

1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS  
2 regular meeting held Wednesday, November 5, 2015 in the Truckee Tahoe Airport District Community  
3 Room A, located at the Truckee Airport, 10356 Truckee Airport Road, Truckee, California at 4:30 p.m.

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

5 **PLEDGE OF ALLEGIANCE**

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

11 **STAFF PRESENT:** Mr. Kevin Smith, General Manager  
12 Mr. Phred Stoner, Director of Operations & Maintenance  
13 Ms. Sally Lyon, Director of Finance and Administration  
14 Mr. Mike Cooke, Manager of Aviation and Community Services  
15 Mr. Brent Collinson, District Legal Counsel  
16 Ms. Lauren Tapia, District Clerk

17 **VISITORS PRESENT:** 10

18 **SPECIAL ORDERS OF BUSINESS:** President Jones reported that the District received the Truckee Donner  
19 Chamber of Commerce Excellence in Government Award last month.

20 Director Morrison was present after a long absence and commented that he was looking forward to the  
21 meeting.

22 **PUBLIC COMMENT:** None

23 **CONSENT ITEMS**

- 24 • Minutes: September 30, 2015 Regular Meeting ----- TAB 1  
25 • Monthly Service Bills and Fees ----- TAB 2  
26 • Quarterly Financial Report----- TAB 3  
27 • Quarterly Internal Control Audit-----TAB 4

28 Director Hetherington requested that one credit card be pulled and reviewed for each cycle when an  
29 Internal Control Audit is performed going forward.

30 **MOTION #1 NOVEMBER-5-15:** Director Hetherington motioned to accept all Consent Items. Vice  
31 President Wallace seconded the motion. President Jones, Vice President Wallace, Directors Van Berkem,  
32 Morrison and Hetherington voted in favor of the motion. The motion passed.

33 **PUBLIC COMMENT:** None

34 **PRESENTATIONS AND ROUTINE REPORTS**

35 **ACAT REPORT (TAB 5):**

36 Mr. Tom Combs presented an ACAT update. There was a meeting on October 13, 2015 and three new  
37 members have joined the team. At the meeting, the September, 2015 minutes were approved. Brown  
38 Act Training was conducted. The ACAT Code of Conduct, Mission and Vision were reviewed. Past ACAT  
39 accomplishments were discussed, but as the meeting was running longer than anticipated, this will  
40 continue during the next meeting.

41 AWOS is still in progress. Ultrasonic Wind Gauges continue to be researched in regard to placement on  
42 either Alpine or Squaw, and whether it should be rented or leased.

43 A Trails meeting was held on October 19, 2015. The goal is to make a full presentation to the Board in  
44 January or February with findings and recommendations.

45 **PUBLIC COMMENT: None**

46 Director Hetherington asked if there had been discussion around a position for which terms still needed  
47 to be polled. Mr. Smith indicated that would come later on the agenda.

48 **QUARTERLY COMMUNICATIONS REPORT (TAB 6):**

49 Mr. Smith requested that this be moved to the Board meeting in December as staff is attending the  
50 STEM Fair. President Jones stated that this report will be moved to the next meeting.

51 **QUARTERLY OPERATIONS AND COMMENT REPORT (TAB 7):**

52 Mr. Cooke reported that seven additional cameras are capturing operations and there is a much cleaner  
53 set of data than in past years. Glider operations and transient helicopters are not being captured,  
54 however, and while those with transponders are tracked, the track quality may not be ideal.

55 Operations were up approximately 11% over Quarter three of 2014. The largest growth category was  
56 turbo props, which is in line with national trends. PC12 is the category leader. Surf Air was 498 of the  
57 1170 operations for Quarter 3 in 2015, compared to 176 in Quarter 3 of 2014. The turbo prop category  
58 was up 78%, which offset some losses in operations with smaller jets.

59 Director Van Berkem asked if Surf Air has definitively doubled their operations. Mr. Cooke replied that  
60 Surf Air added Burbank which was a third route. The lease with Surf Air states that passenger loads  
61 would not be shared publicly, but while specific numbers cannot be reported, ~~Mr. Cooke it can be~~ said  
62 that there is an average of four passengers per aircraft or more people on fewer planes. Director Van  
63 Berkem asked about Jet Suite. Mr. Cooke reported that Jet Suite is a standard charter and not a  
64 membership charter. There appears to be less activity from Jet Suite and more from Surf Air but hard  
65 numbers were not accessible. Jet Suite primarily flies the Phenom 100.

66 ~~Director Hetherington questioned if the Skyhawk is as popular at other airports as it appears to be most~~  
67 ~~common to frequent KTRK. Mr. Cooke reported that of 1500 operations, 31 of the aircraft are based in~~  
68 ~~Truckee. Director Hetherington asked about the mention of night operations and a lack of precision~~  
69 ~~approach. Mr. Cooke replied that this was part of a survey result in the ACAT night operation paper.~~  
70 ~~Vertical guidance appears to be the issue. Director Hetherington questioned what Mr. Cooke meant~~  
71 ~~when he stated in the report that the Skyhawk is the most common aircraft to frequent KTRK, and if that~~  
72 ~~meant that many transient aircraft were coming here to train. Mr. Cooke said that there are aircraft that~~  
73 ~~come here for high altitude training but it would be difficult to distinguish between transient or based~~  
74 ~~aircraft in the 1500 operations by this type of aircraft.~~

75 Responders to the survey indicated that without vertical guidance, they are not coming here at night.  
76 Director Hetherington noted that this is critical for the Board to consider in light of other items that will  
77 be discussed later in the meeting.

78 Director Hetherington stated that on page three of the report, it is indicated that 20 of 59 are new  
79 commenters.

80 Mr. Cooke asked to speak again on time periods for tracking night operations. Time periods were  
81 rounded to hours with the exception of the first and last.

82 Director Hetherington liked the data and reiterated that total comments were up 53% this quarter.  
83 ~~Director Hetherington asked if people had been asking for the control tower~~ Director Hetherington  
84 asked how the discussion of a control tower came up. Mr. Cooke replied that part of the strategy for this  
85 quarter has been to give the commenter as much information as possible including possible solutions.  
86 Questions have been around surveillance, the control tower, and what authority the airport has with  
87 aircraft in flight. During long conversations, Mr. Cooke tries to inform each caller regarding issues the  
88 airport faces and what can and cannot be legally asked of aircraft in flight. Director Hetherington asked  
89 ~~if this is an option that could be pursued and- if~~ Mr. Cooke is explaining replied yes, and that he tells  
90 ~~callers~~ that there are advantages and disadvantages to the control tower option, and he said yes.

91 Mr. Cooke reported that regarding new commenters, zones have been examined to find any trends but  
92 there were none. When winds were high on runway 2/20, the most new commenters were heard from  
93 in Glenshire. Three out of 59 called regarding the same plane. There are specific events that will  
94 generate more new commenters than others. One commenter started a social media campaign, but Mr.  
95 Cooke had not observed evidence that the campaign turned into a group effort or had any significant  
96 impact on the volume of comments.

97 Vice President Wallace stated that there seemed to be more people than usual complaining around  
98 noise in the last two months.

99 Director Hetherington stated that the Board needs to discuss the potential impacts of a control tower.  
100 Mr. Cooke reported that Olympic Heights would be the most impacted. Prosser had a large number of  
101 comments from a single household. Director Hetherington indicated that some people have given up  
102 and do not call anymore.

103 President Jones reported that Mr. Smith had walked the Olympic Heights neighborhood in May or June  
104 of 2014. Director Hetherington stated that if the neighborhood had been walked in July or August, the  
105 response would have been different. Mr. Smith reported that while there are people who are concerned  
106 in the Olympic Heights neighborhood, not every home had a negative comment about the airport.

107 Mr. Cooke stated that there had been great progress in the ease in commenting for the public since  
108 2014. September was included in the report in entirety. A pilot responded to an outreach in a  
109 September 13, 2015 comment, and this comment represented what Mr. Cooke has heard from pilots.  
110 They are trying not to impact the community and if this is the case, a control tower may be a positive  
111 option.

112 Director Van Berkem stated that there are constant reminders to educate the public; staff should be  
113 conscious using the term "educate" the public. Mr. Cooke acknowledged that and replied that pilots are  
114 also being educated during every call. Director Van Berkem asked about the 66 annoyance complaints

115 determined non-compliant, and if any of the instances were from repeat callers. Mr. Cooke reported  
116 that there are.

117 Director Morrison appreciated the subjective answers.

118 Director Van Berkem stated that it may be helpful to know how many within the figure receive  
119 comments from multiple community members. Mr. Cooke stated that, for instance, one PC12 operator  
120 received two in the Quarter, one occurring the night before the AirShow and another during a high wind  
121 situation. There was not an operationally significant amount of repeat commenters within the 66  
122 annoyance complaints, however. Specific numbers could be compiled. Director Van Berkem asked for  
123 the specific numbers when convenient.

124 Vice President Wallace stated that when people casually complain about noise and annoyance, they are  
125 asked to report their comments. The value of highlighting repeat commenters is understood, but they  
126 should also be respected. People are casually encouraged to submit repeat comments if noise and  
127 annoyance is repeatedly experienced. Director Morrison stated that the subjective aspect should be  
128 listened to. Vice President Wallace does not want to imply that there is criticism for comments. Mr.  
129 Smith reported that from a staff level, people are encouraged to comment and the numbers are only a  
130 gauge and not a barometer.

131 Director Van Berkem asked if Net Jets has been in communication regarding his situation a few months  
132 ago. Mr. Cooke replied that they have not.

133 **PUBLIC COMMENT:**

134 Mr. Tom Combs stated in regards to the comment by Mr. Smith that it is true that if comments go up or  
135 down, it is not clear if a better job is being done to decrease complaints or if people are giving up on  
136 commenting. The subjective comments are important. Numbers can be interpreted into whatever is  
137 desired. In a case where someone may make 74 comments, the data will be skewed and that should be  
138 examined specifically in review.

139 Vice President Wallace suggested that it could possibly be reported that there were *N* number of  
140 comments followed by the word *and* rather than *but* in order to avoid diminishing the figure. Mr. Combs  
141 reported that the repeated commenter is not valid or invalid, but that the number of comments will  
142 skew the results.

143 Director Morrison stated that the airport can strive to be good at handling the issues commented on.  
144 There will always be a certain number of complaints.

145 Director Van Berkem stated that it may have been noticed that his position has changed since a near-  
146 miss incident at his home, and he is looking for ways to not increase traffic. Director Hetherington  
147 commented that the airport is different than it was decades ago, and responsibility and sensitivity to the  
148 social ~~contact~~ contract with the community is critical. People ~~have chosen to live near the airport~~  
149 bought homes not knowing they were within three miles of the airport, but and when they originally  
150 located here the airport was very different. Director Morrison stated that staff is doing a fantastic job  
151 with what they have been asked to do. Unless a specific plan to combat the negative comments is  
152 discussed, the Board should not complain about noise and annoyance implying that staff is not doing  
153 their job well. The Board members indicated that they are very proud of the staff. Director Hetherington  
154 believes it is important to review the numbers every month and determine what they indicate, both  
155 objectively and subjectively.

156 **BOARD ACTION ITEMS**

157 **EXCLUSIVE RIGHT TO NEGOTIATE – LAND LEASE (TAB 8):**

158 President Jones reported that JMA Ventures has chosen to elevate a request to the Board for an  
159 exclusive right to negotiate with airport management about a potential long term lease on the property.  
160 The proposal is for the construction of a 35,000 square foot grocery store. At this time, JMA is not asking  
161 for any decision, but rather hopes to understand the terms under which they can negotiate. While a  
162 hard proposal will probably be forthcoming, JMA would like to keep the client anonymous at this time.  
163 The proposal has the potential to add 200 jobs within the community.

164 Vice President Wallace asked for clarification around a prior situation. In ~~mid-2013~~ June 2012, the Board  
165 was approached by JMA with a client, Clear Capital, for an exclusive right. There was discussion by the  
166 Board, and a decision to publicize the consideration. President Jones replied that this wasn't required  
167 but the Board felt it was appropriate, and as this progresses it may be decided to publicize this  
168 consideration as well. At this point, there are no terms or economics, however. Vice President Wallace  
169 asked if, during the 2013 consideration, was there an equivalent set of information provided. Mr. Smith  
170 reported that in 2013, the proposal was more developed. The current request states that a proposal will  
171 be forthcoming but is in development. JMA is asking if the Board will want to see this proposal.

172 Director Van Berkem asked what is received in a non-exclusive right to discuss if competition and  
173 negotiation follows. President Jones stated that what JMA would receive is clarity around the  
174 seriousness of the Board. There are other locations in Truckee that may provide a similar solution for the  
175 client, but JMA is choosing to begin the process here. Director Van Berkem asked if economics won't be  
176 discussed, what can be relayed to JMA. Mr. Smith stated that the good news is that a grocery retailer is  
177 looking at this side of town. Whether the land would be leased or purchased is one of the many details  
178 that could be discussed. JMA then can choose to continue to pursue this area, or may choose to  
179 investigate other options.

180 Director Hetherington asked if staff will need significant time to become involved. Mr. Smith reported  
181 that time would be required when JMA brings a proposal back to the Board. A land lease would require  
182 less time. Director Hetherington stated that there has been a development push over the last few years  
183 but she is concerned about stretching staff time too thin. If the property is not annexed, Director  
184 Hetherington will not support the proposal and will not support committing staff time in any way. Clear  
185 Capital is currently using a great deal of staff time.

186 Director Van Berkem stated that while he is in favor of a grocery store, if economics will not be  
187 discussed it is not clear why the request needs to be addressed. Director Van Berkem was also  
188 concerned that giving an entity an exclusive right to discuss may not be politically acceptable. Vice  
189 President Wallace stated that this potentially could create suspicion with no reason to have it and may  
190 require extensive explanation.

191 Mr. David Tiermen of JMA Ventures stated that Mr. Chapman, the individual proposing the grocery store  
192 on airport property, had intended to be present. JMA was approached, and the thought was to formally  
193 approach the District and the Board with the request in order to enter a discussion with the retailer. The  
194 request is around protocol or courtesy but not to begin negotiations.

195 Director Van Berkem stated that a confidentiality agreement could be made without giving an exclusive  
196 right to discuss. Staff could provide details around fiber optic cable, for instance. The retailer shouldn't  
197 need to be identified. Director Hetherington asked about the need for, ~~7~~ four acres. Mr. Tiermen reported

198 that the facility itself would require approximately one acre and the remainder would be for parking.  
199 Mr. Smith indicated that there are eight to nine acres available on Soaring Way. Director Hetherington  
200 reiterated that annexation is critical.

201 **PUBLIC COMMENT: None**

202 President Jones stated that the Board rejected the exclusive right to negotiate but will open the line of  
203 communication between JMA and staff to discuss the project. The consensus is to continue talking  
204 about the potential for the property. A motion is not required.

205 **BANK OF THE WEST – CASH MANAGEMENT SERVICES (TAB 9):**

206 Ms. Lyon presented resolution 2015-05. The resolution is in anticipation of processing payroll in-house,  
207 and authorization is needed to utilize online banking services and ACH direct deposit.

208 Director Van Berkem asked if there will be a financial trade-off for leaving the currently used paycheck  
209 company. Ms. Lyon replied that activity is conducted now through the Bank of the West Web Direct  
210 program, and this is an additional feature.

211 **PUBLIC COMMENT: None**

212 **MOTION #2 NOVEMBER-5-15:** Director Hetherington motioned to approve Resolution 2015-05 Titled:  
213 Authorizing Participation with Bank of the West to Participate in Online Banking Services and ACH  
214 Payment Orders, and to waive the reading. Director Morrison seconded the motion. A roll call vote was  
215 taken. Director Van Berkem – yes, Director Hetherington – yes, Director Morrison – yes, Vice President  
216 Wallace – yes, President Jones – yes. The motion passed.

217 **POLICY INSTRUCTION 308 – INVESTMENT POLICY REVIEW (TAB 10):**

218 Ms. Lyon stated that this is a Policy that is reviewed annually. There are no changes. Director  
219 Hetherington asked about TAB 10 B which shows that there is more than \$250,000 in CDs due to market  
220 value. Ms. Lyon replied that CDs were purchased for \$250,000 and they would need to be sold to realize  
221 the small gain. In the future, the Board could direct Ms. Lyon to not purchase the CD amount if this is a  
222 problem. The CD itself is fully insured.

223 President Jones suggested that Ms. Lyon continue to manage financial details and the Board continue to  
224 manage policy.

225 **PUBLIC COMMENT: None**

226 **MOTION #3 NOVEMBER-5-15:** President Jones motioned to adopt Resolution 2015-06 titled: Adoption  
227 of District Investment Policy and Delegation of Investment Authority to District Treasurer, and to waive  
228 the reading. Director Van Berkem seconded the motion. A roll call vote was taken. Director Van Berkem  
229 – yes, Director Hetherington – yes, Director Morrison – yes, Vice President Wallace – yes, President  
230 Jones – yes. The motion passed.

231 **APPROPRIATION LIMIT (TAB 11):**

232 Ms. Lyon reported that this is an annual process requiring approval yearly. Information is submitted to  
233 auditors and a report is prepared by them. Truckee Tahoe Airport District is under the appropriations  
234 limit.

235 **PUBLIC COMMENT: None**

236 **MOTION #4 NOVEMBER-5-15:** Director Hetherington motioned to adopt Resolution 2015-06 Titled:  
237 Establish Appropriations Limit for Fiscal Year 2015-16, and to waive the reading. Vice President Wallace  
238 seconded the motion. A roll call vote was taken. Director Van Berkem – yes, Director Hetherington – yes,  
239 Director Morrison – yes, Vice President Wallace – yes, President Jones – yes. The motion passed.

240 **REVISION OF POLICY INSTRUCTION (PI) 309 - DESIGNATION OF UNRESTRICTIVE NEW ASSETS (TAB 12):**

241 Ms. Lyon stated that in the staff report, prior years were reviewed and this is the proposed new draft  
242 with revised and new categories and designation levels. Mr. Smith indicated that there was a need to  
243 develop categories that make sense to the public. Director Morrison asked what is needed to move  
244 funds, and Mr. Smith reported that a vote of the Board is required.

245 Ms. Hetherington stated that when she read it initially there were questions, but when staff explained,  
246 the changes make the report much clearer.

247 **PUBLIC COMMENT: None**

248 **MOTION #5 NOVEMBER-5-15:** Vice President Wallace motioned to adopt Policy Instruction 309 as  
249 revised. Director Van Berkem seconded the motion. President Jones, Vice President Wallace, Directors  
250 Van Berkem, Morrison and Hetherington voted in favor of the motion. The motion passed.

251 **ACAT TERM SELECTION FOR PILOT SEATS (NO TAB):**

252 Mr. Collinson reported that now that there is an entire Board presence, a poll needs to be conducted in  
253 order to determine who will have the one-year and three-year term for the ACAT pilot seats. A poll was  
254 then conducted. The results of the poll indicated that Mr. Polverari will hold the three-year term and  
255 Mr. Golden will hold the one-year term.

256 **PUBLIC COMMENT: None**

257 **MOTION #6 NOVEMBER-5-15:** Director Hetherington motioned to appoint the ACAT term designations.  
258 Vice President Wallace seconded the motion. Vice President Wallace, Directors Van Berkem, and  
259 Hetherington voted in favor of the motion. President Jones and Director Morrison opposed the motion.  
260 The motion passed (3-2).

261 **WAREHOUSE OFFICE BUILDING FINAL BUDGET REVIEW AND APPROVAL (TAB 13):**

262 Mr. Smith reported that the project budget has now been based on final bid results. Mr. Smith indicated  
263 there is added value to the District, however costs are up. The number of years to recoup the District's  
264 investment as well as the ROI is relatively unchanged.

265 President Jones asked for the detail of the \$450,000 added scope, specifically why was it added, who  
266 benefits and who is funding it, and another question was around the \$150,000 environmental mitigation  
267 discussion. Director Van Berkem asked if the scope improvements are only for the frontage, or if it will  
268 affect the entire length of the business park. Vice president Wallace asked why a Fire District Request  
269 falls under Code Changes and Challenges.

270 Mr. Peter Beaupre, Project Manager for the Warehouse Building Project, reported that bids have been  
271 received for most of the work but 10% is still needed as final details such as water proofing, windows

272 and roofing are being worked on now. President Jones asked if there was a contingency in the \$5.1  
273 million total cost, and Mr. Beaupre replied that there was a design contingency within the \$5.1 million  
274 figure, but it is not in the \$6.5 million figure because that represents completion with design, ~~There~~there  
275 is still a construction contingency in the \$6.5 million figure. Director Morrison asked Mr. Beaupre how  
276 much time is being spent on the project, and Mr. Beaupre replied that it is 3/4's of his time.

277 Mr. Beaupre reported on details of the final scope of the project. On the northern side of the building,  
278 it's advisable to install snowmelt to avoid constant ice in the winter. Therefore, hydronic snowmelt has  
279 been added into the design. This system will be used to ~~heat most~~heat most of the sidewalk to  
280 eliminate snow shoveling and snow blowing work by staff as the priority of the terminal building should  
281 take precedence. Dripping canopies have ~~also been~~also been addressed. Regarding building  
282 components, mechanical enhancements have been made. There is a new code requirement as of July 1,  
283 2015 that requires infrastructure be provided for future electrical vehicle charging stations. Additional  
284 building square footage of 200 ft. has been added. More landscaping and a breakroom have been added  
285 as well.

286 President Jones asked again for more information regarding \$150,000 for Environmental/Mitigation. Mr.  
287 Beaupre replied that this is an environmental and mitigation fee for traffic. Mr. Smith reported that the  
288 traffic impact fee for Truckee was \$107,000, and \$19,000 to Placer County. Director Van Berkem asked  
289 what is received for the fee, and Mr. Smith replied that the Town can use the money to widen roads, for  
290 example.

291 Director Van Berkem recalled hearing about towns not using the money on the area from where it was  
292 paid and wondered if there are restrictions. Mr. Smith stated that the County fee was \$135,000 but the  
293 Town of Truckee traffic impact fee was less so the funds were deferred to them.

294 Mr. Beaupre reported that in February 2015, the initial impression was that the Master Plan CEQA study  
295 would serve very well with some modification, but that has not been the case which has led to  
296 additional professional fees that are captured in this category as well. Mr. Smith indicated that there  
297 were no CEQA Master Plan challenges.

298 Mr. Beaupre reported that the streetscape or frontage along Truckee Airport Road, including widening  
299 and drainage, is a large addition to the scope. This had not been considered in February, 2015. Mr.  
300 Smith reported that about \$250,000 will be spent to improve the corner lot on Soaring Way. Mr.  
301 Beaupre stated that widening also includes crosswalks, truncated domes, concrete slopes and changing  
302 utility boxes.

303 In regards to other cost additions, Title 24 Energy Codes continue to evolve and the controls are a  
304 difficult part. Site landscape improvements were made in response to the County requests for more  
305 landscaping. The Fire District required a remote fire department connection based on the site specifics.  
306 Code changes required footings that are 28 to 30 inches thick which is twice as deep as initially  
307 budgeted. Initially, there was no drainage design and the design that was eventually needed was much  
308 more complex than in the conceptual budget.

309 Mr. Beaupre reported that he and Mr. Smith met with the Tahoe Donner PUD, who initially wanted  
310 water to be tapped off of the main in Truckee Airport Road. They ultimately did not require this, but  
311 now want a meter box installed with space for future meters for domestic and landscape water.

312 Mr. Beaupre described the difference between bids and estimates. Each contractor bidding must be  
313 registered with the Department of Industrial Relations which involves a \$300 fee. Director Morrison



314 asked how much more it would cost to have the building be a Public Works project compared to a  
315 private project. Mr. Beaupre indicated that a private project without prevailing wage would cost  
316 approximately 5.25 million dollars; one million and one quarter less than a Public Works project.

317 President Jones suggested that the Board have a discussion about the cost and then a separate  
318 discussion about the revenue side.

319 **PUBLIC COMMENT ON THE COST ASSOCIATION OF THE PROJECT: None**

320 Director Morrison clarified that upon reviewing this agenda item prior to the meeting, there were many  
321 questions but most have been answered around code changes and permitting issues. Director Morrison  
322 asked if there are discretionary items that could be discussed. Mr. Beaupre replied that the only piece  
323 that could be discretionary is the hydronic snow melt, but there is a risk to not having this, as a snow  
324 removal contractor would be needed and would need to put a priority on the building. The District is  
325 responsible for snow removal and that Mr. Smith indicated that he included those costs in the CAM.  
326 Director Hetherington stated that with two feet of snow, a hydronic system would not be able to melt it.  
327 Mr. Beaupre stated that the system would in fact be able to keep up if it were on when the snow begins.

328 Director Hetherington suggested against negotiating a contract with a fixed rate lease in the future prior  
329 to knowing what all the actual costs are; ~~and that~~ this situation should be an example of what not to do  
330 again in the future. Director Morrison stated that the project is 20% over budget and cannot be allowed  
331 to continue to go over the budget. Costs were higher than expected because the design and bid prices  
332 were not complete when construction of the project started; all agreed that this was not an optimum  
333 method of doing a project. Mr. Beaupre agreed and reported that excavation and drainage went  
334 approximately 25% over budget. Furthermore, there were only two bidders. Director Hetherington  
335 asked what the next 10% left to bid included and Mr. Beaupre listed roofing, store fronts, windows,  
336 miscellaneous carpentry, steel doors and bathroom accessories. Other cost additions could be from  
337 added value items requested by staff such as conduit for future video, a future long term parking gate  
338 and security. Risks would include weather and other delays to the schedule.

339 Mr. Beaupre reported that sewer will be backfilled tomorrow, utilities next week and rebar the following  
340 week, weather dependent.

341 Director Hetherington asked if the building for \$4,950,000 includes both the tenant improvements and  
342 the contingency, and Mr. Beaupre replied yes.

343 President Jones moved the discussion to the revenue piece.

344 Director Van Berkem asked about the increase in the building cost and if Clear Capital rent has  
345 increased. Now that \$1.5 million more is being spent, where is this being recovered. President Jones  
346 indicated that the lease rate is fixed, independent of the District's costs and that not all of the \$1.5  
347 million extra is related to Clear Capital.

348 Mr. Mark Wasley, financial consultant for the Warehouse Office Building, addressed the revenue side,  
349 and explained an increase in revenue will be coming from the rental car component. The Office Building  
350 Feasibility Summary Cash Flow Report was reviewed. The addition of 1800 sq. ft. was a concept in  
351 February, 2015, and is now 2000 sq. ft. which allows for an additional \$200,000 over the 30 year term.  
352 Parking spaces increased from 48 to 56. Revenue was increased by 15% for the second rental car  
353 operator.

354 Mr. Smith reported that a customer facility charge is not being charged but should be according to what  
355 was learned at the rental car conference he attended. Mr. Wasley and Mr. Smith are working on this.  
356 Director Hetherington asked if the numbers indicate that over 30 years \$8 million will be made, or  
357 \$270,000 per year. Currently \$115,000 is being received per year. Mr. Wasley replied that inflation over  
358 time should be considered. The Board considered several income figures listed in the report. Director  
359 Van Berkem asked if Enterprise, if they are the client, would be moving their location here from the  
360 current Savemart location. If Enterprise moves here, the town will lose approximately \$4,000-5,000 a  
361 year. Mr. Smith indicated that there are three businesses that will be interested in the space: Avis,  
362 Enterprise and Hertz.

363 President Jones asked about the lease price on the market analysis and the cost to build the building.  
364 Mr. Wasley replied that the lease rate was locked in with Clear Capital in February, 2015. President  
365 Jones stated that the lease was signed based on the market analysis in February, 2015 and asked what  
366 the new pay-off estimates are with the new costs of the building. Mr. Wasley stated that \$1 million  
367 more than initial estimates should be made, but the rate of return over time is less. President Jones  
368 asked the Board if any changes need to be made or can the project move forward.

369 Director Van Berkem asked if because the cost of the building and enhancements have increased, and  
370 the rental car business revenue is being relied on to cover the new extra expense, is this fair in relation  
371 to what Clear Capital rent should be. Mr. Wasley stated that revenue has been added from the second  
372 rental car business. The reality is that the agreement was signed not based on cost, but the market, and  
373 the risk was taken on for the specific tenant. Mr. Smith reported that this is was discussed back in  
374 February when the rate was set and within policy but he noted that this is not our normal construction  
375 process but was necessary to meet the timeline.

376 Vice President Wallace stated that the decision was made under exceptional circumstances regarding  
377 the moving of jobs out of state, and the project should move forward confidently now. Director  
378 Hetherington stated that a large amount of time has been spent by the Board as developers.

379 President Jones asked if an approval of the budget can move forward. Director Morrison indicated that  
380 as decisions such as these are made, a great deal of time will inevitably be spent talking about things the  
381 Board has no control over. Vice President Wallace wished to approve but because of the lack of control,  
382 wanted a check-in point, and if the project cannot stay on budget, an ad hoc committee should let the  
383 Board know. President Jones stated that possibly a short monthly report could be incorporated onto the  
384 agenda.

385 **PUBLIC COMMENT: None**

386 **MOTION #7 NOVEMBER-5-15:** President Jones motioned to approve the Warehouse Office Building  
387 Final Budget. Director Van Berkem seconded the motion. President Jones, Vice President Wallace,  
388 Directors Van Berkem, Morrison and Hetherington voted in favor of the motion. The motion passed.

389 President Jones requested a five Minute Recess taken at 7:12 PM. The Board went back into session at  
390 7:20 PM

391 **BOARD GUIDANCE AND INFORMATION ITEMS**

392 **AIRCRAFT SURVEILLANCE FEASIBILITY REPORT (TAB 14):**

393 Mr. Joe LaMacchia from NAVAID gave a slideshow overview of the Feasibility studies started in May,  
394 2015. Several airports were visited in order to assess how flight safety could be improved in the Truckee  
395 airspace, allow published visual flight procedures, reduce community annoyance through improved  
396 charted visual flight procedures, and to investigate technology.

397 A control tower is required by the FAA in order for the airport to publish charted visual flight procedures  
398 on a 56 day cycle. This is available to every aircraft. The aircraft can be directed away from the highly  
399 impacted and annoyed communities as well as safety being increased.

400 President Jones asked who influences the creation of visual procedures. Mr. LaMacchia replied that if  
401 the seasonal control tower moves forward, the airport would have some influence and would work  
402 specifically with the Standards and Procedures Director at Oakland Center. Director Hetherington asked  
403 what level of influence the airport has with the FAA. ~~Mr.~~Mr. LaMacchia replied that the airport has at  
404 least a 50% foothold of influence on visual approaches. The FAA will want to work with the airport to  
405 put in procedures that best help the community. However, the Airport has no control in defining  
406 precision approaches in instrument flight rules (IFR) conditions.

407 Director Van Berkem asked what authority the tower would have if charted visual flight procedures are  
408 in place. Mr. LaMacchia replied that the tower would dictate. President Jones stated that pilots will  
409 either follow directions or risk losing a license. The tower would give the authority to do a charted visual  
410 approach.

411 Director Hetherington stated that if a control tower requests a pilot to land on Runway 2 but the pilot  
412 desires to land on Runway 11, a change can be requested, and it is usually granted. Director  
413 Hetherington's concern is that even if the Airport is trying to work toward dispersion, many pilots may  
414 prefer to use a 7,000 foot runway (runway 11-29) instead of a 5,000 foot runway (runway 02-20) and,  
415 therefore the tower's request would not be absolute. Director Morrison replied that the pilot must land  
416 on Runway 2 unless there is a good reason and the change is then requested, and there is only a small  
417 percentage that would do this.

418 Director Hetherington asked if the controllers are on contract or FAA employees. Mr. LaMacchia replied  
419 that the personnel in the tower are FAA certified contract employees. A key component of the seasonal  
420 tower is that a MOU must be generated with Tracon regardless. Director Morrison stated that the rules  
421 are black and white for pilots. Director Hetherington stated that the Board should be aware that the  
422 words being said are absolute, but in reality they are not.

423 President Jones asked if the visual approach would continue to be published off-season. Mr. Smith  
424 replied that the procedure will still be there, and language around radar required and instruction would  
425 be published. Vice President Wallace asked how this works with SOPs for Surf Air. Mr. Smith replied that  
426 Surf Air typically files an IFR flight plan. There are only so many slots with normal separation, and  
427 capacity will be controlled.

428 Mr. LaMacchia continued that an RFI was generated and a meeting is taking place at the Air Traffic  
429 Control Association with the providers of seasonal control contract towers to obtain information  
430 including costs. In order to publish a visual charted flight procedure, the airport must comply with  
431 specific criteria to ensure that safety is not compromised.

432 Mr. LaMacchia reported that East Hampton Airport has seasonal towers and they are using ANCP  
433 surveillance manufacture. Experiences with and the benefits of seasonal tower operations were  
434 reviewed. Denver Center is using WAM to control and separate aircraft to select mountainous airports.

435 The end user, Rifle Airport, has provided feedback as opposed to the FAA. Further information obtained  
436 from East Hampton Airport was that the cost is approximately \$100,000 per month including personnel.  
437 Benefits to the Airport include safety and monitoring of helicopters during peak season for noise  
438 mitigation. East Hampton does not have an Airport Community Advisory Board and the airport is trying  
439 to handle a high volume of noise complaints.

440 ~~President Jones~~Director Van Berkem referenced a Los Angeles Times article which reported that there is  
441 a shortage of controllers in Los Angeles, and asked if the temporary towers have been able to obtain  
442 controllers. Mr. LaMacchia replied that they are fully staffed in East Hampton.

443 Mr. LaMacchia has evaluated the ANPC Transponder Landing and Surveillance System and determined it  
444 would be a suitable replacement for Truckee. The positives included a smaller hardware foot print,  
445 surveillance and interrogators approved by the FAA. A negative is that it does not have the ADSB and  
446 UAT capabilities needed for certification by the FAA, and so a timeline is being proposed for upgrades.  
447 The technology is very good. Director Hetherington reported that a recent study showed that 80% of  
448 429 interviewed pilots said that if there is a tower, they would be more likely to fly in ~~by~~ 20%.

449 President Jones stated that while they may be more likely to fly in, having a tower would limit the  
450 number of planes landing at the same time and could actually reduce the number of planes. If it is of  
451 value it should be pursued, but President Jones believed that during busy summer periods this would  
452 slow down the amount of traffic.

453 Mr. LaMacchia continued that FAA feedback indicated no significant negative impacts by end users or  
454 communities being served by the system. The cost was higher than expected, but the improved safety  
455 was worth the cost.

456 At Rifle, the airport reported safety has improved. The airport is very similar to Truckee in regards to  
457 uncontrolled airspace and being Class E with no tower. The timeline took longer than anticipated. Rifle  
458 invested \$57 million to improve airport runways so that they can become a world class general aviation  
459 (GA) airport. There has been no direct community impact due to capacity increases, but the community  
460 also has a very low noise complaint rate.

461 Mr. LaMacchia presented the May, 2015 timeline showing what has been completed. In conclusion,  
462 improving safety and increasing capacity was the common theme from all who were spoken to. Next  
463 steps are to proceed with the market survey to gauge vendors, solutions and proposed costs; and to  
464 assess impacts and unintended consequences on operations by a seasonal tower and surveillance.  
465 Coordinating and conducting meetings should occur with CalTrans, Oakland Center and the Western  
466 Service Center. Upgrading the surveillance system would take approximately 12 months.

467 ~~President Jones~~Mr. Smith commented that a surveillance system is not necessary in order to set up a  
468 seasonal tower. ~~President Jones~~Director Morrison does not think it is worth the expense until a  
469 campaign to test the waters around impact is conducted. Director Morrison stated that Truckee is far  
470 from capacity at this time and many more planes could be flying in than currently do, and a tower  
471 wouldn't affect traffic or capacity. Director Hetherington said that during the Master Plan process  
472 (almost three years ago), she and Director Morrison discussed the possibility of reviewed a temporary  
473 seasonal tower during the summer to determine its effectiveness a few years ago for data points.  
474 Director Hetherington asked what plan needs to be put into place for next summer.

475 President Jones would like the Board to remember that there is a growing noise problem and traffic  
476 needs to be moved to less noise affected areas. A suggestion is to start with a tower and gather data,

477 but that is not a complete solution. Director Morrison commented that this is a project that staff has  
478 been working on for a very long time and it is good to talk about this, but does not believe that Truckee  
479 should have any tower as it will not affect the noise issue. The amount of money spent to combat  
480 minimal complaints does not make fiscal sense.

481 Director Van Berkem stated that there is confusion as to whether this is a combined study or not, and  
482 exactly what the goal for discussion is. Mr. Cooke stated that surveillance can be decoupled from the  
483 tower discussion. The Truckee MLAT system will need an upgrade when the mandate comes out and  
484 compliance will be required. A requirement for visual chart procedure is that there must be a tower and  
485 surveillance together. Mr. LaMacchia stated that this began as a surveillance upgrade study but when  
486 visiting Oakland Center, the question was asked as to what it would take to be on the 56 day cycle, and  
487 Oakland Center introduced the tower into the discussion.

488 Mr. LaMacchia stated that a UAT receiver would cost approximately \$250,000 to \$300,000 and the  
489 control tower would cost a half million dollars. Director Van Berkem described the three options;  
490 upgrade the current system, have a tower, or go after charter visual flight procedures. Charter visual  
491 flight procedures require having the first two options in place. Mr. LaMacchia outlined a certified system  
492 versus the existing system in the May report. Director Van Berkem asked for the sequencing of  
493 conversations and the goal.

494 Vice President Wallace stated that there has probably been enough discussion around bringing the  
495 Board up to speed on the various pieces, and before future discussion the big picture needs to be  
496 apparent. Mr. LaMacchia stated that the sequence should be to get the market survey, do the RFI and  
497 then to identify data points so that the playing field and costs can be identified. Vice President Wallace  
498 is not on board with the idea at this time, but Rifle can be looked to as an example for benefits and  
499 downsides from the community point of view.

500 Director Van Berkem asked for clarification as to what the issue will be around the current system in  
501 2020. President Jones replied that non-ADSB equipped aircraft won't be visible on the District's system.  
502 Director Morrison commented that data from the MLAT system, meaning all reports and analysis, are  
503 used extensively, and to maintain the current level of data reporting the system must remain up to date.

504 **PUBLIC COMMENT: None**

505 **STAFF AND BOARD MEMBER TRAINING AND CONFERENCE REPORTS:**

506 Director Hetherington stated that she attended the AAE Airports Going Green Conference. Director  
507 Hetherington reported that she will give a more in-depth analysis at the December Board meeting,  
508 which will include the subject of social responsibility, sustainability and the environment. But quickly  
509 mentioned that managed growth needs to be committed to and some exciting things can be  
510 accomplished. Director Hetherington stated the conference was excellent.

511 Mr. Smith state that there will be an ATTCA report in December, and the Rental Car Conference in  
512 Austin was attended and there was optimism about the second rental car option. A ramp facility fee is  
513 being reviewed for the resort shuttle, and this has never been charged but would allow for the  
514 distribution of safety information and other pamphlets.

515 Ms. Lyon reported that the CSDA conference was attended and a Special District Transparency  
516 Certificate of Excellence was accepted. There were very good speakers and break-out sessions.

517 **PUBLIC COMMENT: None**

518 **TAHOE CITY HELIPORT DESIGN REVIEW (TAB 15):**

519 Mr. Smith reported that permitting can begin, the total cost of the project being under \$300,000. The  
520 heliport design was presented. The design will handle multiple helicopters and is for emergency service  
521 only. It will be gated and not charted.

522 **PUBLIC COMMENT: None**

523 **GENERAL MANAGERS REPORT (TAB 16):**

524 **Master Plan**

525 Mr. Smith reported that the Master Plan draft will be presented for approval at the January meeting.  
526 The MND can be viewed online through the Master Plan link on the website.

527 **Hangar 3 – Progress Update**

528  
529 Mr. Smith reported that the project is on hold pending the managed growth discussion. An impact  
530 analysis is available in the Demand Driver survey.

531 **Sponsorship Committee**

532 Mr. Smith reported that the next Sponsorship Committee meeting has been moved to November 13,  
533 2015.

534 **Martis Valley West Parcel Specific Plan Draft EIR**

535 Mr. Smith reported that the draft EIR was delivered. The Board comments, submitted a few years ago,  
536 are included in it. A representative from Sustainable Community Advocates is currently reviewing the  
537 document and will be asked for an opinion around effective comments. Vice President Wallace asked if  
538 the representative is a neutral party on this particular project and that there are consulting firms not  
539 based in the area that may offer a more unbiased review. Director Hetherington stated that the  
540 comment period ends December 2, 2015. The Board consensus was that it's okay for Director Wallace  
541 and Director Van Berkem to meet and report back to the Board.

542 Mr. Smith reported that the Martis Valley West Parcel representatives have requested to meet with  
543 Director Van Berkem and Vice President Wallace again. Vice President Wallace was concerned about the  
544 public appearance of meeting with them alone and Director Hetherington agreed. Vice President  
545 Wallace replied that if the meeting occurs, a report could be given at the next public meeting.

546 **McKenzie Claim Update**

547 Mr. Collinson reported that the claim has been settled. Half of the settlement was paid by ACE and the  
548 other half by National Union Fire Insurance Company of EAA.

549 **Alder Hill Property**

550 Mr. Smith reported that the District has been asked if there would be a desire to purchase the property.  
551 Director Van Berkem stated that if the property is listed but the District does not purchase it, the District

552 will still have an easement. Mr. Smith confirmed this. The property will be difficult to develop. Director  
553 Hetherington stated that if it is for sale for a real price, it should not be ignored. Mr. Smith was not sure  
554 if it will be listed, however. Board agreed for staff to bring it back to them if the property is listed.

555 **Board Offsite Annual Retreat**

556 Mr. Smith asked the Board to come to a consensus for weeks in January or February for the Annual  
557 Retreat. The week of January 26, 2016 was chosen.

558 **Managed Growth Workshop Update**

559 Mr. Smith distributed the binders that will be used on November 12, 2015.

560

561 **PUBLIC COMMENT: None**

562 President Jones reported that the annual General Manager Evaluation is underway, and the Board will  
563 have the self-evaluation by the end of next week.

564 **ADJOURNMENT OF MEETING**

565 **MOTION #8 NOVEMBER-5-15:** Director Van Berkem motioned to adjourn the meeting. President Jones  
566 seconded the motion. President Jones, Vice President Wallace, Directors Van Berkem, Morrison and  
567 Hetherington voted in favor of the motion. The motion passed.