

1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS
2 regular meeting held Wednesday, March 23, 2016 in the Truckee Tahoe Airport District Community Room
3 A, located at the Truckee Airport, 10356 Truckee Airport Road, Truckee, California at 4:30 p.m.
4

5 **CALL MEETING TO ORDER:** 4:30 p.m.
6

7 **PLEDGE OF ALLEGIANCE**
8

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

14 **STAFF PRESENT:** Mr. Kevin Smith, General Manager
15 Mr. Hardy Bullock, Director of Aviation and Community Services
16 Mr. Phred Stoner, Director of Operations & Maintenance
17 Ms. Sally Lyon, Director of Finance and Administration
18 Mr. Mike Cooke, Manager of Aviation and Community Services
19 Mr. Marc Lamb, Manager of Community Relations
20 Mr. Brent Collinson, District Legal Counsel
21 Ms. Lauren Tapia, District Clerk

22 **CONSULTANTS:** Ms. Cynthia Gibbs
23 Mr. Grady Boyce
24 Mr. Brad Musinski
25 Mr. Jeff Kohlman

26 **PUBLIC PRESENT:** 15

27 **SPECIAL ORDERS OF BUSINESS:**

28 Mr. Smith reported that the Truckee Tahoe Airport District was presented with the Partner of The Year
29 Award from the Boys and Girls Club of North Lake Tahoe.

30 Mr. Smith introduced new employees Ms. Jill McClendon, Aviation and Community Services Coordinator
31 and Mr. Sean Holmes, Staff Accountant.

32 Mr. Smith stated that if any Board members were interested in running for the LAFCO Board, they are
33 accepting nominations.

34 Mr. Smith reported that Mr. Marc Lamb had passed the Airport Certified Employee (ACE) exam. Staff and
35 the Board both congratulated him.

36 President Wallace asked if anyone from the public was present for the Community Sponsorship
37 Applications and there was none. Some audience members had submitted letters regarding the Land
38 Leasing proposal, but it was explained that applications would not be discussed at this meeting. The Ad
39 Hoc Committee is looking at non-aeronautical use and Mr. Smith will give a brief summary later in the
40 agenda.

41 President Wallace stated that due to several complex agenda items at this meeting, a process would be
42 followed in which staff would read each agenda item with a presentation; clarifying questions would be
43 taken; public comment would be asked for and then Board deliberation. A ten-minute recess will occur at
44 approximately 7:30 p.m. and if not concluded, the meeting will be adjourned between 10:00-10:30 p.m.
45 with remaining items postponed to April.

46 **PUBLIC COMMENT:** None

47 **CONSENT ITEMS**

48	1. Minutes: February 2, 2016 Special Meeting -----	TAB 1
49	2. Minutes: February 24, 2016 Regular Meeting-----	TAB 2
50	3. Monthly Service Bills and Fees -----	TAB 3
51	4. Monthly Financial Report-----	TAB 4

52 Director Hetherington requested that both the February 2, 2016 and February 24, 2016 minutes be
53 removed from the Consent Items.

54 **MOTION #1 MARCH-23-2016:** Director Van Berkem motioned to accept the remaining Consent Items.
55 Director Hetherington seconded the motion. President Wallace, Vice President Morrison, and Directors
56 Hetherington, Jones, and Van Berkem voted in favor of the motion. The motion passed.

57 **PUBLIC COMMENT:** None

58 Director Hetherington asked that in the February 2, 2016 Minutes, NOP be defined specifically as Notice
59 of Process.

60 Director Hetherington asked that in the February 24, 2016 minutes line 67 should read President Wallace
61 instead of President Jones; line 94 should reflect that the joint ACAT and Board meeting on June 14, 2016
62 is a Special Board Meeting, and line 145 should include that Director Hetherington commented that she
63 always speaks to each ACAT candidate for 15 to 30 minutes prior to the Board meeting in order to discuss
64 the history and address and questions. In her discussion with Mr. Polverari she found that he had
65 credentials and experience as a pilot and therefore could be considered in that capacity.

66 Mr. Collinson asked that line 290, Public Comment, be moved to after the announcement of the item.

67 **MOTION #2 MARCH-23-2016:** Director Van Berkem motioned to accept the February 2, 2016 and
68 February 24, 2016 Minutes as amended. Director Hetherington seconded the motion. President Wallace,
69 Vice President Morrison, and Directors Hetherington, Jones, and Van Berkem voted in favor of the motion.
70 The motion passed.

71 **PRESENTATIONS AND ROUTINE REPORTS**

72 **AIRSPACE STUDY PRESENTATION (TAB 5):**

73 Mr. Hardy Bullock reported that Ms. Cynthia Gibbs and Mr. Grady Boyce would be speaking during the
74 presentation. The purpose of the presentation was to gain approval to authorize staff to conduct
75 community outreach on procedures outlined in the study. The number one role of the project was to

76 recommend procedures that enhance safety, promote efficiency and reduce community annoyance. Mr.
77 Bullock continued that the airport would like to begin to align with the FAA in regard to communication.

78 Mr. Bullock stated that the first three components of the plan are complete, and the next two sections
79 occur in the future. A timeline would be discussed later in the presentation. The information could be
80 presented during the ACAT Community Outreach Meetings which include Airspace and Temporary Tower
81 Outreach.

82 Ms. Cynthia Gibbs continued the presentation. Notional procedures were created to serve each runway
83 and must meet particular criteria, being designed within parameters which exist today. Procedures must
84 also meet Performance Based Navigation (PBN) Design criteria and not conflict with KTVL, KRNO or KSMF
85 procedures.

86 The Hardy Standard Instrument Departure (SID) is to be de-conflicted with South Lake operations. A visual
87 of the Hardy 1 procedure for runways 20 and 29 was presented. Mr. Bullock explained that the Noise
88 Abatement Procedure (NAP) purpose is to put aircraft noise over ambient noise, and these departures are
89 radically different than current departures. Ms. Gibbs continued that an Airspace Advisory Team which
90 included users, staff and a consultant team contributed input. Mr. Bullock stated that the straighter the
91 departure track, the less track miles the departure has.

92 Ms. Gibbs explained the BULOK departure procedure goals. The departure is very different from current
93 departures and the 02 departure is the reverse of the approach of 02. An animation of the BULOK 1
94 departure was shown.

95 Mr. Grady Boyce explained arrivals concepts. Oakland Center procedures were examined and the
96 indication was that a **Standard Terminal Arrival Route** (STAR) may be beneficial in the future, but should
97 have a hierarchy approach. A better approach at this time would be two way points to the NE and SW. A
98 90 degree turn is standard for **Terminal In-Route Procedure Standards** (TRPS), the rules for how
99 procedures in the sky are built. The second step from the perspective of Oakland Center was air routes,
100 or GPS freeways in the sky. Following the second step, Oakland Center would consider looking at a
101 published STAR but a pragmatic, slow evolution was desired.

102 Mr. Boyce made the point that the area is served by GPS approaches that do not have a vertical guidance
103 because of the surrounding mountainous terrain. Director Jones mentioned that with the Zulu approach
104 to Runway 20, there is some vertical information. Mr. Boyce replied that there is a form of this, but
105 uncoded and advisory in nature only and not a precision approach. The same approach was examined for
106 Runway 20 and a proposed amendment to the arrival would allow the same functionality as Runway 11.

107 While analyzing Runway 29 and 02, a significant amount of time was spent considering nearby terrain and
108 the determination was that the mountain terrain blocks many procedures. A solution would be to take a
109 glide path angle to a runway, increasing the angle, but this would limit the number of airplanes that could
110 use the profile and so was not recommended. Director Hetherington asked for clarification that the
111 proposal had been taken off the table. Mr. Boyce explained that the profile that was proposed was under
112 visual rules and when translated to IFR conditions the profile would no longer be applicable. Mr. Boyce
113 explained that VFR would be discussed next.

114 Director Jones asked for clarification that there was no way to add more IFR approaches at this time, and
115 Mr. Boyce replied that Director Jones was correct based on current FAA TERPS Criteria.

116 Ms. Gibbs continued the presentation. A housing analysis had been conducted regarding year-round
117 residents, second home residents and vacancies based on utility assumptions. The majority of land use is
118 second homes or vacancies under the proposed procedures. The findings were that departures can be
119 completed off of each runway taking aircraft over low populated areas. A seasonal tower would help
120 promote the use of certain procedures and equitable runway use. An obstruction survey should be
121 conducted.

122 Mr. Bullock asked if the Board would desire a move forward with community outreach, the results to be
123 brought back to the Board for consideration, and for the Obstruction Survey to be conducted as
124 documents would not be approved without the survey component. Director Hetherington asked what the
125 cost of community outreach and it can run parallel with the Obstruction Survey would be. Mr. Bullock
126 replied that community outreach would occur in five to six meetings in June or July and the Obstruction
127 Survey would not run concurrently. Mr. Smith stated that the Obstruction Survey is also AIP fundable.

128 Director Van Berkem asked how much of the cost is budgeted and Mr. Bullock replied that \$170,000 total
129 was budgeted for two separate items, Development and Airspace Study. All would be covered except for
130 the Obstruction Survey. Director Hetherington asked if it would be better to conduct outreach later in the
131 process and Mr. Bullock replied that outreach would occur May through July and the information brought
132 back to the Board in August. Mr. Bullock explained that it is advisable to involve the public early in the
133 design of procedures rather than late to assure all concerns are considered.

134 Mr. Smith asked what climb gradient would be necessary on Runway 11 and Mr. Boyce replied that
135 although all analysis was not in front of him, the Sky Hawk appeared to be able to meet the criteria.
136 Departure from 500 feet per nautical mile may require a waiver. Mr. Smith asked about page 13 of the
137 report and aircraft activity levels in 2015 in regard to whether or not the numbers included tow planes.
138 Ms. Gibbs explained that the total did include tow planes.

139 President Wallace asked for clarification on the timeline. Mr. Smith stated that federal funding for the
140 Obstruction Survey could be obtained in FY 2017. Mr. Bullock explained if the cost was not fully funded it
141 could be included in the budget. The July or August meeting presentation should include the amount for
142 the Survey, the community response from our outreach program and the Phase Two proposal.

143 **PUBLIC COMMENT: None**

144 Director Jones believed that doing a huge analysis prior to discussing the tower and surveillance to the
145 ground as well as the differences between the two should be clear before communicating with the public.

146 Director Van Berkem asked for staff reaction to the comment. Mr. Bullock replied that surveillance,
147 airspace design and the tower are linked together, and the three components give the airport the highest
148 level of control of the airport. None of the components exist in a vacuum, and that the question should
149 be deferred until after the tower discussion which is next on the agenda. Director Jones suggested that
150 visual approaches be investigated further in order to move traffic away from communities, assuming the
151 flexibility of a tower and published procedures, and then going to the public with a thorough picture.

152 Director Hetherington asked if the plan was to be geared more for departures than arrivals, and the
153 proposal could work running parallel with a tower. There would be benefit to research more alternatives
154 before presenting to the public.

155 Vice President Morrison commented that presenting the proposal to the public should be done carefully
156 and that the perception may be negative. Arrivals would be made more efficient, however. Published
157 departure procedures would carry a large benefit.

158 Director Jones commented around a hypothetical Runway 02 departure procedure and that an earlier
159 turn would be needed as soon as possible due to the homes in the area. Mr. Boyce replied that a possible
160 waiver to public procedure, requiring a Safety Risk Management Study, would be an option. A visual
161 procedure could be published to be used in a tower-closed environment.

162 Director Van Berkem expressed a concern regarding the public and the possible perception of little change
163 in arrivals and little enthusiasm around departure changes only. Mr. Bullock replied that exhibits and
164 material can be presented regarding arrivals but the fact remains that terrain challenges limit IFR arrival
165 options. Mr. Smith replied that issues affecting arrivals may not be resolved in the near future but
166 procedures must be published. Director Van Berkem believed that some changes were needed in the
167 arrival slides presented.

168 Director Hetherington stated that **most** comments are received about departures and options must be
169 presented to the public. Vice President Morrison stated that while the Board and staff desire to limit noise
170 and annoyance, many details need to be researched before going to the public.

171 President Wallace reiterated that what staff was requesting from the Board was to determine if outreach
172 should move forward at this time, and proposed that the guidance not be determined at this point and
173 rather after additional agenda items have been discussed. Vice President Morrison stated that arrivals as
174 presented will confuse the public.

175 Mr. Boyce stated that there is a disconnect when looking at perceived ability and actual ability, publishable
176 and supportive of an airport environment. True challenges from an FAA focused perspective would be
177 illustrated in outreach.

178 President Wallace stated that the story is complicated and community outreach must be clear and
179 articulate.

180 **SEASONAL CONTROL TOWER REPORT (TAB 6):**

181 Mr. Bullock reviewed the three options on the table. The RFP responses came back in varied lengths and
182 details. The question asked at the February Strategic Planning Workshop was what the benefits of a 2016
183 deployment versus in 2017 were. The staff report focused on the difference in years including costs per
184 season. A 2016 deployment would not include visual flight procedures or the memorandum of agreement
185 with Oakland Center. The cost for 2016 would be approximately \$440,000 and most seasonal control
186 towers run from \$450,000 to \$600,000. Measurements of success are subjective. Comments from pilots
187 have been that a tower could be beneficial. Benefits to a 2016 deployment versus in 2017 were exhibited
188 in a slide presentation.

189 Vice President Morrison asked if a ground frequency and a tower frequency would be involved and how
190 that would be implemented. Mr. Bullock replied that the frequency spectrum is very crowded and the
191 process would begin immediately upon signing a contract.

192 Director Van Berkem stated an initial desire to wait until 2017, but arrival concerns around a 2016
193 implementation needed to be more thoroughly understood. Director Hetherington stated that the subject

194 was discussed at length at an off-site meeting and **should** be briefly re-summarized **for the public who are**
195 **present or may be watching via live broadcast**. Mr. Bullock stated that he went to the Air Traffic Controllers
196 Association (ATCA) meeting and East Hampton and did not receive any indication that having a tower
197 would increase airport operations.

198 President Wallace noted that currently, the budget includes \$2,000 for Public Outreach and Pilot Printing
199 and Advertising, and asked if this would be sufficient for outreach. Mr. Bullock replied that what is not
200 budgeted is the actual tower deployment, but starting outreach in the current budget year could begin
201 now with funding coming in from ACAT Budget and the Airspace Study Budget.

202 Director Hetherington stated that if the tower is seasonal, there would be an option to not continue the
203 following year. Mr. Bullock replied yes.

204 **PUBLIC COMMENT:**

205 Mr. Andrew Terry asked how recovery cost would occur and if the operational tempo of the airport
206 warranted a temporary tower.

207 Director Hetherington stated that there would be positives to a temporary tower on a trial basis, but cost
208 recovery is a legitimate question. She stated that the cost **should not be paid solely from the community**
209 **annoyance budget as the there are benefits also for the pilots; therefore, the costs should be shared.**

210 Director Jones stated that to attempt a successful implementation within the next three months would
211 be unwise and approval should be granted for 2017 instead.

212 Director Van Berkem stated support for the idea of a 2017 implementation in order to complete the
213 project correctly on the first attempt.

214 Vice President Morrison stated that the dollars to be spent would mostly go toward reducing noise and
215 annoyance for the community and there would be an ancillary benefit, but with less benefit to aviators.
216 President Wallace shared the concern regarding the speed of implementation in 2016 and asked what the
217 benefit would be of implementing in July.

218 Vice President Morrison asked if someone could be hired temporarily to sit in Unicom during the busiest
219 times of day, actively speaking with pilots. Mr. Smith replied that someone with aviation background could
220 be hired, and legal counsel should be obtained to confirm what can be said.

221 Director Hetherington expressed that much time had been spent discussing departures and the calm wind
222 runway, but neighborhoods will continue to be affected by departures after the summer. Vice President
223 Morrison stated that the goal is not to grow the airport but to reduce noise and annoyance.

224 President Wallace stated that Mr. Bullock will return at a future Board meeting with proposals from the
225 proposed vendor outlining how these complex issues might be addressed.

226 **MOTION #3 MARCH-23-2016:** Director Jones motioned to approve the 2017 implementation of a seasonal
227 tower including visual procedure development. Director Van Berkem seconded the motion. Vice President
228 Morrison, and Directors Jones, and Van Berkem voted in favor of the motion. Director Hetherington
229 opposed the motion and stated she preferred to implement in 2016 due to the benefits this would provide

230 for the summer of 2016 because of various aspects of construction, skydiving, back-taxiing on Runway 11-
231 29, and increasing operations. The motion passed (4-1).

232 President Wallace would like to see an Outreach Plan next month. Director Jones stated that there are
233 four new departures that should be reviewed with the community as well as the 2017 temporary tower
234 and some visual arrival procedures. Mr. Bullock indicated that he will bring the outreach plan back to the
235 Board for review.

236 **ACAT REPORT (TAB 7):**

237 Mr. Bullock stated that Ms. Kat Rohlf, ACAT Chair, would present the report.

238 Ms. Rohlf reported that the March 8, 2016 meeting was the first without Mr. Tom Combs and a discussion
239 was held regarding filling the empty seat. What emerged as most important to the committee was for the
240 Board to have a large selection of candidates to choose from, advertising as widely as possible. A
241 community member is desirable and pilot experience would be a definite plus. An Automated Weather
242 Observing System (AWOS) was still being discussed. The committee would like to examine a breakdown
243 of the cost of each phase of the Trails Master Plan.

244 Ms. Rohlf commented that a topic called Lessons from Phoenix was discussed at a recent seminar, and
245 the take-away was to be in front of any problem. Ms. Rohlf would like to see community outreach prior
246 to any movement on a tower or other changes.

247 Director Hetherington asked if there will be an RFP or quotes for a facilitator and Mr. Bullock replied that
248 there would be quotes.

249 **PUBLIC COMMENT: None**

250 **MONTHLY OPERATIONS AND COMMENT REPORT (TAB 8):**

251 Mr. Mike Cooke reported that there was significant traffic in the region on February, 2016 partially due to
252 the extra day. Unlike January 2016, February only saw four days affected by weather. The preliminary
253 data showed 2,121 total operations in 2016 versus 1,065 in 2015. Financials, fuel sales and goods and
254 services were cross referenced to support the increase.

255 Mr. Cooke reported that comments grew proportionately gaining six over February, 2016. Prosser-
256 Lakeview generated half of the monthly total based on departures from runway 29. Prosser-Olympic
257 Heights accounted for 72% of the total for overall comments for the month. There was one new
258 commenter, which was concerned about the repetitive nature of an aircraft performing touch and go and
259 low altitude. The FAA investigated a low flying aircraft over Squaw Valley and it was determined to be the
260 same pilot.

261 There were three night operations outside of Medi-Vac helicopter movements. There were 25 comments
262 from six households, representing six of the residential areas around the airport. Six or more comments
263 were made by 22%. Eight comments were associated with non-compliance operations and the bulk of
264 those were overflights on departure from runway 29.

265 **PUBLIC COMMENT: None**

266 **APPROVAL OF CalPERS RESOLUTION 2016-02 AND REVISION TO POLICY INSTRUCTION 114 (TAB 9):**

267 Ms. Sally Lyon explained that the Resolution had been suggested for revision from 2003, the purpose
268 being to clarify conflicting information. This would be retroactive to replace the 2003 Resolution. The
269 resolution was for the airport to collect the CalPERS contribution, submitting all as an employer
270 contribution so that employees would not be required to pay Federal Income Tax on the contribution.
271 This is a common practice addressed in IRS Code 414. There has not been confirmation from CalPERS that
272 the revision would be accepted, but attorneys indicate this was needed. The Board was asked to rescind
273 the 2003 resolution and to adopt the revised resolution.

274 Ms. Lyon indicated that the sample motion would rescind the previous resolution.

275 **PUBLIC COMMENT: None**

276 **MOTION #4 MARCH-23-2016:** Director Van Berkem motioned to approve Truckee Tahoe Airport District
277 Resolution 2016-02. Director Jones seconded the motion. The motion passed unanimously in a roll call
278 vote (5-0).

279 **PUBLIC COMMENT: None**

280 **MOTION #5 MARCH-23-2016:** Director Van Berkem motioned to withdraw the revised and amended
281 policy instruction 114. Director Hetherington seconded the motion. President Wallace, Vice President
282 Morrison, and Directors Hetherington, Jones, and Van Berkem voted in favor of the motion. The motion
283 passed unanimously.

284 Mr. Smith stated that the policy revision clarifies what has always been done, and the hope was that the
285 revision as recommended by legal counsel will satisfy CalPERS.

286 **RECESS 7:00 P.M. TO 7:10 P.M.**

287 **EXECUTIVE HANGAR STUDY (TAB 10):**

288 Mr. Kevin Smith introduced the presentation. The goal of the project was to consider solutions to the
289 longstanding demand for executive hangars. The three options to consider are to not move forward, lease
290 land for building hangars, or for Truckee Tahoe Airport to build the hangars.

291 Mr. Brad Musinski, Mead and Hunt Project Manager, explained the hangar wait list. Fourteen aircraft have
292 wingspans greater than 50 feet. A survey was conducted and would be added the study shortly. Three
293 potential scenarios were discovered around building hangars; existing tenants may move into executive
294 hangars, the new executive hangars would be occupied by new tenants, or a combination of the two. The
295 recently completed Master Plan and Forecast was based on national trends, FAA forecasts and local
296 economics. People on the wait list are currently using the airport, so in the opinion of staff and consultants
297 building Executive Hangars would not increase operations.

298 Mr. Musinski stated that the people on the wait list were surveyed and 100% responded that they were
299 operating in the airport currently. The response to operations per month was generally between four and
300 eight, but two respondents replied between 20 and 25, and both use charter service. To the question of
301 whether an executive hangar would change operating patterns, six of seven said no.

302 Survey responses from existing tenants included the same questions. Six out of seven also said they would
303 not change operating patterns with an executive hangar. Concerns around auto parking, bathrooms and
304 size were addressed.

305 Two sites were researched. One resembles the ALP with less pavement, but snow removal was a negative
306 as well as potential congestion of shared taxi lanes. The other site has more pavement and a natural
307 vegetation screen blocking the runway. The doors would be 65 feet wide and 20 feet tall; six inch concrete
308 slabs and normal hangar walls. One bathroom is included in the cost as well as separate meters and fire
309 suppression.

310 The cost estimations and specifications could range from \$330,000 - \$400,000 for preparation and
311 construction at \$1.8 million based on "L" row. Inflation has been applied as well as an additional \$5 - \$7
312 per square foot. There are many variables.

313 Director Van Berkem asked if the hangar waitlist table in the report was chronological and Mr. Musinski
314 replied yes. Director Van Berkem asked if the survey responses were cross referenced and Mr. Musinski
315 replied that the responses were random.

316 Director Hetherington stated a concern that the soft cost is 6% of the total cost, and no contingency. These
317 costs are more typically in the 10-20% range, and the Warehouse Office Building (WOB) was an example
318 of how the cost could dramatically increase. Director Hetherington also asked if the estimated costs
319 include the prevailing wage estimate and contractors that are registered with the Department of Industrial
320 Relations. Mr. Smith commented that prevailing wages are included. And that soft costs are less for a
321 hangar project than for an office building.

322 Mr. Phred Stoner commented that locations are in two different jurisdictions. There were no utilities at
323 the time of construction of the WOB but utilities are now underground. Director Hetherington asked
324 about the vacancy rate in T-hangars. Mr. Smith replied that every hangar is occupied currently, with eight
325 non-aeronautical occupants. The plan this spring was to move those out, and there is a small waitlist for
326 T-hangars but new aircraft have 38-40 foot wingspans. Six are waiting for larger super T-hangars.

327 Mr. Jeff Kohlman, Aviation Management Consulting Group (AMCG), presented proforma scenarios. Two
328 were developed, one being a continuation of practices of the District where the airport would own,
329 operate, develop and rent out hangars, and the other to allow non-commercial entities to develop their
330 own private hangars on airport land. When the Board has decided on a path, variables and details would
331 be addressed.

332 A 30 year analysis was used to determine cost and revenue. The economic life of a hangar is 30 years. A
333 market rent study was conducted to determine a recommended land rate. Mr. Kohlman explained how
334 costs including operating expenses, maintenance, historical insurance and utility costs and snow removal
335 equipment were arrived at.

336 The net present value of the project would be \$923,000. If the airport chose to prepare the sites allowing
337 other entities to build and charging a land rental rate of 55 cents per square foot. Annually, the net present
338 value would be -\$280,000. On the other side, the rate would need to be 94 cents to achieve zero on a cost
339 recovery basis. The figure of 55 cents was based on a market rent study conducted in September using
340 comparable airports.

341 Director Van Berkem stated that there appeared to be excessive demand for hangars at the current rate
342 charged, and a methodology to test the elasticity of the price should be assembled. The airport may not
343 be charging enough. Mr. Kohlman replied that market rent studies are an opinion based on the current
344 rate charges compared to comparable sites.

345 Director Jones asked for clarification on the length of time spent on the wait list, and the answer was 10
346 years. Director Jones asked for clarification on the number of airports in the market survey and the answer
347 was 20. Mr. Kohlman explained that the market number was an opinion and not the average.

348 Director Hetherington asked about the Monte Carlo simulation. Mr. Kohlman explained that this was a
349 computer model, and that Truckee had the best computer model during 2007 and 2008 with zero effect
350 on executive hangar demand. Director Hetherington also believed that the current charge may be too low
351 and that she would like to have one hangar be utilized for overnight rentals.

352 Director Hetherington asked what control would be lost or maintained in each scenario. Mr. Kohlman
353 replied that no control would be lost and the difference would be financial. The path proposed was to
354 continue to exercise proprietary exclusive rights for the commercial rental of aircraft storage space.
355 Director Hetherington clarified that the difference was that once the site was paid for in 30 years, the
356 airport would continue to experience income.

357 **PUBLIC COMMENT:**

358 Mr. David Haig, community member and current hangar tenant, thanked the Board for their service and
359 stated that he is a hangar share tenant with two airplanes at the airport that are frequently parked
360 outside. Mr. Haig stated that he is looking forward to additional hangars being built.

361 Vice President Morrison asked staff for comments. Mr. Smith stated that staff agreed with the option to
362 build and manage and concurred with the Operational Impact Analysis.

363 Director Jones agreed with option two as well. The hangars would be hidden by foliage, there is currently
364 a ten year waiting list and because the hangars last longer than thirty years, investment return would be
365 much more. Vacancy should be zero. Where the complications of the WOB project were not initially
366 understood, the hangar project from the start would not be as complicated. Director Jones believed the
367 project should move forward for the benefit of the airport, users and taxpayers.

368 President Wallace disagreed with the opinion of Director Jones and had hoped the proforma would have
369 provided more positive results. President Wallace was not in favor of the airport building more executive
370 hangars but would instead like to see the airport lease the land. While the survey work was accurate, the
371 sample size was small and the initial six could trigger more operations. A precedent to build more may be
372 set as well.

373 Vice President Morrison asked for clarification from President Wallace if the concern was that if the airport
374 built six hangars, an increase in traffic would be experienced and that if the airport built six, more would
375 be inevitable and President Wallace replied yes. Vice President Morrison asked if the opinion was that
376 concept planning for the future and a robust demand does not warrant growth but allowing another entity
377 to build would be acceptable. President Wallace replied that there is growth in operations without any
378 encouragement at this time due to economic factors and the concern was that building hangars would
379 encourage even more operations. The first choice was for no building at all, but a strong demand is present
380 and a middle path was land leasing because it requires more of the tenant and less Airport capital.

381 Director Jones asked for clarification around how the airport building six hangars would produce greater
382 traffic but hangars built by a third party would not increase traffic. President Wallace replied that the
383 theory was a hypothesis but that the six of seven tenants in the survey who stated that they would not
384 change operations would most likely be the pilots who would be willing to build and occupy the hangars.

385 Director Hetherington asked about the status of rules, regulations and minimum standards. Mr. Bullock
386 replied that these were being worked on currently and would be completed by fall. Director Hetherington
387 stated that Hangar 3 is a decision point of mid-summer and the primary management control documents
388 (PMCD) need to be defined. The project should be moved out to the point where all details are settled
389 and the elasticity of pricing should be examined. **Director Hetherington reiterated how the T-hanger**
390 **waitlist used to be over two hundred people long but when the hangars were more appropriately priced**
391 **and the tenants needed to have an operating aircraft in the hanger, then the list was reduced to a minimal**
392 **size.**

393 Director Van Berkem was generally comfortable with the operational risk but asked if legally there were
394 a way to put restrictions into a hangar lease. Mr. Smith replied that the hangar lease must apply to all.
395 Director Van Berkem presented a scenario in which someone moved from a T hangar into an executive
396 hangar and the T hangar was not rented. Mr. Kohlman replied that there is a demand for T hangars which
397 have wider doors. Director Van Berkem asked if there might be a way to bid both options. An entity could
398 build and own all six leasing the land, with the airport receiving a percentage of the rental the entity
399 charged. Mr. Kohlman replied that by law, the airport cannot control pricing or set the market. The
400 scenario of a single entity building and then leasing themselves was discussed.

401 Director Hetherington stated that this was a good discussion and preferred that the airport develop the
402 executive hangars versus building Hangar 3. The demand should be further explored. Tie-downs should
403 be included in analysis. Director Hetherington asked if the hangars could be built next year if the decision
404 to proceed was given tonight and Mr. Stoner replied yes. Director Hetherington then asked if the decision
405 to proceed was given in September, if the hangars could still be built next year and Mr. Stoner replied yes.
406 A vote was therefore not critical at this meeting.

407 Director Van Berkem inquired if legally a higher rate (**i.e.: \$3,000/month**) could be charged to new hangar
408 tenants while allowing current tenants to continue paying a grandfathered lower rate. Mr. Kohlman
409 replied that theoretically more could be charged because the hangars are different. Tenants choose an
410 airport location to use hangars where they operate and not due to the cheapest price.

411 Director Hetherington stated that hangars were not standard considering different square footage, door
412 width and height, age and location. Mr. Kohlman stated that an executive hangar should have a different
413 rate structure than a T hangar. Mr. Marc Lamb stated that the ability to install heating, bathrooms and to
414 build office space within a hangar came up repeatedly in the Survey Monkey.

415 **MOTION #6 MARCH-23-2016:** Director Jones motioned to move forward and approve funds to begin
416 design and engineering of six new executive box hangars at the cost of \$35,500. Vice President Morrison
417 seconded the motion. . Vice President Morrison, and Director Jones voted in favor of the motion.
418 President Wallace, Directors Hetherington and Van Berkem opposed the motion. The motion failed 2-3.

419 Director Hetherington suggested a motion for staff to return next month to present pricing options of the
420 new executive hangars and to continue to address the issues at that time. Mr. Smith indicated that they
421 would bring back a revised proforma with a 10% and 20% price increase option, revised construction costs,

422 option on proprietary exclusive rights, and the last date we can make a decision to build in 2017. There
423 was consensus from the Board to move in that direction.

424 Director Van Berkem asked that the Minutes reflect that no one desired to delay the project and there
425 was time to discuss without affecting the end result.

426 ***Director Jones left the meeting at 8:50p.m.***

427 President Wallace recognized Marc Lamb as he was not present at the beginning of the meeting during
428 the announcement of passing ACE Certification.

429 **SELECTION OF COMPENSATION AND CLASSIFICATION CONSULTANT (TAB 11):**

430 Mr. Smith reported that the Ad Hoc Committee recommended Bryce Consulting at \$27,200. Other local
431 agencies have used Bryce Consulting and have had positive experiences. A Motion would approve Bryce
432 Consulting and authorize the Ad Hoc Committee to complete the scope of work on the study.

433 **PUBLIC COMMENT: None**

434 Director Hetherington asked if the project would consider private companies in the survey data. Director
435 Van Berkem replied that would be addressed in the scope of work.

436 **MOTION #7 MARCH-23-2016:** Vice President Morrison motioned to select Bryce Consulting and authorize
437 the Ad Hoc Committee to complete the scope of work on the study and to authorize President Wallace to
438 sign the contract. President Wallace seconded the motion. President Wallace, Vice President Morrison,
439 and Directors Hetherington, and Van Berkem voted in favor of the motion. The motion passed
440 unanimously (4-0).

441 **REVIEW OF RFPs FOR GREENHOUSE GAS EMISSION INVENTORY AND ECONOMIC IMPACT STUDY (TAB**
442 **12):**

443 Mr. Smith reported that two new studies were approved in the budget process for this fiscal year. The
444 first part of the presentation regarded the Economic Impact Study. The studies were challenging to
445 assemble as they are typically done by larger airports. The best available information was used as well as
446 an Airport Cooperative Research Program (ACRP) report regarding greenhouse gas inventory studies. The
447 first step is to complete both studies.

448 Director Van Berkem had three suggested amendments to the Economic Impact report. Line 64; the word
449 NET should be included before ECONOMIC IMPACT. Line 61; the word CRITICAL should be deleted. Line
450 91; the words AND COST should be added.

451 Director Hetherington had four suggested amendments: Line 69; replace ADVANCE with ASSESS. Line 83;
452 August 31 should be added. The values of homes being affected by the location under the flight path
453 should be captured as economic benefits were listed but without mention of any negative impacts.

454 Mr. Smith suggested that a revised version would be emailed to the Board with requested changes.

455 **PUBLIC COMMENT: None**

456 **MOTION #8 MARCH-23-2016:** President Wallace motioned to accept the Economic Impact Study RFP to
457 be released per the modifications made. Director Van Berkem seconded the motion. . President Wallace,
458 Vice President Morrison, and Directors Hetherington, and Van Berkem voted in favor of the motion. The
459 motion passed.

460 Mr. Smith continued the presentation with the RFP for Greenhouse Gas Emission Inventory.

461 Director Hetherington asked that the RFP be sent to the list of individuals she spoke to at the Chicago
462 conference.

463 **PUBLIC COMMENT: None**

464 **MOTION #9 MARCH-23-2016:** Director Hetherington motioned to approve the request for a proposal for
465 the Greenhouse Gas Emission Inventory Study. President Wallace seconded the motion. President
466 Wallace, Vice President Morrison, and Directors Hetherington, and Van Berkem voted in favor of the
467 motion. The motion passed.

468 Director Van Berkem asked what the examples of deliverables were, and Mr. Smith replied that there are
469 several different methodologies to obtain numbers. Director Van Berkem asked if the Greenhouse Study
470 needed to be completed prior to the Economic Impact Study. Mr. Smith replied that the two should be
471 blended together after they are complete to help address the “benefit vs. impact” question. The study
472 would provide an environmental cost of carbon emissions. President Wallace asked that the proposals be
473 prepared separately. Consultants can address the issues.

474 **STAFF AND BOARD MEMBER CONFERENCE REPORTS**

475 **District Counsel** Collinson reported that no members had attended conferences since the last meeting.

476 **NON-AERONAUTICAL LAND USE PLAN AD HOC COMMITTEE UPDATE**

477 Mr. Smith gave an overview. For the April 27, 2016 Board meeting, a more detailed land use map and
478 future development application processing options were being assembled. Light industrial options and
479 traffic analysis related to the Master Plan as well as a Sphere of Amendment application would also be
480 presented. There has been no decision on the Sphere Amendment application with the Town. An updated
481 appraisal of District non-aeronautical land has been completed.

482 Director Van Berkem asked how the JMA proposal fit into the process and Mr. Smith reported that JMA is
483 one of four applicants and will be presenting their proposal at a future Board Meeting.

484 President Wallace stated that future land development entitlement process options will be complex and
485 that the committee will review all options. Director Van Berkem asked what prevented the Board from
486 approving the lease with JMA. President Wallace explained that when the Committee was formed, the
487 charter given was to only bring the overall picture to the Board. Director Van Berkem asked if the JMA
488 lease could be approved by the Board at the April 27, 2016 meeting, and Mr. Smith replied that it was
489 possible but barriers may occur to make the project infeasible. Director Hetherington asked that the
490 Power Point be forwarded.

491 **PUBLIC COMMENT:**

492 Ms. Alexis Ollar, Executive Director of Mountain Area Preservation, believed that it was important to have
493 an MND study on the Master Plan in hand which may have with huge implications on traffic and emissions.
494 PC-3 was not allowed to locate housing on the Airport side of Soaring Way due to traffic and density
495 restrictions.

496 Mr. Rick Stevens stated that the airport is part of the town of Truckee and as the airport has massive
497 impact, the Town must be engaged in regard to this commercial development. The Board needs to
498 reconcile issues with the town.

499 Vice President Morrison responded that there was no interest in unilaterally developing a project without
500 including the Town of Truckee.

501 President Wallace stated that land lease request letters would be discussed at the April 27th Board
502 meeting, and she indicated that the issues of non-aeronautical land use are bigger than any one proposal
503 and lots of options are under consideration.

504 Director Van Berkem stated that the airport is not legally a part of the Town of Truckee by design, but the
505 airport did not want to move forward without the Town of Truckee. The private sector could move the
506 process faster than a government entity.

507 Mr. Smith reported that discussion concerning the JMA project have centered not only what would be
508 good for the airport, but also good for the Town of Truckee.

509 The Ad Hoc committee thanked the Board and Public for their comments and indicated that they will bring
510 back a full report at the next Board meeting.

511 **GENERAL MANAGERS REPORT (TAB 13):**

512 Mr. Smith reviewed upcoming training opportunities.

513 **Master Plan Update**

514 Mr. Smith reported that according to the FAA, this is complete but can still be modified. CEQA is currently
515 being completed and should be available in April or May. The FAA and Federal agencies do not complete
516 California based environmental quality documents, it is, specifically a State of California document.

517 **Warehouse Office Building (WOB)**

518 Mr. Smith reported that the project is tracking along the budget and a full report will be presented at the
519 April meeting.

520 **Hangar 3**

521 Mr. Smith reported that the Impact Analysis should be completed in the next two weeks. The full concept
522 and budget report will be ready in early summer.

523 **Classification and Compensation Study**

524 Mr. Smith reported that this item was discussed earlier in the meeting.

525 **Regional Air Service Corporation (RASC) Meeting Update**

526 Mr. Smith reported that this will eventually be a regular agenda item. Jet Blue will be operating twice a
527 day from Reno to Long Beach. Three airlines are now operating from Reno International to Southern
528 California Airports (LAX, Long Beach, and John Wayne Airport).

529 **Aquatic Invasive Species Vessel Inspection**

530 Mr. Smith reported that in previous years marine vessel inspections have been held at Northstar, and last
531 year behind Truckee's Town Hall. The District was approached by the Town of Truckee to see if the Airport
532 could be a vessel inspection site for the summer of 2016. Mr. Smith stated that District staff and Town
533 staff agreed that the best site would be the south section of the jet ramp. The operation season is
534 projected to be May through September.

535 **Aquatic Center Project Update**

536 Mr. Smith reported this is proceeding.

537 **Budget Workshop Date Confirmation**

538 A date was not confirmed by any of the Board members. Staff will be sending out a Doodle which will
539 include multiple dates for the end of May and early June.

540 **PUBLIC COMMENT: (None)**

541 **BOARD MEMBER ANNOUNCEMENTS**

542 Director Hetherington stated that she was having trouble accessing Policy Instructions via the District's
543 website. Staff stated that they will investigate this problem.

544 **PUBLIC COMMENT: (None)**

545 **ADJOURNMENT OF MEETING**

546 **MOTION #10 MARCH-23-2016:** President Wallace motioned to adjourn the meeting. Vice President
547 Morrison seconded the motion. President Wallace, Vice President Morrison, and Directors Hetherington,
548 and Van Berkem voted in favor of the motion. The motion passed.

549 The meeting adjourned at 9:53 p.m.