

1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS regular
2 meeting held Thursday, June 27, 2013 at the Truckee Tahoe Airport District Community Room, 10356 Truckee
3 Airport Road, Truckee, California at 8:00 am.

4 **CALL MEETING TO ORDER:** 8:04 a.m.

5 **DIRECTORS PRESENT:** President Mary Hetherington
6 Vice President John B. Jones Jr.
7 Director J. Thomas Van Berkem
8 Director Lisa Wallace
9 Director James W. Morrison (Arrived at 9:06 a.m.)
10

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

20 **CLOSED SESSION**

21 At 8:04 a.m., the Board entered closed session pursuant to government code section:
22

- 23 • CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO SUBDIVISION (C) OF GOVERNMENT CODE
24 SECTION 54956.9: ONE POTENTIAL CASE
25

26 **PUBLIC COMMENT:** None
27

28 At 8:52 a.m., the Board recessed out of closed session and reported the following action:
29

- 30 • CONSIDERATION OF INITIATION OF LITIGATION PURSUANT TO SUBDIVISION (C) OF GOVERNMENT CODE
31 SECTION 54956.9: ONE POTENTIAL CASE
32
- 33 • *The Board came out of closed session and reported that direction was given to Staff.*
34

35 At 9:01 a.m., the Board reconvened the regular Board meeting.
36

37 **VISITORS PRESENT: 22**
38

39 **AIR FAIR COMMITTEE REPORT**
40

41 Mr. Tim LoDolce, Chairman of the AirFair Committee, introduced the Vice Chair, Mr. David Love. The AirFair is
42 Saturday, July 6, 2013. Mr. LoDolce stated that the committee is tapping into the excess monies, but will remain
43 under budget. He also addressed concerns about the recent Dayton Air Show tragedy. He stated that precautions
44 have been taken, and the performers will be flying at a higher altitude. He passed out the insert brochures that
45 will be in the Sierra Sun Friday, July 5. Mr. Love stated that an addition has been made to the AirFair. Sully
46 Sullenberger, the famed "Miracle on the Hudson" pilot, will be at the grand opening to the AirFair. There are over
47 300 people for the dinner the night before, with the expectation of selling out of tickets.
48

49 **PUBLIC COMMENT:** None

50 **SPECIAL ORDERS OF BUSINESS**

51 Mr. Smith stated that the Airport District sent 11 fifth grade classes in the school district to the Challenger
52 Academy in Sacramento to give the kids an introduction to aerospace. He has gotten many thank you cards from
53 the kids. Mr. Smith read one of the cards from the son of Mr. Rick Anzar, a District employee.

54 **PUBLIC COMMENT**

55 Ms. Kathy Echols, a former teacher, commented on the program stating how great it is that the District is funding
56 this program. Mr. Andrew Terry commented on the upcoming “hot spell” of weather. He said it would be useful
57 to observe how bad the density altitude can get.

58 **CONSENT CALENDAR**

59 Mr. Smith requested that the Award Summer 2013 Pavement Maintenance Contract be pulled from the Consent
60 Calendar. Vice President Jones agreed.

61 **PUBLIC COMMENT:** None

- 62 • Minutes: May 23, 2013 Regular Meeting
- 63 • Minutes: May 23, 2013 Special Meeting
- 64 • Minutes: June 5, 2013 Special Meeting
- 65 • Monthly Service Bills and Fees
- 66 • Financial Report
- 67 • Property Insurance Renewal Approval
- 68 • ACAT Budget Adjustment Approval
- 69 • PI 113 – Organizational, Hiring, and Pre-Employment Policies Update Approval

70
71 **MOTION #1 JUNE-27-13:** Vice President Jones moved to approve the items on the Consent Calendar with the
72 exception of the Award Summer 2013 Pavement Maintenance Contract. Director Van Berkem seconded the
73 motion. President Hetherington, Vice President Jones, and Directors Morrison, Van Berkem and Wallace voted in
74 favor of the motion. The motion passed.

- 75 • Award Summer 2013 Pavement Maintenance Contract

76 Mr. Smith stated that on June 26, 2013 the District received another \$500,000 in FAA funding, in addition to the
77 \$394,000 already received. He said that the FAA will fund about 90% of the Base Bid, with the alternatives in the
78 plan. In using the \$500,000, the District’s intention is to continue extending the ramp work, and remove the
79 1998-1999 aggregate that is currently in place. Vice President Jones requested clarification that before the most
80 recent FAA funding, the ramp work was going to be from Hangar 2 down to the EAA building, and with the new
81 funding, the ramp work will be going further. Mr. Smith confirmed this.

82 **PUBLIC COMMENT:** None

83 **MOTION #2 JUNE-27-13:** Director Wallace moved to approve the Award Summer 2013 Pavement Maintenance
84 Contract with the addition of the \$500,000 funding from the FAA. Director Morrison seconded the motion.
85 President Hetherington, Vice President Jones, and Directors Morrison, Van Berkem and Wallace voted in favor of
86 the motion. The motion passed.

87 **SOS GLENSHIRE**

88 Mr. Smith stated that SOS Glenshire came to the meeting to inform the Board on how the District might be
89 affected by the Canyon Springs development. Mr. Leigh Golden, Board President of SOS Glenshire gave the
90 presentation. He stated that his position as Board President is a non-profit position, in compliance with the
91 501(c)(3), and is an unpaid position. He presented an overview of the GPS approach to Runway 20 and how it
92 relates to the proposed Canyon Springs development project. He stated that currently, Runway 20 experiences
93 increased use during inclement weather, and the use will increase with the growth of the Martis Camp
94 development, creating a cumulative impact. Canyon Springs is a 284 acre parcel, and with the approval of the
95 proposed development, 200 residences will be created. This is important because with this approval comes the
96 opportunity for future development to the east which provides utilities to tie into, which would create hundreds
97 more residences. If this proposed development is approved, there is the potential for a significant increase in
98 noise complaints for the Truckee Airport. The land owners of Canyon Springs have indicated they are open to a
99 serious purchase offer, which would need an appraisal of the land. SOS Glenshire, along with other organizations,
100 have been working on pursuing an appraisal of this property, but there is no appraised value as of yet. There is
101 the possibility of SOS Glenshire approaching the Board in the future if funds are needed for an appraisal cost. Mr.
102 Golden gave a technical description of the approach to Runway 20. He also stated that the development of the
103 Canyon Springs property would open the door for larger development on the Teel/Raley property, which lies to
104 both the north and the east of the Canyon Springs property. In his opinion, the approach from the north, over
105 Canyon Springs, is a much safer approach than the GPS-A.

106 Vice President Jones questioned what Staff's observation for the potential movement of the approach 10 degrees
107 is. Mr. Smith stated that the 8400' Verdi Peak is part of the challenge of straightening the approach. Mr. Bumen
108 stated that the approach is being re-charted by the FAA. There is no plan to move to the east right now, it will just
109 be re-charted. Vice President Jones asked if there is a way to do a noise contour on that approach just to see how
110 close the noise comes to Canyon Springs. Mr. Bumen stated that the dynamic model has already been done, and
111 will be shown to the Board. Mr. Smith stated that there is relatively little flight track patterns over Canyon
112 Springs. Mr. Smith stated that Canyon Springs is outside of the Airport influence area, and there is not a
113 tremendous number of noise complaints from that area. Director Van Berkem asked if there is any concern from
114 the Glenshire community. Mr. Golden confirmed this adding that if Canyon Springs is preserved as open space,
115 property values will increase, the quality of life will improve, and the wildlife will thrive.

116 **PUBLIC COMMENT**

117 Ms. Echols commented on the question posed by Director Van Berkem saying that there are more communities
118 that are concerned about the Canyons Springs development than only the Glenshire community. The MAPF
119 (Mountain Area Preservation Foundation) is also concerned that there will be more developable land in the
120 future.

121 **LAND LEASING PRESENTATION**

122 Mr. Bumen started the presentation stating that the land leasing committee has been working together for six
123 months exploring the four potential land leasing sites, as directed by the Board. Mr. Bumen has been working
124 with JMA and Clear Capital. The timeline looks for further direction in August. Staff's recommendation is to
125 consider the elimination of two of the sites, which are outlined in the Staff report.

126 Mr. David Tierman, Executive Vice President of JMA Ventures, gave the presentation. The team was introduced.
127 Mr. Gabe Nacht, CFO of Clear Capital, Mr. Art Chapman, Chairman of JMA Ventures, Mr. Chris Heinrich, JMA

128 Ventures, Mr. Bumen, and Mr. Bill Quesnel, District Engineer. The primary reason for moving is that Clear Capital
129 has outgrown the current location. They have several requirements for accommodating the growth of their
130 company. The four sites were described. Site One is the North Forty, Site Two is at the Southwest Corner of the
131 airfield, Site Three is on Soaring Way, and Site Four is on Airport Road. Mr. Tierman described the zoning overlook
132 of these sites. Site One is zoned as a business park, Site Two is zoned as commercial office use, Site Three is
133 currently zoned as industrial use, and Site Four, most recently added, is zoned as open space, with a small corner
134 zoned as commercial office use. There were 15 primary criteria points against which to analyze all four of the
135 sites. These criteria include: site access, utilities, zoning, FAA overlay, potential for future aviation uses, and the
136 impact of airport related noise on site. The team scored each site on how feasible the area was for a Clear Capital
137 location.

138 Site One is approximately 20 acres. The key issues include: easements required, significant utility extensions, a
139 need for an access road up to approximately 2,000ft, and traffic related upgrades. This site is bounded by Tahoe
140 Truckee Sanitation Agency. Site Two is approximately 12 acres with the key issues including: utility extensions,
141 traffic related upgrades, zoning complexities, site geometry challenges, and FAA overlay for a future hangar zone.
142 Site Three is approximately 10 acres, with the key points being: ease of site access, utility access is good, positive
143 site geometry, and minor rezoning would be required. There could also be an alternate site boundary if an area
144 were deemed inappropriate. The rezoning would be to change from the current industrial use to some kind of
145 commercial or mixed use. Site Four is approximately 26 acres, with the key issues including: limited site access,
146 good utility access, the majority of this site is open space zoning, there are wetlands, and difficult site geometry
147 and topography. The site access would be off of Airport Road.

148 Throughout this process, Mr. Gordon Shaw, of LSC Transportation Consultants performed a preliminary traffic
149 analysis. For Sites One and Two, major intersection improvements would be required. There would be minimal
150 impacts to Soaring Way and Airport Road for Site Three, as well as the intersection of Highway 267 and Soaring
151 Way. The traffic impact at the intersection of Highway 267 and Airport Road has not yet been determined. For
152 estimated impact fees, the high end would be approximately \$635,000 for traffic impact. Roundabouts cost
153 approximately \$1,200,000-\$2,000,000.

154 As far as utilities, Site One would be the most expensive to develop because all of the utilities would have to be
155 extended to this site. Site Two is also expensive. Both Sites Three and Four would be relatively less expensive
156 because of the proximity to major utilities on Airport Road.

157 The preliminary site conclusions were disclosed with Sites Four and One not being feasible, and Site Three being
158 the most optimal, and recommended by the team. Site Two is feasible, however, not optimal due to the site
159 development costs and entitlement complexities. The land lease process would be governed by California Law.
160 The first priority would be to appraise the land. A fair market investment return would also be done, based on
161 market comps. Research found that the airport in Prescott, AZ had similar land lease options. They have 760
162 acres of land, and the land lease rates range from \$.09-\$.30/sf. Using these rates found at Prescott, and using Site
163 Three, the potential annual lease revenue would range from approximately \$45,000-\$150,000. Using the land
164 lease term of 40-50 years, that revenue could equate to approximately \$1,800,000-\$7,500,000. The total ground
165 lease revenue with the extensions would range from approximately \$3,200,000-\$12,000,000. The benefits
166 include economic benefits to the community, as Clear Capital currently has in excess of \$25,000,000 in payroll,
167 which leads to local spending. There would also be increased property values, and the deal could provide an
168 additional revenue source for the Airport that could be used for aviation purposes or to purchase, enhance or
169 maintain open space. The preliminary business structure would show the Airport District as the land owner and

170 lessor, JMA Ventures as the developer and landlord, and Clear Capital as the tenant with the option to purchase
171 the improvements.

172 Mr. Nacht discussed the Clear Capital impact. Clear Capital has been in the Town of Truckee for 12 years, and that
173 the goal is to be headquartered in Truckee, and developing on Site Three will allow their employee base to
174 double.

175 Mr. Tierman stated that the land lease process would be used to inform the Master Plan process. The conclusions
176 the team came to were very high level based on the analysis of each site. For Site One, the conclusion is that
177 there would be very limited use options because of the access issues related to utilities. Site Two is optimal for
178 both aviation and mixed use. Site Three is optimal for mixed use, not solely industrial. Site Four is optimal for
179 open space use, because of the wetlands and topography.

180 In conclusion, both Sites Three and Two are the potential sites for Clear Capital Development. Site Two would
181 require additional study to further understand the complexities associated with this Site. In terms of the potential
182 timeline going forward, Board direction is anticipated at the August 22, 2013 Board meeting, which would then be
183 followed by a Letter of Intent. Construction would run from approximately June 2014-October 2015 with Clear
184 Capital occupying the land at the end of 2015.

185 Director Van Berkem questioned if the two recommended sites are big enough, and if the intent is to occupy all
186 acreage of the site. Mr. Tierman stated that the building would be approximately two acres, the building being
187 approximately 80,000 square feet, with parking taking up approximately four to five acres, with the remaining
188 acreage used for landscaping or other uses. As Site Two is 12 acres, and Site Three is ten acres, they are both
189 large enough to accommodate the development. Clear Capital would not require all acreage, which the Airport
190 would keep for additional development. Mr. Nacht stated that Site Three, with the alternate site boundary is 15
191 acres. The acreage needed would depend on the design of the building, with both parking and landscaping. He
192 does not foresee Clear Capital using all of the acreage, however, ideally, Clear Capital would want more than six
193 acres to make the structure and landscaping look presentable. President Hetherington questioned if Clear Capital
194 only used ten of the 15 available acres, and there are other opportunities for generating revenue, is there any
195 room left for a transit facility or for community use. Mr. Nacht stated that currently, Clear Capital only needs a
196 building of 60,000 square feet, with the potential of, in the future, needing 80,000 square feet total. Building the
197 entire 80,000 square foot building now would give the community 20,000 square feet of use until Clear Capital
198 needed to inhabit that area. He also stated that having this company located at the Airport would increase
199 property values.

200 Director Morrison questioned how this deal would work between the District and Clear Capital. Mr. Nacht stated
201 that the purpose of this meeting was solely to inform the Board on the findings of these four sites, not to ask the
202 Board to make a decision. JMA Ventures would lease the land from the Airport to build the facility. Clear Capital
203 would have the option to purchase the improvements, which is the desired outcome in the future. Director
204 Morrison asked what kind of term the lease would be. Mr. Chapman answered stating that the delicate part of
205 development of land uses involves lenders. There is no land security, which would make this an unsubordinated
206 land lease, therefore, the lender does not have the right to foreclose the land. The term of public ground leases
207 was extended because the lenders want to make sure there is enough term on the lease so the loan is still viable.
208 He answered Director Morrison's question of what would happen once the lease was over, stating that the
209 District would own both the land and the building and there could be no renegotiation or extended lease.
210 Director Van Berkem questioned if the intent for JMA Ventures is to lease more acreage that would then be
211 subleased. Mr. Chapman stated that there has been no research on that. From an economic standpoint, the

212 Airport would still be bringing in revenue if the land was subleased. Director Van Berkem asked what control the
213 District would have over how JMA Ventures would use the remaining four acres if Clear Capital only used six
214 acres. Mr. Bumen stated that question can be defined in the lease, which can be very specific. The lease would
215 include other compliances that Clear Capital would have to adhere to. Director Van Berkem questioned if, in the
216 future, the economic value increases on the acreage, the price per square foot would reflect that. Mr. Chapman
217 confirmed this, stating also that Clear Capital would pay the property tax as well. He stated that possessory tax is
218 assessed the same way as property tax. Vice President Jones questioned the cost of the building being
219 approximately \$15,000,000. Mr. Nacht stated that it would probably be a bit more than that. President
220 Hetherington asked if there has been any talk about how many acreage a transit facility, or a library, or a
221 community center would need. Mr. Bumen stated that there has been a lot of talk about the acreage for those
222 facilities, but the team mostly looked at the four proposed sites and what would make the most sense for Clear
223 Capital. He wanted to recognize that what a transit center would need and a library are purely Master Plan topics
224 and not exactly land leasing topics. Vice President Jones stated that there is really 27 acres available for land
225 leasing, not just the ten to 15 in Site Three. He also stated that if Clear Capital does not need ten acres, then they
226 should not lease ten acres. Mr. Chapman agreed saying they do not want to lease any more acreage than they
227 need. President Hetherington stated that if the non-feasible sites do not work for Clear Capital, they will not work
228 for anyone else. Mr. Nacht stated that Clear Capital is looking for a 60,000 square foot facility. The other sites
229 could work for a smaller business facility. There is a lot of potential for the District to build a smaller facility on
230 one of the other investigated sites. Mr. Chapman stated that the building footprint will be approximately two
231 acres, with four acres for parking. Clear Capital would then look to the District on how best to use the other
232 acreage for landscaping, or open space. Director Van Berkem would like to understand the barriers and
233 desirability for the smaller square to the right of Site Three, thinking that the smaller square would be more
234 valuable to the Airport than the alternate square to the left. Vice President Jones questioned if Clear Capital
235 needs all ten acres. Mr. Chapman stated that the intent in this meeting is to narrow the sites down to two, and
236 then to further study those two and the issues along with those. Vice President Jones asked how the appraisal
237 process would work. Mr. Chapman answered that the District would choose their own appraiser with instructions
238 on how the District would want the land to be appraised. Vice President Jones asked when this process would
239 start and how long it would take. Mr. Bumen stated that the idea would be to start post-August, once the Board
240 has given direction. At this time, it is too soon to start looking at an appraisal, as the Prescott example is relevant
241 and a point of reference. Mr. Bumen pointed out that while most of Site Three has public access, Site Two has
242 some of that access as well. Vice President Jones pointed out that the District has other land available not
243 included in this evaluation for a transit center or a library. Mr. Tony Tezla, of Mead & Hunt, answered whether
244 the current runway designation is relevant to L row, stating that the aviation use will not happen near L row.
245 Moving the runway to the east would make that land less developable for both aviation and non-aviation use. He
246 stated that both Sites Two and Three have high aviation use as well. President Hetherington stated that in looking
247 at the alternatives assessed, lengthening Runway 2-20 would affect the wetlands. Director Morrison questioned
248 what could be done with the area in front of Site Three. Mr. Tezla stated that the transit facility would be a good
249 use for that area.

250 Director Wallace stated that with the traffic impact analysis, there could potentially be other traffic needs and
251 demands in the area. There would be a set of costs incurred for the District, JMA Ventures, as well as Clear
252 Capital for the traffic improvements that need to be understood. She questioned what the current revenue is
253 from the income on property tax. Mr. Smith stated a little over \$4,000,000. Director Morrison questioned if
254 there could be a more accurate idea of a range of land lease rates in August. Mr. Chapman stated there should be
255 no speculation in terms of getting broker's opinions of values. Typically, an appraisal would be done, and then
256 make the standards, rather than speculating. Director Morrison stated that it would be helpful to look at the

257 greater area of the Airport with the potential for land leasing, and the revenue potential. Vice President Jones
258 pointed out that if the District passes up this opportunity, there will not be many others. Director Van Berkem is
259 interested in finding out what kind of options Clear Capital has outside of the Airport. Director Morrison
260 questioned the cost of an appraisal. Mr. Chapman stated that the key would be in the instructions given to the
261 appraiser to identify precisely what is wanted. Mr. Bumen stated that the Letter of Intent is very important.
262 President Hetherington questioned if there was a preliminary layout envisioned for Clear Capital. Mr. Bumen
263 proposed that the team work with Mead & Hunt to develop a scenario and look at the boundaries, footprints and
264 parking at the two recommended sites. The Board would like to remove Sites One and Four, and continue the
265 research on Sites Two and Three in terms of the financial data, and land leasing data.

266 **PUBLIC COMMENT**

267 Mr. Terry pointed out that there would be a 50-100 year outlook, and he suggested that any land improvement
268 cost, with the long prospect, be amortized, effectively lowering the price. He also stated that campus
269 development suggests that the lease would dictate the entire use of a piece of land, so that the entire parcel is
270 dedicated to that campus. Site Two looks to be a more attractive site for the community, due to the connectivity,
271 and closeness to the Town of Truckee. The potential income of this project is not significant, given the current
272 revenue sources. Mr. Terry does not believe the additional revenue is important, but rather the value in retaining
273 Clear Capital, and he suggests the District continue to proceed in the analysis of the two recommended sites.

274 **BREAK:** At 11:35 a.m. the Board recessed for a short break. At 11:47 a.m. President Hetherington reconvened
275 the meeting.

276 **AIRPORT COMMUNITY ADVISORY TEAM**

277 Mr. Bullock started the presentation with the summary of ACAT's June meeting, and the approval of the
278 FY2013/2014 budget. In May, ACAT asked for an increase in overall budget, which was approved for the current
279 year, but not for FY2014. During the Officer Selection, Mr. Jack Ellis was elected as the Chair for six months. Mr.
280 Gerald Herrick remains Vice-Chair and Mr. Leeds Davis remains Treasurer. ACAT is also looking into possibly
281 changing the by-laws in the Officer Selection to reflect recent changes. The annual planning meeting identifies
282 what projects will be taking place within the year, and community outreach, among other items. Mr. Bullock's
283 concern is that the Staff time and District resources are not clearly defined. As far as community outreach, ACAT
284 will be attending several Truckee Thursdays. Director Van Berkem asked if, during the joint meeting, a concern of
285 ACAT's is that Staff's time is spread too thin, and is linked to not having a special planning meeting. Mr. Bullock
286 confirmed this concern, stating that he would like to have ACAT on the rolling agenda. ACAT will discuss their
287 options and ideas during their July meeting. Mr. Smith stated that a good time for this would be during the
288 budget process as ACAT is setting their budget for the upcoming year.

289 Mr. Bumen is primarily involved in the RNAV departure, one of the two major projects currently underway. Mr.
290 Bullock stated that the Commercial Operator Outreach project has merged with the RNAV departure. Mr. Bumen
291 stated that he has met with three commercial operators, who all appreciate the agreement of participation which
292 would limit their hours of operation at night in exchange for access to a special departure that would suit their
293 needs. Mr. Bumen is hopeful that two of the three operators will sign the agreement within the next week. Mr.
294 Smith added that this program is really unique, and the Airport is one of the first airports to do this outreach with
295 commercial operators. Mr. Bullock stated that the airfield safety signs are completed and being displayed. Vice
296 President Jones stated that the recent accident here was because of wind shear, and questioned if the Airport
297 Board should be proactively doing something more to make the pilots aware of the problems with Runway 20 and
298 the high winds. Director Morrison suggested possibly having a mountain flying program particularly for Runway

299 20 for incoming pilots. Vice President Jones questioned if the enhanced UNICOM would allow Staff to make
300 comments to pilots to make them aware of the wind shear or downdraft. Mr. Smith confirmed this. Mr. Bumen
301 stated the Airport does this now, but would qualify that because the UNICOM operators have a varied amount of
302 experience, and the challenge would be standardizing operating procedures and criteria, adding that there are a
303 lot of other tasks being required of the UNICOM individual, which would add to the challenge. Director Morrison
304 stated that the District needs to spend more time on safety to avoid more accidents. Mr. Smith stated that Staff is
305 working on improvements for that. Director Van Berkem questioned the legal implications if Staff suggests a
306 route, or direction to a pilot. Mr. Collinson stated that it would be something the District would have to work on.
307 If Staff suggests “do this, and the pilot does that”, and there is a problem, there is a potential liability, but if the
308 Staff shapes the discussion as, “here are the concerns, other people approach it this way”, the liability could be
309 minimized. Mr. Smith does not see a lot of liability issues on giving advice, as the final decision is up to the pilot.
310 Mr. Bullock stated that the Noise Abatement Procedure tri-folds with information on safety and flying procedures,
311 were dispensed with, but ACAT is considering bringing them back, as they are a good reference document. Mr.
312 Bullock would like to have several information kiosks in the Administration building, beginning in two phases.
313 Phase one would be a paper update for pilots, and phase two would be an electronic version with a touch screen
314 where pilots can work through a departure procedure, or arrival.

315 **PUBLIC COMMENT**

316 Mr. Terry stated that the tri-folds have been talked about quite a bit, and they are available, and should be
317 distributed. He also said he underestimated the conflict ACAT generated for Mr. Bullock, and complimented him
318 on his management as well as the work he does for ACAT. Mr. Terry stated that it is healthy to have a new
319 direction by the Chair members. Having Mr. Ellis as Chair also puts a pilot in an officer position.

320 **ENGINEER’S REPORT**

321 Mr. Smith stated that the FAA funding was previously talked about in this current Board meeting. There are no
322 other updates at this time.

323 **PUBLIC COMMENT:** None

324 **GENERAL MANAGER’S REPORT**

325 Mr. Smith questioned how the migratory bird act is affected, in relation to the tree removal in those areas.
326 Director Wallace stated that she is not certain how the bird act is affected, however, the common practice is to
327 not disturb the nesting birds. Mr. Stoner stated that the birds are nesting on the ground, not in the trees.
328 Director Wallace said that the argument would be that the tree removal would be causing stress in the
329 environment. Staff will discuss this further.

330 **PUBLIC COMMENT:** None

331 **MASTER PLAN PRESENTATION**

332 Mr. Tezla, of Mead & Hunt, gave the presentation. He is reporting back from the Board workshop on June 5,
333 2013. The primary topics of discussion are runway alternatives, aviation forecasts, and project direction.
334 President Hetherington would like Mr. Tezla to share his insight on the land leasing with Clear Capital. Mr. Tezla
335 stated that the obligations on the Airport property, when it was purchased will have some terms and conditions
336 which may affect the lease terms that will need to be worked out, but he thinks it is worth finding out the
337 assurances that would be applied to the lease terms. The FAA would also need to review the leasing arrangement

338 that would be worked out between the District and Clear Capital. He stated that he will be attending a meeting in
339 July with Staff and JMA Ventures to discuss the land use options.

340 Mr. Tezla stated that all three of the runway alternatives were intended to either increase height above ground
341 for aircraft, shift aircraft away from residential communities, or balance operations between the two runways.
342 Annoyance mitigation is the primary point for the runway alternatives. Director Van Berkem would like to include
343 in the analysis of whether Northstar would see increased noise levels if the runway was moved. President
344 Hetherington would like to see an alternative where the runway would add 1300' to the east side, and remove
345 1300' on the west side, removing the displaced threshold. Director Morrison stated that the primary concern is
346 that the current Board can make the decision to add a displaced threshold, and in the future, another Board can
347 move the thresholds back. Mr. Bumen asked if there could be any technical limitation with the traffic patterns
348 being right up against the hills, and if it would be feasible. Mr. Tezla stated that the feasibility would be looked at
349 from the airspace side if any of the alternatives can be done, purely how long and how much. There could be
350 technical issues that would stop the threshold being moved back. Director Van Berkem would like to know what
351 type of aircraft will need the 300' extension on the runway. Mr. Smith stated that it is not only the weight, but
352 the width of Taxiway A that would determine the type of aircraft that runway could accommodate. Mr. Bumen
353 said that the weight restrictions on the runway are the next biggest factors after the length. Mr. Tezla questioned
354 what additional criteria the District wants Mead & Hunt to assess besides length and cost. Director Van Berkem
355 stated that the District should specifically focus on limiting the noise impact instead of the size of aircraft that
356 could be accommodated. Mr. Tezla stated that he is using the Airport reference code B-II. Upgrading the code to
357 B-I would allow a BBJ, which would need a much bigger safety zone at the end of the runway, effectively losing
358 approximately 1000' of runway. The higher up in design classification, the shorter the usable runway would
359 become.

360 Alternative one is to extend and shift Runway 28 east. The threshold would be displaced the same amount as the
361 runway extension, giving the effect of improving the noise annoyance in the area in both departures and arrivals.
362 Mr. Bumen stated that Mr. Tezla should give people some context in the noise mitigation numbers. Mr. Tezla
363 estimated that the cost of adding the 1,322' extension to the runway will be \$6,100,000 in construction costs.
364 The runway length would increase to 7,222' which includes the displaced threshold. The negative impacts of this
365 alternative would be larger aircraft using the runway, and more utilization of the runway because of the length.
366 This alternative is the lowest cost alternative of all three.

367 The second alternative is to widen and extend Runway 2-20 south. The cost of this alternative is estimated at
368 \$6,900,000. There would be an extension of 755', which would increase the runway length to 5,405' total. The
369 FAA is now prohibiting public roads inside a Runway Protection Zone (RPZ). This would be an issue for this
370 alternative as the RPZ goes over Highway 267. A substitute option for this alternative would be to widen Runway
371 2-20 without extending it. The cost would be lower, and fewer aircraft would be inclined to switch over as
372 opposed to if it was only longer. Mr. Smith stated that Mr. Bullock has done some outreach on the length versus
373 the width of the runway, and he has found that the length is much more important.

374 The third alternative is to develop a whole new runway, with the estimated cost of \$27,400,000. The runway
375 length would be 6,310'. There would be mitigation costs as well because there is a five acre wetland. Alternative
376 three is being taken off the table, due to the cost and the distance, but will still be captured in the Master Plan.
377 There are now four alternatives that Mr. Tezla will be looking into. These include: extend and shift Runway 28
378 east, adding 1300' to the east side and removing 1300' on the west side, widen and extend Runway 2-20 south,
379 and widen Runway 2-20 only. Vice President Jones stated that if the lengthening of Runway 2-20 requires the
380 crossing or relocating of Highway 267, then that alternative should be reconsidered, due to it not being practical

381 and feasible. He questioned if lengthening Runway 2-20 could be removed from the alternatives due to
382 impracticality. President Hetherington asked if there was any amount in length Mr. Tezla could add to the runway
383 without crossing Highway 267. Mr. Bumen suggested that more analysis be done on widening the runway as it is
384 important to both the arrival and departure of aircraft. Mr. Tezla stated that even if the runway were to stay the
385 length it is now, the FAA could come and force the Airport to shorten the runway due to the RPZ crossing Highway
386 267. He does not think the runway could be lengthened any further. Mr. Smith suggested leaving the threshold
387 in place giving the aircraft more takeoff distance, effectively leaving the RPZ as is, but still lengthening the runway.
388 The pavement would only be extended for departures. Mr. Tezla does not think this is an option because there is
389 both a departure and an arrival RPZ. Mr. Tezla stated that he is going to do some research on how to make
390 Runway 2-20 longer on the departure side, to make the runway 5000'. Director Van Berkem questioned if there is
391 any extra footage that could be added on the north side. Mr. Stoner said there is less than ten feet.

392 Mr. Tezla stated that there was discussion on hangars and whether or not to build more executive hangars at the
393 Board workshop. Mr. Tezla feels that the demand for hangar space for jets and businesses will increase at a faster
394 rate than at a peer airport, and secondly, the declining number of small aircraft could reverse itself and start
395 climbing again. There is a positive outlook on the lighter general aviation side. Vice President Jones questioned
396 the survey done on the executive hangar waitlist and what the input or feedback is. Mr. Bumen stated the data
397 was just finalized, and there was a 50% response rate, and people are interested in the hangars. He said that
398 without hangar space, the long term occupancy of the larger aircraft here is not viable, as those aircraft will be
399 based somewhere else and use this airport in a more transient fashion. Vice President Jones stated that he thinks
400 an aircraft that is based here will be producing less traffic. President Hetherington stated that there is a linear
401 correlation between based aircraft and more operations. She said that more hangars means more based aircraft.
402 We may see more locally owned aircraft, but do we want to build hangars and accommodate the home-based
403 aircraft if it will increase operations.

404 President Hetherington said that as she was absent for the Board workshop, she would like to discuss some of
405 what was talked about then. Mr. Tezla stated that even though the amount of operations will be increasing by
406 2025, the character of the Airport will still be what it is today. President Hetherington stated that while the
407 increase in the amount of operations does not seem large, most of these operations are during the summer
408 months, making the increased operations much larger. Director Morrison stated that the increased operations
409 will not change what the Master Plan is trying to do.

410 **BREAK:** At 1:48 p.m. the Board recessed for the dedication of Katie's Playground and ribbon cutting. At 2:41
411 p.m., President Hetherington reconvened the meeting.

412 Mr. Tezla continued with the Master Plan presentation with the direction summary from the Board workshop. He
413 is looking at improving the approach to Runway 20. The current approach is approximately a mile and a half, and
414 pilots would like the approach to be at one mile. Mr. Tezla stated that at one mile, the runway will not require
415 approach lights, and will not change the design of the RPZ. Mr. Bumen stated that there is some information on
416 the pending FAA draft of the runway approach about the minimums in the altitude decreasing, the visibility
417 remaining the same, and the alignment also remaining on the same heading. Mr. Tezla stated that he will identify
418 places where instruments and antennas can go for improved communications and surveillance. President
419 Hetherington questioned if this will have an effect on night operations. Mr. Tezla stated that there might be an
420 issue if the approach is not authorized at night, it would affect the night operations. Mr. Tezla will document in
421 the Master Plan that the Board does not want scheduled air service, but was brought to the public. If in the
422 future, the Board would like to introduce scheduled air service, there will be a reserved aviation growth space in
423 the Master Plan for this topic.

424 Having the decision for no control tower documented in the Master Plan leaves room for this option in the future.
425 The primary benefit would be for safety, to help change the dispersion of one runway versus the other. In the
426 future, there may be the ability to have a remote tower. The problems with having a control tower, besides the
427 cost, would be the development restrictions, which would include how tall buildings could be built, how tall the
428 tower would have to be, where the tower would be located, etc. President Hetherington stated that the positive
429 aspects of a control tower include runway dispersion, surveillance, and the temporary use during the summer.
430 The negative aspect would be where the control tower would lead to in the future. She stated that she is
431 ambivalent and would like to be convinced one way or another. Vice President Jones stated that the dominant
432 position of the pilot community is that there be no control tower at this Airport. President Hetherington said that
433 the broader input of the community is that safety is the primary concern, and a control tower can help with that.
434 She suggested that if the District can buy both safety and dispersion and the aspects of people breaking
435 minimums, it might be worth it. Vice President Jones stated that a control tower has no control over whether or
436 not people break minimums. Mr. Bumen stated that there needs to be a discussion about what a control tower is
437 and what it is not for both the community and the Master Plan document. A control tower means different things
438 to people. Mr. Tezla stated that there will be something in the Master Plan stating what is being taken out, the
439 reason behind it, and the analysis done. President Hetherington questioned how a control tower would affect the
440 runway safety area. Mr. Tezla stated that if there were to be a control tower, a location would have to be
441 identified, as well as the equipment and restriction lines. Vice President Jones questioned if not having a
442 placeholder does not preclude a tower in the future. Mr. Tezla confirmed this, suggesting also that there be a
443 smaller Master Plan done every five to ten years. If there were to be scheduled air service, most likely, there
444 would also need to be a control tower. Director Van Berkem questioned how a control tower fits in with
445 enhanced operations. Mr. Bumen answered that on the continuum of methods to influence airspace, the
446 community appreciates the efforts to influence the utilization of the airspace, which is what a control tower does.
447 The enhanced UNICOM also does this in an advisory capacity, and may offer unique capabilities that a tower could
448 not. Mr. Smith stated that there is a cost issue with the control tower. Mr. Bumen stated that with the current
449 market and the congressional pressure on contract towers, that creates a competitive pricing in that marketplace.
450 The Board would like Mr. Tezla to come back with the constraints for a control tower. Vice President Jones
451 questioned if the majority of the Board does not want a tower, if it could be taken off the Master Plan, but to
452 document why. Mr. Smith stated that there could be something in the Master Plan that shows where the control
453 tower would go, and the areas to be concerned about.

454 **PUBLIC COMMENT:** None

455 **MOTION #3 JUNE-27-13:** Vice President Jones moved to have Mr. Tezla leave the control tower off of the Master
456 Plan, so long as it is captured in the text. Director Van Berkem seconded the motion, adding that the Board
457 encourages Staff to further explore enhanced UNICOM. Vice President Jones, Directors Morrison, Van Berkem
458 and Wallace voted in favor of the motion. President Hetherington voted against the motion and would like the
459 control tower vetted. The motion passed.

460 Mr. Tezla stated that there are taxiways that do not meet the current standards, and need to be improved. Mr.
461 Tezla said that it is clear there is not much support for fencing. Mr. Tezla is going to work with Staff to identify
462 hangar locations, uses and cost for a multi-use hangar. The executive hangar waitlist survey will affect the
463 decision of how many hangars to build. Mr. Smith mentioned that in less than two weeks, the draft Godbe survey
464 will be available. The District will build and rent their own hangars as opposed to leasing land and having a third
465 party construct hangars. Vice President Jones stated that the District would like to control everything on the
466 Airport that is aviation related. President Hetherington questioned the building of business space in the hangars.

467 Mr. Smith clarified that the space would be only for the hangar tenants, adding that an office would be built for
468 the tenant only. Director Van Berkem asked the general question if building more executive hangars is going to
469 increase traffic. Mr. Tezla is going to explore the use or redevelopment of T-hangars. Mr. Tezla stated that the
470 only problem with the redevelopment of T-hangars would be if they would be needed in the future.

471 Mr. Tezla is going to work with Staff on how to enhance emergency support. For aviation reserve space, there is
472 plenty of Airport land, and Mr. Tezla would research where to reserve adequate space to accommodate any
473 potential future aviation uses and growth. The design standards and approach procedures will be upgraded and
474 used to make sure there is adequate space reserved. Emergency reserve space will be necessary. Vice President
475 Jones stated that in the survey response, there was a lot of support for enhancing the airport with the natural
476 growth of the town. President Hetherington stated that in the survey, the overwhelming response was to have
477 less jet noise. Vice President Jones stated that there was a lot of support for the Airport to accommodate natural
478 growth consistent with aviation demand. He said the District should take into account the community that is
479 paying for this Airport. Director Van Berkem said that the term “natural growth of the community” needs to be
480 defined and further studied. Mr. Tezla stated that growth is defined by Truckee Tahoe District’s aviation
481 community, which is largely a function of population, income, commercial space, etc. If the area becomes
482 wealthier, more people will use airplanes. Mr. Tezla will come up with limitations and constraints on the use of
483 commercial space in the Airport. President Hetherington stated that while the District may not use the land as
484 commercial space, Mr. Tezla’s findings will be documented in the Master Plan. Mr. Tezla stated that there can be
485 commercial use on the Airport land, but the District will have to manage the growth, which does not have to be
486 stated in the Master Plan, but can be done by policy. President Hetherington questioned if there are any
487 downsides to putting something in the text that stated where there could be buildings on the Airport, if the
488 District chose to do so. Vice President Jones stated that there is no reason to have commercial use on the Airport,
489 because there would be no control over it. Mr. Smith stated that if the District is concerned about natural growth
490 and how the community thinks about growth, there is a document from the Town of Truckee stating that the
491 community thinks the Airport should “continue to operate as a general aviation airport with facilities appropriate
492 to serve future planned growth in the region and anticipated changes in the field of general aviation”. Mr. Tezla
493 stated that a reason for having aviation reserve space, is to show the FAA that there is a plan to reserve and
494 accommodate growth. Director Morrison stated that the general sentiment is that the community will continue
495 to grow, and the majority wants the Airport to grow a little with the community. The District should not do
496 anything to encourage growth, but should not limit natural growth either.

497 Mr. Tezla stated that the decision in the Board workshop for the other land that is not used by aviation space will
498 be documented that this space will only be used for non-commercial space.

499 President Hetherington stated that night operations is a concern for the community, and could become a larger
500 issue in the future. Mr. Tezla stated that night operations affects the Plan, also mentioning that one night
501 operation counts as ten daytime operations. President Hetherington stated that a single event at midnight and a
502 single event at five in the morning is an issue for the people that live under those flight tracks. She said that with
503 technology and the way it is evolving, night operations are going to become a bigger issue of the Airport in the
504 future. Director Morrison believes that the Airport does not have a problem with night operations, as there are
505 not that many in the present time. Mr. Smith stated that the discussion will be documented in the Master Plan.
506 The incentive route has been very successful with the hangar tenants. Mr. Tezla stated that the Unmanned Aerial
507 Vehicles (UAVs) are the next generation in surveillance and will be addressed in the Master Plan.

508 **PUBLIC COMMENT:** None

509 **BOARD MEMBER ANNOUNCEMENTS:** None

510 **PUBLIC COMMENT:** None

511 **ADJOURN**

512 **MOTION #4 JUNE-27-13:** Director Van Berkem moved to adjourn. Vice President Jones seconded the motion.
513 President Hetherington, Vice President Jones, Directors Morrison, Van Berkem and Wallace voted in favor of the
514 motion. The motion passed.

515 At 4:11 p.m. the June 27, 2013 regular meeting of the Truckee Tahoe Airport Board of Directors adjourned.

DRAFT