



TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTOR STAFF REPORT

AGENDA TITLE: Approval of Truckee Tahoe Sanitation Agency (TTSA)/Truckee Tahoe Airport District (TTAD) Real Property Exchange Agreement

MEETING DATE: June 27, 2018

PREPARED BY: Kevin Smith, General Manager

RECOMMENDED ACTION: Approved by Consent: Approve Staff recommendation to authorize Board President to sign the attached TTSA/TTAD Real Property Exchange Agreement formalizing terms and conditions for the future exchange of real property.

DISCUSSION: Since the late 1990s, the District and TTSA have been in discussions regarding the possible exchange of properties held by each agency north of the airfield. Both agencies have properties desirable by the other. After much discussion and negotiations, TTSA and TTAD signed a Letter of Agreement (LOA) in October 2018. Since signing the LOA, the General Managers of both agencies have been working on appraisals, conveyance alignments, and other details of the transition. It appears that both agencies are in alignment to make the exchange pending final FAA approval. Attached to this staff report is a formalized Real Property Exchange Agreement that sets in motion this process of making this exchange. This agreement does not convey the property at this time. The Agreement does the following:

1. Establishes a 50%/50% cost share agreement on appraisal, subdivision, and land survey expenses.
2. Establishes intent to exchange real property with no exchange of cash.
3. Outlines pre-closing actions such as easement preparation, lot line adjustments, etc.
4. Request TTUSD consent on a portion of the exchange on TTSA property.
5. Requires FAA approval of transaction.
6. Outlines requirements for title review and condition of property.
7. Escrow and closing requirements are detailed.

As part of the Agreement, particularly related to easements, District staff will assure a provision is included for a future solar farm per the approval in the LOA. With approval of the agreement, the next step is to engage a land surveyor to prepare legal descriptions for the property to be conveyed as well as property received from TTSA. The Board will have an opportunity to review and approve final legal descriptions, easements, and conveyance documents once prepared and reviewed by both TTAD and TTSA. The land release application along with the January 2019 appraisal updates have been prepared and submitted to the FAA. Staff anticipates a 6 to 9 month FAA review process on this request.

The agreement has been reviewed and approved by District legal counsel.

FISCAL IMPACT: There is \$70,000 to \$90,000 expense to create all necessary applications surveys, subdivision applications, and FAA Land Release planning submittals. Staff has planned for these expenses in the CY2019 Budget.

SAMPLE MOTION(S): (see recommended action)

ATTACHMENTS:

Letter of Agreement from October 2018

Proposed TTSA/TTAD Real Property Exchange Agreement

(Land exchange map is attached to the Agreement)