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1 The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS regular
2 meeting held Thursday, August 25, 2011 at the Truckee Tahoe Airport Conference Room, 10356 Truckee Airport
3 Road, Truckee, CA 96161 at 9:00 am.

4 **CALL MEETING TO ORDER:** 9:00 a.m.

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

10
11 **STAFF PRESENT:** Mr. Kevin Smith, General Manager
12 Mr. Phred Stoner, Director of Operations and Maintenance
13 Ms. Jane Dykstra, Director of Finance and Administration
14 Mr. Kevin Bumen, Director of Aviation and Business Services
15 Ms. Maria Martinez, District Clerk
16 Mr. Brent Collinson, District Legal Counsel
17

18 **VISITORS:** There were three (3) visitors present

19 **SPECIAL ORDERS OF BUSINESS:** Mr. Smith stated that Mr. Jim Clague would not be present for the meeting.

20 **PUBLIC COMMENT:** None

21 **CONSENT CALENDAR**

22 Mr. Collinson requested that Policy Instruction 210.0 – Expenditure Authorization be pulled from the Consent
23 Calendar. Vice President Van Berkem requested that the Minutes of the July 28, 2011 Regular Board Meeting also
24 be pulled from the Consent Calendar.

- 25 • Monthly Service Bills and Fees
- 26 • Financial Report
- 27 • Policy Instruction Revisions – 200 Governance

28 **PUBLIC COMMENT:** None

29 **MOTION #1 AUG-25-11:** Director Hetherington moved to approve the rest of the items on the Consent Calendar.
30 Director Morrison seconded the motion. President Eagan, Vice President Van Berkem, Directors Hetherington,
31 Jones and Morrison voted in favor of the motion. The motion passed.

- 32 • Minutes of the July 28, 2011 Regular Board Meeting

33 Corrections were requested by Vice President Van Berkem. The corrections were noted as follows:

- 34 • Amendment to General Manager's Contract – Note discussion to reflect salary action being taken after
35 an evaluation of his year's performance retroactive to May 10, 2011 as per Amendment to Employment
36 Agreement.

37 **PUBLIC COMMENT:** None

38 **MOTION #2 AUG-25-11:** Vice President Van Berkem moved to approve the Minutes of July 28, 2011 subject to
39 the requested changes. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, and
40 Directors Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

- 41 • Policy Instruction 210.0 – Expenditure Authorization

42 Corrections were requested by Mr. Collinson and President Eagan. The corrections were noted as follows:

- 43 • Minor Purchases – Change the dollar range from \$3,000 – \$50,000 to \$3,001 - \$50,000.
- 44 • Major Purchases – Add language to reflect a legal review of contracts on major purchases.

45 **PUBLIC COMMENT:** None

46 **MOTION #3 AUG-25-11:** Director Hetherington moved to approve Policy Instruction 210.0 – Expenditure
47 Authorization as amended. Director Morrison seconded the motion. President Eagan, Vice President Van Berkem,
48 and Directors Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

49 **AIRPORT COMMUNITY ADVISORY TEAM**

50 ACAT Chair Andrew Terry updated the Board on the current status of ACAT. The iPads are now being used for
51 presentations. There has been more staff involvement than originally anticipated to manage the iPads but as
52 users become more proficient, ~~stuff~~staff support is reduced. Mr. Bumen stated that staff has been working on
53 network and email issues with ACAT. In addition, user proficiency is simple with some not with others. One of
54 the ongoing issues that need to be addressed is the procedure that needs to be followed when ACAT changes
55 membership. Staff is not opposed to managing the iPads and is able to support them. Mr. Terry added that ACAT
56 will be bringing a formal recommendation to the Board for consideration. Mr. Bumen added the District needs to
57 be careful not to make it a barrier to entry for those that prefer paper.

58 **PUBLIC COMMENT:** None

59 President Eagan requested ACAT and staff provide the benefits, limitations and fiscal impact of the iPads as part
60 of their recommendation to the Board for this project.

61 Mr. Terry stated an Outreach presentation has been created specific to homeowner associations (HOAs).
62 However, the graphics need to be updated to District standards. Mr. Smith noted that the initial goal is to meet
63 the HOA Board of Directors. Staff is reaching out to HOA presidents to try to determine the best way to
64 communicate with their members. Another project ACAT is working on is repositioning of aircraft. ACAT is trying
65 to determine the level at which aircraft are repositioning and if so, investigate the reason they are currently
66 repositioning to another airport either due to business demand or lack of infrastructure. The Airport Operations
67 Monitoring Policy is also under review. ACAT has received input from Mr. Rick Tavan regarding his efforts to
68 distribute the draft policy to the pilot community. The policy will be presented to the Board for adoption at the
69 September 22, 2011 Board meeting.

70 **PUBLIC COMMENT:** Mr. Bob Fink requested clarification on repositioning. Mr. Terry explained that these are
71 flights that drop off passengers and reposition to another airport for services we do not provide such as de-icing,
72 lav cart or GPU services.

73 **ADMINISTRATION BUILDING CONSTRUCTION UPDATE**

74 Mr. Peter Beaupre of Prosser Building & Development, Inc. updated the Board on the activity on the new
75 administration building. The project is now approximately 65% complete. 90% of the drywall has been installed.
76 The siding is in progress and masonry is almost complete. Pavement will begin around the middle of September.

77 Substantial completion of the building is scheduled for December. Vice President Van Berkem requested an
78 update on the status of the damaged windows. Mr. Beaupre stated that he has met with the window
79 manufacturer. Some of the windows have noticeable distortion on the edges and there is some distortion in the
80 field glazing on others. Nine windows have been identified with distortion in the field glazing. Mr. Beaupre is
81 working with the manufacturer to get them replaced at no cost to the District.

82 **PUBLIC COMMENT:** None

83 **SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) ELECTION BALLOT**

84 Mr. Smith stated that currently SDRMA provides Workers' Compensation coverage to the District. The election
85 ballots are to fill three open seats on their Board. Mr. Smith has reviewed the Statements of Qualifications
86 submitted by the candidates and provided his recommendations to the Board. SDRMA would like the Board to
87 provide their selections by resolution.

88 **PUBLIC COMMENT:** None

89 **MOTION #4 AUG-25-11:** Director Hetherington moved to approve Resolution 2011-07 A Resolution of the
90 Governing Body of the Truckee Tahoe Airport District for the Election of Directors to the Special District Risk
91 Management Authority Board of Directors and waive the reading, with the election of Sandy Raffelson from the
92 Herlong Public Utility District, Emery Ross from the Mariposa County Resource Conservation District, and Terry
93 Burkhart from the Bighorn-Desert View Water Agency. Director Morrison seconded the motion. A roll call vote on
94 Resolution 2011-07 resulted in the following: President Eagan-Yes, Vice President Van Berkem-Yes, Director
95 Hetherington-Yes, Director Jones-Yes and Director Morrison-Yes. The motion passed.

96 **SOARING WAY RESOLUTION 2011-06**

97 Mr. Collinson stated that Soaring Way was constructed in 2004 on land owned by the District and adjoining land
98 owned by Joerger Associates, Inc. In addition to the road, a sewer transmission line was also constructed. Once
99 the construction occurred, it was discovered that there were inconsistencies between the roadway and
100 improvements as they were actually built and the legal survey of the roadway. In order to complete the offer of
101 dedication to the Town and the dedication to the Truckee Sanitary District, the Truckee Tahoe Airport District has
102 to adjust the offer of dedication to an "as-built". Mr. Smith noted that the resolution will authorize the Board
103 President to sign documents that will accomplish conveyance and acceptance with the noted adjustments.

104 **PUBLIC COMMENT:** None

105 **MOTION #5 AUG-25-11:** Director Jones moved to authorize the Board President to sign Resolution 2011-06
106 allowing the District to convey Soaring Way to the Town - A Resolution Accepting and Conveying Certain Real
107 Property Along Soaring Way to Conform with the Actual Construction of Infrastructure. Vice President Van
108 Berkem seconded the motion. A roll call vote on Resolution 2011-06 resulted in the following: President Eagan-
109 Yes, Vice President Van Berkem-Yes, Director Hetherington-Yes, Director Jones-Yes and Director Morrison-Yes.
110 The motion passed.

111 **COST OF LIVING ADJUSTMENT (COLA)**

112 Ms. Dykstra reviewed the proposed Cost of Living Adjustment with the Board. The new wage scale will be used in
113 the upcoming budget. It will result in a 3.5% increase in salaries and wages to employees. Mr. Smith stated that it
114 is important to review the COLA at this time to put together the draft budget for the Budget Workshop.

115 **PUBLIC COMMENT:** None

116 **MOTION #6 AUG-25-11:** Director Jones moved to make an adjustment to the District's wage scale to reflect a
117 3.5% increase in the West B/C "All Urban Consumers" CPI for the twelve month period ended June 30, 2011. Vice
118 President Van Berkem seconded the motion. President Eagan, Vice President Van Berkem, and Directors
119 Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

120

121

122 **AD-HOC DISTRICT BENEFITS REVIEW COMMITTEE REPORT**

123 Vice President Van Berkem stated that he and Director Jones reviewed the employee benefits and the
124 recommendations in the Archer Company Study with staff. Based on the Archer data, the Ad-hoc committee is
125 recommending the District make two changes that will improve the current benefit package. First is an increase
126 to the life insurance coverage. In making this change, the District can obtain twice the coverage at a lower
127 premium rate. In addition, the District can modify the 457 plan to include Roth accounts for employees. All
128 contributions are made by employees. Proposals for long term disability coverage and employee assistance
129 programs were both mentioned as benefits in the study and will be reviewed for the 2012-2013 fiscal year. Mr.
130 Smith added that staff is accustomed to reviewing the District's medical insurance contribution and providers on a
131 yearly basis and will continue to work with the Board on these matters. President Eagan requested clarification
132 on when another Ad-Hoc committee should be formed to review employee benefits again. Vice President Van
133 Berkem stated that the March or April Board meeting would be a good time to review employee benefits again.
134 President Eagan requested that the Rolling Agenda reflect this information for discussion during that time frame.

135 **PUBLIC COMMENT**

136 Mr. Rick Tavan stated that every corporate board that he has worked with or been a part of has had a standing
137 compensation committee that handled these matters. If the District did that, there would be no need to re-
138 charter an ad-hoc committee each year. Mr. Collinson stated that an ad-hoc committee is not subject to Brown
139 Act as a standing committee would be. An ad-hoc committee makes it easier to work on individual projects.
140 President Eagan noted that the Board has worked very hard at getting clarification from District Counsel on this so
141 that the ad-hoc committees are truly project oriented and the only standing committee the District has is ACAT.

142 Mr. Bob Fink stated that he has spent a lot of his career at the University of California working on compensation
143 and benefit issues and ran the standing committees associated with these issues. He complimented the District
144 and the Board on the process.

145 **MOTION #7 AUG-25-11:** Vice President Van Berkem moved to increase the life insurance coverage offered by the
146 District from \$25,000 per employee to \$50,000 and for the District to make the necessary alterations to the 457
147 Deferred Compensation Plan to allow employee contributions designated as a Roth account if the employee so
148 desires. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, and Directors
149 Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

150 **AD-HOC COMMITTEE APPOINTMENTS**

151 Mr. Smith stated that he has spoken with Mr. Reinard Brandley of Brandley Engineering with regards to the
152 District's Pavement Management Program. Based on the conversation, it was determined that an ad-hoc
153 committee would be beneficial. This would be an effective way to go through all of the information and have a
154 formal presentation to the Board at the October 27, 2011 Board meeting. Mr. Smith recommended that Directors
155 Hetherington and Morrison who served on the Runway Ad-Hoc committee be appointed to this committee in
156 addition to Mr. Bill Quesnel serving as an advisor.

157 **PUBLIC COMMENT:** None

158 **MOTION #8 AUG-25-11:** President Eagan moved to appoint an ad-hoc committee to become the Pavement
159 Management Plan Ad-Hoc Committee with Director Hetherington and Director Morrison representing the Board
160 on this committee and ask Mr. Bill Quesnel to serve in an advisory capacity. Vice President Van Berkem seconded
161 the motion. President Eagan, Vice President Van Berkem, and Directors Hetherington, Jones and Morrison voted
162 in favor of the motion. The motion passed.

163 **FLIGHT TRACKING UPDATE**

164 Mr. Bumen updated the Board on the current status of the Multilateration Flight Tracking system. Mr. Rich Kohut
165 from ERA was present to discuss the status of the system. Currently there are two major areas that are being
166 resolved. One is the barometric correction and the other is the interrogator. The District did get an extension to
167 the experimental license. Mr. Kohut stated that a successful flight test was conducted on May 26, 2011 for the
168 System Acceptance Test. At this time all technical tasks have been completed. Representatives from ERA met
169 with District staff on June 15, 2011 to confirm and identify all final acceptance "punch list" items. Mr. Bumen
170 stated that the Barometric Pressure Altitude Correction would be applied with the post process data. The
171 altitudes and real time displays will be as originally broadcast to the system and not corrected. Discussion
172 followed regarding the accuracy of the data being gathered and the necessary adjustments to the barometric
173 pressure.

174 **PUBLIC COMMENT**

175 Mr. Rick Tavan stated he would like to understand what would be corrected with Barometric Correction. When
176 he flies to Truckee he sets his altimeter to a low altimeter setting that he receives from AWOS. He presumes that
177 AWOS is using a low level physical barometer to measure local pressure and calculate what that setting should be.
178 After he is out of the area, Oakland Center will give him a Blue Canyon or a Sacramento altimeter setting which is
179 often as much as 400 feet different. Does that 400 foot difference between altimeter settings have anything to
180 do with barometric correction in the software? Mr. Kohut stated he would need to respond to Mr. Tavan's
181 question after he reviewed the information. The Board requested staff get clear on the accuracy of the
182 information being gathered with regards to real time data and how is it being adjusted.

183 Mr. Kohut also reviewed the status of the Government Furnished Equipment (GFE) interrogator. The Facility
184 Transmit Authorization (FTA) has been extended to expire on December 31, 2014. This will allow ERA to work on
185 the hardware solution. The GFE interrogator is provided by the FAA as-is. The FAA will not provide maintenance
186 and support on this unit. However, ERA is providing support for non-hardware related failures. Currently the
187 replacement options for the GFE interrogator are to use an ERA interrogator which would require FAA approval.
188 The other option would be to replace the GFE with a certified interrogator with warranty and support and initiate
189 a permanent FTA through Sensis. Sensis is the manufacturer of the District's current interrogator however
190 because they originally sold it to the government and not directly to the District, they will not maintain it. If the
191 product were directly purchased from Sensis, it would include a standard 1-year warranty and maintenance. ERA
192 will continue to investigate options for a hardware solution as a replacement to the GFE interrogator. Vice
193 President Van Berkem requested clarification on the inclusion of this hardware in the original contract with the
194 FAA. Mr. Kohut stated that it may have been in the beginning however, when the FAA provided one, the District
195 accepted it and a credit was received for the interrogator. Mr. Bumen added that there are several options for
196 the Board to consider, each leading down a different path. The District has the ability to use borrowed equipment
197 from the FAA until 2014 if it chooses to do nothing at this point. The other option is to wait until the end of that
198 period to either buy one or work with the FAA on an extension to continue using the one the District currently
199 has. Director Hetherington requested that staff contact Sensis to obtain pricing information for maintenance on

200 the District's current interrogator. Vice President Van Berkem requested staff obtain clarification as to why the
201 government will not provide access to maintenance on the unit as it is their property. Director Jones requested
202 clarification on the original set of negotiations with the FAA with regards to the interrogator. Mr. Bumen
203 recapped the history of the purchase of the flight tracking system with the Board. Mr. Bumen added that it is in
204 the District's best interest to continue to pursue getting some assurances in place that will allow for flight tracking
205 at Truckee Tahoe Airport. Mr. Smith stated that a lot of information has been put before the Board today and
206 staff has not fully explored all the answers to some of the issues. Staff needs to do a better job to come back with
207 better information. Currently the Flight Tracking System is fully operational. The District is getting close to final
208 acceptance of the system with minor adjustments such as the barometric pressure readings. The long term
209 strategy of how to resolve the interrogator issue will be reviewed by staff and brought to the Board for
210 consideration at a future meeting to include not only the interrogator itself but the licensing for the unit as well.

211 **PUBLIC COMMENT:** None

212 **BREAK:** At 10:35 a.m. the Board recessed for a short break. At 10:45 a.m. President Eagan reconvened the
213 meeting.

214 **ACAT SELECTION**

215 Mr. Bumen stated that there are currently two seats open: one community position and one pilot position. Staff
216 has advertised in the newspaper as well as via e-blast. Advertising will continue through September 15, 2011. All
217 candidate submissions will be disseminated for review on September 16, 2011. President Eagan requested staff
218 clarify the term dates for each member.

219 **PUBLIC COMMENT:** None

220 **GENERAL MANAGER'S REPORT**

221 Mr. Smith updated the Board on his outreach efforts in the community. The District is participating in various
222 community events and outreach efforts over the next few months. Staff has also planned to present at various
223 local homeowners' association meetings along with ACAT.

224 Mr. Smith has also met with the District's FAA Project Manager and Planner with regards to the District's Master
225 Plan and the status of the current AIP Projects.

226 Mr. Smith stated that he is a non-salaried member of the Board of the Kid's Zone, a nonprofit corporation. The
227 Kid's Zone and the Optimist Club have expressed an interest in leading an effort or partnering with the District on
228 putting together an air fair or air expo. Their primary focus would be to provide a quality community event and
229 raise funds for their groups. There is currently \$25,000 in the budget for this type of an event. Mr. Smith
230 requested approval from the Board on the concept of having one of these organizations incorporate those funds
231 into the event as long as they provide their budget for Board review, with the intent that all revenues captured
232 will be to support local groups such as the Kid's Zone or the Optimist Club. The Board agreed with that concept.

233 Mr. Smith stated that pavement rejuvenator was added to the pavement on Runway 1-19 and some of the ramp.
234 A bid opening was held on Wednesday, August 24, 2011. There were no bidders present. The bid opening has
235 been extended for another 10 days. Advanced Asphalt has been asked to provide an estimate to do the
236 pavement at the end of the hangar rows. Staff is not going to wait for the bid process to get this much needed
237 pavement done. Advanced Asphalt is currently doing the pavement on Chandelle Way and the Administrative
238 Building. President Eagan requested a recap of the original timing in getting the Pavement Management Plan
239 from Mr. Brandley and if that has changed. Mr. Smith stated that the only thing that has changed was the

240 addition of a Pavement Management Ad-Hoc Committee. He also briefly reviewed the pavement management
241 timeline over the next five years.

242 **PUBLIC COMMENT:**

243 Mr. Rick Tavan requested clarification on when the public would have safe access to the hangars again, a target
244 date, specifically the interface between hangar rows and the ramp. Mr. Smith stated it was just a matter of
245 scheduling it with the contractor. Mr. Stoner added that Advanced Asphalt had two other projects they are
246 working on for the District. Staff's intention is to do a change order and the work should be completed by the end
247 of September.

248 Mr. Smith also reviewed the Project and Policy Summary as well as his Project Tracking List with the Board. Mr.
249 Stoner added that the District is supporting the South Lake Tahoe Airport with materials for their event. In
250 addition, he and Mr. Smith have a meeting at two FBO's in Reno with regards to GPU's and Lav Cart facilities.

251 President Eagan stated that recognizing the amount of conversation at the last Board meeting regarding GPU's
252 and lav carts, she appreciates staff stepping up and informing the Board on the status without being asked for the
253 information. She also thanked Mr. Bumen for the historical recap he gave on the flight tracking system stating it
254 was very helpful to the Board.

255 **BOARD MEMBER ANNOUNCEMENTS**

256 Director Jones stated that former Director Katie Morrison had a close relationship with the owners of The Rock.
257 The owners of The Rock would like to dedicate a memorial to Katie, Wyatt and Hanna in the form of a bronze
258 vintage aircraft casting. They would like to have the District participate in the dedication. Director Jones has
259 shared this information with Mr. Smith as well. He will be bringing more information to the Board's attention as it
260 becomes available and would really like to see the District participate in this memorial if possible.

261 **PUBLIC COMMENT:**

262 Mr. Rick Tavan stated the dedication was a great idea.

263 **CLOSED SESION**

264 At 11:46 a.m. the Board entered closed session pursuant to government code sections:

- 265 • GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATORS

266 At 12:31 p.m. the Board recessed out of closed session and reported the following actions:

- 267 • GOVERNMENT CODE SECTION 54956.8 – CONFERENCE WITH REAL PROPERTY NEGOTIATORS

268 *Direction was given to staff.*

269 **ADJOURN**

270 **MOTION #9 AUG-25-11:** Director Jones moved to adjourn. Vice President Van Berkem seconded the motion.
271 President Eagan, Vice President Van Berkem, Directors Hetherington, Jones and Morrison voted in favor of the
272 motion. The motion passed.

273 At 12:31 p.m. the August 25, 2011 regular meeting of the Truckee Tahoe Airport Board of Directors adjourned.