

The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS special meeting held Thursday, June 13, 2011 at the Truckee Tahoe Airport Board Room, 10356 Truckee Airport Road, Truckee, CA 96161 at 9:00 a.m.

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

DIRECTORS PRESENT: President Kathleen Eagan
Vice President J. Thomas Van Berkem
Director Mary Hetherington
Director John B. Jones, Jr.
Director James W. Morrison

STAFF PRESENT: Mr. Kevin Smith, General Manager
Mr. Phred Stoner, Director of Operations and Maintenance
Ms. Jane Dykstra, Director of Finance and Administration (arrived at 11:49 a.m.)
Mr. Kevin Bumen, Director of Aviation/Community Relations and Communications
Mr. Brent Collinson, District Legal Counsel
Ms. Maria Martinez, District Clerk

VISITORS: There were five (5) visitors present

SPECIAL ORDERS OF BUSINESS

Mr. Stoner acknowledged Director Hetherington's daughter Annika for being selected Co-Valedictorian of the Truckee High School graduating class of 2011.

PUBLIC COMMENT

Mr. Andrew Terry stated that there was a tree down at the entrance to Waddle Ranch and wanted to be sure staff was aware.

CONSENT CALENDAR

- Attorney Representation Agreement for Labor and Employment Legal Services

MOTION #1 JUN-13-11: Director Morrison moved to approve the item on the Consent Calendar. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, Directors Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

RUNWAY 10/28 REHABILITATION DESIGN

Mr. Smith stated that the discussion will include the review of the information provided by Mr. Reinard Brandley, Airport Consulting Engineer, staff and the Ad-Hoc Runway Committee in preparation to make a final decision at the June 23, 2011 Board of Directors meeting. Vice President Van Berkem requested clarification on the possibility of an option to proceed with the project this summer and reimburse the District with the FAA funds. Mr. Brandley stated that the FAA can give the District reimbursements up to the value of the District's entitlements up to a maximum of \$150,000 in reimbursements. President Eagan requested Mr. Brandley confirm this with the FAA.

Mr. Brandley reviewed the 4 design options for the Runway 10/28 rehabilitation project. The four options reviewed were as follows:

- Design Option A – Pulverize Asphalt Concrete (AC) /Asphalt Base (AB), with a 3” AC Overlay
- Design Option B – Grind, Remove and Replace 4” of AC
- Design Option C – Pulverize AC/AB, 3” New Aggregate Base and 3” of AC Overlay
- Design Option D – Grind 2” AC, Crack Repair, 2” AC Overlay, Saw & Seal Joints

Mr. Brandley reviewed the possibility of removing the hump on the runway. The FAA agrees that there are some safety benefits in removing the hump however the project will only be fundable if it fits within the \$2,000,000 funded project allocation. Removing the hump would significantly improve that section of the runway. The options were further broken down to reflect rehabilitation costs both including and excluding the removal of the hump. After detailed review of each option, Mr. Brandley recommended the Board exclude Option B and D and make a decision on either Option A or C. Mr. Brandley stated that the moisture gauges were also installed and within a week of installing them, moisture came up from the base to where the ground was saturated at normal levels. There were no indications of super saturation.

Vice President Van Berkem requested clarification on the condition of the 1800 feet of the runway rehabilitation completed several years ago. He also questioned if that particular section of the runway was inferior to the rest of the runway and if there was a warranty on it. Mr. Brandley stated that the current strength of the runway is the same for the entire runway length. The strength of the runway is mainly the strength of the subgrade underneath it and is determined by the quality and thickness of the materials. Mr. Smith added that the runway material was initially installed properly however it appears that it did not meet a 60/100 standard at the time of installation. Vice President Van Berkem questioned whether the estimated load bearing capacity of Option A would significantly change the type of aircraft that could use the runway. Mr. Brandley stated it would not change. Director Morrison requested clarification on the history of accidents at airports in general in relation to the hump. Mr. Brandley stated that it is a rare occurrence at airports without control towers. President Eagan questioned why the FAA does not fund for removal of the hump. Mr. Smith stated that the FAA understands that removing the hump is a safety benefit however it is a low priority at this airport because we have a parallel taxiway. He added that removing the hump will correct a weakness in the runway and has a safety benefit. Keeping the cost at approximately \$2 million may get the hump removal funded. Mr. Brandley added that the District can go with two bid schedules, one with the hump removal and one without. President Eagan questioned the difference between rehabilitating the runway now and just completing the resurfacing. Mr. Brandley stated that the cost to resurface would be almost as much as the cost for rehabilitating the runway. President Eagan requested a cost benefit analysis to review the options provided by Mr. Brandley.

PUBLIC COMMENT

Mr. Terry stated that “the hump” should be referred to “the site line” because the local pilot community is accustomed to calling “the hump” the intersection between the two runways. The District has come to a price point of \$2 million. The District is looking at long timelines atand decommissioning runways for extended periods of time. Perhaps, the District should do it right and do it once. In addition, the current metrics on the runway are perceived to be 75/100 single/dual wheels. None of the metrics or options presented here approach that and there are some heavy aircraft that exceed the metrics presented. What is the District going to do to bring it up to the 60/100? Mr. Brandley stated a runway can be overloaded by 15% - 20% and not fail. The life of

the runway is decreased by doing this a little bit. If you only have a few operations like this, it does not have much consequence on the runway. Mr. Smith added that there is the current posted load bearing capacity and then there is what the capacity actually is. Those two will come together over the next few years through the Master Plan process. Currently the District is not in a situation where the load bearing capacity needs to be changed and the runways will continue to accommodate the 60/100 standard for the foreseeable future.

Mr. Rick Tavan stated that he has seen a lot of consultants and vendors come through the District and the District is receiving good advice from Mr. Brandley.

BREAK: At 10:30 a.m. the Board recessed for a short break. At 10:39 a.m. President Eagan reconvened the meeting.

Mr. Smith state that the Ad-Hoc Runway Committee has been working with the consulting engineer over the last few months concerning this topic. The funding for this project is approximately \$2 million which is what the FAA estimates is needed to complete the project. The Ad-Hoc Runway Committee believes Option A is the best option and gets the District the rehabilitation on the runway that the FAA is looking for. This will give the District time to get into the analysis that is needed through the Master Plan process. The good news is that the FAA has given verbal approval to start the consultant selection on the Master Plan. Option A will give the District the runway strength and the life needed to get to the next cycle where there may be heavier reconstruction if that is ultimately what the District decides is the best option. The “site line” portion of this project came in after the concept of running two parallel tracks so the ad-hoc committee has not really evaluated that. Based on the engineer’s analysis, Mr. Smith and the consulting engineer agree that it is a good idea to have two parallel tracks; that gives the FAA a couple of options as well as allow the District to do some improvements to that section of the runway and take care of a safety issue.

Director Jones questioned why the ad-hoc committee did not choose Option C. Mr. Bill Quesnel, acting as consultant to the ad-hoc committee, stated that it was mainly a funding issue. There is no question that the FAA will fund Option A. When the District finally discovered the real load bearing capacity of the eastern 2000 feet of the runway, he started to think about why the District would increase the western 5000 feet when ultimately, if the District wants to get to a 60/100 standard runway, Option C would not be enough. More work would be needed to the site after the District spends approximately \$500,000 or the difference between Option A and Option C. He questioned why the District would not make the runway load bearing consistent along the entire 7000 foot length. The District knows that over the years larger aircraft have been coming in to Truckee Airport with no apparent problem to the runway. A couple of years ago, a study was done in which the maximum take-off weight for the larger aircraft was not the way they were coming in and out of the airport. For the most part, the trips are pretty short because they don’t have much fuel on board and they are not hauling around extra fuel. They are not getting fuel here as the District’s fuel prices are higher than they might see in other places. This option is consistent with the rest of the runway; it’s consistent with load bearing that the District has been operating with for a number of years. Mr. Quesnel suggested the District take care of the cracks and reduce the amount of long term and short term maintenance that staff has to do with all the crack filling. Director Jones questioned if the bid came in at \$2.05 instead of \$2.6, would Option C be viewed the same way. The District only gets one chance to do this, and by default the District is able to build that part of the runway to a higher strength.

Director Hetherington stated that she concurs with Mr. Quesnel. Option A gives the District what is needed on the eastern part of the runway and is reasonable. The project manager at the FAA had originally suggested

developing an Option D. But wWhen the costs are compared between Option A and Option D, the obvious choice is to go with Option A because then staff will not have to go back out and crack fill and the runway will have a clean surface.

President Eagan stated that integrating questions on load bearing factors into the Master Plan is really important. The community focus on the airport has risen dramatically over the last 10 years as there has been more jet traffic at the Truckee Airport. As a result there is a significant amount of community scrutiny, more than had existed before. Therefore, the decision on what can generate another level of activity that creates another level of scrutiny is an important question. She added that the Board should be listening to all the various input that may come before the Board on this subject.

PUBLIC COMMENT

Mr. Terry stated that Option A takes the District to a 40/60 load bearing capacity then you throw in 20% fudge room which takes the runway to a 50/70. That is still a long way from the 60/100 that the District has published. There is a dichotomy of what we have published and what the metrics are saying the runway can support. If the load bearing numbers are attracting the larger aircraft, then the District is asking for trouble. Director Hetherington stated that there is a component where you can take a certain amount more and it will not punch through the runway. There is not a hard limit to this design methodology. Mr. Quesnel agrees with Mr. Terry in the principle that the District should aim to get closer to the 60/100 so that Option C can be done within funding including removing the "site line". At this point, he cannot say that the District should make up the extra \$500,000 to make up that difference. Ultimately, when the District determines what the load bearing really needs to be, then Mr. Brandley can analyze what needs to be done to the entire 7,000 feet of runway and also start to address the load bearing capacity of 1/19.

Mr. Tavan stated that it is critical that the District not publish lower load bearing capacity than the runway can handle. A couple of years ago there was a fatal accident here. An aircraft was coming in with very heavy winds out of the south; it came in from the north on the instrument approach; did a very ill advised 270 degree turn circle to land so that he could land on runway 10/28. He added that he didn't know if that airplane was within the weight bearing capacity of 1/19. But if it was, if the thought process of the pilots was that they couldn't legally land on 1/19, a natural runway for this approach, because it won't handle the weight of the aircraft, then that rating could have killed them. President Eagan stated that for the first time the Board has content that enables them to really assess things. She thanked staff for the detailed information.

Director Jones asked when the analysis of the load bearing capacity would be completed. Mr. Brandley stated the study would be completed in approximately 5 weeks. The Board discussed construction timelines as they relate to the bidding process and the variables associated with requesting bids on more than one option. Mr. Smith stated that adding more than one option for bidding will increase design costs. Mr. Brandley noted that it would also increase the amount of time for the project to go out to bid from three week to five weeks. President Eagan requested staff to be prepared to present three proposed bid options for Board approval at the next meeting as follows:

- Option A with the removal of the hump
- Option C with the removal of the hump
- Option A leaving the hump in place

BREAK: At 11:38 a.m. the Board recessed for a short break. At 11:49 a.m. President Eagan reconvened the meeting.

BUDGET WORKSHOP

Mr. Smith reviewed the Budget Workshop process with the Board. This year, the budget process has been revised to incorporate budgetary items to the District's draft Strategic Plan. This is the first of two budget workshops. The budget is set for final adoption on September 22, 2011. Ms. Jane Dykstra reviewed the proposed budget details for fiscal year 2011-2012 with the Board. Several of the items highlighted were as follows:

- Hangars

Executive Hangar rates were reviewed as they relate to Hangar #2 (Todd Aero location). The Board will be discussing these rates in further detail at the next Board meeting scheduled for June 23, 2011, when they begin their review of Policy Instruction 621.1.

- Payroll and Employee Benefits

Vice President Van Berkem questioned whether it would be feasible to budget a Vacancy factor. Mr. Smith stated that staff will be adding this Vacancy factor in to the next budget review. President Eagan requested clarification on when employee benefits were going to be discussed with the Board. Mr. Smith noted that once the other member of the Employee Benefits Review Ad-Hoc Committee is selected at the next Board meeting, the ad-hoc committee will review with staff and bring it to the Board for approval later this summer.

PUBLIC COMMENT

Mr. Terry noted that ACAT has reviewed their budget for this year and will be requesting an increase to the ACAT budget to cover an increase in Travel and Lodging for the Road Show program.

- Operating, General and Administrative Expenses

Ms. Dykstra requested direction from the Board on the possibility of incorporating some type of static air show or expo in conjunction with the building opening. The Board discussed options of hosting an Air Show next year. Mr. Bumen stated that the timeline commitments for performers are typically made no later than December for the following year. The other element to be determined is the committee as well as the District's role as either a sponsoring supporter or to fully commit staff for this event. The budget figures would need to reflect which role the District will assume for this project. President Eagan requested staff to present on this item at an upcoming Board meeting with the Air Show research previously done so that a decision can be made on how to proceed with this item. Director Jones requested staff research Truckee Rodeo and Reno Air Show dates next year to make sure there is no conflict in scheduling over these event dates.

Director Jones requested clarification on Access Control / Security as it relates to the WASP camera system. The Board agreed that since the WASP cameras are related to the enforcement of the Fly QT program and the upcoming Operations Monitoring policy, Flight Tracking and the WASP camera system will be budgeted under "Operations Monitoring".

The Board discussed the District's Outreach Program. President Eagan requested clarification on when the next Godbe Survey will be done. Ms. Dykstra stated that it could be done during the summer of 2012. Due to the

decrease in aircraft traffic as a result of the runway construction in 2012 the Board agreed to schedule the Godbe Survey for 2013.

BREAK: At 12:28 p.m. the Board recessed for a short break. At 12:36 p.m. President Eagan reconvened the meeting.

Director Hetherington requested clarification on the Aircraft Retrieval Equipment budgeted for this fiscal year. Mr. Stoner stated that the equipment the District currently has is not adequate to move heavy aircraft. Currently the heavy aircraft is retrieved only under the direction of an aircraft mechanic. Mr. Stoner added that the Board should consider imposing fees on disabled aircraft that cause the closure of runways. President Eagan requested that this item be discussed further at the next Board meeting with the discussion on Policy 621.1. Director Jones requested staff contact other airports with similar executive jet traffic to review the policies and procedures with this type of scenario.

- Capital Projects

Mr. Smith reviewed the proposed capital projects being considered by staff with the Board. The projects have been divided into a proposed “Low”, “Medium” and “High” priority. In addition, any projects currently in process, but not completed by the end of the fiscal year will be carried over into the fiscal 2012 budget. Director Hetherington encouraged staff to find ways to partner with other agencies for equipment use.

- Budgeting Parameters

Ms. Dykstra reviewed the budgeting parameters for property tax revenues to be apportioned to various areas or programs. The Board discussed the percentage of property tax revenue being suggested in each area.

- Review by Strategic Plan Strategy Area

Mr. Smith noted that this year’s proposed budget figures will be linked to specific goals within the Strategic Plan. The Board discussed the budget items presented as they relate to each strategy area. Mr. Smith stated that the next budget discussion will be at the July 28, 2011 meeting with updated information. In addition, the Budget Workshop is scheduled for September 8, 2011.

ADJOURN

MOTION #2 JUN-13-11: Director Hetherington moved to adjourn. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, Directors Hetherington, Jones and Morrison voted in favor of the motion. The motion passed.

At 1:56 p.m. the June 13, 2011 special meeting of the Truckee Tahoe Airport Board of Directors adjourned.