Chair Dustin moved Board approval for the Executive Director to execute a contract with BOS, Inc. in an amount not to exceed the direct costs of $510,000 for new furnishings in the renovated General Aviation Terminal (GAT). The motion excludes approval for a contingency of $50,000 (10%). Commissioner Rideoutte seconded. The motion passed unanimously 5-0. Mr. Owens clarified for the record that there were no opposing votes.

4. East Quadrant Apron Rehabilitation Phase II

Mr. Keith requested Board authorization for the Executive Director to execute a contract with Quality Enterprises USA, Inc. in an amount not to exceed $1,980,000 for the East Quadrant Apron Rehabilitation Phase II Project. This includes the bid amount of $1,799,991, and a contingency of $180,000 (10%).

Mr. Keith provided a summary of Phase I that was completed in October 2020 and an overview of the bid process for Phase II which resulted in two bids. The lowest responsive bidder was Quality Enterprises USA in the amount of $1,799,991, and the second bidder was OHL USA, Inc. in the amount of $2,964,000. Mr. Keith displayed an aerial showing the scheduled work that will be completed in four stages.

A question-and-answer period followed.

Vice Chair Dustin moved Board approval for the Executive Director to execute a contract with Quality Enterprises USA, Inc. in an amount not to exceed $1,980,000 for the East Quadrant Apron Rehabilitation Phase II Project. Commissioner Messer seconded. The motion passed unanimously 5-0.

5. Amendment to Agreement for Design and Construction Phase Services for the Air Traffic Control Tower Improvements Project

Mr. Keith requested Board authorization for the Executive Director to execute a contract amendment with Hanson Professional Services, Inc. (Hanson) in an amount not to exceed $74,006. At the December 20, 2019 Regular Meeting, Mr. Keith said that the Board approved a contract for the design and bidding of the Air Traffic Control Tower (ATCT) Modernization Project, including the ATCT Base Building, for a fee of $175,000, along with a $17,500 contingency, which has not yet been utilized. After award, staff decided to split this project in two phases so that the base building would be ready for the tower controllers to occupy while work was being completed in the tower itself.

Mr. Keith stated that additional design, bidding and construction phase administration services are necessary due to the separation of the project phases, along with several changes in scope that occurred as a result of continued coordination between the consultants, NAA staff, stakeholders and regulatory agencies. Mr. Keith noted that the expense is NAA funded and included in the FY21 budget. He stated that the Phase I contingency of $17,500 would not be needed if this amendment is approved.

A question-and-answer period followed.

Commissioner Ruppert moved Board approval for the Executive Director to execute a contract amendment with Hanson Professional Services, Inc. in an amount not to exceed $74,006. Commissioner Messer seconded. The motion passed unanimously 5-0.

6. Lease Assignment from RexAir Hangar LLC to RexAir Aviation Hangars, LLC for 304 Citation Point

Ms. LeDuc stated that Action Item 6 is the first of three items presented today related to RexAir Hangar, LLC. She requested Board authorization for the Executive Director to execute a Lease Assignment from RexAir Hangar, LLC to RexAir Aviation Hangars, LLC for 304 Citation Point. She displayed an aerial of the hangar's location in the North Quad and explained the proposed actions for each of these Lease Assignments.

A question-and-answer period followed.

Mr. Rozansky stated that the current owner and buyer were present should the Board of Commissioners have any questions.

Commissioner Rideoutte moved Board approval for the Executive Director to execute a Lease Assignment from RexAir Hangar, LLC to RexAir Aviation Hangars, LLC for 304 Citation Point. Commissioner Messer seconded. The motion passed unanimously 5-0.

7. **Lease Assignment from RexAir Hangar LLC to RexAir Aviation Hangars, LLC for 302 Citation Point**

Ms. LeDuc requested Board authorization for the Executive Director to execute a Lease Assignment from RexAir Hangar, LLC to RexAir Aviation Hangars, LLC for 302 Citation Point in the North Quad. She displayed an aerial of the hangar's location and explained that proposed action is essentially the same as Action Item 6 but for 302 Citation Point.

Ms. LeDuc clarified that RexAir is currently going through the Lease Term Buy Back on this parcel and that the proposed action is contingent upon the close of the real estate transaction.

Vice Chair Dustin moved Board approval for the Executive Director to execute a Lease Assignment from RexAir Hangar, LLC to RexAir Aviation Hangars, LLC for 302 Citation Point. Commissioner Rideoutte seconded. The motion passed unanimously 5-0.

8. **Consents to Encumbrance and Agreement with Lender and Landlord's Waivers for RexAir Aviation Hangars, LLC**

Associated with the leaseholds just discussed, Ms. LeDuc requested Board authorization for the Executive Director to execute Consents to Encumbrance and Agreements with Lender between City of Naples Airport Authority and Atlantic Capital Bank, NA and Landlord Waivers for the benefit of RexAir Aviation Hangars, LLC. She added that the lender and the Authority would enter into an agreement to address specific requirements of the Small Business Administration (SBA) loan. She noted that Authority Counsel reviewed the agreements in depth and approved them for Board consideration today.

A question-and-answer period followed.

Mr. Keith West of RexAir Aviation Hangars, LLC introduced himself and expressed his appreciation to Ms. LeDuc and Mr. Rozansky for the incredible effort they put in over the past few weeks. Mr. West provided a summary of his and his partner's flight school and flight training experience.

Mr. Owens provided a summary of the consents and waivers and clarified that this request includes seven documents related to the SBA loan.

Vice Chair Dustin moved Board approval for the Executive Director to execute Consents to Encumbrance and Agreements with Lender between the City of Naples Airport Authority and Atlantic Capital Bank, NA and Landlord Waivers for the benefit of RexAir Aviation Hangars, LLC. Commissioner Messer seconded. The motion passed unanimously 5-0.

G. NEW BUSINESS

1. **Strategic Plan Scorecard – FY 2021 Mid-Year Report**

Ms. Cooper presented the Fiscal Year 2021 Mid-Year Strategic Plan Scorecard for Board review. She noted that the status of the project/initiatives are through May 31st.

Ms. Cooper stated that under Goal 1, the initiative to maintain compliance with Part 139 requirements with zero discrepancies was not met. Ms. Cooper explained that although the two discrepancies found

are being corrected, the measure was based on receiving zero discrepancies and therefore, the status of this initiative is noted in red. She said that the inspectors stated that the airfield has never looked better but their philosophy for this year, unlike previous years, is that they will not give a zero-discrepancy inspection. Staff is in the process of looking toward a different measure that is attainable given the change in inspection philosophy for the next fiscal year.

There was Board, Authority Counsel and staff discussion regarding the two discrepancies, the impact on incentive compensation for not achieving this measure and the Board's discretion to determine the appropriate compensation based on staff performance.

Ms. Cooper said that the following projects/initiatives should now show the status as dark green depicting project completed: Under Goal 2, Outreach Events; Under Goal 3, the two measures under Maintain Appropriate Accounting and Financial Controls and the first two measures under Customer Survey Rankings.

Under Goal 3, Customer Survey Rankings, Ms. Cooper stated that the third measure to collect at least 250 NAA surveys with 90% or above exceeding expectations, is yellow, behind schedule. She explained that we have collected well over 250 surveys and reviewed the ratings of the three categories in the survey. We are pleased to report that in the staff category, the rating was over 90%. She added that a number of the comments were related to fuel delays during an unprecedented increase in our business last season and another was that we do not provide transportation to area hotels. Ms. Cooper said that the traffic and flow issues, as well as providing nicer amenities, are being addressed in the GAT renovation and that the survey will be updated to specify whether the person responding is a pilot or passenger.

Mr. Lobb said that most comments were favorable and complimentary of staff. He said that there were less than a dozen critiques and that the service level critiques occurred on peak days as a result of not having the right level of staff to meet those service levels. He noted that now that we are in the off-season, the pilots and passengers have noted the phenomenal view and amount of space in the Commercial Terminal. He said that staff will make a more concerted effort to solicit feedback to improve the ratings in service and facilities by the end of the fiscal year.

Mr. Rozansky stated that no action by the Board was necessary at this time.

2. **Noise Compatibility Reports**

Mr. Burch presented proposed revisions to the template for reporting operational, curfew, and noise comment information which is currently provided by several documents attached to the Leadership Team Report. He said feedback solicited from the Noise Compatibility Committee at its May 4, 2021 Regular Meeting has been incorporated into the draft report.

On page 1 of the report, Aircraft Operation and Curfew Compliance Summary, there were a number of suggested revisions as follows: 1) Making it clearer that the top row is for the month and the bottom row is for year-to-date fiscal year. 2) In the middle column, change the bar graph in the bottom to a pie chart similar to the middle top row, putting the fiscal year inside the pie. 3) Since 2020 was an anomaly, include 2019 in all of the reporting. 4) On the left column in the bottom row (YTD) distinguish between jet and non-jet. 5) Put "nonexempt" in the title where appropriate. 6) After the discussion to change the title for Voluntary Curfew Operations to Voluntary Curfew Violations or a softer word such as Infraction, Chair Lenhard recommended that the right column include the Voluntary Curfew Compliance

Rate as well as the Noncompliance Rate. Mr. Rozansky stated that he would discuss with ESA and Aviatrix how others present this type of data and will review the feedback with the Noise Compatibility Committee.

On page 2 of the report, Commissioner Messer suggested that the information on the bottom right be eliminated since it is redundant with the information provided in the top left Comments by Neighborhood chart. This would allow an increase to the size of the comment map and would make it less busy.

On page 3 of the report, Vice Chair Dustin asked if the data has been studied for comments made in one year with continuing comments made in the following year. Mr. Rozansky stated that we are working to drill down on the number of repeat households year to year as well as on new households commenting from year to year.

Mr. Burch stated that for the next meeting, he will provide another draft report, including the revisions suggested above.

The meeting recessed at 11:25 a.m. and reconvened at 11:35 a.m.

3. **Executive Director's Annual Review**

Mr. Rozansky stated that per his Employment Agreement, the Executive Director's annual review will be conducted at the August Regular Meeting. He said that after last year's review, the review form was amended and was attached to the briefing paper. He said that a memorandum summarizing his accomplishments will be prepared and sent out in mid-July. Commissioners will be given two weeks to complete their review.

Commissioner Messer congratulated Mr. Rozansky on his five-year anniversary with the NAA this year. She commented that the projects/initiatives undertaken during this time by Mr. Rozansky and his team are amazing. She advised the Board that she will be out of town in August but could participate in the Board meeting via Zoom.

Commissioner Rideoutte commented that the gradations he will be using when reviewing the Executive Director will be 1 for unsatisfactory, 3 for satisfactory and 5 for outstanding, because he does not believe that there should be intermediate levels between these categories.

There was discussion about the process. Mr. Rozansky stated that each of the Commissioners' reviews will be attached to the briefing paper that will be included in the August Board packet.

For Commissioner Ruppert's benefit, Chair Lenhard commented that it would be easier to conduct the performance review in a closed session but because of the Sunshine Law, it makes it difficult to do so.

4. **Authority Counsel's Annual Review**

Mr. Rozansky explained that the Authority Counsel's review will also be conducted at the August Regular Meeting. He noted that an assessment form and other pertinent information will be distributed in mid-July for completion. For the benefit of Commissioner Ruppert, Mr. Rozansky stated that a review by all staff who deal with Authority Counsel is prepared for Commissioners, and it will be included in that packet. Mr. Owens encouraged Board members to reach out to him if they have any constructive feedback to improve the services provided.

H. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Commissioner Messer noted that the NCC last met on May 4th, and she reported on that meeting at the May 20th Regular Meeting. She announced that the next NCC meeting is scheduled for November 4th.

Commissioner Messer stated that public outreach and engagement are critical aspects of the NAA's efforts to engage with the entire community. She noted that Zac Burch, Communications and Community Engagement Manager, is working with NCC members to schedule community meetings in the areas that they represent and that anyone interested in scheduling a meeting should contact him at zburch@flynaples.com.

2. Technical Advisory Committee (TAC) Update

Commissioner Messer stated that on April 13th, the Technical Advisory Committee held its fourth meeting related to the ongoing Part 150 Noise Study, and a report was provided on that meeting during the April 15th Board of Commissioners meeting.

She stated that the next step in the study process is the completion of the Noise Exposure Map Report, which was made available to the public on Friday, May 7th, for review and comment. The report can be viewed online at www.flynaples.com/noisestudy. Commissioner Messer reported on the virtual and in-person public open houses that were held on May 26th and May 27th, for the public to review and provide feedback on the report prior to their submission to the FAA.

Commissioner Messer added that the next TAC meeting will be scheduled for late summer to keep things moving along. She reiterated that public outreach and engagement are critical to the NAA's efforts to engage the community and encouraged the community to contact Zac Burch at zburch@flynaples.com to schedule community meetings.

Mr. Rozansky thanked Commissioner Messer for the letter to the editor that she published in the Naples Daily News which talked about the efforts of the noise study and requested public feedback.

3. NAA Bylaws

Ms. Cooper stated that at the Board of Commissioner's October 15, 2020 Regular Meeting, the Authority's Bylaws were amended as a proactive measure for the health and safety of Board, Committee members, employees, customers, and the community due to the COVID-19 pandemic. She summarized the amended sections pertaining to in-person quorum requirements at Board Meetings and Public Committee meetings, as well as provisions for the use of communications media technology. She said that at the October meeting, the Board voted to review the Bylaws again at the June 2021 Regular Meeting or sooner to determine if revisions were necessary to the amended Bylaws.

Ms. Cooper explained that because the airport is a transportation agency, we are still under federal guidelines for mask wearing and social distancing. She said that capacity of meeting space is limited to seven people as a result, and because the General Aviation Terminal is undergoing renovations, the Larson Conference Room is unavailable for use.

Chair Lenhard suggested that we should continue under the current Bylaws in place at least through the end of the calendar year. Commissioner Ruppert concurred especially since he and Commissioner Messer will be traveling in August in addition to the points made by Ms. Cooper.

Mr. Rozansky recommended the Board to maintain the current Bylaws and review these provisions again in December.

Commissioner Messer agreed to maintain the current Bylaws based on the ongoing impacts of COVID-19 but reminded her fellow Commissioners about the importance of being in person at meetings.

Mr. Owens clarified the two major categories being discussed. The first is Article VI, Section 6, Quorum which are the governance rules with respect to all meetings of the Board of Commissioners. This provision strongly encourages in-person attendance before allowing Commissioners to attend and vote virtually. The second category is Section 10, Public Committees which are quorum governance rules with respect to Public Committees such as the Noise Compatibility and Technical Advisory Committees. This provision allows a lower quorum requirement rate established for the public committees to encourage continued participation.

There was Board consensus to review the Bylaws again in December.

I. LEADERSHIP TEAM REPORT

1. Leadership Team Report

In reference to the new Customer Service Representative who recently joined Naples Aviation with several years of experience at the Ritz Carlton, Vice Chair Dustin asked if there was any feedback from the employee. Mr. Frost stated that the employee was still going through the onboarding process and there has been no feedback yet.

Vice Chair Dustin applauded the airport for implementing the summer flex program.

On page 10 in the Human Resources Metrics report, Vice Chair Dustin commented on the section, Years of Service with the Authority. He said it appears that tenure/retention is a bit misleading showing that the rate of senior employees over five years is dropping, whereas the new hire rate may be diluting the percentage of seniority. He suggested that we rethink how the data is presented. There was discussion regarding turnover and the effect when senior staff leave.

Commissioner Ruppert congratulated the entire team on making a seamless transition during the week of May 24th to relocate to their temporary locations at the Commercial Terminal and Airport Office Building.

Commissioner Ruppert also congratulated the entire staff for selling over 1 million gallons of fuel six months in a row. He said that it was an incredible milestone given the equipment, personnel, and coordination that it takes when activity was so high.

Commissioner Ruppert congratulated Mr. Warriner on graduating from Leadership Collier. Commissioner Messer added her congratulations to Mr. Warriner and also congratulated Mr. Hushek on his graduation from Associate Leadership Collier. Mr. Rozansky thanked NCC member, Mr. Gilligan, and Commissioner Messer for their assistance during the public outreach activities held in May.

In order to be fully prepared for the upcoming season, Commissioner Ruppert asked if steps could be taken to fill the seven open positions prior to season. There was discussion regarding the challenges of the seasonal hires. Mr. Frost commented that part-time seasonal employees are typically a retired and during the pandemic it has been more difficult to recruit those types of individuals. He said that we were fortunate during this time to hire more skilled people who were furloughed from commercial airports and airlines, but those individuals are now leaving to take back those former positions. Vice Chair Dustin commented that one of his clients who is experiencing difficulty in attracting skilled people implemented an employee referral program and is willing to hire and train anyone with the right attitude and intelligence. Mr. Rozansky added that the Authority does offer a $500 referral bonus to current employees.

J. FINANCIAL REPORTS

1. Financial Summary

Mr. Warriner presented the financial results for the month of May and stated that the year-to-date change in net position before capital contributions is favorable to budget by $9,417,682.

A question-and-answer period followed.

Commissioner Messer moved acceptance of the May Financial Summary. Commissioner Ruppert seconded. Motion passed unanimously 5-0.

2. First Draft – FY 2022 Operating and Capital Expenditures Budget

Mr. Warriner presented the Operating and Capital Budget for FY 2022 – June Draft. He provided an overview of revenues and commented on the significant growth in fuel sales. He stated that the FY 22 budget was developed using zero-based methodology. Mr. Warriner reviewed the operating revenue and expense assumptions, FY 2021 FTE Budgeted vs. Actual, and a report showing personnel expense compared to revenue.

Vice Chair Dustin commented that staff did a heroic job throughout this past year, and the Personnel Expense Compared to Revenue Report clearly reflects their hard work. He suggested that the Board consider a one-time bonus and that it could be discussed further at the August Regular Meeting. Chair Lenhard and Commissioner Messer felt that Vice Chair Dustin's point was well taken. Mr. Rozansky thanked Vice Chair Dusitn for recognizing staff's tremendous efforts under difficult circumstances over the past year. He deferred to the Board members on any discretionary compensation.

Vice Chair Dustin commented that operations have grown significantly and believes that reserves should be adjusted upwards from $8 million to around $10 million. He said that from an investment strategy, those funds could be placed in longer term investments, and suggested that staff look into 10-year treasuries. Mr. Rozansky said that it was a good point and that he would have to cross-reference that with the current approved investment policy.

Mr. Warriner provided a summary of the budget before capital contributions and a summary of the capital budget. He reviewed the total budgeted appropriations and reserves for FY 2022.
A question-and-answer period followed.

K. COUNSEL'S REPORT

1. Counsel's Report

Mr. Owens provided an update on the lawsuit mentioned at the last Board meeting that was filed by a former employee of the Authority, alleging violations of certain federal and state laws. He stated that the Authority was formally served with a lawsuit on May 24, 2021. The Authority has or will soon be filing a motion to dismiss on the grounds that certain portions of the plaintiff's complaints are legally insufficient to state a claim against the Authority.

Mr. Owens reiterated that our applicable insurance carrier, subject to any reservation of rights or deductible, will be providing coverage and has engaged panel counsel to defend the Authority in the lawsuit.

L. PUBLIC COMMENTS (5-minute limit)

There were none.

M. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

There were no additional comments.

N. ADJOURN

With no further business, the meeting adjourned at 12:43 p.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, June 17, 2021
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 – Audit Committee Member
Commissioner Rick Ruppert – Consultant Selection 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 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. May 20, 2021 Regular Meeting Minutes
2. May 20, 2021 Workshop Meeting Minutes
3. June 7, 2021 Audit Committee Meeting Minutes

E. PRESENTATIONS AND TIME CERTAIN ITEMS

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

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

1. Audit Firm Engagement Letter – FY 2021 Audit
2. Air Traffic Control Tower (ATCT) Improvements
3. General Aviation Terminal Furniture
4. East Quadrant Apron Rehabilitation Phase II
5. Amendment to Agreement for Design and Construction Phase Services for the Air Traffic Control Tower Improvements Project
6. Lease Assignment from Rexair Hangar LLC to Rexair Aviation Hangars, LLC for 304 Citation Point
7. Lease Assignment from Rexair Hangar LLC to Rexair Aviation Hangars, LLC for 302 Citation Point
8. Consents to Encumbrance and Agreement with Lender and Landlord's Waivers for Rexair Aviation Hangars, LLC

H. NEW BUSINESS

1. Strategic Plan Scorecard – FY 2021 Mid-Year Report
2. Noise Compatibility Reports

3. Executive Director's Annual Review

4. Authority Counsel's Annual Review

I. OLD BUSINESS

1. Noise Compatibility Committee Update

2. Technical Advisory Committee Update

3. NAA Bylaws

J. LEADERSHIP TEAM REPORT

1. Leadership Team Report

K. FINANCIAL REPORTS

1. Financial Summary

2. First Draft – FY 2022 Operating and Capital Expenditures Budget

L. COUNSEL'S REPORT

1. Counsel's Report

M. PUBLIC COMMENTS (5 minute limit)

N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS

O. ADJOURN