



MINUTES

Board of Directors Meeting JAA Administration Bldg., 3rd FL Ed Austin Board Room November 27, 2017/8:30am

Chair of the Board Giselle Carson called the November 27, 2017 Board of Directors meeting to order at 8:30am. The following board members were present at the call to order:

Mrs. Giselle Carson, Chair
Mr. Jay Demetree, Vice Chair
Mrs. Terri Davlantes, Treasurer
Mr. Patrick Kilbane, Member
Mr. Ray Alfred, Member
Mr. Frank Mackesy, Member
(Mr. Russ Thomas, Secretary, was absent at the order call)

Also present at the call to order were:

Mr. Steve Grossman, Chief Executive Officer (CEO)
Mr. Tony Cugno, Chief Operating Officer (COO)
Mr. Rusty Chandler, Chief Cecil Airport & General Aviation (CCAGA)
Mrs. Debra Braga, Chief Legal Officer (COO)
Mr. Richard Rossi, Chief Financial Officer (CFO)
Mrs. Rosa Beckett, Chief Administrative Officer (CAO)
Councilman Doyle Carter, JAA Council Liaison
Mrs. Melissa Marcha-Lee, Sr. Executive Assistant/Recording Secretary
A listing of all attendees is on file in the office of the Recording Secretary

Welcome, Announcements, Pledge

Chair Carson welcomed everyone to this, her first meeting as chair, and advised that a quorum was in place, and further advised that she hopes to follow in past chair footsteps and continue to lead the board in carrying on the wonderful work of the Authority. Chair Carson then called upon Chief Legal Officer Debra Braga to lead the Pledge of Allegiance.

Special Presentation

Chair Carson presented a plaque to immediate past chair Pat Kilbane recognizing his service to JAA in leading the board as chair during the 2016-17 term, thanking him for his guidance and leadership.

Chief Executive Officer Report

Chair Carson called on Mr. Steve Grossman to present his CEO report.

- (1) Dazzle and Delight Moment!
- (2) Report on JEA linemen arrival/departure events at JIA
- (3) Report on recent triennial airport disaster drill
- (4) Report on video surveillance system
- (5) Introduction of new Human Resources Director

Mr. Grossman advised that at the request of Chair Carson he will have a new feature under his report called Dazzle & Delight Moment! and this first time he shared a video of a wonderful event that celebrated our employee veterans. Mr. Grossman advised that the veteran celebration idea came from one of our employees in the information technology dept., Robert (Adam) Lewis, a veteran of Operation Iraqi Freedom 2005.

Mr. Russ Thomas, Board Secretary, arrived at this point in the meeting.

Mr. Grossman then advised that we recently partnered with the JEA in welcoming home and sending off linemen working in Puerto Rico, and called upon Mr. Mike Hightower, Chief Public Affairs Officer with JEA, who thanked the board, Mr. Grossman and all the staff for the care given to those linemen who left Cecil Airport and returned to JIA and to those that then left and returned to JIA. He shared it was very obvious to the JEA employees and their families that JAA is a very caring and compassionate group of people and everyone at JEA is so very grateful for the attention given at the receptions.

Mr. Grossman then called upon Ms. Meaghan Smalley, Manager of Airport Communications and Emergency Preparedness, who reported on the recent triennial airport disaster drill advising that it went very well.

Next Mr. Grossman called on Mr. Steven Schultz, Director of Information Technology, who gave a report on the video surveillance system, which is going live very soon.

Lastly, Mr. Grossman introduced Mr. Michael May as our new Director of Human Resources.

Mr. Grossman advised that this concluded his CEO report.

Old Business

Chair Carson asked the board if there was any old business to be discussed and hearing none, she moved to the next agenda item.

Public Comment

Chair Carson advised that no speaker cards had been submitted, and moved to the next item on the agenda.

New Business
Submissions

BD2017-11-01

Ross Jones/Director of Finance

Investment Financial Advisor Services, RFP 17-08-31001

Chair Carson called upon Mr. Jones to present the submission and after discussion, and upon motion made by Mr. Mackesy and seconded by Mr. Alfred, six of the seven board members voted to approve Submission BD2017-11-01, Investment Financial Advisor Services, RFP 17-08-31001; board member Jay Demetree recused himself from the vote.

BD2017-11-02

Paul Gerrety/Properties Manager

Approval of Amendment to Extend Expiration Date of Airline-Airport Use Agreement between the Jacksonville Aviation Authority and Signatory Airlines at Jacksonville International Airport

Chair Carson called upon Mr. Gerrety to present the submission and after discussion, and upon motion made by Mr. Mackesy and seconded by Mr. Demetree, the entire board voted unanimously to approve Submission BD2017-11-02, Approval of Amendment to Extend Expiration Date of Airline-Airport Use Agreement between the Jacksonville Aviation Authority and Signatory Airlines at Jacksonville International Airport.

BD2017-11-03

Jay Cunio/Director of Business Development

Approval of Lease Agreement between the Jacksonville Aviation Authority and Craig Air Center, Inc.

Chair Carson called upon Mr. Cunio to present the submission and after much discussion about this fixed base operator tenant at JAXEX, and also about Sky Harbor, the other fixed base operator tenant at JAXEX, and, upon motion made by Mr. Demetree to approve the submission, with further direction by Chair Carson that both this lease agreement, and that of Sky Harbor, be audited annually for compliance and a report made to the board, and the motion then seconded by Mr. Alfred, four board members, Carson, Demetree, Alfred and Davlantes, voted for the approval of Submission BD2017-11-03, Approval of Lease Agreement between the Jacksonville Aviation Authority and Craig Air Center, Inc.; three board members, Thomas, Mackesy and Kilbane, voted against the approval.

BD2017-11-04

**Jay Cunio/Director of Business
Development**

***Approval of First Amendment to the Second Restated Lease and Agreement
between the Jacksonville Aviation Authority and Sky Harbor Corporation***

Chair Carson called upon Mr. Cunio to present the submission and after discussion, and upon motion made by Mr. Thomas and seconded by Mrs. Davlantes, the entire board voted unanimously to approve Submission BD2017-11-04, Approval of First Amendment to the Second Restated Lease and Agreement between the Jacksonville Aviation Authority and Sky Harbor Corporation.

BD2017-11-05

**Kimberly Howard/Interim Senior
Manager Aviation Planning**

***Accept Florida Department of Transportation Joint Participation Agreement
For the South Access Road at JAXEX Airport***

Chair Carson called upon Mrs. Howard to present the submission and after discussion, and upon motion made by Mr. Kilbane and seconded by Mr. Alfred, the entire voted unanimously to approve Submission BD2017-11-05, Accept Florida Department of Transportation Joint Participation Agreement for the South Access Road at JAXEX Airport.

BD2017-11-06

**Kimberly Howard/Interim Senior
Manager Aviation Planning**

***Accept Florida Department of Transportation Supplemental Joint Participation
Agreement for the Runway 11/29 Rehab at Herlong Recreational Airport***

Chair Kilbane called upon Mrs. Howard to present the submission and after discussion, and upon motion made by Mr. Alfred and seconded by Mrs. Davlantes, the entire board voted unanimously to approve Submission BD2017-11-06, Accept Florida Department of Transportation Supplemental Joint Participation Agreement for the Runway 11/29 Rehab at Herlong Recreational Airport.

Approval of Minutes

Chair Carson called for approval of the minutes from both the September 25, 2017 Nominating Committee meeting and the Board of Directors meeting, and upon motion made by Mr. Demetree and seconded by Mr. Thomas, the entire board voted unanimously to approve both sets of minutes.

Updates/Other Reports

Financial Update

***Richard Rossi/Chief
Financial Officer***

Chair Carson requested that in the interest of time with the full agenda, Mr. Rossi not provide his detailed financial report but rather answer any questions board members have from their reading of the unaudited financial report for the one month ended October 31, 2017 as contained in their board package (in the non-meeting month of October Mr. Rossi provided the board with the unaudited financial report for the twelve months ended Sept. 30, 2017, together with his written summary in memo form) - hearing no questions for Mr. Rossi about the October 2017 financials, Chair Carson moved to the next agenda item.

City Council Update

***Councilman Doyle Carter/City
Council Liaison***

Councilman Carter hoped everyone enjoyed a wonderful Thanksgiving holiday and stated he is looking forward to the upcoming annual Cecil Airport holiday event. He stated he truly appreciates everyone at JAA and the work done by all staff members, and is happy to be working with JAA.

CEO Performance Review

Chair Carson called upon immediate past chair Mr. Pat Kilbane to lead the review as it is for the period during which he was chair. Mr. Kilbane advised that all board members had completed a review of the CEO's performance and the CEO had completed a self-review, and opened the review discussion. Board members offered the following comments:

- Chair Carson advised that she is thrilled Mr. Grossman is our leader and feels he has done an outstanding job
- Mr. Kilbane shared that he thinks Mr. Grossman has done an excellent job and while everyone rated him at or above competent, he asked the board what can be offered to him as constructive criticism
- Mr. Mackesy stated that he feels Mr. Grossman is running a top-notch organization but that the action plans could be stretched a little more
- Mr. Thomas commented he feels Mr. Grossman has done a great job but we need to advise exactly what we expect, we should be rating on day to day operations and what we expect to look like in 5 years
- Mrs. Davlantes advised that Mr. Grossman has done an excellent job and in the 2017-18 action plans we should focus on non-aeronautical revenue
- Mr. Alfred stated he does not think there is a reason for the CEO to do a self-review, and all board members agreed, and he feels Mr. Grossman has done a wonderful job but perhaps the rating items should be changed
- Mr. Demetree advised that he looks to Mr. Grossman to always be aware and to run the operations of the airport and he believes he has done an excellent job

Mr. Grossman thanked the board for their remarks and asked to comment on a couple of the items. Regarding stretching the action plans, he stated that JAA focuses on things that are within its control – if they are stretched more then we rely on others and lose control....he suggested taking the action plans out of his review process, Mr. Mackesy advised he agrees with that suggestion, and Mr. Alfred also agreed. Further, Mr. Grossman reminded the board that with the board's recent directive, the action plans will focus on non-aeronautical revenue. Mr. Kilbane then commented that he believes it would be a good idea to have another strategic planning session to review the action plans, the board members agreed.

Mr. Kilbane asked the board if there were any other comments on the CEO's performance, hearing none he advised that the overall rating is 4.58% out of a possible 5% and advised the board it was now time to consider a salary increase. The following comments were made by the board members:

- Mr. Demetree advised the percentage should be close to the CPI, but perhaps do a bonus instead (CLO Braga reminded the board that there was a bonus provision in the previous CEO contract but it had been removed and a larger salary increase given at the time of removal – Mr. Demetree requested clarification of the bonus in the future)
- Mrs. Carson advised 4%, no bonus
- Mr. Alfred and Mr. Mackesy commented that he should receive what the staff receives (CAO Beckett advised the average is 4%)
- Mr. Kilbane suggested 4.5%

After much discussion, Chair Carson made a motion to award Mr. Grossman a 4% salary increase, retroactive to his contract date of October 1st, and upon the motion being seconded by Mrs. Davlantes, the entire board voted unanimously to set the salary increase at 4%.

Mr. Grossman thanked the board very much for his review and for the salary increase and stated that a bonus is not important - the ratings being high are an indication as to how he is performing and he is thankful for the wonderful support given to him by the board.

2017-18 Action Plans

Chair Carson called upon Mr. Grossman to discuss the action plans for fiscal year 2017-18 and after much discussion, Mrs. Carson referred back to the CEO review discussion when Mr. Kilbane suggested that there be another strategic planning session for reviewing and formally approving the action plans and requested that Mr. Grossman plan that session for some time in the spring. In the meantime, she directed that staff work with the plans as presented today.

Chair's Committee Appointments

Chair Carson advised that she has made the following committee appointments, and that all members have agreed to serve as appointed:

Finance and Audit Committee

Terri Davlantes/Chair (as Treasurer)

Russ Thomas

Jay Demetree

Nominating Committee

Pat Kilbane/Chair (as immediate past chair)

Ray Alfred

Frank Mackesy

Board Communication

Chair Carson advised that the next bi-monthly board meeting will be on Monday, January 22, 2018 at 8:30am at the JAA administration building. Chair Carson then asked the board if there were any further comments – hearing none, she proceeded to adjourn.

Adjournment

There being no further business to come before the Board of Directors, Chair Carson adjourned the meeting at 10:55am.

Approved January 22, 2018