

1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS regular
2 meeting held Wednesday, April 23, 2014 at the Truckee Tahoe Airport District Community Room, 10356 Truckee
3 Airport Road, Truckee, California at 5:30 pm.

4 **CALL MEETING TO ORDER:** 5:30 p.m.

5 **DIRECTORS PRESENT:** President John B. Jones Jr.
6 Vice President James W. Morrison
7 Director Mary Hetherington
8 Director Tom Van Berkem
9 Director Lisa Wallace

10 **DIRECTORS ABSENT:** None

11 **STAFF PRESENT:** Mr. Kevin Smith, General Manager
12 Mr. Phred Stoner, Director of Operations
13 Mr. Hardy Bullock, Director of Aviation and Community Services
14 Ms. Jane Dykstra, Director of Finance and Administration (outgoing)
15 Ms. Sally Lyon, Director of Finance and Administration (incoming)
16 Mr. Mike Cooke, Aviation and Community Services Manager
17 Mr. Mike Barrett, Aviation and Community Services Associate / Safety Coordinator
18 Mr. Brent Collinson, District Legal Counsel
19 Ms. Denae Granger, Administrative Clerk

20 **VISITORS PRESENT:** 9

21 **SPECIAL ORDERS OF BUSINESS:** President Jones announced that 83% of the cost of the Ground Power Unit that
22 the District placed in service in February of 2013 has been recovered through fees charged for its use. He stated
23 that the purchase was a good decision by the District.

24 **PUBLIC COMMENT:** Larry Abney, owner of Red Truck, stated that he appreciates being able to work at the Airport
25 and build his business.

26 **CONSENT CALENDAR**

27 Director Hetherington requested that the minutes from the Joint ACAT/Board meeting of March 26, 2014 and the
28 minutes from the regular Board meeting of March 26, 2014 both be pulled from the consent calendar. President
29 Jones asked that the Red Truck Lease Renewal be pulled from the consent calendar.

30 **PUBLIC COMMENT:** None

- 31
- 32 • Monthly Service Bills and Fees
 - 33 • Financial Report
 - 34 • Operations and Comment Report – Q1 2014

35 **MOTION #1 APR-23-14:** Vice President Morrison moved to approve the items on the Consent Calendar, with the
36 exception of the Minutes of the March 26, 2104 Joint Meeting, the Minutes of the March 26, 2014 Regular Meeting
37 and the Red Truck Lease Renewal. Director Hetherington seconded the motion. President Jones, Vice President
Morrison, Directors Hetherington, Van Berkem and Wallace voted in favor of the motion. The motion passed.

- 38
- 39 • Minutes: March 26, 2014 Joint Meeting
- Director Hetherington asked that the word “just” be removed from line 77 of the minutes.

40 • Minutes: March 26, 2014 Regular Meeting
41 Director Hetherington stated that after listening to the recording of the meeting, she proposed changes to line 193
42 of the minutes. She provided the revised wording to Staff.

43 **MOTION #2 APR-23-14:** Director Hetherington made a motion to approve the Minutes of the March 26, 2014 Joint
44 and Regular Meetings of the Board of Directors as amended. Director Wallace seconded the motion. President
45 Jones, Vice President Morrison, Directors Hetherington, Van Berkem and Wallace voted in favor of the motion. The
46 motion passed.

47 • Red Truck Lease Renewal
48 President Jones pulled the lease because he noted while reviewing the documentation that North Tahoe
49 Commercial Real Estate had been consulted to report on market rates for the deli space. North Tahoe Commercial
50 Real Estate is owned by President Jones and the employee Staff worked with was his daughter, Kayley. President
51 Jones stated that he wanted to recuse himself from the vote on this item. President Jones clarified that there was
52 not a financial impact, only one of perception, and that he was unaware that the District requested the rate
53 comparison study. Ms. Dykstra stated that the final lease would be rounded to the nearest dollar and would not
54 include cents in the amount of rent and utilities owed per month. Mr. Bullock stated that the ending term of the
55 lease would be revised from May 1, 2015 to April 30, 2015.

56 **PUBLIC COMMENT:** Andrew Terry stated that Red Truck is a great asset to the building, and he sees a lot of people
57 coming to eat there.

58 **MOTION #3 APR-23-14:** Director Wallace made a motion that the Red Truck Lease Renewal be approved as revised
59 by Staff. Director Hetherington seconded the motion. Vice President Morrison, Directors Hetherington, Van Berkem
60 and Wallace voted in favor of the motion. President Jones abstained. The motion passed.

61 **AIRSHOW UPDATE**

62 Mr. Smith notified the Board that the Airshow Committee is now meeting bi-weekly. Everything is proceeding as
63 expected, and they are within their budget.

64 **AIRPORT COMMUNITY ADVISORY TEAM (ACAT) UPDATE**

65 Mr. Bullock stated that the discussion on ACAT priorities at the March 26, 2014 Joint ACAT-Board meeting was reviewed
66 at the April 8, 2014 ACAT meeting. The projects have been split to show ACAT projects and Staff projects. Mr. Bullock
67 noted that most of the projects listed in the Board Report were discussed at the Budget Workshop, which was held
68 earlier in the day. He highlighted that the ACAT had made one change to the Pilot Incentives project – noting that ACAT
69 suggests the incentive program be linked with the preferred runway usage. The UNICOM assessment and the Standard
70 Operating Procedure development were discussed by ACAT – they represent phase one of the project and have an
71 estimated completion date in July of 2014. The second phase of the project will detail the enhancement options. It is
72 anticipated that the Night Operations Subcommittee Report will be discussed at the May 2014 ACAT meeting.

73 **COMMUNICATIONS AND OUTREACH REPORT – Q1 2014**

74 Mr. Barrett noted that the first quarter of a calendar year is usually a slow quarter for events. There was an increase in
75 community room usage of approximately 13% over the prior year. We have many return groups, but there are also new
76 organizations that are requesting meeting space. On average the meeting rooms are used once per day by an outside
77 organization. There were five events held: Aviation Safety Seminar, Civil Air Patrol's Open House, Truckee Downtown
78 Merchants Association Mixer, Tahoe Community Nursery School Airport Tour and the North Lake Tahoe/Truckee
79 Leadership Class Mixer. E-blasts were down slightly from the prior quarter, but the percentage of opened messages is
80 consistent at 40%. Sponsorships are also consistent, a list of the organizations that received funds was presented in the

81 report. Mr. Barrett shared thank you letters from the Friends of the Library, the Land Trust, and the Truckee High School
82 Track and Field Team.

83 **MULTI-USE HANGAR PROJECT REVIEW AND FUNDING APPROVAL FOR DESIGN AND BIDDING**

84 As an introduction to the topic, President Jones reported that on March 26, 2014, the District received a letter from
85 Mountain Area Preservation (MAP) regarding their concerns related to the District's Multi-purpose hangar project. As a
86 prelude to his comments, he reminded the group that the District held community outreach meetings related to the
87 Master Plan, which included the multi-use hangar, in eight communities. There were 190 attendees at the meetings and
88 comments were also received through an online survey; in total 3200 comments were received. The Godbe Survey was
89 also completed in 2013; it surveyed 537 local residents, of which 60-65 were pilots. President Jones stated the reason
90 that he mentioned all this information is that his reading of the MAP letter points out to him that the District needs to
91 continue to do outreach. He stated the MAP letter implies that the knowledge about what our Airport District 'is', is not
92 getting out to the community. He stated that the intent of the letter was clear. The letter asked that a decision not be
93 made at the March meeting, because MAP believed there was more information to be analyzed. President Jones stated
94 that the Board agreed with that, the decision was deferred from the March meeting to the April meeting and additional
95 analysis was requested. President Jones stated that Truckee Tahoe Airport District includes 30,151 adult residents and
96 over 50,000 homeowners – at least half of which are not voters, but who do contribute to the District through the paying
97 of property taxes. He stated that it is possible to lose sight of the fact that the District extends from Kings Beach to
98 Tahoma on the Lake Tahoe side of the District and from Cisco Grove to the California/Nevada state line on north side of
99 the Tahoe basin. The growth in the District is increasing; it is coming from a wide variety of locations. The MAP letter
100 implies that the growth is only coming from Martis Camp, Lahontan and Schaffer's Mill. However, other neighborhoods,
101 such as Northstar and the Lake Tahoe shore, are booming. President Jones mentioned that the District's planning
102 horizon is not one or two years, but ten to twelve years. During that period, the growth in the District is going to change.
103 The growth projections used by Mead and Hunt were based on FAA data and projections of growth within all
104 communities of the District, not exclusively the Town of Truckee.

105 Director Hetherington stated that it should be remembered that MAP represents a portion of the community and that
106 perhaps they are representing community members who did not attend the meetings that were held. She agreed that
107 outreach to the community is necessary, and stated her disappointment at there not being an article in the *Sierra Sun*
108 during the past month that examined the issue of a multi-use hangar. Director Van Berkem asked if there had been any
109 discussion of legal action being brought against the District regarding the multi-use hangar, and Vice President Morrison
110 asked if the letter received in March was the last communication from MAP. Mr. Smith stated that he had been in
111 contact with Alexis Ollar, the MAP Executive Director, and he had informed her that the topic would be on this evening's
112 agenda. He let her know that the outcome of the meeting could be anything from a request for additional study to
113 authorization to enter the design phase of the project. Director Hetherington reiterated her disappointment that there
114 was not an article in the *Sierra Sun*. Mr. Smith stated that he has no control over the articles the newspaper elects to
115 print. Mr. Smith stated that he would make the *Sierra Sun* aware of the District's desire to have public input as the
116 design phase is entered. Vice President Morrison suggested running an ad in the paper. He also stated that as the
117 programming phase is entered, input will be sought from potential users.

118 Mr. Smith stated that there are three things planned for the meeting: review of information gathered by Staff,
119 consideration of funding the design and bidding phase of the project, and the formation of an ad-hoc committee of the
120 Board. Mr. Barrett discussed the community usage of Hangar #1 when it was available for events and forecast potential
121 use for Hangar #3. He stated that his analysis was done in a conservative manner. All of the groups that used Hangar #1
122 when it was available would like to hold their event at the Airport again. He has two events scheduled in May that will
123 use A09. He estimates there are six events that would use the community room space and six events that are larger and
124 would use the hangar space. Mr. Barrett stated that a few of groups that previously used the District's multi-purpose
125 rooms have been displaced, either due to size or scheduling conflicts. He believes many of them would use the

126 community room in the new hangar. Mr. Smith stated that the District would like to see the Civil Air Patrol out of their
127 endpocket, which could then be leased, and into a more appropriate space. The emergency management potential was
128 discussed. The new space would provide more opportunities for cooperative training in the future. Additional
129 community room space would decrease the demand on the Board room. Occasionally, users will move tables or the
130 podium, which can cause issues and incur additional Staff time to reset the room. The largest event the District hosts on
131 a recurring basis is the Santa Fly-in, at about 600 attendees. President Jones asked for the range of size in the groups
132 that use the facility. Mr. Barrett stated that groups are between 20 and 600. President Jones asked about events that
133 are currently held at the Truckee Donner Recreation and Park District (TDRPD) recreation center; he asked Mr. Barrett to
134 comment on any potential uses. Mr. Barrett stated that the Crab Feed and Sierra Senior Services Bingo Fundraiser are
135 the only two large events held at the recreation center that could potentially be held in the new hangar. Mr. Smith
136 stated that he had spoken to Steve Randall, General Manager of the TDRPD, and that Mr. Randall was not opposed to
137 those events being hosted at another location. Mr. Smith stated that the Staff time that could be involved in events has
138 to be considered, and he believes the District has a grasp on those time commitments and may propose a fee for usage
139 of the entire hangar. Mr. Barrett noted that he goes over staffing issues with users for all large events to be sure the
140 users are aware of what the District can provide.

141 **PUBLIC COMMENT**

142 Andrew Terry suggested that the food drive at Christmas could be another potential use of the building. He stated that
143 some groups that used the building in the past have been displaced, but that should not be the basis for a decision to
144 build a new building.

145 **MULTI-USE HANGAR PROJECT REVIEW AND FUNDING APPROVAL FOR DESIGN AND BIDDING (CONT'D)**

146 Director Van Berkem asked for some background on how the concept of a community room developed. He was
147 familiar with the interest in constructing a large hangar to park planes in the winter for safety, but he asked why
148 the community room is now attached to the project. He did not understand where in the process the 'fairly large'
149 community space was included in the project and how much of the three million dollars are related to that portion
150 of the project. President Jones stated that in his opinion the project had always been a multi-use hangar with a
151 reasonably small area for community use, but with the availability to use the hangar space for larger events, from
152 time to time. Mr. Smith noted that the primary function of the building is to park business jets and provide space
153 to de-ice. He believes the multi-use component has always been a part of the project. Director Van Berkem stated
154 that his understanding had been that the District would construct a large hangar that could be used for community
155 events when it was not needed for aircraft, not that an additional structure would be added to the side of the
156 hangar, making the building 4,000 square feet larger. President Jones stated that Director Van Berkem's question
157 was valid, and it could be analyzed. Mr. Smith noted that is a common component of this type of hangar and that
158 the issue would be addressed in the building programming phase. Director Hetherington questioned how the
159 priority for usage would be established; assuming that most community events would be held on weekends, which
160 is also when the most planes would want to use the hangar. Mr. Barrett noted that there would be five or six
161 events per year that would use the hangar portion of the building, but reiterated that aviation is the District's
162 priority and if there was reason to anticipate a busy weekend, the hangar space would not be booked. The aircraft
163 can be moved by Staff, if required, and he is confident that the two functions can both be served. Director Van
164 Berkem asked if we had any feedback from the for-profit meeting room providers in the community, the Ritz-
165 Carlton, the Cedar House or the Hampton, regarding the possibility of the District constructing a 3,600 square foot
166 building which would compete with them. Mr. Smith replied that he had spoken to representatives of the Resort
167 at Squaw Creek and the Hampton Inn and that they typically do not rent rooms to non-profit agencies and the
168 District would not be renting space to for-profit organizations, unless they had an aviation-related use. We do not

169 have the same customers. Vice President Morrison stated that he feels it would be a mistake to not add the
170 community room to the hangar, it is relatively inexpensive space.

171 Director Wallace asked that the review of the Return on Investment calculation be very explicit, so that all could
172 follow the process. Ms. Dykstra reviewed the return on investment calculation provided in the C&S Needs Analysis.
173 There were two elements that were missing from their calculation. The first issue was that they did not include
174 operating expenses for years beyond 15 – although they claimed revenues in those years. If the calculation is
175 assuming revenues, you must include the expenses of operating the facility in those years. The payback period
176 they calculated also did not take into consideration the time value of money. The outflow in the year of
177 construction of \$3.3 million cannot be offset by a cash flow extending out twenty years or more, without
178 discounting that cash flow to show it in current dollars. Ms. Dykstra used the C&S data as a starting point for the
179 cash flow and then expanded on it by adding additional related revenue and expense items. The C&S report had
180 three different scenarios for revenues from the rental of the new hangar. The first scenario assumed an average of
181 1.7 aircraft per day would use the hangar. Recognizing that estimate is overly optimistic, C&S then used the
182 overnight historical data from TTAD's records and reduced it by 50% to produce what they termed the Method II
183 revenue assumption and then by 60% (Method III). Ms. Dykstra stated that she did not do any calculations using
184 the first scenario. She did calculate the Net Present Value, Internal Rate of Return and Discounted Payback Period
185 using the '50% reduction' and '60% reduction' revenue estimates. To those revenue streams, additional amounts
186 were included related to the lease of hangar A09 and the Civil Air Patrol's endpocket, fees for de-ice service
187 (calculated at \$500 per event, five events per month, during the period from November through April each year -
188 \$15,000), and rental fees for usage of the community room of \$3,000 per year – for those calculations that include
189 the community area. From those additional revenues sources, \$8,300 were deducted, which represent the amount
190 of executive hangar overnight rental the District earned by renting out A09 – if it would be leased to a tenant,
191 those revenues would not be available. On the cash outflow side, the operating expenses put forth by C&S were
192 adjusted as follows:

- 193 • The insurance amount was adjusted based on discussions with our insurance brokers. The amount of
194 increased premium assumed was increased from C&S's estimate of \$4,000 to \$8,000.
- 195 • The building maintenance expenses were reviewed by Peter Beaupre, Prosser Building and Development,
196 and he estimated maintenance expenses for both the hangar portion and the community room portion of
197 the structure going out 40 years. The expenses were then broken down into recurring and non-recurring
198 categories. The recurring amount was added to the other anticipated operating expenses, and the
199 additional maintenance items were deducted from the cash flow in the year he estimated the expense
200 would be incurred.
- 201 • Mr. Beaupre also reviewed the utility expenses put forth by C&S. His calculations resulted in a lower
202 annual cost, and so the analysis performed by Staff used the more conservative estimate from C&S.

203 The result is a net revenue forecast of between \$124,905 and \$148,905 per year over the forty-year life of the
204 building using the '50% reduction' hangar revenue forecast scenario. The Net Present Value of the project was
205 calculated using the two different revenue forecasts, the cost of the larger (120x120 hangar) and smaller (100x120
206 hangar) building, and the cost of construction including and excluding the community space portion of the building.
207 The Net Present Value is between a negative \$1.6 million and a positive \$1.5 million – depending on the scenario.
208 The Internal Rate of Return was calculated and the results were between a negative 2.75% and a positive 5.1%. An
209 Internal Rate of Return would be compared to the yield you could receive if you invested the funds in another way.
210 The funds being considered are currently invested in LAIF, which is currently earning .236%. The Discounted

211 Payback Period was then calculated by taking the cash flow out over the 40 years and discounting it to today's
212 dollars. Those discounted cash flows are accumulated and the year in which the initial investment has been
213 recouped is determined. The lowest payback period is 22 years, and many of the calculations resulted in a payback
214 period which was beyond the 40-year useful life of the building. President Jones then reviewed the results of the
215 return on investment report, noting that the best return results were based on the construction of the large
216 building, rather than the small one, and that the best payback period was if the community area was not included.
217 Ms. Dykstra explained the calculations excluding the community area were not made with the idea of not
218 constructing the community space, but rather to reflect the impact the community space has on the results. If the
219 hangar, which is an aviation asset, is not burdened by the cost of construction of the community space, the
220 investment analysis is more favorable. The decision to build the community space should be based on a different
221 cost/benefit analysis that is tied to the analysis of the community benefit. Director Wallace asked about the level
222 of confidence in the anticipated revenues forecasted by C&S. Mr. Smith responded that Staff helped craft those
223 forecasts, and he believes they are achievable. Director Hetherington asked whether the revenue forecast for the
224 hangar usage sufficiently considered the fact that many of the TU2 and TU3 sized planes could fit in hangar A09.
225 She asked if the new hangar is only being contemplated for the storage of TU4 and TU5 sized aircraft, as the
226 smaller planes would fit in A09, according to the "Aircraft Compatibility by Hangar" analysis provided by Staff. She
227 asked if the District could provide data on the number of times multiple TU2 and TU3 sized planes were tied-down
228 on the same days, as the only time there is need for the larger hangar is when there are multiple smaller planes or
229 one of the larger planes that would not fit in A09. Mr. Bullock stated that is beyond the scope of the analysis
230 provided; however, in Mr. Bullock's opinion, there will be days where there is demand from multiple smaller-sized
231 aircraft that could not be accommodated by A09. Director Morrison feels the assumptions used for estimated
232 usage are conservative.

233 **PUBLIC COMMENT**

234 Andrew Terry stated that a 22-year payback is an inordinately long time, but he noted that the "soft" benefit of the
235 community use has to be factored in. Vice President Morrison asked what Mr. Terry feels is a reasonable payback
236 period. Mr. Terry responded that when he worked in industry, he could only propose ideas with a payback period
237 of less than two years, but he realizes that is not comparable to the District's situation.

238 Vice President Morrison stated the dream list includes the construction of five executive hangars at a cost of \$1.75
239 million and associates with that annual revenues of \$72,000, which would work out to a 24 year payback period.
240 He stated that he feels that is a reasonable payback timeframe for a project of this type.

241 **MULTI-USE HANGAR PROJECT REVIEW AND FUNDING APPROVAL FOR DESIGN AND BIDDING (CONT'D)**

242 Mr. Bullock began his discussion of the potential operational increases related to the construction of the new hangar by
243 discussing the operational forecasting done by Mead and Hunt in conjunction with the Master Plan. The forecast in the
244 Master Plan assumes the multi-purpose hangar is constructed. He then stated that the purpose of his analysis was to
245 answer the question of whether there would be additional operations driven by the fact that an aircraft can de-ice or
246 safely land here and be overnighted, without the need to reposition to Reno. He used a 'liability' model to answer the
247 question; the model seeks to determine the maximum number of operations that could be incurred based on the
248 presence of the new hangar. He walked the Board through the exhibit to his report, which determines that the
249 maximum impact that could be seen is an increase in operations of 7%. That assumes that there would be three aircraft
250 in the hangar every night and that operations the Airport is currently *not* experiencing would occur *because* the hangar
251 was built. The nature of his report is to place a maximum number of events that could happen, and that means he has
252 assumed that sufficient aircraft will arrive to fill the hangar every night, although our current operational experience
253 does not support those numbers. Mr. Smith pointed out that if that level of occupancy would be attained, the District

254 would see revenues of over \$600,000 per year for overnight hangar rental. He reiterated that the analysis is useful as a
255 boundary condition. The maximum exposure the District has for increased operations is 6.65% of 25,000 operations, or
256 1,666 operations.

257 President Jones read a passage from the Mead and Hunt report, which notes that the Lake Tahoe area is a destination
258 market and visits are influenced by the perceived desirability of the visitors. The report states that activity is driven by
259 area growth, not by the airport offering amenities. President Jones also noted that the Mead and Hunt report states
260 that if the multi-use hangar is not constructed, additional operations may be seen, as there will be more repositioning
261 flights.

262 PUBLIC COMMENT

263 President Jones read a letter dated April 23, 2014, from David Welsch, a resident of Northstar, which questioned the
264 relationship between the Hangar #3 project and the Master Plan. The letter questioned whether the decision on the
265 multi-use hangar should wait until the Master Plan has been approved. The letter also questioned if the replacement of
266 other hangars suggested in the Master Plan has any bearing on the decision to build the multi-use hangar. The letter
267 also suggested that the Net Present Value analysis include one or more scenarios that include a higher discount rate
268 than was used in which include a higher discount rate was used to highlight the impact that factor has on the analysis.

269 Mr. Andrew Terry questioned the 30% saturation that was used in the analysis. He posited that there are three potential
270 reasons for using the hangar: security, protection from the environment and de-icing. He stated that the need for
271 protection from the environment and de-icing needs are more urgent at certain times of the year and suggested that the
272 analysis could change the saturation rate to reflect that fact. Mr. Terry also commented that the overall annual
273 comment increase could be more than the five shown in the report, because of the aircraft type using the hangar. He
274 mentioned the fact that the largest plane the hangar is being programmed to accommodate exceeds the stated load-
275 bearing capacity of the runway. He is not sure this is a good idea, as it will accelerate the breakdown of the District's
276 pavement. Discussion ensued regarding maximum take-off weights and whether the District would be increasing visits
277 by aircraft that test the runways capabilities.

278 Ms. Deborah Croyle stated that she was concerned to hear the current discussion and feels it has become untethered
279 from the Master Plan discussion. She noted that the analysis revealed a possibility of hundreds of additional operations,
280 which would likely be concentrated on certain days of the week or times of year and would cause a perceptible impact
281 on noise. There are many hangars proposed in the Master Plan, and she suggested that by looking at the hangar
282 projects in isolation, the Board is taking an incremental approach which could allow a substantial increase to operations,
283 noise and annoyance to occur. She would like to see the discussion brought back to the scope of the Master Plan. She
284 would like to see the hangar issues addressed more systematically and holistically because that is what the ultimate
285 impact will be. Mr. Smith noted that the forecast chapter of the Master Plan considers the impact of the construction of
286 all hangars proposed in the Master Plan.

287 **BREAK:** At 7:59 p.m. the Board recessed for a short break. At 8:10 p.m. President Jones reconvened the meeting.

288 Director Wallace stated that she appreciates the work to clarify financial data and return on investment analysis, to
289 estimate the effect on operations and determine boundary conditions, and to discuss potential community demand. She
290 expressed her gratitude to the public for their comments and noted that though there was general outreach on the
291 concept of a multi-use hangar, there was not specific outreach related to this hangar project.

292 **MOTION #4-APR-23-14:** Director Wallace made a motion to authorize \$275,000 for design of the multi-use hangar.
293 Staff would be authorized to take the project to 90% design and at that point the Board would readdress the issue to
294 determine if the project proceeds. At that point the Board would face another decision whether to complete the final
295 10% of design and the bid package. Vice President Morrison seconded the motion. He stated that a great way to get the

296 community's input on the project is to complete the design and take it out for public comment with detail on the actual
297 costs and potential uses.

298 Director Hetherington questioned what the \$275,000 would cover. Director Wallace stated that it would cover
299 programming and would involve a Request for Proposal (RFP) for an architect to design the building. Director
300 Hetherington asked if there were any "off-ramps" where the project would be reevaluated and could be cancelled. Mr.
301 Smith stated that the process would involve an ad-hoc committee, monthly updates to the Board, the solicitation of
302 community input, and at any point in the process, the Board could choose to change, stop or alter the progress. Director
303 Van Berkem stated that he supports the motion, but would like to see the RFP written in such a way that if preliminary
304 findings from the community warrant it, the contract with the architect could be cancelled. Vice President Morrison
305 would not assume that the architect could answer the design/programming questions. The architect would be a
306 resource to help the ad-hoc committee answer some of those questions. Director Van Berkem would like concurrent
307 outreach in the community to collect the information. Director Hetherington stated that the Board has to be thoughtful
308 about incremental actions that could undermine the planning efforts the District has taken. She can support the motion,
309 but would need to have an off-ramp available. She also would like to bring the issues of pavement strength, conditions
310 of use and prioritization of Staff time and energy to the process. She recognizes that if Staff energy is being
311 concentrated on this project, something is not being done; safety is her focus, and she would like to be assured that
312 safety will not be sacrificed.

313 The motion on the floor died. The motion was restated as follows:

314 **MOTION #5-APR-23-2014:** Director Wallace made a motion to authorize \$275,000 for 90% design of a multi-use hangar.
315 The contract with the architect should be phased to allow stoppage or cancellation if called for. The \$275,000 does not
316 include funding of an outreach effort. Vice President Morrison seconded the motion. President Jones, Vice President
317 Morrison, Directors Hetherington, Van Berkem and Wallace voted in favor of the motion. The motion passed.

318 The Board directed staff to complete a robust outreach effort for the multi-use hangar. Mr. Smith noted that there are
319 funds in the budget for a public relations consultant that could be utilized. Director Hetherington asked that the funds
320 expended for the outreach effort be accumulated separately.

321 **MOTION #6-APR-23-2014:** Director Wallace made a motion to form an ad-hoc committee for 90% design of the multi-
322 use hangar, with Vice President Morrison and Director Hetherington serving on the committee. Director Hetherington
323 stated that she would be on the initial ad-hoc committee, but she reserved the right to step down when her schedule
324 requires her to. President Jones, Directors Van Berkem and Wallace voted in favor of the motion. Vice President
325 Morrison and Director Hetherington abstained. The motion passed.

326 Director Van Berkem left the meeting at 8:31 p.m.

327 **MASTER PLAN – DRAFT AIRPORT LAYOUT PLAN (ALP) REVIEW**

328 Mr. Smith stated that the two required elements of the Master Plan that the FAA is most interested in are the ALP and
329 the Aviation Forecast chapter. An item must be on the ALP to receive funding; however, not everything included on the
330 ALP has to happen. The ALP is a living document and can change. The ALP the District is currently operating on is from
331 2007. Mr. Smith reviewed items that had been on the 2000 Master Plan's ALP that did not come to pass and the content
332 of the various pages of the new ALP. The most significant change being shown is the extension of RWY 02-20 and the
333 repositioning of taxiway G. Regarding Chapter 5 – Implementation Plan, which was distributed to the Board, Mr. Smith
334 reported that District Engineers Bill Quesnel and Reinhart Brandley are reviewing the cost projections, and he requested
335 that the Board review the draft of Chapter 5 and get comments to him in the next week. The ad-hoc committee will be
336 meeting May 1st to review all comments received. A bound version of the draft of the Master Plan will be given to the
337 Board by May 9, 2014. Mead and Hunt will be presenting the draft of the full Master Plan at the May 28th meeting, and

338 then the public comment period can commence. President Jones asked if the multi-use hangar outreach could be tied in
339 with the Master Plan outreach. Mr. Smith responded that it could because the multi-use hangar is included in the
340 Master Plan, but he noted that the ad-hoc committee would be making that decision. Director Hetherington asked her
341 fellow Board members to take time to review the draft of the Master Plan and not rely on the fact the ad-hoc committee
342 had been involved in the process. Director Wallace thanked Vice President Morrison and Director Hetherington for
343 serving on the ad-hoc committee. Mr. Smith stated that the current timeline is to review the comments from the public
344 outreach period at the July 23, 2014 meeting. The plan could then be accepted by the Board at the August meeting.
345 Then CEQA could commence and sometime early next year the Master Plan could be completed.

346 **PUBLIC COMMENT:** None

347 **GENERAL MANAGER'S REPORT**

348 Mr. Smith noted available training opportunities and updated the Board on the existing ad-hoc committees. He stated
349 that Clear Capital has submitted a Development Fund Application to the Town of Truckee related to their interest in a
350 land lease of District property. The fact that the land they are proposing to lease is not in the Town of Truckee could
351 cause an issue with the funding of their request. Mr. Smith also noted that the runway numbering has been updated in
352 the Airport Facilities Directory, terminal procedures and charts. He thanked Mr. Barrett for his efforts in getting the
353 update complete. Mr. Smith covered the potential Spring/Summer Newsletter articles. President Jones suggested that
354 the multi-use hangar be included. Vice President Morrison asked that comments on changes to the park be solicited,
355 and Director Wallace asked that the Safety Management System be discussed. Mr. Bullock requested comments on the
356 new website. He discussed the changes to the digital version of the Board book that are taking place and asked that
357 anyone who has problems contact him. Mr. Smith stated that a date needs to be set for the September Budget
358 Workshop; he will send out a Doodle. He also suggested that the date of the October 2014 Board meeting be moved
359 from October 22nd to the 29th so that it does not conflict with the NBAA conference. He also will suggest that the
360 November/December combined meeting be held on December 2nd or 3rd. He will send that information to the Board.
361 The Project Tracking List will be reformatted in June. Director Hetherington asked that comments received by the phone
362 call outreach that was completed by Staff and the neighborhood walk project be presented at the May meeting as a tab
363 item.

364 **BOARD MEMBER ANNOUNCEMENTS:** None

365 **PUBLIC COMMENT:** None

366 President Jones noted that the next scheduled meetings are May 28th and June 25th at 5:30 p.m.

367 **ADJOURN**

368 **MOTION #7 APR-23-14:** Director Hetherington moved to adjourn. Director Wallace seconded the motion.
369 President Jones, Vice President Morrison, and Directors Hetherington and Wallace voted in favor of the motion.
370 The motion passed.

371 At 8:56 p.m. the April 23, 2014 regular meeting of the Truckee Tahoe Airport Board of Directors adjourned.