

CARSON CITY AIRPORT AUTHORITY
Minutes of the January 18, 2012 Meeting

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A regular meeting of the Carson City Airport Authority was scheduled for 6:00 p.m. on Wednesday, January 18, 2012, in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Harlow Norvell
Vice Chairperson John Kelly
Member Alex Carter
Member Teresa DiLoreto-Long
Member Ray Saylo
Member Marcus Thomason
Member Guy Williams

STAFF: Steve Tackes, Airport Counsel
Jim Clague, Airport Engineer
Tim Rowe, Airport Manager
Tamar Warren, Recording Secretary

NOTE: A recording of these proceedings, the Airport Authority's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

A. CALL TO ORDER AND DETERMINATION OF QUORUM (6:00:54) – Chairperson Norvell called the meeting to order at 6:00 p.m. Roll was called; a quorum was present.

B. PLEDGE OF ALLEGIANCE: (6:01:43) – Chairperson Norvell led the Pledge of Allegiance.

C. ACTION ON APPROVAL OF PAST MINUTES (6:03:15) – Chairperson Norvell introduced the item. **Member DiLoreto-Long moved to approve the minutes of the November 16, 2011 meeting. The motion was seconded by member Saylo. Motion carried 6-0-1. Member Carter moved to approve the minutes of the December 21, 2011 meeting. The motion was seconded by Member Saylo. Motion carried 4-0-3.**

D. MODIFICATION OF AGENDA (6:02:30) – There were no modifications to the agenda.

E. PUBLIC COMMENT (6:02:36) – Chairperson Norvell entertained public comment, however, none was forthcoming.

F. CONSENT AGENDA (6:03:04) – There were no items on the consent agenda.

G. PUBLIC HEARING ITEMS:

1. DISCUSSION AND POSSIBLE ACTION REGARDING THE DISPOSITION OF EXCESS ROCK AT THE CARSON CITY AIRPORT. (6:05:12) – Chairperson Norvell introduced the item, and noted that for the past two months he, Mr. Rowe, Mr. Clegg, and Mr. Tackes had met with numerous tenants. He added that Mr. Rowe had also spent time with many construction companies. Chairperson Norvell outlined three criteria necessary for the Authority to consider the handling of the rock at the airport. The first criterion, per Chairperson Norvell was to consider the safety and efficiency of the operation; the second was the effect on the members of the community, especially the nearby residents; the third was the fiscal responsibility of the Authority. He outlined several challenges such as expediting the sale of the rock and responding to the needs of the community. He also noted that the rock removal from the east end of the airport and the grading of the area was important, and, if revenue could be generated “would be wonderful for us to do”. Chairperson Norvell hoped that the Authority could reach a resolution on a Request for Proposal (RFP) which could be finalized and decided upon at the March meeting. Chairperson Norvell invited Mr. Rowe to present a report and five recommendation options, which are incorporated into the record, regarding the excess rock material. Mr.

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Rowe proposed that the airport “not shoulder the cost of removing the material or simply spreading the material” per the original plan. He noted the value of the rock to the airport; however, he believed that it could not be utilized within five years. Mr. Rowe called the current aggregate market “very soft”, adding that the largest supplier of rock in the area is the Nevada Department of Transportation (NDOT), which at this point had several small projects along the Carson River. Mr. Rowe also advised not turning the airport into a rock quarry, which would require a special use permit, most likely unobtainable due to the truck and equipment noise concerns, in addition to possible ground water contamination. He recommended an RFP be published “for any interested parties to remove the material and complete the grading and seeding of the east side”. Mr. Rowe noted that Mr. Clague had recommended an areal mapping survey “in order to accurately determine how much rock can be removed”. He explained that the cost of the survey would approximate \$12,000, and could be covered by the earnings from the rock sales. Mr. Rowe also requested that the proposals be reviewed by him, Chairperson Norvell, the Airport Engineers and the Airport Counsel, prior to bringing them to the Authority for a recommendation. Chairperson Norvell received clarification that the RFP would include all the excess material to be moved as soon as possible.

(6:13:38) – Mr. Clague agreed with Mr. Rowe’s recommendation and clarified that they had been in touch with contractors who “knew the value of that rock”, and advised that the contractors give them a good price and “get it off the airport”. Chairperson Norvell suggested including parameters in the RFP, such as “what it would need to look like when the project is complete”. Discussions ensued regarding the impact on the community. Mr. Tackes iterated that the advice from the statute and the District Attorney’s Office would be that the rock sale should “follow the same process as if we’re going out to buy something”; therefore, following the bid process requirements. He added that RFPs should be published in the local newspaper for seven days before the closing date, or longer, for competitive bids. He also advised changing the rock field to gravel for emergencies. Mr. Tackes also suggested being open to other types of RFPs such as exchanging rock for grading, or other work that is “advantageous to the airport”. He also recommended the areal mapping to ensure the correct rock information is included in the RFP, as the other areal maps were outdated. Chairperson Norvell entertained Authority member comments.

(6:27:09) – Member Williams received confirmation that it was possible to structure the RFP to accept more than one proposal; however, Mr. Tackes noted “we’ll have to put our heads together so the pieces would fit”. Chairperson Norvell added that the rock could be purchased by a single vendor and resold. He also stated that “the final product was every bit as important as getting rid of the rock itself”. Member Williams suggested including airport tenants, who were familiar with construction, in the structuring of the RFP. Mr. Clague stated that they had obtained the input of several airport tenants. Member Saylo noted two accidents at the airport and anticipated more, adding that the rock was in a dangerous location. In response to a question by member Thomason, Mr. Rowe stated that the rock would only be removed during daylight hours. He was also told by Mr. Clague that a hill was removed; and the material was “stockpiled to the end of the existing runway”. The material was later used for the reconstruction and the raising of runway 927, and as fill material for Taxiway A, per Mr. Clague. Discussion ensued regarding the type of rock and its impact on aircraft. In response to a question by Vice Chairperson Kelly, Mr. Clague explained that the \$12,800 areal mapping cost did not include the cost of an engineer to observe the contractor removing the material. Mr. Clague believed that two construction companies were currently removing rock under the supervision of the Airport Manager, adding that Atknis might send “a survey crew to flag off the limits of where they can go”. Vice Chairperson Kelly also received an explanation of the areal mapping cost breakdown, which included the survey, grading plan, photography, seeding specifications, calculations of available material “and comparing it with what is proposed”. Mr. Clague responded to Member DiLoreto-Long’s question by noting that “the FAA would fund only what is within the runway safety area and object-free area”. He also added that he did not see any use of the material for future airport expansion, Mr. Row explained to Member DiLoreto-Long that he had been approached by local contractors, hence the RFP. Mr. Clague addressed her objection to the mapping by explaining that the previous areal mapping was done prior to the relocation of the runway; therefore “we don’t have anything to show the contractor other than he just going out there and looking at it”, and to ensure receiving accurate bids. Mr. Rowe clarified that the actual rock amount was not known, and the areal mapping could provide that information. Chairperson Norvell added that hiring a D9-type bulldozer would cost \$3,000 per day, “just to mitigate that area”. Member Carter noted that he did not “like the idea of spending \$12,000” for budgetary reasons, however, he believed that if the rock sale generated the funds to pay for the mapping, it could fit with

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the plan “to get this job done”. Mr. Tackes advised that the photograph in Mr. Rowe’s report showed the overrun area. Chairperson Norvell entertained public comments.

(7:02:16) – David Correo identified himself as being in the construction business “for a long time”, and asked about a contingency plan should the rock not sell. He suggested a barter, work being done for the rock. Mr. Correo thought the areal survey would be “putting the cart before the horse”, suggesting that inviting purchasers to look at the rock and using the RFP process would save a considerable amount of money. He also believed that most contractors would prefer to look at the rock prior to removing it, but cautioned against putting a value on it. Mr. Correo disagreed with Mr. Clague, deeming the airport expansion necessary. He also suggested an alternative to the rock sale, “spread all that material out, bring in some fines and cover it up, and call it good”. Mr. Correo advised purchasing properties around the airport as they become available, as part of the first right of refusal. Chairperson Norvell reminded everyone that a commitment had been made to the community, ensuring them that the Authority would never try to implement any eminent domain proceedings, however, discussions had gone on to propose to 15 homeowners the opportunity to offer to the Authority the first right of refusal, should they sell their homes. He also added that the FAA had made it clear that the C2 design standard could never be applied to this airport, hence the implementation of the B2 design. Chairperson Norvell noted that bartering had been an option all along, adding “we don’t want to get into the rock business for a variety of reasons, so we’re trying to find out how to attract someone to come in here and at least get started on it”.

(7:22:18) – Ken Welch, an Apollo Drive resident, explained that he had attended “quite a few of these meetings” throughout the years. He reminded the Authority that some of the funds received from the FAA to realign Runway 27 were for “smoothing out the rocks and the extra dirt”. Mr. Welch noted that when that did not take place, he contacted the Authority through an attorney and received a letter from Mr. Tackes, dated October 15, 2008, assuring him that upon realigning Runway 27, the dirt from behind his property would be the first to be removed. Mr. Welch cited his experience with construction and RFPs, and suggested multi-part RFPs with one overseer. He also received confirmation that a windmill farm company was interested in some of the rock. Mr. Welch questioned the Authority’s intentions of being “a good neighbor”, commenting that he cleaned a lot of dust from his patio furniture every day, and encouraging that the Authority “spend some money” and show “good faith”.

(7:28:25) – Eric Laetch suggested going forward with the RFPs, “although probably somewhat different than the one that’s been outlined to you this evening”, and not going ahead with the areal mapping. In response to Mr. Laetch’s question, Mr. Rowe noted that Rapid Construction had completed the removal of rock from the east side of the airport and should begin removing the rock on the east side of Taxiway B in the next few weeks, adding that he had received approximately \$4,500 for the rock removed in December, and that another payment would be received upon completion of the work, with an estimated total of \$12,000 for the removed rock. Mr. Laetch reminded the Authority of his former presentation regarding the rock, and expressed his approval of the RFP process and the creative ways of dispensing the rock. However, he opposed the spending of \$12,000 for areal mapping, stating that he would have supported it for \$5,000. Mr. Laetch explained that he had visited the rock site at the airport with “someone quite knowledgeable”, and had discussed the cost of “safety improvements of the present overrun and getting rid of the moonscape”, which he estimated to be around \$20,000 or \$25,000. Mr. Laetch also suggested several amendments to the Rapid Construction contract, and recommended that the RFP contain “a great deal of flexibility”. He also read excerpts from the Airport Manager’s report regarding the rock, incorporated into the record, explaining that the rock values he had supplied last November were two years old, and that he now had “more useful numbers”. Chairperson Norvell cautioned against outlining every possible scenario due to time constraints, and noted that there were “wide variations on what this material may or may not be worth”. Mr. Laetch believed that the cost if the rock at 85 cents or a dollar per ton would not be sufficient to have the area graded and seeded. He agreed with the RFP and the community safety priorities; however, he disagreed with the “artificial constraints” on the RFP. Mr. Clague mentioned that any contractor who wanted a grading permit would have to supply the city with a grading plan. He also explained that “contractors could come to their own conclusion as to what is available out there, or we could do the areal mapping”.

(7:54:10) – Chairperson Norvell entertained comments from Authority members. Member Carter believed that the areal mapping “makes sense”; however, he was concerned about the expenses. He wondered whether Gary Prentice, Airport

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Maintenance, could accomplish some of the grading. Member DiLoreto-Long wished this had been addressed in the original plan. However, she wanted to see the interest level, prior to spending money on areal mapping, adding “let’s define what is necessary to make everyone happy”. Vice Chairperson Kelly believed that the rock pile needed to be cleared; however, he was against the areal mapping. Member Thomason considered the rock “an eyesore to the community”, and received clarification from Chairperson Norvell that the Authority was not required to accept a bid that was not to their satisfaction. Discussion ensued regarding areal mapping. Mr. Tackes suggested having an RFP, without the mapping, with the following specifications: “the slope from the area that’s currently improved, has to be within a certain range”, and receive bids from contractors. Member Saylo suggested moving the rock in the best way possible, and having an open mind in accepting contractor suggestions. He also noted that he was opposed to the areal mapping and suggested using the funds to “clean up” the area near Apollo Drive. Member Williams expressed a similar opinion, highlighting the safety and community responsibilities as priorities, thus allowing flexibility within the RFP. **Member Thomason moved to authorize the Airport Manager to acquire the necessary information to issue an RFP, working with the Airport Engineer and Airport Counsel. The motion was further amended to exclude the areal mapping at this time. The motion and the amendment were seconded by Member Saylo. Motion carried 7-0.** Mr. Tackes also received clarification that the RFP would be issued as soon as possible.

(8:15:16) – Chairperson Norvell requested addressing agenda item G3 before item G2, apologizing to Karl Hutter of Clickbond for the delay.

2. DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF LEASE AMENDMENT REFLECTING LOT LINE ADJUSTMENT FOR BUILDING AND FOOTPRINT REMOVED BY BRAD GRABER FROM THE CARSON EXECUTIVE HANGAR CONDOMINIUM ASSOCIATION PURSUANT TO THE FAA AIP CONSTRUCTION PROGRAM INVOLVING TAXIWAY D WEST. (8:23:58) – Chairperson Norvell introduced the item. Mr. Tackes gave background noting “it’s a bit overdue”. He elaborated that as part of the extension of Taxiway D West, a corner of the Carson Executive Hangar lease was too close to the taxiway to meet the FAA specifications. Mr. Tackes clarified that the Authority was faced with the choice of “making a kink in your taxiway”, or acquire the property and remove a portion of the hangar to create a clear space. The Authority chose the latter option, per Mr. Tackes, and received great cooperation from owner Brad Graber. Mr. Tackes explained that this lease amendment, incorporated into the record, would remove 400 feet, with the cooperation of the Carson City departments, and possibly reduce the tenant’s property taxes. Mr. Tackes also clarified for Member DiLoreto-Long that the lease amount would be reduced as well, and the overpaid amount would be deducted. Chairperson Norvell entertained public comments; however, none were forthcoming. **Member Saylo moved to approve the lease amendment reflecting the lot line adjustment to Brad Graber’s lease interest and the Carson Executive Hangar Condominium Association. The motion was seconded by member DiLoreto-Long. Motion carried 7-0.** Chairperson Norvell thanked the airport and tenant community, and the members of the public, noting that he appreciated the interaction, acknowledging that “some of these issues are very difficult indeed”. He also hoped that “nobody takes anything that has been said personally”.

3. DISCUSSION AND POSSIBLE ACTION TO UPDATE THE THROUGH-THE-FENCE PERMIT FOR 2205 ARROWHEAD DRIVE FROM WEDDELL TO NEW OWNERS OF THE PROPERTY, CLICK BOND, ITS OWNERS AND AFFILIATES. (8:15:52) – Chairperson Norvell introduced the item. Member Carter announced that he was an employee of Clickbond; therefore he would refrain from voting and discussion, and would leave the dais temporarily. Mr. Tackes explained that a through-the fence permit, incorporated into the record, had been issued, around 1990, to Weddell for the 2205 Arrowhead Drive property. Clickbond had purchased the property and therefore the through-the fence-access now needed to be moved from Weddell to Clickbond and its affiliates, keeping the terms identical. In response to Chairperson Norvell’s question, Mr. Tackes clarified that a through-the-fence permit was different from a lease, and was part of Title 19 of the Carson City Municipal Code, and could not be cancelled “for no reason”. Member DiLoreto-Long received confirmation that the fee would be based on the Title 19 requirements. Mr. Tackes also noted that El Aero had consented to this permit, as “Clickbond would go across El Aero” after crossing Ring Road. Chairperson Norvell entertained public comment. Mr. Hutter introduced himself and thanked Chairperson Norvell and Mr. Tackes for their quick response during the last week of the year, “making sure that it showed up on a piece of

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paper, and being able to get it recorded with the new deed". He also noted that Clickbond "is a very proud airport industrial park resident, tenant, and operator on the field and appreciates everything that this organization does to maintain the safety and access we have to the airport and to Carson City". Chairperson Norvell thanked Mr. Hutter and explained that he was looking forward to a great relationship, and was happy to see the hangar and property become part of Clickbond's campus. Chairperson Norvell entertained further discussion, and when none was forthcoming, a motion. **Member DiLoreto-long moved to approve the issuance of the through-the-fence permit to Clickbond as proposed. The motion was seconded by Member Thomason. Motion carried 6-0.** Member Carter rejoined the authority.

H. AIRPORT ENGINEER'S REPORT (8:29:02) – Chairperson Norvell introduced the item. Mr. Clague referred to his report, incorporated into the record, and discussed the Environmental Assessment Phase 2, the Main Apron Reconstruction, and the Rehabilitation of Taxiways B and C. Chairperson Norvell inquired about receiving a grant, and Mr. Clague believed it was a possibility.

I. AIRPORT MANAGER'S REPORT (8:37:00) – Chairperson Norvell introduced the item. Mr. Rowe reported that he had spoken to the National Weather Service in Reno and was expecting further information "by the end of this month" regarding the Terminal Area Forecast. Mr. Rowe also noted that he had not received feedback from the FAA regarding the instrument approach.

J. LEGAL COUNSEL'S REPORT (8:37:40) – Chairperson Norvell introduced the item. Mr. Tackes stated that some airport leases required that construction be done after a certain time, adding that due to the economic downturn some requirements were not fulfilled. He suggested revisiting the leases and "extend their ability to build". Mr. Tackes also suggested that the Authority receiving a report from Jet Ranch regarding their status.

K. TREASURER'S REPORT (8:39:57) – Chairperson Norvell introduced the item. Member Carter distributed a budget report, incorporated into the record, and clarified that some accounts had "gone down" due to auditing activities, and the adjustments that were made. Member Carter also announced that the current bank balance was \$339,834.24.

L. REPORT FROM AUTHORITY MEMBERS (8:41:07) – Chairperson Norvell introduced the item. Vice Chairperson Kelly reported that he had been notified by Bristow about an extension until the end of August.

M. PUBLIC COMMENT (8:41:56) – Chairperson Norvell entertained public comments; however, none were forthcoming.

N. AGENDA ITEMS FOR NEXT REGULAR MEETING (8:42:02) – Chairperson Norvell introduced the item. It was agreed to agendize the status of the rock RFP.

O. ACTION ON ADJOURNMENT (8:42:41) – Chairperson Norvell suggested a motion. Vice Chairperson Kelly moved to adjourn. **The motion was seconded by Member Thomason. The meeting was adjourned at 8:43 p.m.**

The Minutes of the January 18, 2012 Carson City Airport Authority meeting are so approved this 15th day of February, 2012.

HARLOW NORVELL, Chair