

MINUTES
Special Meeting
Carson City Airport Authority
Tuesday, May 31, 2016 ● 6:00 PM
Airport Terminal Building
2600 College Parkway
Carson City, Nevada

Committee Members

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| Chair – Karl Hutter | Member – Linda Law |
| Member – Steve Poscic | Member – Jim Shirk |
| Member – Phil Stotts | Member – Maurice White |

Staff

Steve Tackes – Airport Counsel
Jim Clague – Airport Engineer
Tim Rowe – Airport Manager
Tamar Warren – Deputy Clerk

NOTE: A recording of these proceedings, the Board’s 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.

Audio recordings of the Carson City Airport Authority meetings are available on www.carson.org/minutes.

A. CALL TO ORDER AND DETERMINATION OF QUORUM

(6:05:19) – Chairperson Hutter called the meeting to order. Roll was called. A quorum was present.

| Attendee Name | Status | Arrived |
|----------------------|---------------|----------------|
| Karl Hutter | Present | |
| Linda Law | Present | |
| Steve Poscic | Present | |
| Jim Shirk | Absent | |
| Phil Stotts | Present | |
| Maurice White | Present | |

B. PLEDGE OF ALLEGIANCE

(6:05:55) – Led by Chairperson Hutter.

C. APPROVAL OF THE MINUTES OF THE PAST MEETING OF THE AIRPORT AUTHORITY.

(6:06:27) – Chairperson Hutter noted that because this was a special meeting, the April meeting minutes would be approved during the regularly-scheduled meeting in June.

D. MODIFICATION OF AGENDA

(6:06:45) – None.

E. PUBLIC COMMENT

(6:07:05) – None.

F. PUBLIC HEARING ITEMS:

1. FOR POSSIBLE ACTION: TO APPROVE AUGMENTATION OF THE CARSON CITY AIRPORT AUTHORITY 2015-2016 BUDGET; AUTHORIZATION FOR STAFF TO MAKE THE REQUIRED FILINGS.

(6:07:24) – Chairperson Hutter introduced the item. Beth Kohn-Cole, Kohn & Company LLP, presented the proposed budget augmentation for the current year budget, which is incorporated into the record, and noted that the augmentation was possible due to the higher opening fund balance and as a result of rock sales. Member Poscic was informed by member White that this budgetary year would end on June 30, 2016.

(6:14:38) – MOTION: I move to accept the FY 2015-2016 budget augmentation as presented.

(6:15:02) – Chairperson Hutter entertained public comments, and when none were forthcoming, a vote.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | White |
| SECONDER: | Law |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

(6:16:05) - A discussion to direct Staff to file the budget augmentation ensued.

(6:16:35) – MOTION: I move to authorize Staff to make the required filings regarding the augmented budget.

(6:16:48) – Chairperson Hutter entertained public comments, and when none were forthcoming, a vote.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | White |
| SECONDER: | Law |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

2. FOR POSSIBLE ACTION: TO APPROVE THE CARSON CITY AIRPORT AUTHORITY TENTATIVE BUDGET AS THE FINAL BUDGET FOR FISCAL YEAR 2016 TO 2017; AUTHORIZATION TO CERTIFY AND TRANSMIT SAME TO THE DEPARTMENT OF TAXATION

AND THE NEVADA TAX COMMISSION; AUTHORIZATION FOR STAFF TO MAKE THE REQUIRED FILINGS.

(6:17:18) – Chairperson Hutter introduced the item and Ms. Kohn presented the tentative budget, adding that the highlights in yellow reflected the discussion results of the previous meeting. Discussion ensued and Member White noted that he would clearly identify restricted funds as matches to FAA grants in the upcoming motion. Ms. Kohn suggested using the term “committed funds” instead of “restricted funds”, adding that she would use that term in the final budget.

(6:31:00) – MOTION: “I move to approve the Carson City Airport Authority tentative budget as the final budget for FY 2016-2017, authorize Staff to certify and transmit same to the Department of Taxation and the Nevada Tax Commission subject to the following structural changes. First, we resolve to create line items 5200 and 5201 as proprietary revenues to be committed for the ACIP FAA grant match use only. Second, we resolve to create line items 6059A and 6059B to be funded from line items 5200 and 5201 to be committed for ACIP FAA grant match use only. Third, we resolve that line item 5200 and 5201 feed only into lines 6059A and 6059B. Fourth, we resolve that the Airport Manager shall not overdraft any line item without the prior approval of the Carson City Airport Authority. [I also move to] authorize Staff to make the required filings.”

(6:33:37) – Chairperson Hutter received confirmation that should the committed fund revenues exceed the required match amounts, they would reduce the matches funded by the general operating revenue. Member law inquired about refunds from the Nevada Department of Transportation (NDOT) and was informed that certain percentages of grant matches are refunded by NDOT, and Mr. Rowe noted that a promise had been made to fund part of the upcoming ACIP project match. Member Law also suggested separating marketing and advertising line items as legal notices could not be controlled whereas marketing funds could. Ms. Kohn clarified that some of the budget line items were over the budgeted amount whereas some were under budgeted; therefore, “it would be a wash”. Chairperson Hutter entertained additional comments, and when none were forthcoming, a vote.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | White |
| SECONDER: | Poscic |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

3. FOR POSSIBLE ACTION: TO APPROVE KOHN AND COMPANY TO CONDUCT THE FY 2015/2016 AUDIT OF THE CARSON CITY AIRPORT AUTHORITY.

(6:44:58) – Chairperson Hutter introduced the item. There were no member or public comments.

(6:45:28) – MOTION: I move to approve Kohn and Company to conduct the FY 2015/2016 audit of the Carson City Airport Authority.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | Poscic |
| SECONDER: | Law |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

4. FOR POSSIBLE ACTION: TO ENTER INTO A CONTRACT WITH PROFESSIONAL HOME DEVELOPERS FOR THE ROOF REPLACEMENT; STRUCTURAL INSPECTION; AND MOLD MITIGATION OF THE TERMINAL BUILDING.

(6:46:09) – Chairperson Hutter introduced the item. Mr. Rowe noted that Mr. Tackes had drafted the contract and clarified that a few sections of the roof would be torn out first in July, to obtain an opinion from a structural engineer. Ms. Kohn noted that this was not a budgeted item; therefore a budget augmentation would be necessary.

There were no public comments.

(6:51:05) – MOTION: I move to enter into a contract with Professional Home Developers for the roof replacement, structural inspection, and mold mitigation of the terminal building.

(5:51:40) – Chairperson Hutter did not see any issues with the contract and was informed by Mr. Row that he had requested that the mold mitigation be added to the agreement; otherwise, the agreement looked good. Member White was informed that a clause in the contract stated that the contractor must stop the mitigation if a serious issue is encountered. Chairperson Hutter was informed by Mr. Rowe that the contractor was aware that the scope of work was \$89,000 and that the \$7,000 initial work was included in the total job cost. Discussion ensued regarding start and completion dates. There were no additional public or member comments.

(6:57:45) AMENDMENT: Member Poscic amended the motion to read that the project would start no later than July 15, 2016 and would finish no later than October 15, 2016. Member Law seconded the amendment.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | Poscic |
| SECONDER: | Law |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

5. FOR POSSIBLE ACTION: TO APPROVE RELOCATION OF THE AIRPORT OFFICES AND DISCONNECT AND REMOVE THE AIRPORT WEATHER OBSERVATION SYSTEM (AWOS) TO FACILITATE THE TERMINAL BUILDING ROOF REPLACEMENT AND REHABILITATION.

(7:02:00) – Chairperson Hutter introduced the item. Mr. Rowe gave background and noted that they had lost the opportunity to lease space at Mountain West Aviation; however, he believed that space could be leased at Sterling Air for \$250 per month. Additionally, he provided the Authority with the option of moving the AWOS equipment to Sterling Air at a \$3,500 cost for hookup, antennae, and recertification. Mr. Rowe also explained that another alternative would be to issue a Notice to Airmen (NOTAM) notifying pilots that the AWOS system was down. Chairperson Hutter was informed that the Authority would have to incur the \$3,500 expense anyway in order to move the system during the building renovations.

There were no public comments.

(7:15:38) – MOTION: I move to approve the relocation of the Airport Offices to either Sterling Air or to Mountain West at a figure not-to-exceed \$250 per month, depending on availability and at the discretion of the [Airport] Manager.

(7:18:30) – Chairperson Hutter confirmed that the lease would be on a month-to-month basis and Member Law recommended moving back to the Terminal Building “as soon as the building is secure”.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | Law |
| SECONDER: | Stotts |
| AYES: | Hutter, Law, Poscic, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

(7:19:56) – MOTION: I move to approve the disconnect and removal of the Airport Weather Observation System (AWOS) to facilitate the Terminal Building roof replacement and rehabilitation and to be moved permanently to the Sterling Air building until recertification is required.

(7:20:43) – Chairperson Hutter and Mr. Tackes suggested entering into an agreement via a Memorandum of Understanding (MOU) with Sterling Air. Mr. Rowe clarified that the AWOS equipment insurance was covered by the building insurance and Chairperson Hutter requested consulting the Airport’s insurance agent to understand the coverage. He also suggested approving the MOU at the Authority’s June meeting.

(7:24:50) – AMENDMENT: Chairperson Hutter suggested approving in principle the relocation of the AWOS to Sterling Air and directing the Airport Manager to work with Airport Counsel to prepare an MOU for final approval at the June Meeting. Both mover and seconder agreed to the amendment.

Bill Holmes identified himself as a pilot utilizing the Airport and suggested not taking down the AWOS system calling it a useful tool.

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| RESULT: | APPROVED (5-0-0) |
| MOVER: | Poscic |
| SECONDER: | Law |
| AYES: | Hutter, Law, Poscic, Shirk, Stotts, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

G. AIRPORT ENGINEER'S REPORT

(7:27:33) – Mr. Clague presented the Airport Engineer's Report which is incorporated into the record. He also clarified that the grant awards will be posted on the FAA website. Discussion ensued regarding the tie-down leases and Mr. Rowe noted that they had been budgeted in the past because of the albatrosses, which had since been removed.

H. AIRPORT MANAGER'S REPORT

(7:35:18) – Mr. Rowe indicated that they had “a couple of minor flat tires on the runway” and that a few deer had been observed on Airport Property. Mr. Rowe stated that they were able to “escort the deer out of the Airport through the gate”, adding that deer had jumped the fences of nearby properties and could become a problem. He also noted that he would coordinate with the Nevada Department of Wildlife and the Carson City Sheriff's Office.

I. LEGAL COUNSEL'S REPORT

(7:39:48) – Mr. Tackes informed the Authority that a proposed Department of Taxation rule may limit aircraft depreciation to 20 percent, which would mean that aircraft depreciated at more than that rate would see an increase in their taxes. He suggested that an Authority member attend an upcoming Department of Taxation workshop as other tax changes may also be proposed. Chairperson Hutter suggested taking a position on the issue at a future date.

J. TREASURER'S REPORT

(7:54:15) – Member White stated that as of April 30, 2016, the total account balance at hand is \$593,694. Discussion ensued regarding collected property taxes and Ms. Kohn clarified that the revenue will not be collected until July 2016; however, the funds “will be accrued based on the budget”.

K. REPORT FROM AUTHORITY MEMBERS

(7:57:47) – Chairperson Hutter announced the resignation of former Vice Chair Don Peterson, effective May 13, 2016. He also noted that the Board of Supervisors will be announcing the vacancy and appointing a new Authority Member. Mr. Tackes confirmed that the appointment would be for a term ending in October 2017 and that the District Attorney's Office would determine whether the position would specify a manufacturer or a

member at large appointment. Member Poscic suggested addressing the upcoming vacancies as well since several members would be termed out in the fall. Mr. Tackes suggested agendizing the election of a Vice Chair.

L. PUBLIC COMMENT

(8:03:28) – There were no public comments.

M. AGENDA ITEMS FOR NEXT REGULAR MEETING

(8:03:43) – Member Poscic suggested starting the process to create an employee manual and a contract. Member White suggested using the City Manager’s contract as a baseline. Member Law suggested agendizing the election for Vice Chair and hearing a report on the Airport Open House progress. Chairperson Hutter also noted that the AWOS MOU would be agendized for the next meeting.

N. ACTION ON ADJOURNMENT

(8:06:34) – MOTION: Member Poscic moved to adjourn. The meeting was adjourned at 8:06 p.m.

The Minutes of the May 31, 2016 Carson City Airport Authority meeting are so approved on this 20th day of July, 2016.

KARL HUTTER, Chair