

The following is a condensed version of the TRUCKEE TAHOE AIRPORT DISTRICT BOARD OF DIRECTORS regular meeting held Thursday, February 24, 2011 at the Truckee Tahoe Airport Board Room, 10356 Truckee Airport Road, Truckee, CA 96161 at 9:00 am.

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

DIRECTORS PRESENT: President Kathleen Eagan
Vice President J. Thomas Van Berkem
Director John Jones
Director Katie Morrison (arrived at 9:11 a.m.)

DIRECTOR ABSENT: Director Mary Hetherington

STAFF PRESENT: Mr. Kevin Smith, General Manager
Mr. Phred Stoner, Director of Operations and Maintenance
Mr. Kevin Bumen, Director of Aviation/Community Relations and Communications
Mr. Hardy Bullock, Environment and Technology Specialist
Mr. Jim Clague, District Engineer
Mr. Brent Collinson, District Legal Counsel
Ms. Maria Martinez, District Clerk

VISITORS: There were five (5) visitors present:

SPECIAL ORDERS OF BUSINESS

Mr. Smith complimented the Operations and Maintenance staff for all their hard work during the recent snow storms. In particular, Mr. Stoner has been instrumental in keeping the airport fully operational. The Board expressed their appreciation to Mr. Stoner and his staff for all their hard work.

PUBLIC COMMENT: None

CONSENT CALENDAR

- Minutes of the January 18, 2011 Special Board Meeting
- Minutes of the January 27, 2011 Regular Board Meeting
- Monthly Service Fees and Bills

MOTION #1 FEB-24-11: Vice President Van Berkem moved to approve the items on the Consent Calendar. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, and Director Jones voted in favor of the motion. The motion passed.

PUBLIC COMMENT: None

RUNWAY 10/28 DESIGN & PAVEMENT MANAGEMENT PLAN CONSULTANT SELECTION

Mr. Smith reviewed the Request for Qualifications (RFQ) submitted for the Runway 10/28 Design and Pavement Management Plan. There was a high level of interest in the RFQ that was sent out. The District received 6 qualification submittals from various consultants and teams of consultants. After a review of the qualifications, the ad hoc committee is recommending Brandley Engineering as the first selection and Wadell Engineering as a second choice. Brandley Engineering is well respected in the FAA and aviation community and has retained

many of their clients for 40+ years. Reinard Brandley completed some of the earliest known pavement analysis and geotechnical work on the airport dating back to 1971 and recently assisted the District by installing a moisture and temperature sensor gauge in runway 10/28. Staff had a good experience working with Reinard and partner Damon Brandley on this project. Staff and the ad hoc committee feel secure in recommending Brandley Engineering for the Pavement Management Plan and Runway 10/28 Design. Wadell Engineering came in with very competitive qualifications. They are based out of the Bay area and have completed many projects in the western United States and specifically the Truckee Tahoe region. If contract negotiations are unsuccessful with Brandley Engineering the ad hoc committee recommends Wadell Engineering. The Board requested clarification on the qualification and recommendation process. Mr. Smith stated that there are federal procurement regulations requiring the process of reviewing qualifications prior to negotiating a fee for the project.

PUBLIC COMMENT: None

MOTION #2 FEB-24-11: Vice President Van Berkem moved to approve the ad-hoc committee recommendation authorizing the General Manager to negotiate an appropriate scope and fee and enter into a contract with the selected consultant. Director Jones seconded the motion. President Eagan, Vice President Van Berkem, and Directors Jones and Morrison voted in favor of the motion. The motion passed.

AIRPORT COMMUNITY ADVISORY TEAM

ACAT Chair Andrew Terry updated the Board on the current status of ACAT. Three ACAT members will be attending the UC Davis Noise Symposium in Tucson, Arizona, and report back to ACAT at the March 8, 2011 meeting. ACAT members took the Road Show to Napa. The feedback received was very positive. ACAT members that participated in that event will give a formal presentation at the March 8th ACAT meeting. ACAT has also revised the Strategic Plan in reference to ACAT which will be discussed under a separate agenda item. The proposal for iPads is being developed for presentation at the next Board meeting. The main elements of the proposal were discussed. Individual ACAT members would own the units with the District bearing a partial cost. There is no expectation by ACAT of ongoing technical support or maintenance by the District. The Board requested clarification on the benefits to the District. Mr. Smith stated that there was an added benefit to using the iPad including access to an extensive library of information made available electronically to iPad users. Mr. Terry noted that all ACAT members would be required to purchase an iPad for the retrieval of District information. The Board discussed the limitations of using an iPad as opposed to a laptop computer for the dissemination of District information. Mr. Bumen stated that the iPad would be a way to foster electronic document management of District information. Mr. Terry added that ACAT has developed sub teams for the projects they will be pursuing this year and will be reporting on the individual project status at the March 24, 2011 Board meeting.

PUBLIC COMMENT: None

DISTRICT ENGINEER'S REPORT

Mr. Clague reviewed the status of the current AIP grants and projects with the Board. The Board thanked Mr. Clague for the detailed report. The Board also requested that Board agendas on the website be made available for longer than 12 months to make it easier to obtain necessary historical information.

PUBLIC COMMENT: Mr. Terry stated that there is money left over from these AIP grants. And now the Board is looking for ways to spend that money because it only costs the District 5% of what the full cost is out of pocket. This drives the Board to make decisions that they would not make if the District had to fund 100% of the cost of

individual projects. Mr. Terry suggested the Board be very careful in treating these grants as free money. The Board agreed, indicated that this has been discussed in detail and is mentioned in the Strategic Plan.

FLIGHT TRACKING UPDATE

Mr. Bumen updated the Board on the current status of the Flight Tracking system. Mr. Bumen introduced members of the SRA team: Mr. Joe LaMacchia, Project Manager, and Mr. Ken Tollstam, Vice President of Aviation Solutions. Mr. LaMacchia provided an overview of the flight tracking program. The system includes an ERA Wide Area Multilateration System with (6) sensors, an ITT web-based aircraft flight tracking monitoring system (AirScene) as well as an FAA provided GFE Interrogator. Mr. LaMacchia also reviewed the District's primary objectives for the flight tracking system. System acceptance tests are scheduled to be completed on approximately March 28, 2011. Once that has been completed, training on operations and maintenance will take place. The entire project is set to be completed by April 13, 2011. Mr. Bumen stated that a lot of hands-on training is taking place throughout the system acceptance tests. Additional District Operations staff are also being trained in the process to allow for additional in-house capability of this system. Mr. LaMacchia reviewed the details of the completed flight tests with the Board. The test results noted gaps in the flight tracks on Mode A/C aircraft which could be caused by the type of interrogations being generated by the GFE interrogator or other possible issues with system configuration. Several options were discussed to correct this issue. Mr. Tollstam suggested contacting the FAA to replace the current interrogator with one that can be controlled by the District. This will give the District the capability to improve the interrogations, eliminate the gaps in the flight tracks and proceed with system acceptance. Another alternative is to obtain permission from the FAA to reconfigure the existing interrogator to perform optimally. The Board requested clarification on the flight testing process and the options to correct the gaps in the flight tracks. The Board also suggested testing the Mode A/C aircraft when a Mode S aircraft is in the same airspace to see if the Mode A/C aircraft will respond.

PUBLIC COMMENT

Mr. Rick Tavan stated he finds it hard to believe that the transponders in the light aircraft are being so jammed up by this interrogator that they are not outputting any information. Maybe they do not have good information one-to-one on every interrogation six times a second, but they would be outputting some positional information. If the information is correct, then their system is also disabling the traffic alert systems and TCAS systems in the over flying aircraft.

The Board discussed putting a large Mode S aircraft in the air with a smaller Mode A/C aircraft in front to see if this theory works. After certain modifications are made to the system, Mr. Tollstam will be working on the existing interrogator and will run more test flights to see if this will correct the problem. He will also be working towards completing the licensing process.

A site acceptance is scheduled to be completed the week of March 21, 2011, with ITT on-site. The system software will need to be upgraded if the Board agrees to have the barometric altitude correction done. Mr. Bumen added that this is something that was not made part of the original contract and should be considered given the fact that the current software has an error rate in reporting the altitude of aircraft by several hundred feet \pm .

PUBLIC COMMENT: None

BREAK: At 10:51 a.m. the Board recessed for a short break. At 11:03 a.m. President Eagan reconvened the meeting.

ADMINISTRATION BUILDING AND FUEL ISLAND CONSTRUCTION UPDATE

Mr. Peter Beaupre of Prosser Building & Development, Inc. updated the Board on the activity on the new administration building. The Administration Building project is now approximately 30% complete. The carpenters are working on completing the second floor walls and roof framing. The project is running on schedule to-date. There are change orders totaling approximately \$85,000. Approximately 44% of the change orders are adding value to the project, 21% are due to unforeseen conditions, 20% due to final design coordination and 15% due to additional building snow removal. Mr. Beaupre stated that the Fuel Island is making progress. However, there are several items that need to be finalized before it can be operational again. Due to the weather in November, only temporary paving could be completed on the west side of the tank. Permanent paving will take place in the summer. The Fuel Island should be fully operational in the next few weeks.

PUBLIC COMMENT

Mr. Tavan asked if there was some kind of barricade near the front doors of the building. He asked that if a car were out of control would there be something big and heavy that would stop it before it got to the doors. Mr. Beaupre stated that there are a few bollards in that area. The ones that are going to be right in front of the building – an illuminated bollard made out of a concrete base up to 36 inches high which will provide that protection. Part of the complication is snow removal as well as a visual aspect.

AD-HOC RUNWAY COMMITTEE REPORT: None

STRATEGIC PLAN COMMENT REVIEW

Mr. Smith reviewed the comments submitted by ACAT and Airport staff regarding the December 2010 draft of the Strategic Plan. The Board agreed to review the items in order of importance based on the comments submitted. The public was also given the opportunity to give their comments for the Board's consideration. After the discussion, the Board gave the General Manager direction to incorporate the appropriate comments into a final version of the Strategic Plan in preparation of final adoption at the May 26, 2011 Board Meeting. In addition, the General Manager was instructed to hold a Pilot Meeting as well as a General Public Meeting to obtain input from various parties on the Strategic Plan before it is presented for adoption.

PUBLIC COMMENT

Mr. Tavan stated that a lot of work has gone into the Strategic Plan. He congratulated the Board. He asked for the Board's apology on not providing any comments to this plan earlier. Last night was the first time he had actually gotten a copy of the Strategic Plan. He attended the Strategic Planning meetings four years ago and was told that although public participation was legally mandated, it was not encouraged because the Board had so much to do and did not really have a lot of time for the public. Since then he has avoided Strategic Planning meetings assuming that the Strategic Plan would be subjected to a series of public meetings with some for the general public and some for the pilots, long before it was due to be finalized. He sees there are no plans for soliciting and reacting to general public and airport user comments. He stated that that should be corrected. There is a group called the Breakfast Club that gets a presentation. The general public and the pilot community do not. He urged the Board to fix that. He understands the disdain that some Board members hold for the formal definitions of concepts used in Strategic Planning. However, those concepts are well known in business. Everything in the plan is considered an objective. But the dictionary definition is something you can achieve. Almost all of these are directions of attitude, things to try, approaches or things to do, not measurable objectives. He would not mind if the Board renamed actions to objectives, if there were objectives. But there

are almost zero measurable objectives in this plan. That may be because this is a five year plan and not a one year plan. The actions that are in the plan are largely good. The attitudes are as well. There is a lot of redundancy and the document itself could be formatted differently. He does not understand why if this is a five (5) year document the Board goes into the specific maximum percentages of tax revenue to be applied to specific programs. That is something that is traditionally reviewed on an annual basis. If this plan only comes out every five years, he hopes that the Board is not planning on using those percentages into a five year strategic plan. Those percentages should be set every year. The whole document reads like a compromise between the needs of aviation and the needs of the community as if the District still considered those needs to be inconsistent. This Board has reached a point where those needs are not considered inconsistent. It's a good plan and there is a lot of good work in it. If the purpose of the plan is a primarily an exercise the District has to do every five years to say it has been done with no impact on future decision making, ignore the comments, finish the document and the District is done. But if this document is going to be used in the future to make decisions then it could use a little bit of additional consideration and definitely some public and pilot community input.

Mr. Smith stated that staff had already been working on ways to present the Strategic Plan to the community. This fall, the District is going to start the Master Plan revision and the Strategic Plan is part of that process. It will be reviewed in that process. As part of the Master Plan process there will be extensive community involvement throughout the District. The District wants to have input on the direction to take the airport and what the Master Plan should look like. The Master Plan gets into the details of all the different aspects. The Strategic Plan will serve as a guide, however, it will also be reviewed through that process. In addition, this is not a five year plan and will constantly be changing. There needs to be constant community input and this will be done through the Master Plan process in the form of Public Scoping meetings. Community and pilot outreach meetings can be scheduled so that they have the opportunity to give their input. Mr. Smith added that the Breakfast Club representatives approached the District to come give a presentation at one of their monthly meetings. The Strategic Plan was only a small portion of the presentation being given that day.

The Board stated that in 2004, the Board began having off-site meetings. The idea of discouraging public input was not having public there so that the Board could have a frank discussion about working together as a team and focus on one topic and not about this type of content. This Strategic Plan has been developed over the last four years as each off-site meeting was centered on one topic. The Strategic Plan will be used as a base plan for the budget process this year to determine the strategy the District will use for the coming year. The Board is open to all public comments about how the District can improve. The Board directed staff to schedule community and pilot outreach meetings over the next few months for their input before formal presentation is made to the Board for approval.

BREAK: At 12:50 p.m. the Board recessed for a lunch break. At 1:06 p.m. President Eagan reconvened the meeting.

SURPLUS SNOWBLOWER SALE

Mr. Stoner reviewed the proposed sale of the surplus snow blower with the Board. Placer County Department of Public Works has expressed an interest in the machine. Net revenue of \$1.00 (one dollar) would be generated from this sale. A press release publicizing the transfer of ownership to another local agency will be initiated with Board approval of this sale. Staff will assure snowblower stays within District boundaries and can be branded with District logo.

PUBLIC COMMENT: None

MOTION #3 FEB-24-11: Vice President moved to direct staff to enter into a sale agreement with the Placer County Department of Public Works for the transfer of ownership of the 1975 Idaho Norland snow blower for the sum of \$1.00 (one dollar). Director Jones seconded the motion. President Eagan, Vice President Van Berkem, and Directors Jones and Morrison voted in favor of the motion. The motion passed.

AD-HOC RATES AND FEES COMMITTEE REPORT: None

FINANCIAL REPORT

Ms. Dykstra was not present to detail the monthly financial report. The Board requested clarification on the increase in fuel sales for the month. Mr. Smith stated that it was probably due to the fair weather over the last several weeks which contributed to more air traffic.

PUBLIC COMMENT: None

INTERNAL CONTROL REVIEW

Director Hetherington was not present for this meeting and there was nothing to report.

DIRECTOR INSURANCE – P.I. 135.1

Mr. Collinson stated that because the District is dealing with director’s benefits that could impact their finances by more than \$420.00 per year, all members are conflicted. ~~Because all members are conflicted, the District is now under the fair political practice format.~~ Therefore, the names of the board members will be placed into a container and randomly drawn to make up the necessary quorum for this item because there is no alternative method of arriving at a decision on this matter. Mr. Smith drew the names of Vice President Van Berkem, Directors Jones and Morrison. President Eagan left the room during the discussion. Mr. Collinson added that Government Code 53208.5 among other things states that the Health and Welfare benefits of any member of a legislative body shall be no greater than that received by non-safety employees of that public agency. The Board discussed the various differences in current insurance coverage for staff versus the coverage presently received by the Board. The Board requested clarification on comparing insurance benefits to the amount being paid in insurance premiums per board member. Mr. Collinson noted that there is a concern with the existing policy in that a complaint could be made that the employees are only getting one plan when the directors have the freedom to shop for any plan they choose. The Board discussed revisions to the policy as presented that clarifies insurance benefits to directors. Mr. Smith stated that the District’s insurance policy for employees has been extended until August 1, 2011. This gives the District staff more time to review the Board’s concerns and bring back more data for review at the March 24, 2011 meeting.

PUBLIC COMMENT: None

BOARD MEMBER ANNOUNCEMENTS

President Eagan stated that Mr. Smith will be giving a presentation at the First Tuesday Breakfast Club and encouraged board members to attend. She added that she would not be present for the March 24, 2011 board meeting.

MANAGER’S REPORT AND ACTION ITEMS

Mr. Smith updated the Board on his outreach efforts in the community. Mr. Smith and Mr. Collinson met with representatives of Truckee-Donner Land Trust regarding the Martis Creek Estates Property Acquisition. The District is working on the conservation easement language. The sale of the property is due to close on May 1,

2011. The District's contribution to the sale is \$1,800,000.00 dollars. Mr. Collinson ~~reviewed the details~~ provided an overview of the conservation easement ~~with to~~ the Board.

Mr. Smith stated that a temperature and moisture sensor gauge has been installed on runway 10/28. This data is now being tracked and will give the District some vital information on frost and other conditions as the design phase begins with the runway. The data will be collected for a period of 5 years.

Mr. Smith stated that the rehabilitation of Chandelle Way is currently needed. The pavement has deteriorated over the years. There is an opportunity to submit this project for AIP funding however, it is not likely it will get funded as it is a low priority. This is a budgeted item and staff is requesting board direction to begin the design and get it done. The Board requested clarification on the type of rehabilitation of the street. Mr. Stoner stated that the pavement would need to be totally replaced. The road is used by warehouse tenants, hangar tenants as well as airport staff. The Board agreed to have staff proceed with design and bidding on this project and try to coordinate this project with the pavement project at hangar rows J and K.

Mr. Smith noted that there were 6 people that attended the Hangar Tenant Rate Adjustment Meeting. Ms. Dykstra gave a presentation at the meeting explaining how the rate adjustment was derived. Mr. Bumen was also present at that meeting. Other items discussed during the meeting were fuel rates, not being a "dog-friendly" environment, and availability of automotive gas on the airport, as well as gates access. Mr. Smith also reviewed the Project Tracking list with the Board.

Mr. Smith discussed the Alder Hill Beacon Tower with the Board. Staff has been researching issues surrounding the tower to clarify ownership of the tower, ownership of the land under it, access to the tower, the liability exposure and identification of companies and agencies with equipment on the tower. The results of the research show that in the 1960's the transfer of ownership of the tower to the District from the US Forest Service never officially took place. The District has requested the US Forest Service to research this issue however they have limited resources to pursue this. The District does have documentation granting permission to various public entities to attach to the tower which seems to confirm ownership of the tower.

The first issue is how to secure legal access to the tower. The other issue is a liability issue as there are no gates around the tower to stop an individual from climbing it. The Board requested clarification on land ownership and the possible existing easements for access to the tower. Mr. Smith stated the District currently does not have ownership to the land the tower sits on and no existing easements of record to access the property, other than ~~it~~ does appear that public utility agencies do have access to the tower through the Alder Hill Estates subdivision. Mr. Smith added that if the District can get access to the tower site, the tower will need to be secured to eliminate any liability that may be present there. Staff has researched various access points to the tower. Currently the best and quickest access is through the Alder Hill Estates subdivision through a dirt road. In speaking to some of the property owners of that subdivision, there is a possibility that the District will be granted access as a public agency.

One option would be to purchase the 14 acre parcel adjacent to the property the tower is on. That would make the District a member of the Homeowners Association (HOA) as well. The electricity supply to the tower will also need to be upgraded and the building rewired by the Truckee Donner PUD to make sure all equipment is functioning properly. Access to the tower needs to be defined before the District can proceed any further. The issue is that the District is not the only public agency that will need access to the tower. If the 14 acre parcel is purchased, it would be kept as open space with a possible conservation easement given back to the homeowners association to keep it as open space in return for allowing access to several public agencies. The conservation easement would serve as payment in place of the HOA fees.

The other option is to become part of the HOA, pay the fees and leave it as open space and defray the costs among the other public agencies using it for access. The Board requested clarification on the issue of rental of the property the beacon sits on. Mr. Smith stated that he has not had any communications with anyone on that however, it is an outstanding issue. Mr. Bumen added that due to the power surges from the tower, the District has gone through \$10,000 worth of flight tracking equipment which the vendor has replaced over the last 8 weeks. Operationally, access through Alder Hill Estates is the best way in to the tower.

Mr. Smith noted that later this year, staff will be meeting with representatives of the property owners in the area for permission to secure the tower. Additionally, a sign will be placed on the tower giving notice to those companies that currently have antennas on the tower with a 6 month deadline to identify their equipment or risk the equipment's removal from the tower. The Board agreed to direct staff to proceed in negotiation efforts to purchase the property adjacent to the tower or purchasing an access easement to the tower.

PUBLIC COMMENT: Mr. Bob Fink stated that shortly after the main road was built through the subdivision, agreements with Truckee Donner PUD allowed them to underground power to the beacon. There is a good power supply in that area for the airport. Currently there is no legal right for any maintenance access vehicles to come through the individual properties. The homeowners just let it happen because they know that as long as the cell tower owners are not coming up there that most of the uses are for radio or beacon maintenance. The trouble is that if Mr. Woods, who owns the property near the beacon, decides to build, access will be blocked. The Alder Hill Estates Homeowners Association is receptive to providing access to the District however it would have to be approved by the homeowners association.

CLOSED SESSION

At 2:41 p.m. the Board entered closed session pursuant to government code sections:

- GOVERNMENT CODE SECTION 54957.6 CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: J. Thomas Van Berkem and Kevin Smith.
Unrepresented Employees: all employees of the District.

At 3:32 p.m. the Board recessed out of closed session and reported the following actions:

- GOVERNMENT CODE SECTION 54957.6 CONFERENCE WITH LABOR NEGOTIATORS
Board gave direction to staff.

ADJOURN

MOTION #4 FEB-24-11: Vice President Van Berkem moved to adjourn. Director Morrison seconded the motion. President Eagan, Vice President Van Berkem, and Directors Jones and Morrison voted in favor of the motion. The motion passed.

At 3:32 p.m. the February 24, 2011 regular meeting of the Truckee Tahoe Airport Board of Directors adjourned.