

LATE MATERIAL
Item# 21
Meeting Date: 05-18-17

TO:

Carson City Board of Supervisors

5/17/17

Item # 21A

This AIP grant should be delayed for future consideration because C.C.A.A. and legal counsel have NOT enforced Title 19 for the past 10 years.

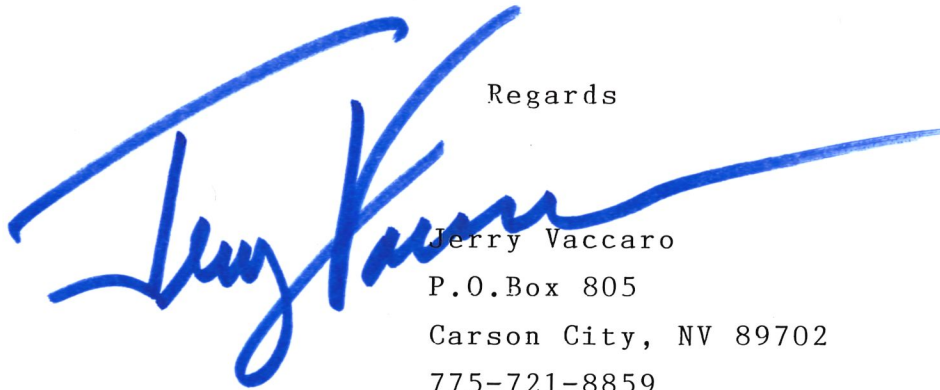
The FAA has sent notice to the C.C.A.A. for not being in full compliance and they are conducting a re-inspection for not enforcing Title 19.

Over \$30 million has been received by C.C.A.A. since 1998, and legal counsel for the past 10 years Mr. Steve Tackes LAW FIRM has been paid over \$900,000.00 in the last 10 years.

Please enter this notice into todays meeting 5/18/2017.

Thank you for your consideration in this matter.

Regards



Jerry Vaccaro

P.O.Box 805

Carson City, NV 89702

775-721-8859



U.S. Department
of Transportation
**Federal Aviation
Administration**

Western-Pacific Region
Airports Division

15000 Aviation Boulevard
Lawndale, CA 90261

April 4, 2017

Tim Rowe
Airport Manager
Carson City Airport Authority
2600 College Parkway, #6
Carson City, NV 89706

**Part 13.1 Informal Complaint Notification
Carson City Airport, Nevada**

Dear Mr. Rowe:

This letter provides notification to the Carson City (City) of a complaint submitted to the Federal Aviation Administration (FAA) by Jerry Vacarro on January 5, 2017, alleging that the City is not fully complying with the federal grant obligations at Carson City Airport (Airport). As a result, we are investigating the allegations in accordance with Title 14 Code of Federal Regulations, Part 13, *Report of Violation*.

Mr. Vacarro identified 15 airport hangars that he alleges are not being used for aeronautical purposes or the storage of an aircraft. He also alleges that the City approved lease extensions for several hangar tenants on favorable terms and for long-term periods.¹ He believes these actions may have caused the City to violate the Grant Assurances.

We previously notified you of the complaint on January 10, 2017, and disclosed the allegations that were presented to the FAA. In your response to the report, you informed the FAA that the Carson City Airport Authority (Authority) would be forming a committee to investigate the allegations because the Airport does not have an approved process to inspect airport facilities. As a result, the City, as the Airport Sponsor, will have to establish a policy and procedure to inspect airport hangars.

In general, the use of dedicated aeronautical facilities, such as hangars, for non-aeronautical purposes is not considered a permitted use by the Grant Assurances because such use 1) does not represent their intended purpose; 2) is not the highest and best use of aeronautical facilities; 3) does not conform to the requirements of the Grant Assurances; and 4) may limit the aeronautical services available to airport users.

¹ Hangars C1, C2, H61, H9, H26, H36, H-20, H22, H23, H24, T24, SA#2, JR07 or maybe VR07, Silver Flight #4. Eric Leach has 2-3 hangars with un-airworthy aircraft, but uses them as a machine shop. Lease extensions were approved extending the total lease terms beyond 50 years without consideration of the financial and property management ramifications.

Compliance Expectations:

The FAA supports civil aviation and local airports by providing funds and other assistance for the preservation, improvement, and development of airport facilities. In exchange for tax-payer financed assistance, airport owner/sponsors agree to certain legal obligations, either by contract or by covenants in property deeds, to operate and maintain their airport facilities safely and efficiently and in accordance with the specific conditions. These federal obligations are intended to ensure the public interest is served by making the airport available for aeronautical purposes. Therefore, this obligation is not intended to promote non-aeronautical uses of an airport.

With regard to the informal complaint, the relevant obligations with which the City is contractually obligated to abide are the following:

Assurance 19, Operation and Maintenance

The Airport and all facilities which serve the aeronautical users of the airport shall be operated at all times in a safe and serviceable condition. Furthermore, the Airport owner will not cause or permit any activity that will interfere with the airport's being used for aviation purposes.

In part, Assurance 19 is intended to ensure that the federal investment at federally obligated airports is protected by making aeronautical facilities available to aeronautical users for aeronautical purposes.

Assurance 22, Economic Non-Discrimination

The Airport owner will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the Airport.

The focus of Assurance 22 is the need to make airports available for aeronautical purposes. Non-aeronautical uses are not appropriate, especially where they could lead to the displacement of aircraft and prevent airport users from obtaining aeronautical services, such as aircraft storage.

Assurance 24, Rates and Rental Structure

The Airport owner will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection.

The intention of Assurance 24 is to allow airport sponsors to recover their costs so they do not have to operate at a loss. The Assurance also requires airport sponsors to charge fair market value rates whenever airport property is used for non-aeronautical purposes.

airports are not intended for non-aeronautical purposes, there must be a higher rate of return whenever non-aeronautical uses exist.

Follow-Up:

In our notification of this complaint dated January 10, 2017, we requested that the City provide a response to the allegations. We wish to know the following:

- The number of airport hangars being used for non-aeronautical purposes, that is, without an operational or airworthy aircraft.
- Details of the lease extensions that were granted to the hangar users, the length of the extension, the length of the original lease without the newly approved extension, and the rental rate the applied before and after the extension.

We understand that the City is establishing a committee to implement a policy to authorize hangar monitoring and inspections. We commend this action because it would be prudent for the City, as the airport proprietor, to exercise sufficient control over the airport and its users to ensure its operation fully complies with federal expectations with which the City agreed to comply.

Please provide your response to the allegations and, where unauthorized uses exist, the City's plan to resolve or eliminate them. We look forward to a response within 30 days of your receipt of this letter. Please send your reply to Mike Williams, PHX-ADO Manager, with a copy to me at the address at the top of the letter.

If you have any questions or wish to discuss this matter, please contact Anthony Garcia at (310) 725-3634 or Anthony.Garcia@faa.gov.

Sincerely,

Original Signed by
Brian Armstrong

Brian Armstrong
Manager, Airport Safety and Standards Branch

cc: Nick Marano, City Manager
Cathryn Cason, ACO-100
Mike Williams, Manager, PHX-ADO

18. Finance

18.A For Possible Action: To accept the report on the condition of each fund in the treasury and the statements of receipts and expenditures through May 5, 2017 per NRS 251.030 and NRS 354.290. (Nancy Paulson, npaulson@carson.org)

Staff Summary: NRS 251.030 requires the Chief Financial Officer (for the purpose of the statute acting as the County Auditor) to report to the Board of County Commissioners (or in our case the Board of Supervisors), at each regular meeting thereof, the condition of each fund in the treasury. NRS 354.290 requires the County Auditor to report to the Board of Supervisors a statement of revenues and expenditures based on the accounts and funds as were used in the budget. A more detailed accounting is available on the City's website – www.carson.org.

19. Purchasing and Contracts

19.A For Possible Action: To approve Forensic Support Services Agreement between Washoe County on behalf of the Washoe County Sheriff's Office and Carson City on behalf of the Carson City Sheriff's Office (file 1718-003) for a fee not to exceed \$127,910 to be funded from the Professional Services/Laboratory Expense Account. This agreement will start July 1, 2017 through June 30, 2018. (Laura Rader, LRader@carson.org and Ken Furlong, KFurlong@carson.org)

Staff Summary: The Washoe County Forensic Science Division will perform forensic services listed in Option B as deemed necessary by the Carson City Sheriff/Coroner.

(End of Consent Agenda)

Ordinances, Resolutions, and Other Items

20. Any item(s) pulled from the Consent Agenda will be heard at this time.

21. Carson City Airport Authority

21.A For Possible Action: Approval and acceptance of the 2016 Federal Aviation Administration Airport Improvement (AIP) Grant No. 3-32-0004-31 in the approximate amount of \$440,625.00 for use in conducting new Airport Master Plan Study. (Steve Tackes)

Staff Summary: The FAA has informed the Carson City Airport Authority that it is processing an AIP Grant for the Carson City Airport and will be sending the Grant Offers out with a requirement that it be accepted and returned within 10 days. The FAA requires Carson City, as well as the Carson City Airport Authority, to approve and accept the grant offer. This Grant will be used to fund a new Master Plan Study for the Airport.

22. Purchasing and Contracts

22.A For Possible Action: To approve the purchase of one (1) Fire Department Type 1 Ambulance from the HGAC buy program (Houston-Galveston Area Council) cooperative purchasing agreement for a not to exceed amount of \$224,560 to be funded from the Vehicle Replacement Account. (Laura Rader, LRader@carson.org and Zach Good, ZGood@carson.org)