

CARSON CITY AIRPORT AUTHORITY
Minutes of the August 19, 2009 Meeting
Page 1

A regular meeting of the Carson City Airport Authority was scheduled for 6:00 p.m. on Wednesday, August 19, 2009 in the Carson City Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairman Steve Lewis
Member Alex Carter
Member Dave McClelland
Member Don Peterson
Member Ray Saylo
Member Walt Sullivan

STAFF: Jim Clague, Airport Engineer
Casey Pullman, Airport Manager
Steve Tackes, Airport Counsel
Jano Barnhurst, Recording Secretary

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

A. CALL TO ORDER, ROLL CALL AND DETERMINATION OF QUORUM. (6:00:01) - Chairman Lewis called the meeting to order at 6:00 p.m. Roll was called; a quorum was present. Vice Chairman Kelly was absent and excused. Member Sullivan arrived at 6:15 p.m.

B. PLEDGE OF ALLEGIANCE. (6:00:38) - Chairman Lewis led the pledge of allegiance.

C. APPROVAL OF THE MINUTES OF PAST MEETINGS OF THE AIRPORT AUTHORITY. (6:01:03) - Member Peterson moved to approve the minutes of the July 15, 2009 meeting as presented. Member Saylo seconded the motion. Motion carried 5-0-1.

D. MODIFICATION OF THE AGENDA. (6:01:33) - None.

E. PUBLIC COMMENT. (6:01:48) - Robert Dickinson of the EAA expressed his thanks to Chairman Lewis and Member Peterson for the great job they have done in their tenures on the CCAA and thought it has been very good for the airport and community. Chairman Lewis commented that he would like to make a presentation to the EAA at the next meeting or at an EAA meeting. He expressed great appreciation to the EAA Chapter 403 for being great stewards of the airport.

F. CONSENT AGENDA. All matters listed under the consent agenda are considered routine, and may be acted upon by the Airport Authority with one action and without an extensive hearing. Any member of the Authority or any citizen may request that an item be taken from the consent agenda, discussed and acted upon separately during this meeting. The Chairman or the Vice-Chairman retains discretion in deciding whether or not an item will be pulled off the consent agenda. (6:3:27) - None.

G. PUBLIC HEARINGS.

CARSON CITY AIRPORT AUTHORITY

Minutes of the August 19, 2009 Meeting

Page 2

G-1. PRESENTATION FROM THE NORTHERN NEVADA DEVELOPMENT AUTHORITY'S (NNDA) EXECUTIVE DIRECTOR REGARDING THE ROLE AND RESPONSIBILITIES OF THE NNDA AND LOCAL ECONOMIC DEVELOPMENT; WHY IT'S DONE AND WHY IT MATTERS (6:03:32) - Rob Hooper narrated a Powerpoint presentation on the Sierra Region of Nevada and gave background information on the NNDA. The region includes Carson City, Douglas County, Lyon County and Storey County and the NNDA represents each county in economic development matters. The NNDA focuses on primary job creation through expansion of local businesses, attraction of new businesses to the region, and the retention of businesses. He explained that primary jobs bring wealth to the community by producing goods, shipping them out of the region, and bringing dollars back into the community. Their function is to bring in more people with money in their pockets. The Sierra Region offers the best overall opportunity for the development of primary jobs in the State and possibly the western U.S. It has the best business climate, ample land and infrastructure, an excellent workforce and is the best choice to locate and develop a business in the western U.S. as it's equally distant between the San Diego and Seattle markets. For companies that want a west coast presence and service the west coast, Nevada is the right choice because of the lack of state income and inventory taxes, it's business friendly and has access to government. They think regionally but act locally and NNDA tries to identify the right targeted cluster to pursue in each county and is looking to bring specific industries, choose a target and market to it. Carson City is the manufacturing cluster in the State with 12-14 percent of its population working on Arrowhead Drive. The targeted cluster being pursued for Carson City is the controlled environment clean manufacturers and industries include medical devises, pharmaceutical, neutraceutical, computer assembly, hard drive assembly, nano-technology, and biotech. He said that many kinds of companies are looking at this area right now.

Mr. Hooper explained that Douglas County is pursuing outdoor lifestyle equipment and soft goods manufacturers, and wants to ensure there is planned desired growth, not random growth. Lyon County is a good place for different types of companies as Fernley has diverse manufacturing while Dayton has the airport, distribution and manufacturing capabilities. Wabuska has the oldest geothermal plant in the State with a desire to turn it into an energy park with other energy producers. The Moundhouse industrial park is a 'roll up your sleeves and get dirty' area. Silver Springs airport park may be turned into an industrial park for another 'roll up your sleeves' maintenance area. Smith Valley has agricultural opportunities. Storey County has the Tahoe Reno Industrial Center which is 80 percent of the county. It's the world's largest industrial park and they have installed an infrastructure which is perfect for large distribution and logistics companies. The Washoe Tribe has unique undeveloped lands that can be leased long term. The NNDA is working on relocations of companies to the Sierra Region with a potential of creating 2,000 jobs. He also mentioned that they are working with a site selector consultant that works with companies specializing in aviation. They have been sent information on the airport and are looking for aviation companies to move to this region. Chairman Lewis thanked him for his presentation.

G-2. DISCUSSION AND POSSIBLE ACTION REGARDING THE CENTER TRIANGLE, AS FOLLOWS: (A) OPENING, REVIEW AND CONSIDERATION OF THE SUBMITTED BIDS CONCERNING THE NOTICE OF INTENT TO LEASE LOTS IN THE CENTER OF THE TRIANGLE AS FURTHER DESCRIBED IN THE RESOLUTION AND NOTICE OF INVITATION TO BID ON CARSON CITY AIRPORT LEASES DATED JANUARY 21, 2009; (B) DETERMINATION OF QUALIFIED BIDS; (C) CONSIDERATION OF LEASE RATES AND TERMS OF THE LEASE; (D) ORAL BIDDING; (E) CONSIDERATION OF AWARD TO THE MOST QUALIFIED BIDDER; (F) AUTHORIZATION TO PRESENT THE LEASE AWARD TO

CARSON CITY AIRPORT AUTHORITY

Minutes of the August 19, 2009 Meeting

Page 3

THE BOARD OF SUPERVISORS PER NRS CHAPTER 844; (G) DETERMINATION OF WHETHER TO RESUBMIT THE INVITATION TO BID AND AUTHORIZATION TO OBTAIN UPDATED OR NEW APPRAISAL; AND (H) APPROPRIATE MINIMUM LEASE RATE AND TERMS OF THE LEASE. (6:32:35) - Mr. Tackes advised that no bids have been received and that NRS 244.281-244.283 require an appraisal first be obtained. He explained that initially an appraisal was obtained at a cost of \$6,500. It was put out to bid, bids were received but outside the scope of notice, so the language was made broader, put back out to bid, but none were received. The appraisal was updated at a cost of \$1,500 and went out to bid again several times. He commented that there has not been the kind of interest in leasing and constructing hangars as in the past due to the economy. He advised that the only item to be acted on is (G) and whether to get another appraisal in order to put it back out to bid. In response to a question, he replied that the shelf life of an appraisal is six months and renewal would be another six months. Several appraisers were approached and most were too busy, too expensive or didn't want to do it. Steve Johnson was able to produce in a short period of time with the ability to renew in six months. In response to another question, he replied that the six month update period for the \$1,500 expired on April 17 and put this last resolution on April 15. The appraisal cannot be more than six months old at the time the resolution is adopted to offer it for lease and a new appraisal is needed. He has not yet checked with Mr. Johnson as to whether he would do another appraisal for \$1,500, but the original agreement was for one update at that amount. Chairman Lewis stated that the CCA has invested \$8,000 in appraisals over the past year plus the cost to put out the notice so a lot of energy has been expended to find quality lessees. **Member Peterson moved to defer getting another appraisal until market conditions improve and the runway is completed or someone comes forward and indicates an interest that justifies an appraisal. Member Sullivan seconded the motion.** Chairman Lewis opened the matter for comment and seeing none, called for a vote. **Motion carried 6-0.**

G-3. DISCUSSION AND POSSIBLE ACTION ON ITEMS RELATED TO THE CARSON CITY RUNWAY PROJECT (FAA AIP NO. 3-32-0004-18), INCLUDING MONTHLY STATUS REPORTS, POTENTIAL CHANGES TO THE WORK OR WORK SCHEDULE, CONSTRUCTION CHANGE ORDERS, AND OTHER RELATED ITEMS. (6:39:18) - Mr. Clague reviewed the engineer's report, photos of the ongoing construction, phasing plan and brief financial summary. He explained that there hasn't been a lot of work to date so Granite's first pay request is somewhat small. PBS&J has been doing some editing to the construction drawings which accounts for the engineering services activity. He noted that the project is at \$9,550,000, but the grant is for \$9,600,000, which allows for a cushion. Chairman Lewis called for questions and public comment. In response to a question, Mr. Clague replied his understanding of the Granite Construction strike is that it is more related to private work in paying what the truckers are requesting. They chose to picket at public projects because of the exposure but it doesn't affect payments to the truckers on public projects as Granite has to pay prevailing wage rates. He expressed the understanding that they have reached a settlement. He also advised that the rock crusher was purposely run last week before a neighborhood meeting to see if anyone noticed. The only thing heard was the humming of the generator.

H. AIRPORT ENGINEER'S REPORT. (6:43:42) - Mr. Clague advised that at the special meeting on the AWOS, the contract was awarded to Marv McQueary Excavating contingent on receiving an FAA grant to install the AWOS 3PT. The grant was received and the notice of award will be prepared for the Chairman's signature.

CARSON CITY AIRPORT AUTHORITY

Minutes of the August 19, 2009 Meeting

Page 4

I. AIRPORT MANAGER'S REPORT. (6:45:56) - Mr. Pullman reported that the runway taxiway construction project is well underway, has received no complaints from outlying neighborhoods and very few from users and tenants. The main concern is getting around the airport which has been addressed by a message on the AWOS system and posted notems. The radio is being monitored to direct pilots on what to expect when they land or when taxiing. There have been two construction information meetings to inform users, tenants and outlying neighborhoods what to expect during construction. Most of the questions at the user-tenant meeting on August 11 were regarding construction schedules. The neighborhood meeting was August 13 and most didn't know construction had begun. Their questions concerned aircraft arrival and departure procedures. He will be assembling a pamphlet of airport information for the pilots including a diagram of the airport flight pattern and noise abatement procedures which will help educate users on proper flight procedures.

Mr. Pullman reported that on August 10, Granite Construction was replacing the fire hydrant on the west end near the porta hangars and had to turn off the water supplying the hydrant. At the time no one knew that the water was tied into the fire suppressant system for American Warbirds, Weaver Aircraft, and George Byard hangars. As soon as Granite discovered the disruption, they informed Neil Weaver that the water would be off for a few hours. Mr. Weaver sent his employees home for the day. Mr. Byard and American Warbirds were understanding of the situation. Mr. Pullman apologized and assured them that if he has advance notice, he will let them know. Water was disrupted from 10 a.m. to 1 p.m. and as soon as it was restored, he notified them. Granite notified him the next day that the water would be down on August 17 from 7 a.m. to 3 p.m. for additional hydrant repairs and he notified the hangars. Subsequently the airport received an invoice from Neil Weaver for \$5,780 for retribution of water disruption, a copy of which was included in the agenda packets. In response to a question, Mr. Pullman replied that he received the invoice that afternoon. Mr. Weaver walked in the office, handed it to him and left. Member Sullivan advised that this is not an agendized item, cannot be discussed, and suggested putting it on next month's agenda for discussion and action.

Mr. Pullman also mentioned that he's still in the process of establishing the airport's mission statement and has received some input. He's putting it together and will present options for the mission statement and variations of a new logo at the next meeting.

J. LEGAL COUNSEL'S REPORT. (6:44:41) - Mr. Tackes advised that he had a copy of the AWOS grant for \$184,000 which was Fed Exed to the City Manager's Office. It still needs approval by the Board of Supervisors (BOS). The FAA needs a signed copy on September 3, the same day as the BOS meeting, so he will notify them that they will receive a faxed copy of the signed grant on September 3 and the original on September 4.

K. TREASURER'S REPORT. (6:53:20) - Member Carter advised that everything is on budget at this time. The bank account has a balance of \$361,053.47; work is being done and money will be coming in shortly.

L. REPORT FROM AUTHORITY MEMBERS. (6:54:06) - Member Sullivan suggested that Mr. Pullman mirror Mr. Tackes when he puts the AWOS grant acceptance item on the BOS agenda as he will need to know the procedure process. He also advised that he, Chairman Lewis and Member Peterson are soon rotating off the Board and thought it would be appropriate to have an educational day for the three new members. He thought that Chairman Lewis, Member Peterson, Mr. Tackes and Mr. Pullman could

CARSON CITY AIRPORT AUTHORITY
Minutes of the August 19, 2009 Meeting
Page 5

give the new members a foundation in which to move forward. Chairman Lewis volunteered his time and thought others would as well.

M. AGENDA ITEMS FOR NEXT REGULAR MEETING. (6:56:30) - Mr. Clague asked to keep item G-3 on the agenda until the project is completed and a status report on the AWOS.

N. ACTION ON ADJOURNMENT. (6:57:33) - Chairman Lewis adjourned the meeting at 6:57 p.m.

The Minutes of the August 19, 2009 Carson City Airport Authority meeting are so approved this 16th day of September, 2009.

Steve Lewis, Chairman