

1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS regular
2 meeting held Thursday, October 17, 2013 at the Truckee Tahoe Airport District Community Room, 10356 Truckee
3 Airport Road, Truckee, California at 9:00 am.

4 **CALL MEETING TO ORDER:** 9:01 a.m.

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

10
11 **STAFF PRESENT:** Mr. Kevin Smith, General Manager
12 Mr. Phred Stoner, Director of Operations
13 Mr. Kevin Bumen, Director of Aviation and Business Services
14 Ms. Jane Dykstra, Director of Finance and Administration
15 Mr. Hardy Bullock, Environment and Technology Specialist
16 Mr. Brent Collinson, District Legal Counsel
17 Ms. Maria Martinez, District Clerk
18 Ms. Denae Granger, Administrative Clerk
19

20 **VISITORS PRESENT:** 11

21
22 **SPECIAL ORDERS OF BUSINESS:** President Hetherington read Resolution No. 2013-06 of the Truckee Tahoe Airport
23 District expressing appreciation to Jack Ellis for his years of service to the Airport Community Advisory Team.

24 **PUBLIC COMMENT:** None

25 **MOTION #1 OCT-17-13:** A roll call vote on this motion resulted in the following: Director Wallace – yes, Director
26 Van Berkem – yes, Director Morrison – yes, Vice President Jones – yes, President Hetherington – yes. The motion
27 passed.

28 President Hetherington read Resolution No. 2013-07 of the Truckee Tahoe Airport District expressing appreciation
29 to Leeds Davis for his years of service to the Airport Community Advisory Team.

30 **PUBLIC COMMENT:** None

31 **MOTION #2 OCT-17-13:** A roll call vote on this motion resulted in the following: Director Wallace – yes, Director
32 Van Berkem – yes, Director Morrison – yes, Vice President Jones – yes, President Hetherington – yes. The motion
33 passed.

34 Mr. Bumen stated that this is his last Board meeting as he has taken a position as General Manager for San Luis
35 Obispo County Airports. His last day will be November 6, 2013.

36 **PUBLIC COMMENT**

37 Mr. Andrew Terry expressed his surprise over Mr. Bumen leaving the Truckee Airport. He also stated that he
38 enjoyed working with Mr. Bumen and he hopes Mr. Bumen will reach out to the San Luis Obispo community.

39 **CONSENT CALENDAR**

40 Mr. Smith stated that Mr. Matt Michael, Chair of the Tahoe Flying Club was present at the meeting.

- 41 • Minutes: September 16, 2013 Budget Workshop
- 42 • Minutes: September 26, 2013 Regular Meeting
- 43 • Monthly Service Bills and Fees
- 44 • Financial Report
- 45 • Annual Reporting of Reimbursements and Disclosure Report
- 46 • Tahoe Flying Club Recognition
- 47 • Internal Control Review
- 48 • Procurement Policy Update

49

50 **PUBLIC COMMENT**

51 Mr. Terry stated that he has a little concern that the Tahoe Flying Club may institute more operations. He asked
52 the Club to be sensitive about this.

53 **MOTION #3 OCT-17-13:** Director Van Berkem moved to approve the items on the Consent Calendar. Vice
54 President Jones seconded the motion. President Hetherington, Vice President Jones, and Directors Van Berkem,
55 Morrison and Wallace voted in favor of the motion. The motion passed.

56 **AIRPORT COMMUNITY ADVISORY TEAM**

57 Mr. Bullock stated that he has met with the two new members of ACAT. He gave a brief summary of the October
58 8, 2013 ACAT meeting. ACAT moved to fund Phase 3A of the RNAV departure in an amount not to exceed
59 \$40,000. The Lake Tahoe visual RNAV is now a submitted procedure. ACAT approved \$2000 to continue work on
60 this procedure. Mr. Pete Elmore of NextGen Aviation Consulting Partners expects completion of the Unicom
61 Needs Assessment in mid-December to be presented to the Board at the January 22, 2014 meeting.

62 The officer selection was moved to the November ACAT meeting due to two members being absent from the
63 October meeting. ACAT reviewed the Policy Instruction 511, "Airport Operations Monitoring System Data" and
64 there was no action taken. The pilot kiosks are being constructed, and ACAT is hoping for installation at the end
65 of October.

66 **WEBSITE UPDATE**

67 Mr. Bullock gave an update on the new website. He stated that the Content Management System is nearly
68 completed by the New Leaders team. The content outline was created for the container integration by Mr.
69 Bullock. The next milestone meeting is in late October.

70 **COMMUNICATION AND OUTREACH EFFORTS – Q3 2013**

71 Mr. Bullock gave the Communications Report for Mr. Mike Barrett as he was unable to attend the meeting. He
72 stated that there were four primary events: the AirFair, the Truckee Donner Block Party, four Truckee Thursdays,
73 which were very successful, and three family birthday parties at Katie's Playground. Mr. Smith stated that Katie's
74 Playground is becoming a new and unique place for playdates and birthday parties. Mr. Bullock stated that there
75 have been several E-blasts sent out over the course of the quarter that have had successful opening rates.

76 Director Wallace would like to know if there is a way to find out about upcoming events. Mr. Bullock stated that
77 staff is moving toward a joint calendar. Mr. Smith stated that he will put the upcoming events on his General
78 Manager's report a month in advance.

79 **PUBLIC COMMENT**

80 Mr. Terry commented on the ACAT update, stating that they are working on a one engine out scenario for bigger
81 operatives on the RNAV departure. Mr. Bumen uses the GIS system to show the potential impact. He also stated
82 that Mr. Davis was a representative on the website redesign and he is unsure if he will continue with that.

83 **MASTER PLAN ALTERNATIVES PRESENTATION AND REVIEW**

84 Mr. Smith started the presentation stating that the Ad Hoc committee, staff, and Mead & Hunt have been
85 meeting almost weekly to discuss all alternatives. He stated that the District needs to decide what will be
86 presented at the November 13, 2013 Public Workshop for the Master Plan. Mr. Tony Tezla of Mead & Hunt gave
87 a background on the Master Plan topics. The topics will be broken down in chapters. He stated that there are
88 three phases of study and that the current objective is to assess the alternatives for community benefit potential.
89 The goal of the runway alternatives is to reduce impacts on the community, both visual and noise related. There
90 was discussion about the two alternatives for Runway 11-29. The goal for both alternatives is to have the aircraft
91 at higher altitudes over residences after departures. Mr. Tezla stated that noise was assessed by both the
92 loudness and how long it was heard. Vice President Jones stated that he would like to see a map that shows
93 parcel boundaries in the different colors in the presentation of the noise assessment in both Olympic Heights and
94 the Martis Valley Estates. Mr. Smith stated that staff can put parcel data in the assessment. Vice President Jones
95 stated that sometime in the future, it would be helpful to see the parcels in case the District would like to have an
96 acquisition strategy. Mr. Tezla stated that each square of color is 600x600 feet, which is the default for that
97 model.

98 Mr. Bullock pointed out that most of the annoyance calls staff gets from jet arrivals are not from noise, but from
99 low over flight. Director Van Berkem questioned the percentage of aircraft usage of Runway 11. Mr. Bullock
100 stated approximately 11-13%, and without jet arrivals it is approximately 5-6%. Mead & Hunt recommend that
101 Alternative 1 be removed from consideration, as there was no significant change to height or noise in their
102 analysis. Alternative 1 is the alternative which shifts Runway 11-29 to the east.

103 There are two alternatives for Runway 2-20, to widen the runway, or to both widen and extend the runway to
104 5000 feet. Vice President Jones questioned how much pavement the District would be adding to extend the
105 runway. Mr. Tezla stated that there would be an addition of 496 feet. He answered Director Van Berkem's
106 question about pavement length stating that part of the added asphalt would be counted as part of the safety
107 zone. Mr. Tezla stated that Mead & Hunt analyzed the factors that would sway the pilots from using one runway
108 over another. Some of these factors include: wind direction and velocity, runway length, taxi distance, glider
109 activity, and runway width. In the opinion of Mead & Hunt, widening the runway alone will not significantly
110 disperse operations. However, both widening and extending the runway will disperse the operations more
111 effectively, and Mead & Hunt recommends retaining this alternative for further analysis.

112 Director Wallace commented on the re-routing of the creek area for the Runway 2-20 extension. She stated that
113 there may be a potential issue in the permitting for this creek. She suggested including this design in the current
114 upstream restoration project being done by the Truckee Watershed Council, even though this creek flows the
115 opposite way. This idea will be examined.

116 Mr. Tezla presented on the final alternative, the off-airport alternative. This alternative adds consistency with the
117 methodology of the FAA, and the inclusion of an off-airport alternative may add credibility to the other
118 alternatives. He stated that there might be an addition to this alternative in adding a change in the departure
119 route.

120 **PUBLIC COMMENT**

121 Mr. Terry stated that the potential new routing of departures would be right over old Truckee. He questioned if
122 the District wants jets to fly directly over old Truckee.

123 President Hetherington stated that in the past, aircraft were flying over old Truckee, and that flight path has since
124 been moved because of the bypass. She said that there is more ambient noise over old Truckee than there is over
125 neighborhoods, and there has to be a balance. Vice President Jones stated that he is more sympathetic to
126 households that were in place before the Airport was built, which is a lot of Olympic Heights. Director Van
127 Berkem commented on the concentration versus dispersion effort. Vice President Jones stated that Runway 2-20
128 is an effort in dispersion. Mr. Smith asked if the terrain might prohibit a published procedure with departures to
129 the west as opposed to the current published procedure with departures to the north. Mr. Tezla did not know the
130 answer to that question. He stated that the Airport can create and publish noise abatement procedures and most
131 pilots will comply. Vice President Jones stated that after this Master Plan process, if there is still a problem, there
132 is a lot more that could be done. Mr. Tezla recommends keeping Alternative 3 for further analysis as it reduces
133 residential impacts. Director Van Berkem questioned the approximate cost for widening and extending Runway 2-
134 20. Mr. Smith stated that it is being estimated at \$7 million, and it is in the "dream list". Vice President Jones
135 questioned how much of that the FAA could fund. Mr. Tezla answered that the FAA will probably not fund much,
136 as it would be very low on their priority list. Vice President Jones questioned if this process could be completed in
137 segments, making it easier for the Airport to fund, as well as easier for the FAA to fund. Mr. Tezla stated that it
138 would be possible, but he believes it would be easier to complete the project all at the same time.

139 President Hetherington commented on what type of aircraft the runway is aimed towards, and was unsure if
140 widening and extending the runway would have as much of an impact on the usage. Mr. Bumen stated that the
141 East Hampton Airport has had measurable success in encouraging flight paths with a seasonal control tower. He
142 asked the general question of what the highest measure of influence is to see what level of change can be
143 obtained. He encourages the District to look at a seasonal tower stating that direct interaction would be more
144 influential than voluntary. Director Morrison would like to continue with the study of enhanced Unicom
145 capabilities and what the liabilities of the Airport are, as with some training for the Unicom employees, there
146 could be a huge benefit. There was discussion about a seasonal tower versus a permanent tower. Mr. Smith
147 stated that a seasonal tower would be an experiment. Mr. Tezla stated that it will be a part of the Master Plan
148 that states the District will consider a seasonal tower for experimentation. Mr. Bumen reminded the Board that
149 because the East Hampton Airport did not identify a tower in their Master Plan, there was no environmental work
150 done, therefore costing the airport much more money than if it had been in the master plan. He stated that
151 having some mention of a seasonal tower in the Master Plan could only be beneficial. Director Wallace reminded
152 everyone that at the Board Workshop, there was very little support for a control tower from the pilot community.
153 Mr. Tezla stated that if the seasonal tower is shown in the Airport layout plan, it would trigger the environmental
154 work that would need to be done. If there is a site identified for a possible seasonal tower, nothing else can be
155 done with that site, and it could also potentially restrict some development. Mr. Smith stated that staff could
156 review what a tower might look like on the draft Airport Layout Plan and then decide if the District wants to make
157 it a permanent feature on the Airport Layout Plan. Mr. Stoner stated that there have been temporary towers at
158 the Airport for air shows in the past. Director Morrison stated that there could be potential benefits from an
159 enhanced Unicom or a temporary tower. He would like to find out what the differences would be and if the
160 benefits would be the same. For both a temporary tower and an enhanced Unicom, he would like to know the
161 cost, the long term fiscal impacts, and the benefits. He does not believe that building a tower will happen as it is
162 very expensive to build and maintain and the FAA will probably not fund it. Mr. Smith stated that the FAA might

163 fund approximately 20% of the cost, but will not fund the construction or ongoing maintenance. Mr. Smith
164 suggested staff take this issue to the Ad Hoc committee. Director Wallace suggested that, from direction, the
165 Master Plan Ad Hoc committee come up with a recommendation for the Master Plan for the control tower, while
166 also carrying on an enhanced Unicom discussion. Director Morrison agreed to this. Director Van Berkem would
167 like to make sure that the District is not doing anything to hamper what could be done in the future.

168 The next step will be a Master Plan Workshop on Wednesday, November 13, 2013. Ms. Seana Doherty, with
169 Freshtracks Communications, spoke about the two public meetings on November 13, from 11:30am-1:30pm, and
170 from 6:00pm-8:00pm. The purpose of the Workshop is to review alternatives and land use. President
171 Hetherington would like it to be noted in the Workshop information why certain alternatives were removed.

172 Mr. Tezla started the discussion on the multi-use hangar and hangar sites. There have been four different sites
173 identified. The idea is to keep this building as close to the public area as possible as it will be used for both aircraft
174 storage and public use. Director Morrison would like to start the study on the different sizes of hangars for the
175 four different sites. Director Van Berkem stated that he thought there was going to be an option for de-icing in
176 the multi-use hangar. He would like to make sure the size of the hangar fits that. Mr. Smith stated that part of
177 the analysis will be to understand all the costs associated with a multi-use hangar, and review potential. Staff is
178 talking to a couple of consultants to do the study. Staff cannot begin the study until the forecast is complete.
179 President Hetherington would like there to be a study on the prioritization for community use and aircraft use.

180 Mr. Tezla commented on the 1998 Master Plan, stating that it was very robust with several added runways and
181 additional hangars. The current Master Plan is much smaller, with no new t-hangars but will propose a few new
182 executive hangars.

183 Mr. Terry stated that he is encouraged that there has been technical study that will drive the Airport toward
184 different options and will help clarify some future discussions. He stated that it may not be a great idea to have
185 more executive hangars closer to residential areas; he would like to locate them further away.

186 **BREAK:** At 11:06 a.m. the Board recessed for a short break. At 11:16 a.m. President Hetherington reconvened
187 the meeting.

188 **MARTIS VALLEY WEST DEVELOPMENT APPLICATION REVIEW**

189 Mr. Smith started the presentation stating that he has met with Placer County, who is in the initial stages of
190 reviewing what East West Partners have submitted on the development proposal. The District has until late
191 January to include anything the Airport would like for the environmental impact review. He stated that there
192 were approximately 200 acres closer to Northstar that have essentially been removed from the developed area.
193 Mr. Bumen showed a composite view of the proposed development area of Martis Valley. He showed a video of a
194 proposed arrival for a jet. He reminded the Board that there are maximum speeds on this procedure. Director
195 Morrison questioned how many operations use this arrival. Mr. Bumen stated that staff has not done that
196 analysis. He said that upon approval of this procedure, it will only be available to operators that seek approval to
197 fly it, not open information. President Hetherington questioned if Vail could come back and develop those 200
198 acres recently removed. Mr. Smith stated that could happen, but is unlikely, as there are many reasons why the
199 acreage was removed and it would take a lot more effort to develop those.

200 Mr. Smith stated that if the District is going to take a position on this development, he suggested that he receive
201 the comments of the Board by mid to late December. He said that one comment he would add is that one of the
202 areas they have slated for the development of multi-family homes (the southwest corner) is not in the best area,

203 as the flight path is close by. The earliest that Placer County could start the Environmental Impact Report would
204 be at the end of January. Director Morrison questioned what the positive benefits are for the other groups in this
205 Environmental Impact Report, and how much these groups are receiving financially. Mr. Smith stated that he did
206 not think that any of the groups were getting anything financially, but this type of conservation may help them
207 with fundraising. Director Van Berkem stated that to his knowledge, there is no direct financial gain. Director
208 Morrison stated that from his perspective, this development is not a great thing for the Airport. There was
209 discussion about the position of the multi-family homes. Director Morrison stated that he is not opposed to the
210 total development, but he is concerned about the proposed development. He questioned what will be done to let
211 the homeowners know about the overflight that happens in this area. District Counsel Collinson stated that one
212 of the options is to request that a requirement of an overflight easement ~~as opposed to~~ an avigation easement
213 be placed on the entire parcel part of the subdivision so that people that are purchasing lots or houses are aware
214 of the issue. It lets the purchasers know that the overflight may be occurring. Mr. Bumen stated that there is
215 overflight in this area, and there will continue to be in the future. Vice President Jones asked staff to, if staff is
216 concerned, draft observations and identify what the concerns should be, including District Counsel Collinson's
217 reference of overflight action for review at the December 5, 2013 Board meeting. Mr. Smith stated that staff will
218 work on the draft, and that Placer County and the developer have agreed to the avigation easement already.
219 Director Van Berkem stated that staff should think more about a prophylactic approach to the complaints that will
220 happen when the houses are built. Vice President Jones stated that there should be a requirement of
221 documentation of overflight that is put in the marketing material for the homes. He stated that he is opposed to
222 the development of the 200 acres. Mr. Smith stated that more research will be done on that. Director Wallace
223 would like to develop a policy with guidance on how the District will respond to future developments outside the
224 Airport influence area. Mr. Smith stated that staff will come back at the December Board meeting with a draft
225 letter and work on a policy. Director Morrison stated that as a group, the Board is not necessarily opposed to the
226 development, but is concerned about potential impacts and that those need to be studied and understood and
227 that a letter expressing these concerns should be sent to the County and developer. There was general consensus
228 on the Board with this position.

229 PUBLIC COMMENT

230 Mr. Terry stated that he is in agreement with the Board in that the Airport does not want to stifle the
231 development opportunities in Martis Valley. The District should be informed and involved in reviewing any
232 potential development projects. The District should find out how impactful the development would be on
233 aviation activity, and vice versa. He encourages staff to continue the exposure and involvement in this process.

234 Director Van Berkem is unclear as to what determines the CLUP (~~Conceptual-Compatible~~ Land Use Plan). Mr.
235 Tezla stated that there are four impact categories that determine the CLUP. The first is airspace which emanates
236 off the runways, the second is the noise which is based on a contour. The third impact category is overflights, and
237 the fourth is safety. Director Van Berkem questioned how much money the Airport receives in property taxes
238 from this proposed development. Ms. Dykstra answered that it would be .029% of the assessed value. Vice
239 President Jones stated that with the sphere of influence, the terrain has to be taken into account. He believes
240 there is a way to expand the sphere of influence because of the contour of the flights in and out of that area. Mr.
241 Tezla answered that the CLUP does normally take into account the terrain. Mr. Smith stated that the update for
242 the CLUP will come after the completion of the Master Plan.

243 APPROPRIATIONS LIMIT – RESOLUTION 2013-08

244 The Board briefly reviewed Resolution 2013-08 which states that the percentage change in California per capita
245 personal income from the preceding year is the “change in the cost of living factor” which the Board elects to use
246 to calculate the fiscal 2013-2014 Appropriations Limit, the Appropriation Limit for fiscal 2013-2014, and the fact
247 that the District’s budgeted appropriations of proceeds of taxes do not exceed the appropriations limit.

248 **PUBLIC COMMENT:** None

249 **MOTION #4 OCT-17-13:** Vice President Jones made a motion to approve the Appropriations Limit – Resolution
250 2013-08 of the Truckee Tahoe Airport District and establish appropriation limits for FY2013-2014 and waive the
251 reading. Director Wallace seconded the motion. A roll call vote on this motion resulted in the following: Director
252 Wallace – yes, Director Van Berkem – yes, Director Morrison – yes, Vice President Jones – yes, President
253 Hetherington – yes. The motion passed.

254 **POLICY INSTRUCTION 308 – INVESTMENT POLICY REVIEW: RESOLUTION 2013-09**

255 The Board briefly reviewed Resolution 2013-09, the “Adoption of District Investment Policy and Delegation of
256 Investment Authority to District Treasurer”.

257 **PUBLIC COMMENT:** None

258 **MOTION #5 OCT-17-13:** Vice President Jones made a motion to approve the Policy Instruction 308 – Investment
259 Policy Review: Resolution 2013-09 and waive the reading. Director Van Berkem seconded the motion. A roll call
260 vote on this motion resulted in the following: Director Wallace – yes, Director Van Berkem – yes, Director
261 Morrison – yes, Vice President Jones – yes, President Hetherington – yes. The motion passed.

262 **ALDER HILL ESTATES, LOT 8 PURCHASE – RESOLUTION 2013-10**

263 The Board briefly reviewed Resolution 2013-10, a resolution accepting certain real property located at 11943
264 Alder Hill Road and authorizing the Board President to sign a certificate of acceptance.

265 **PUBLIC COMMENT:** None

266 **MOTION #6 OCT-17-13:** Vice President Jones moved to approve the Alder Hill Estates, Lot 8 Purchase – Resolution
267 2013-10 and waive the reading. Director Van Berkem seconded the motion. A roll call vote on this motion
268 resulted in the following: Director Wallace – yes, Director Van Berkem – yes, Director Morrison – yes, Vice
269 President Jones – yes, President Hetherington – yes. The motion passed.

270 **GENERAL MANAGER’S REPORT**

271 Mr. Smith gave a recap of the upcoming training opportunities. Mr. Bullock stated that he went to AOPA in Fort
272 Worth, Texas, and it was a great conference. Mr. Bumen stated that AOPA is retiring that format and moving to a
273 regional format. Mr. Smith talked about the AAAE Conference in Hawaii. The Aviation Safety Seminar is on
274 November 19 with Oakland Center. There will be several Board members unable to attend.

275 Mr. Stoner spoke about the summer pavement maintenance. The ramp will be open Monday, October 21, 2013.
276 The striping will be happening at the end of the week.

277 Mr. Smith stated that the Master Plan Workshop is November 13, 2013. January 29, 2014 is the Board retreat.
278 Director Van Berkem questioned the schedule for the Board meetings starting in 2014. Mr. Smith stated that if

279 there is a closed session item, the meetings will start at 4:00pm, but if there is not a closed session item, the
280 meetings will start at 5:30pm.

281 In terms of the wind shear issue, staff is looking into the issue. Mr. Smith stated that there are some people that
282 are concerned that if all of the trees are removed, it will cause a larger problem because the slope will be exposed
283 that could exacerbate that problem. There will be a formal letter to Mr. Mark Wirth, who has raised some
284 concerns about the trees causing an issue for pilots on their approach. Director Wallace stated that if there is no
285 action taken, and Mr. Wirth is still concerned, that the Board make sure to acknowledge his concern, but that the
286 issue has been addressed. Mr. Smith stated that it has come up several times about the liability of the Airport in
287 cases such as these, even if the Airport has met all of the required design criteria and safety area requirements
288 that the FAA requires.

289 Mr. Smith spoke about the projects that were added to the project tracking list. Mr. Bullock gave an update on
290 the Waddle Ranch Forest Management Plan. There were two bids for the 25 acres of management, and Volcano
291 Creek was awarded the contract. The rotational planting is in its third year, with a 33% survival rate. The Truckee
292 River Watershed Council has a design review completed for the road improvement. Mr. Bullock stated that the
293 final contract for AWOS has been signed and is going to be updated in approximately four weeks. Mr. Smith gave
294 an update on the 2014 AirFair, as well as the Alder Hill beacon tower. Mr. Stoner stated that the barbed wire will
295 be installed within two weeks.

296 Director Morrison questioned the status research of the community use hangar. Mr. Smith stated that as soon as
297 staff has the forecast and the locations have been decided, staff will begin at once. Director Morrison questioned
298 if the consultants will be contacted after the forecast has been completed. Mr. Smith said that has already been
299 done and there have been some hangar manufacturers that have been contacted as well. Mr. Brad Musinski of
300 Mead & Hunt stated that the forecast is going to come to Mr. Smith for review by next week.

301 Mr. Stoner stated that the ~~Truckee-Tahoe~~Tahoe Truckee Sanitation Agency granted permit to enter the land and
302 perform the tree removal on their property. This project will take approximately two weeks to complete and staff
303 anticipates the removal of trees to begin approximately the first of November. Mr. Smith stated that he will be
304 out of the country next week.

305 **PUBLIC COMMENT:** None

306 **CLOSED SESSION**

307 At 12:29 p.m., the Board entered closed session pursuant to government code section:

- 308
- 309 • CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (SUBDIVISION (C) OF GOVERNMENT CODE
310 SECTION 54956.9)
311 Name of case: Truckee Tahoe Airport District v. Gaylia Newcomb, et al., Nevada County Superior Court
312 Case #TCU13-5538
313

314 **PUBLIC COMMENT:** None

315 At 12:37 a.m., the Board recessed out of closed session and reported the following action:

- 316
- 317 • CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (SUBDIVISION (C) OF GOVERNMENT CODE
318 SECTION 54956.9)
319 Name of case: Truckee Tahoe Airport District v. Gaylia Newcomb, et al., Nevada County Superior Court
320 Case #TCU13-5538
321 • *The Board reported that direction was given to staff.*

322
323 PUBLIC COMMENT: None

324 **LAND LEASE UPDATE – PROGRESS REVIEW**

325 Mr. Bumen stated that staff has received a copy of the application process letter from Nevada County to the Town
326 of Truckee outlining roles and responsibilities throughout the entitlement and development review process. The
327 FAA land release is being worked on by Mead & Hunt. Mr. Tezla stated that he is working on the graphic and
328 there has been a draft letter started. Mr. Bumen stated that JMA Ventures has provided a preliminary draft terms
329 sheet for review and discussion by the District. Mr. Smith stated that he is meeting with Kaplan and Kirsch in
330 November and will hopefully receive a copy of what the lease will look like.

331 Director Wallace would like the Board to be involved in the lease review. She also agreed that that the Ad Hoc
332 committee be involved in the full review of the lease. Mr. Smith stated that on November 15, 2013, the appraisal
333 will come in. Director Wallace stated that she is concerned that there is not enough detail being discussed
334 regarding traffic and aesthetics. She is further concerned that both Placer County and JMA Ventures have not
335 been explicitly included in the peer-agency discussions, and they have not committed to meeting the timeframes
336 or issues raised from the point of view of Nevada County and the Town of Truckee. Director Wallace stated that
337 she would like Mr. Smith to meet with Nevada County, the Town of Truckee, Placer County, JMA Ventures, and
338 Clear Capital to discuss the traffic impacts and aesthetics of the project. Vice President Jones stated that those
339 groups have already met and continue to meet and he does not understand the objective of getting those
340 agencies together again until staff has more information. The Board did not agree with Director Wallace, but Mr.
341 Smith would be willing to try and make it happen. Mr. Bumen stated that the Town and Nevada County have
342 worked together in the past, but the concerns with this lease are both the proximity and the intensity of use given
343 the boundary between them. Mr. Smith stated that there will be a preliminary design layout and there will be a
344 traffic study. This traffic study will be the next step as staff moves toward a solution on traffic.

345 President Hetherington questioned what would happen if in the future, Clear Capital is not in that building. She
346 questioned how it would be addressed in the lease, and if there would be competition with private development.
347 Vice President Jones stated that he does not think that JMA Ventures and Clear Capital have finalized how they
348 are going to take control of this entity. He said that if Clear Capital decides to leave, they still have an obligation
349 to the Airport. Part of the design of the building is to use it as more of an office complex. Director Van Berkem
350 stated that the Ad Hoc committee would consider this, and could have something included in the contract that
351 the District could be compensated to repair or possibly tear down the building if Clear Capital decides to leave and
352 the building is a liability rather than an asset. Director Morrison would like the Ad Hoc committee to consider
353 what the implication is for the Airport to create an 80,000 square foot lease opportunity to a private enterprise.
354 President Hetherington stated that if Clear Capital leaves, the District would not own the building, JMA Ventures
355 would own the building.

356 Mr. Gabe Nacht, CFO of Clear Capital, spoke about the term sheet that will move forward to a lease agreement.
357 There are still a number of things that can derail the entire process completely. In terms of the design aspect, the
358 District will approve the design. He stated that if Clear Capital is no longer able to make payments to the Airport,
359 someone will be contractually liable, and JMA Ventures and Clear Capital are still working on who will be liable.
360 He does not believe there is any benefit to building on public land, he would rather own the land, but Clear Capital
361 is unable to do that currently. Sometime in the future, Director Van Berkem would like to know why Clear Capital
362 picked the Airport site over the others, and part of the deal cannot be because the rent is cheaper. Director

363 Morrison would like it to be shown how Clear Capital is mitigating the risk of adding to the empty commercial
364 space in Truckee.

365 **CLOSED SESSION**

366 At 1:19 p.m., the Board entered closed session pursuant to government code section:

- 367
- GOVERNMENT CODE SECTION 54957 – GENERAL MANAGER ANNUAL PERFORMANCE REVIEW

368 **PUBLIC COMMENT:** None

369 At 2:30 p.m., the Board recessed out of closed session and reported the following action:

- 370
- GOVERNMENT CODE SECTION 54957 – GENERAL MANAGER ANNUAL PERFORMANCE REVIEW
 - *The Board reported that direction was given to staff.*
- 371

372 **BOARD MEMBER ANNOUNCEMENTS:** None

373 **PUBLIC COMMENT:** None

374 **ADJOURN**

375 **MOTION #7 OCT-17-13:** Director Wallace moved to adjourn. Director Van Berkem seconded the motion.
376 President Hetherington, Vice President Jones, and Directors Morrison, Van Berkem, and Wallace voted in favor of
377 the motion. The motion passed.

378 At 2:30 p.m. the September 26, 2013 regular meeting of the Truckee Tahoe Airport Board of Directors adjourned.

379