

**CARSON CITY AIRPORT AUTHORITY
MEETING MINUTES**

WEDNESDAY, JANUARY 17, 2007 – 6:00 P.M.

Public Meeting at:
**CARSON CITY COMMUNITY CENTER
SIERRA ROOM
851 E. WILLIAM STREET
CARSON CITY, NEVADA**

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- A. CALL TO ORDER, ROLL CALL, AND DETERMINATION OF QUORUM. The regular meeting of the Carson City Airport Authority was called to order at 6:00 p.m. Roll call was taken, and quorum was determined:
- Present: Harvey Hornung, Gary Handelin, Collie Hutter, Neil Weaver, Walt Sullivan, Steve Lewis and Richard Staub
- Absent: none
- Staff: Mr. Tackes, Mr. Clague and Mrs. Weaver
- B. PLEDGE OF ALLEGIANCE
- C. APPROVAL OF THE MINUTES OF PAST MEETINGS OF THE AIRPORT AUTHORITY. Mr. Sullivan moved to approve the minutes of the 13 December 2006 regular meeting as submitted. Mrs. Hutter seconded the motion, and the motion carried without objection.
- D. MODIFICATION OF THE AGENDA. *The Chairman reserves the right to modify the agenda in order to most effectively process the agenda items.* Under Public Hearings, Item 3 was moved to Item 1, with all other items following in their posted order. There was no objection to this change.
- E. PUBLIC COMMENT. *Members of the public who wish to address the Airport Authority may speak on non-agendized matters related to the Airport. Comments are limited to three (3) minutes per person or topic. If your item requires extended discussion, please request the Chairman to calendar the matter for a future Airport Authority meeting.*

Mr. Harlow Norvell addressed the Board with an update regarding his on-going effort to obtain a GPS instrument approach for the Carson City Airport. At the last meeting, Mr. Norvell had reported that the geodetic survey for the Airport had been found missing, but the FAA has since located it and it has been determined that the NAV-D 88 Standard will provide the Airport with the lowest possible minimums given our terrain. Mr. Norvell explained that we would probably have a straight-in approach for Runway 27 and a circling approach from the south to either runway, depending on the favored landing direction. The minimums will be approximately 2,000 feet below the minimum vectoring altitude, which Mr. Norvell explained was supposition at this point.

Mr. Norvell also reported that the National Flight Standards office had relocated from Los Angeles to Seattle, and were now working on this approach. Mr. Norvell reported that he has been told that once everything is approved, implementation time is one year-plus; however, since Carson City is the only capital city airport in the United States without a standard instrument approach procedure, they would do their best to move this up on their calendar. Mr. Norvell stated that he would continue to monitor the progress and report any changes or updates to the Board as those occur.

Mr. Weaver thanked Mr. Norvell on behalf of the Board and the Carson City Airport community for his continued effort and hard work. Mr. Weaver expressed his great appreciation for Mr. Norvell's continued efforts.

There were no other public comments at this time.

F. PUBLIC HEARINGS

- (1) Item (1) formerly Item (3). ACTION TO RECOMMEND TO THE PLANNING COMMISSION AND THE BOARD OF SUPERVISORS THE FOLLOWING CHANGE TO THE ADOPTED UNIFIED PATHWAYS MASTER PLAN: (1) REMOVAL OF THE SHARED STREET BICYCLE ROUTE ON ARROWHEAD DRIVE FROM GONI ROAD TO CENTENNIAL PARK, AND THE ADDITION OF A PAVED MULTI-USE PATH ON CARSON CITY AIRPORT PROPERTY FROM GONI ROAD TO CENTENNIAL PARK (*Y. Weaver and Vern Krahn*).

Mrs. Hutter explained that a number of months ago she had been present representing the manufacturing community at a Chamber of Commerce meeting. Discussed at that meeting was the designated shared roadway through Carson City that is shared by bicyclists and is designated by a blue line on the map. A portion of this designated shared roadway traverses Arrowhead Drive, which is of great concern to many manufacturers in the community for various reasons, including the heavy vehicular traffic and the lack of an adequate shoulder for bicyclists and pedestrians throughout much of Arrowhead. These concerns prompted the Chamber of Commerce to organize a meeting with various interested parties. Two meetings were held, and Mrs. Hutter thought it would be possible to move the route off of Arrowhead Drive and move it to the south side of the Airport. Mrs. Hutter explained that this would be a long-term item and not something that could be completed by tomorrow, and suggested that it be

included in the Airport's long-term Master Plan and be incorporated into the design of the southern edge of Airport property. Mrs. Hutter's discussions with the City concluded that the City believed they could tie the route into the proposed connector roadway along the eastern side of the Airport that is proposed to connect Graves Lane (now College Parkway) with Arrowhead Drive. Mrs. Hutter has presented her proposal to the Chamber of Commerce and also to the Parks and Recreation Department, and explained that all parties thought it would be a good idea.

Mr. Roger Moellendorf, Director of Parks and Recreation for Carson City, addressed the Board. Mr. Moellendorf explained that he was asking that the Airport Authority Board make a recommendation to the Planning Commission and to the Board of Supervisors to affect this change to the Unified Pathways Master Plan. A portion of the proposed changes would include an off-street, paved, fifteen-foot wide shared-use pathway along College Parkway, on Airport land. Mr. Moellendorf drew the Board's attention to the documents included in their packets, reviewed the suggested changes for the Board, explaining how the pathway would connect with existing and proposed pathways, and offered to answer any questions the Board might have.

Mr. Weaver asked the Board for comments.

Mr. Staub had no comment.

Mr. Lewis asked about the pathway along College Parkway that would be on Airport Authority land, and how the fifteen-foot width could be accomplished with the Airport Authority fenceline placement adjacent to the existing sidewalk.

Mr. Moellendorf explained that Mrs. Hutter had told him that placement along College Parkway could be accomplished by modifying the fence line, setting the fence back, with the pathway outside of the fence.

Mrs. Hutter explained that this modification would have to be done utilizing the talents of Mr. Clague, Airport Engineer, and that the parcels along the fence line to the south would have to be reworked and the fence line pushed in to make this pathway viable and make everything fit. Mrs. Hutter stated that this would not be something that could happen tomorrow, that it would take time and a lot of effort and planning to work it out.

Mr. Sullivan asked if the Parks and Recreation Department would be responsible for the improvements. Mr. Moellendorf explained that it would be collaborative between the Parks and Recreation Department and the City; that there would be no timetable as to when improvements were made, and that it would depend on funding opportunities.

Mr. Handelin and Mr. Hornung had no comment.

Mr. Weaver asked if there were any public comments at this time.

Mr. David Corrao addressed the Board. He expressed great concern with putting pedestrians in front of landing and departing aircraft, and with the safety aspects for both the pedestrians and the pilots. He also urged the Board to include consideration of funding to pay for Mr. Clague's time and expenses in this endeavor, since it sounded like

it would be considerable, and that this amount should be included within the City's provided funding.

Mr. Bill Hartman addressed the Board. He explained that he was one of the bicyclists the Parks Department wanted to move off Arrowhead. He explained that while it might be tricky to navigate Arrowhead Drive during the week, the weekends weren't too bad since nearly all of the manufacturing plants were closed on weekends, virtually eliminating heavy vehicular traffic, and this is when most of the bicycle traffic occurs. Also of note is that there are not many driveways intersecting Arrowhead Drive, but several intersecting College Parkway. Mr. Hartman further explained that a vehicle approaching an intersection to a roadway typically does not look down a bike path, and only slows when they near the roadway -- not the bike path -- and expressed his concern over safety at those junctures as expressed from a bicyclist's point of view.

Mr. Moellendorf explained that the off-street, shared-use pathway should be made attractive to people who want to use it, but that obviously by law the City cannot keep people from riding on or walking along Arrowhead Drive if that's where they want to ride. Mr. Moellendorf also pointed out that the City has not yet staked out or even surveyed the area along College Parkway; this is only an idea of a "desired line" of where they would like the pathway to run.

Mr. Sullivan asked about the plan, and the indicated pathway along College Parkway. The plan shows the pathway going up the west side, across the north side, down the east side and back around in that area. Since the Master Plan is a general guide, Mr. Sullivan asked if it wouldn't be better to show the pathway parallel to the street, and then when it was time to get into the specifics of designing the project, the final design could be determined at that time. Mr. Moellendorf agreed with Mr. Sullivan that the line should be kept as straight as possible. This straightened pathway would also help the bicyclists, and they wouldn't have to continually jog around buildings, driveways, etc.

Mr. Chris Romine addressed the Board. He stated that the proposed route crosses the proposed entrance to the property that the Airport Authority is in the process of leasing to the EAA Chapter resident on the Airport. This property is intended to be a community and public-oriented center, adjacent to the NDOT parcel, and the proposed pathway will greatly affect their planning for the property.

There were no additional public comments at this time.

Mr. Weaver called for a motion.

Mr. Handelin moved that the Airport Authority recommend to the Planning Commission and the Board of Supervisors a change to the Adopted Unified Pathways Master Plan to remove the shared street bicycle route on Arrowhead Drive from Goni Road to John D. Winters Centennial Park and the addition of an off-street, paved, shared path on Carson City Airport property from Goni Road to John D. Winters Centennial Park.

Mr. Weaver asked for a second.

Mrs. Hutter seconded the motion.

Mr. Staub asked if the maker of the motion could include in his motion that any costs shall be appropriately allocated between the Airport Authority and the Parks and Recreation Department.

Mr. Weaver asked if Mr. Staub just volunteered the Airport Authority to pay half the expenses.

Mr. Staub explained that he did not know the numbers, but that the dollars should be appropriately allocated, since the Airport may also receive some benefit from this change, either via improved gates or fencing, and that would be of benefit to the Airport. Mr. Staub stated that the Board could not ignore a potential benefit bestowed upon the Airport in the process.

Mr. Weaver asked who would make the allocation determination.

Mr. Staub stated that the Airport's Legal Counsel, Mr. Tackes would make such determination, with input from Mr. Clague and the Parks and Recreation Department.

Mr. Handelin amended his motion to include the expense verbiage suggested by Mr. Staub.

Mr. Weaver asked for a second to the motion.

Mrs. Hutter seconded the motion as amended.

Mr. Weaver asked for comments.

Regarding benefits, Mrs. Weaver pointed out that in fact it would be the Airport that would be providing a huge benefit to the City, and not the other way around, since the Airport would be providing the land. Mrs. Weaver also asked about existing leases as well as planned future leases and development for the Airport's frontage property, and if the Airport Authority would have to wait on their plans for development if the City was not prepared to move forward with the pathway at that time.

Mr. Tackes stated that any plans for the Airport frontage property should incorporate accommodations for the pathway, and that if the Board decided to move forward with the bike path, to include that pathway allowance and incorporate it into the design.

Mr. Clague explained that there may be a conflict with some of the existing hangars, since some of the buildings would be affected by moving the fence, and that this would also change traffic patterns in the Airport by shifting the fence toward the hangars. There are minimum distances from the runway that must be met, and changing the fenceline would affect those distances. Mr. Weaver also explained that there is a ring road at the end of the Comstock and Silver Sky leases that is already pretty narrow, and moving the fence would dislocate vehicle traffic from a route that has already been established for them.

Mr. Lewis commented that an easement was created from the Sheriff's Aerosquadron that goes along the fence from the Aerosquadron behind the Sterling Air leasehold on the south side, and it is right at the absolute minimum, bordering right up to the fence, for

supporting that access road. Mr. Lewis stated that he was not sure that there was fifteen feet available to be developed in that area, and that it is a possible choke point to the pathway.

Mr. Weaver asked if anyone wanted to amend their motion to include consideration for deterrents such as possible choke points in the pathway.

Mrs. Hutter commented that she believed creating the pathway would not be a simple thing to do, and that she knew there would be a number of items that would come up, but also believed that we could come up with solutions to them. Mrs. Hutter stated that she believed this is something where the Airport Authority could participate with the City and the Parks and Recreation Department in creating the pathway. Mrs. Hutter wanted to move forward and make a concerted effort to try to see if it could be done.

Mr. Staub stated that the Airport Authority would be dealing with the Parks and Recreation Department, and they were famous for making square footage out of air. Mr. Staub stated that whatever way we could get the pathway to go through, that Roger and his crew could build it, and that no one would be adversely affected by it.

Mr. Weaver asked if there were any additional comments. There were none.

Mr. Weaver called for the vote, and the motion carried unanimously. Mr. Weaver thanked Mr. Moellendorf for his presentation and for his work on behalf of the community.

Mr. Moellendorf thanked the Board, and thanked Mr. Staub for his challenge.

- (2) Item (2), Formerly Item (1). ACTION TO CONSIDER THE STATUS OF THE MASTER PLAN (MP) AND AIRPORT LAYOUT PLAN (ALP); REPORT BY MASTER PLAN SUBCOMMITTEE (C. Hutter). Mrs. Hutter reported that she had met with Mr. Lewis and Mr. Clague the previous week to determine which lots would be available for lease at this time. These lots would be lots that either already have infrastructure in place, or are close enough to existing infrastructure that they could easily tie in. Mr. Clague has created a map that includes lots that are available to lease at this time, and Mrs. Hutter will be providing that map to Mrs. Weaver.

Mrs. Hutter reported that there will be another Master Plan meeting in February; more specifically, on February 13, which is the Tuesday in the week before the regular meeting. Mrs. Hutter also reported that Mr. Handelin has let an RFP on the gates, and expects responses by January 31st. These responses will be reviewed and discussed at the February 13th Master Plan meeting.

No action was required on this item at this time.

- (3) Item (3), Formerly Item (2). DISCUSSION AND ACTION REGARDING VEHICLE ACCESS AND USAGE OF TAXIWAY CHARLIE; AIRPORT SIGNAGE REQUIREMENTS FOR VEHICULAR TRAFFIC; SPEED LIMITS WITHIN AIRPORT BOUNDARIES; PENALTIES FOR VEHICULAR VIOLATIONS ON AIRPORT

PROPERTY; RELATED VEHICLE RESTRICTIONS (*G. Handelin*). Mr. Handelin reported that this item was a carry-over item from last month. Mr. Handelin had stated that he was in favor of opening Taxiway Charlie to vehicular traffic with appropriate signage in place. Mr. Handelin had prepared a proposed vehicular traffic map with suggested signage for the Board's review, and reviewed the suggested signage.

Mr. Handelin suggested a 35-mph limit along Taxiway Charlie from the end of the lease property on the east end down to the west end. Lesser speeds should be indicated at various sections of the Taxiway as indicated on his vehicular traffic map. Stop signs should be placed at the intersection of Bell Road. Stop signs should also be placed at both ends of the Taxiway, so that anyone entering or exiting should come to a full and complete stop prior to entering or exiting the Taxiway. Appropriate speed limit signs need to be placed in all directions and after all intersections. Mr. Handelin suggested one or more yield signs be placed, indicating that vehicular traffic must yield to aircraft at all times.

One of the major suggestions is that turnouts are needed along the taxiway. These don't have to be paved, but the turnout area definitely needs to be cleared. In the present condition it probably wouldn't be a problem for a truck to pull over, but the brushy condition could pose a problem for a car, since it's higher than most cars.

Mr. Weaver asked for Board discussion.

Mr. Staub asked if we could afford the cost of the signs. Mr. Weaver asked if the City Sign Shop could make them. Mr. Staub said that he was waiting for someone to ask him.

Mr. Lewis asked if the turnouts should be paved, or just cleared. Mr. Handelin suggested that clearing the brush would be sufficient, as long as a car had room to move over.

Mr. Sullivan had no comment.

Mrs. Hutter had no comment.

Mr. Hornung asked if this would be done on a trial basis, as he saw some issues and conflicts with vehicular speeding and/or racing down the Taxiway. He asked if this venture should be monitored and brought up for Board review after a six-month trial period.

Mr. Handelin suggested that if we went to the expense of signage, we would have to assume it would be a permanent change. He stated that it should not be looked at as a temporary fix, but as permanent. Mr. Handelin also suggested that since the Subcommittee was reviewing Title 19, it could make certain that Title 19 also had language in it that vehicular traffic patterns on the Airport could be changed from time to time via proclamation by the Airport Authority.

Mr. Weaver asked if there were any public comments. There were none at this time.

Mr. Weaver stated that the Airport has a system that works that segregates automobiles from aircraft to the maximum extent possible. The Airport Authority does not have a

mechanism to enforce speed limits, so even if it was known that someone was speeding on the Airport, there would be no way to enforce the law as the Airport does not have any enforcement personnel. The safest program that we have is in place right now. Changing Taxiway Charlie to a taxiway that also sees vehicular traffic will lessen safety for the Airport users, traffic that transits the Airport, and will ultimately increase the exposure of the citizens of Carson City to legal problems.

Mrs. Weaver reported that she had asked the FAA for their opinion on this item, and discussed an e-mail response she had received from Ray Cavole, Airport Compliance Specialist of the FAA, late this afternoon. Mrs. Weaver forwarded the e-mail to all Board members, but since it was so late in the day many members might not have had a chance to read their e-mail, so the response was read into the record:

"As you know, vehicular traffic and aircraft traffic must be regulated to prevent incidents and/or accidents. Nationally preventing runway incursions that can result in loss of life and/or loss of property receive the highest priority from the FAA. The potential of incidents occurring between aircraft and vehicles on taxiways are of no less importance. The sponsor grant assurances signed by Carson City obligate the sponsor to ensure that the Airport is operated safely, meaning that all efforts are expected to be taken by the Airport sponsor to ensure that aircraft and vehicles are not put in a position where accidents may occur. Unless there are no other routes to access the aircraft hangars, for overall safety vehicles should not use a taxiway, other than maintenance or emergency vehicles. As such, I will review the submitted proposals and make comments regarding any safety issues identified. As a rule of thumb, runways and taxiways are for aircraft; roads are for vehicles.

/s/

Ray Cavole, Airport Compliance Specialist, FAA"

Mr. Staub suggested that the Airport should address the issue, but the issue is broader than just vehicular traffic, as pointed out in the memo. Mr. Staub also stated that if it weren't posted, then there would be nothing to enforce. Some type of posting needs to be provided so that people will know when they're breaking the law. Mr. Staub does not know how it would be enforced, but posting needs to be done.

Mr. Handelin stated that the memo was from a government, and it said, "should not" and not "cannot" – and therefore was only a suggestion and not a mandate. Mr. Handelin moved to go ahead and get the signage required to allow vehicular traffic on Taxiway Charlie, with posted speed limits of 20 mph throughout the Airport, except for the one section identified on the ring road and along Taxiway Charlie, and that once the signage is properly in place, that vehicular traffic be allowed on Taxiway Charlie.

Mr. Lewis seconded the motion.

Mr. Weaver called for the vote. The motion carried, with six ayes and one nay. Mr. Weaver voted against the motion, stating that he was opposed to allowing vehicular traffic on Taxiway Charlie.

- (4) DISCUSSION AND ACTION REGARDING ENTERING INTO NEGOTIATIONS WITH EAGLE VALLEY FUEL, LLC, TO RELOCATE THE FUEL FACILITY TO ACCOMMODATE REALIGNMENT OF THE RUNWAY PER THE MASTER PLAN (*Airport Authority*). Mr. Weaver recused himself from this item, since he is a shareholder in the LLC. Mr. Weaver turned the gavel over to Mr. Handelin, the Vice-Chairman, and to Mr. Tackes, Airport Counsel, and stepped down from the dais during the discussion.

Mr. Tackes reported that he had received a letter from Eagle Valley Fuel, reminding the Board that their fuel island crosses the area needed for the realignment of the runway, and offering to return to negotiations with the Board for relocation of their leasehold. Mr. Tackes reported that Eagle Valley Fuel had been involved in previous discussions with the Board that were never finalized, and suggested that a subcommittee be formed to help with these negotiations.

Mr. Handelin agreed that this was a good idea, and volunteered to not be one of them. Mr. Lewis volunteered to be on the subcommittee, as did Mrs. Hutter. Mr. Handelin suggested putting the item back on the agenda once the subcommittee had something to report.

Mr. Handelin asked for public comment.

Mr. Harlow Norvell addressed the Board. He suggested that the subcommittee also include Mr. David Corrao, since he had put in an extensive amount of effort on previous discussions and negotiations, and could be most helpful in the upcoming discussions.

Mr. Staub suggested that a motion be made to formalize creation of the subcommittee.

Mr. Staub moved to approve the action regarding entering into negotiations with Eagle Valley Fuel, LLC, to relocate their fuel facility to accommodate the realignment of the runway per the Master Plan, and recommended that Mrs. Hutter and Mr. Lewis be appointed as the Board liaison in this negotiation.

Mr. Hornung seconded the motion.

The vote was called and the motion carried, with Mr. Weaver abstaining from the vote.

- (5) DISCUSSION AND ACTION TO CONSIDER A REQUEST FROM KCXP INVESTMENTS, LLC (TOM GONZALES) FOR A TWELVE-MONTH EXTENSION TO 17 AUGUST 2007 TO BEGIN 'ON-SITE' IMPROVEMENT CONSTRUCTION ON LOT 207 AS REQUIRED PER THE TERMS OF THE AIRPORT LEASE AGREEMENT DATED 17 AUGUST 2005 (*S. Lewis*).

Mr. Lewis recused himself from the Board for this issue, since he is affiliated with Mr. Gonzales; however, he asked to conduct the item from the floor on behalf of Mr. Gonzales. He will provide information only, and will abstain from voting on this item as well as the next two items that also involve Mr. Gonzales.

From his position at the podium, and not on the dais, Mr. Lewis introduced himself as president and the current owner of Sterling Air Limited, a Class I FBO, and a current member of the Carson City Airport Authority as one of the two required FBO positions making up the Board. Mr. Lewis explained that he is acting as the Project Manager for Mr. Gonzales specific to the proposed improvements being considered on his Lot 207. Upon advice of counsel as to recent ethics opinions, Mr. Lewis would be abstaining from making a motion or voting on this and the next two items, and also stated that he was not advocating either for or against either of these items in question. Mr. Lewis stated that he would remain available to answer any questions specific to KCXP Investments, LLC.

Mr. Lewis stated that Mr. Gonzales was the managing member of KCXP Investments, LLC, and the tenant on Lot 207. Under the terms and conditions of the lease agreement dated 17 August 2005, Mr. Gonzales was requesting a one-year extension to begin construction improvements on the site as required under Item 5 of the lease agreement, and read an explanatory letter justifying his request.

Mr. Weaver asked if there were any Board comments.

Mr. Staub had none.

Mr. Sullivan stated that this request disturbed him in two ways, in that he believed that Board members should not be allowed to represent private entities in their developments on the Airport, and that he did not know Mr. Gonzales but believed that he should have appeared before the Board in person to provide a status update along the way. Mr. Sullivan believed that in not doing so, Mr. Gonzales was in dereliction of his duties.

Mrs. Hutter had no comment.

Mr. Handelin asked Mr. Tackes for a timeline of the lease.

Mr. Tackes stated that the Board of Supervisors approved the lease agreement on 1 September 2005. The lease agreement required that the plans be completed and submitted to the landlord and governmental offices within one year of the effective date; that permits be obtained 120 days later; and that construction be completed within two years of the effective date. According to the lease terms, the plans should have been approved last September.

Mr. Handelin stated that considerable discussion has been held regarding the center triangle, and it would be naïve to assume that it would not affect anyone trying to do construction in that area. Mr. Handelin stated that there was no demonstration on the lease that proves an attempt to *not* do anything, and he didn't know why the Board would not want to approve this request.

Mr. Hornung stated that he felt the request was reasonable, based on the rework effort underway in the center triangle.

Mrs. Hutter stated that, as the Master Plan Subcommittee Chairman, the center triangle was under consideration for an extended period of time and things were changed considerably. Given that information, Mrs. Hutter stated that she believed this was a fair request.

Mr. Sullivan stated that 120 days from 1 September 2006 would put it at 1 January 2007, so Mr. Gonzales was not too far out of the timeline. Mr. Sullivan stated that his point was that if Mr. Gonzales knew that a deadline was looming, he should have been coming to the Board with updates on his project, instead of waiting until the very end to mention anything.

Mr. Tackes agreed that it was close, and pointed out that in fairness to Mr. Lewis he had mentioned this at previous Airport Authority meetings that Mr. Gonzales would be making comments to the Board in the near future.

Mr. Sullivan reiterated his concern that a member of the Board was representing an entity on the Airport. Mr. Sullivan stated that we judge projects, but we don't represent people.

Mr. Handelin stated that, since the issue was brought up, the Board was also unaware of where Mr. Dang was in his project's progress. He suggested that perhaps contractors on the Airport should be required to give quarterly reports on any project under construction at the Airport.

Mr. Weaver stated that extensions have been granted for others on the Airport, and he did not believe we were being flimflammed by a builder. Mr. Weaver stated that Mr. Gonzales was probably finding that it was going slower than necessary, and in trying to do our jobs properly we might also have slowed him down some.

Mr. Weaver asked for public comments.

Mr. Harlow Norvell addressed the Board. He stated that when SB 205 became NRS Chapter 844 in July 1989, it contained provisions and still does for the predominance of the Board to be made up of users of the Airport. The reason behind that requirement is that users of the Airport have the greatest desire for the Airport to become a success. Mr. Norvell pointed out that there is not one major development on the Airport that has *not* been represented by a Board Member or even a past Chairman of the Board. Mr. Norvell stated that he just mentioned this as a point of clarification of intent with respect to NRS Chapter 844.

There were no additional public comments at this time.

Mrs. Hutter moved to give KCXP Investments, LLC, a twelve-month extension to 17 August 2007 to begin on-site improvement construction on Lot 207.

Mr. Hornung seconded the motion.

There were no further comments at this time. Mr. Weaver called for the vote, and the motion carried without objection. For the record, Mr. Lewis abstained from voting on this item.

- (6) DISCUSSION AND ACTION REGARDING APPROVAL OF THE PLANNED DEVELOPMENT LAYOUT FOR KCXP INVESTMENTS, LLC (TOM GONZALES)

ON LOT 207; PROPOSAL PRESENTED BY MR. MATT HANSEN, LICATA HANSEN ASSOCIATES ARCHITECTURE, AND MR. PAUL SMITH, UPA CONSTRUCTION GROUP, LC (*S. Lewis*). As with Item (5) above, Mr. Lewis remained recused from the Board for this issue based on his affiliation with Mr. Gonzales, and addressed the Board from the podium. Mr. Lewis stated that he would be providing information only, that he would be abstaining from voting on this item, that he would not advocating either for or against the item, and that he would remain available to answer any questions specific to KCXP Investments, LLC.

Mr. Lewis read Mr. Gonzales' vision for the Jet Ranch that he plans to build on Lot 207.

For the record, Mr. Sullivan stated that he would not be voting on this item, as he would be making a presentation on this item to the Planning Commission.

Mr. Lewis introduced Mr. Rick LiCata and his partner, Mr. Matt Hansen, of Licata Hansen Associates Architecture, and Mr. Paul Smith of UPA Construction Group, LLC. Mr. LiCata thanked the Airport Authority for the ability to work on the project and work with the Airport Authority. He stated that he was representing Mr. Gonzales in creating a facility to store his aircraft. Mr. LiCata reviewed the conceptual plan drawings for the Board, and asked if there were any questions.

Mr. Staub questioned the three bedrooms depicted on the mezzanine office level. Mr. LiCata explained that sometimes Mr. Gonzales traveled extensively, and the bedrooms would be for his pilots as a place where they could rest between flights.

Mr. Weaver stated that in his previous life as a corporate pilot, hangars would frequently have a bedroom or some sort of sleeping area so that pilots and co-pilots could rest. Mr. Weaver also pointed out that all the plans coming through the Airport Authority for approval were stamped "not for habitation" prior to approval by the Airport Authority so that no one could get the wrong idea.

Mr. Staub pointed out that rules governing construction on the Airport specifically state that facilities constructed on the Airport could not be intended for habitation, and asked that this statement be included for the record.

Mr. Paul Smith introduced himself as the manager of estimating, involved in preconstruction to construction, and stated that he would be following the project through the stages. Mr. Smith stated that the design was relatively unique, and would take six months to build from start to finish. Mr. Smith stated that it was their intent to abide by the rules, and to work out any problems that might arise. He asked if there were any questions.

Mr. Weaver asked for Board comments.

Mr. Staub stated that it looked like a great project, and would be a substantial improvement to the Airport.

Mr. Sullivan had no comment.

Mrs. Hutter stated that she owned the property next to Mr. Gonzales' other property in Carson City, and that his level of detail to his landscaping was such that she had to update her landscaping on her property just to "keep up".

Mrs. Hutter asked Mr. Clague if there was sufficient infrastructure in that area to handle the estimated increase in usage. Mr. Clague stated that the capacity was there.

As a point of clarification to Mr. Sullivan's earlier statement, Mr. Tackes stated that the Carson City Airport Authority was made up of people with cross-interests. Mr. Tackes stated that he has had many discussions on this subject with the Ethics Commission, the Attorney General's office and the District Attorney's office, and had in fact discussed this subject with the District Attorney's office this very day. The Airport Authority for Carson City has a requirement that four of the seven members on the Board must have something on the Airport. Regardless, based on earlier agency discussions, Mr. Tackes advised Mr. Lewis that he was permitted to answer factual questions regarding KCXP Investments, LLC, but that he should not advocate one way or the other. With this in mind, Mr. Tackes stated that he had some factual questions to ask of Mr. Lewis.

Mr. Tackes asked Mr. Lewis if Mr. Gonzales' construction was also for other owner-operators. Mr. Lewis stated that right now Mr. Gonzales was proposing to build 12 units that would be either rented, leased or would possibly be for sale.

Mr. Tackes asked about the possibility of jet maintenance for other people, which is currently not permitted under the terms of Mr. Gonzales' lease. Mr. Lewis stated that Mr. Gonzales was not proposing a jet maintenance facility, but primarily a storage area. Also, in response to Mr. Staub's comment about the three bedrooms, Mr. Lewis stated that one of the aircraft in Mr. Gonzales' fleet requires three pilots. Mr. Lewis stated that Mr. Gonzales understands that no one will live in the hangar, but it would be a good place to rest his crew while he is in town.

Mr. Tackes asked how high the building would be. Mr. Lewis stated that in its current configuration the highest point was 58 feet above ground level.

Mr. Clague stated that this height is well below the maximum; that it could be 100 feet high and still be within the height restriction, although Mr. Clague had been told the building would not be built that high.

TAPE CHANGE: *Tape A, Side 1, to Tape A, Side 2*

Discussion turned to dimensions of the building, and that the drawings show the administrative building protruding onto the adjacent Taxiway. Mr. Smith stated that Mr. Gonzales was aware that the layout shown is conceptual only, and knows that his construction cannot protrude onto Airport property.

Mr. Weaver asked if there were any public comments.

Mr. David Corrao addressed the Board. He stated that the Board needed to be made aware of some requirements adopted in 1998 or 1999 regarding presentation packages. First, presentations are required to include dimensions; there are none here. The Board

would need to be absolutely sure that they reviewed the dimensions prior to commencement of construction so that they could remain aware of what was taking place on that lot.

Second, in adopting those early requirements, a logarithm and cost of Airport Engineering time was created to compensate for the cost of the Airport Engineer's involvement in such projects. Mr. Corrao stated that he was unsure if the costs had been extended but they would need to be included since Mr. Clague's bill for this endeavor would be at least \$10,000 or more, and that invoice should be sent to the developer. Mr. Corrao cautioned the Board to be sure that they were not spending money on this project that should be spent on matching funds.

Mr. Corrao asked the Board whatever happened to the green belt verbal agreement made with Mr. Contri – it's the same area that has now been leased out in the form of Lot 207. Mr. Corrao reminded the Board that a verbal agreement was still a binding agreement in the state of Nevada, and suggested that the Board review this verbal agreement. The promise of a green belt in that area was given in return for Mr. Contri extending the infrastructure in that area at Mr. Contri's personal expense.

Mr. Corrao stated that he was concerned about the aircraft depicted in the hangar drawing. He stated that any aircraft that required three pilots was a sizable aircraft, and that this would change the complexion of the Airport and increase noise levels. He stated that the wingspan on this type of aircraft was bigger than the width of our runways and taxiways, and cautioned the Board that they needed to investigate what was really allowable in this regard, and do their best to remain a good neighbor with the community.

Mr. Harlow Norvell addressed the Board. He stated that one of the challenges of creating the Master Plan was how to make the Airport an effective economic engine for Carson City without increasing the negatives. One of the ways discussed at great length were aircraft that represented a low-noise signature that would also bring with them significant development in terms of hangars, that had a low number of movements in and out of the Airport, that have very high safety records, and it seems that this development caters to all of the things the Board had represented to the people of Carson City. As an example of low noise signatures, Mr. Norvell stated that the Gulfstream 550 has a much lower noise signature than a Lear 55, which is a fraction of the Gulfstream's size, meaning the larger aircraft is much quieter than the smaller aircraft. The wing span is wider, but movement is still doable as long as the aircraft is compliant with the weight-bearing capacity of the runway.

Mr. Clague stated that the taxiway object free zone for Taxiway Bravo is 115 wide. If the proposal is approved, it needs to include verbiage that the administrative building cannot encroach within the object free zone. Mr. Clague stated that he was also concerned about the distances between the hangars.

Mr. David Corrao addressed the Board. He pointed out that, in discussing wings over runways and taxiways, the snow factor has to be considered. When it snows, the runways and taxiways get plowed, but with larger aircraft, that plow width will have to increase. Mr. Corrao stated that he was not against the project, but wanted to be sure

that the Airport Authority understood the full complexity of the project, and what it would bring to Carson City.

Mr. Lewis stated that he understood Mr. Corrao's concerns, but that the Carson City Airport is a public use airport, and is already serving and supporting Challenger aircraft, Global Expresses and Gulfstream 550's.

There were no additional public comments at this time.

Mr. Weaver stated that this is a beautiful project, with a qualified building and team proposing to build it. Mr. Weaver stated that he was rocked on his heels when he opened the very thin proposal provided to the Board, and saw a drawing of an AirBus sitting in the hangar. An AirBus going in and out of the Airport with any type of regularity will create a huge PR problem with the community.

Mr. Lewis stated that he was not aware of the drawing pictures. The aircraft depicted in the drawing was intended to be a picture of a Gulfstream 550 and a Challenger, and apologized on behalf of the architect. It was the wrong aircraft configuration, but scaled to the right dimensions to show aircraft placement in the hangar drawing.

Mr. Weaver had questions about the pavement depicted in the drawing, and who would pave it, since it was not currently paved and the Airport Authority did not have funding to pave it at this time. He had questions about infrastructure payments and capacity of the storm drain, but those were questions for the Airport Engineer to answer. In concept, Mr. Weaver stated that this was a very nice drawing, would be a feather in the cap of Carson City and would no doubt attract attention nationwide. Mr. Weaver asked for a motion.

Mr. Staub moved to approve the planned development layout for KCXP Investments, LLC (Mr. Tom Gonzales) on Lot 207 per the proposal presented by Mr. Matt Hansen, LiCata Hansen Associates Architecture, and Mr. Paul Smith of UPA Construction Group, subject to and conditioned upon the following: (1) that the developers provide a complete layout plan with dimensions and improvements shown thereon for approval by Airport Legal Counsel and Airport Engineer; (2) a proposal regarding the costs that the Airport Authority Staff may endure or accrue in its review of this proposal, including who is responsible for payment of those costs; (3) that the administrative building may not encroach upon the taxiway immediately adjacent thereto; and (4), most importantly, that the developer recognize that the Airport has current limitations and has made commitments to the residents of Carson City, and that the developer understand those limitations and commitments going into this project.

Mrs. Hutter seconded the motion.

Mr. Weaver called for the vote. The motion carried unanimously, with Mr. Lewis and Mr. Sullivan abstaining from the vote for reasons stated earlier under this item's discussion.

THE MEETING WAS GRANTED A FIVE-MINUTE RECESS

- (7) DISCUSSION AND ACTION REGARDING A REQUEST FROM KCXP INVESTMENTS, LLC (TOM GONZALES) FOR AN ADDITIONAL PRE-PAID 50-YEAR EXTENSION TO THE AIRPORT LEASE AGREEMENT DATED 17 AUGUST 2005, SPECIFIC TO LOT 207, AND AT A RATE TO BE MUTUALLY AGREED TO BY BOTH LESSOR AND LESSEE, AND PAID IN FULL WITHIN 10 DAYS OF APPROVAL (*S. Lewis*). As with Item (6) above and for the record, Mr. Lewis remained recused from the Board for this issue based on his affiliation with Mr. Gonzales, and addressed the Board from the podium. Mr. Lewis stated that he would be providing information only, that he would be abstaining from voting on this item, that he would not advocating either for or against the item, and that he would remain available to answer any questions specific to KCXP Investments, LLC.

Also for the record, Mr. Sullivan stated that he would not be voting on this item, as he would be making a presentation on this item to the Planning Commission.

Mr. Lewis read a statement prepared by Mr. Gonzales, indicating that he would like to extend his lease for an additional 50 years, and offered to prepay the lease in full within ten days of approval of this extension request.

Mr. Weaver asked for Board comment.

Mr. Staub had no comment at this time.

Mr. Sullivan stated that all buildings built on public land required a special use permit, which entailed that he had to make a presentation to the Planning Commission and should therefore not be involved in their decision-making process on this Board. Mr. Sullivan stated that the leases do not go before the planning commission, and he believed he could be involved in the decision-making process regarding them. He asked Mr. Tackes for his assessment of the proposal and his experience with any previous such requests.

Mr. Tackes stated that the Airport Authority has entertained previous such requests, one of which was offered by Mr. Ted Contri. The Airport Authority put land up for lease, Mr. Contri bid on the lot, and his bid offer included that he would also install the sewer, water and drain infrastructure to develop the center triangle. The Airport Authority accepted that lease on that basis. At that time he provided a calculation of what the work would have cost, and the Airport Authority waived that against the lease rate that was being considered, deciding that the exchange was appropriate. Since that time there were only two other instances of prepayment: one is the current lease held by Mr. Gonzales, done because he acquired a piece of property that the Airport Authority was required to acquire under its Master Plan and traded it to the Airport Authority against his current lease. The other prepayment was one recently approved for the Cubix lease. The statutes permit the Airport Authority to lease property up to 99 years. The Board needs to consider whether or not it wants to let out a lease for such an extended period of time, but must also consider the temptation of the sizable prepayment.

Mr. Weaver stated that he had reservations about a 99-year term. He also understood the cost of doing business, but was unwilling to give away his great-grandchildren's right to do business on the Airport, and such lengthy leases would be doing just that. Mr. Weaver stated that this will be a huge project for Carson City, and will be one of the

tallest buildings in town. It will no doubt put the City on the map, and he wanted to see it happen. After all things are considered, the question is, how do we get the fairest deal for the Airport – not only for the guy paying the money, but also for our great-grandchildren.

Mrs. Hutter stated that if we were going to do this, she would like to review how the calculations should be done. She stated that there were people who try to figure out future rates, and that if we were to consider Mr. Gonzales' request, she wanted to spend some time looking at how this should be calculated. Mrs. Hutter stated that she was familiar with this, and wanted to work with Mr. Tackes and other financial personnel to see how that calculation would look. She stated that the calculation would need to go a little more in-depth than the Excel spreadsheet and our present value calculation. Until she has a better grip on that information, Mrs. Hutter stated that she was not comfortable moving forward with this request. Mrs. Hutter expressed her appreciation of Mr. Gonzales' incredible investment on our Airport. The original leases on the north side were 99-year leases, but Mrs. Hutter stated that one only has to ask the British in Hong Kong: 99 years is not that long.

Mr. Weaver pointed out that the Board was not provided with any calculations for consideration, so the request does not meet Board meeting requirements. The item should therefore be considered a conceptual request. There are other ways to get to a 99-year term. A renegotiated lease could be offered at or near the end of his current 50-year term. Mr. Weaver stated that the Board did not mean to put off Mr. Gonzales or indicate that his offer was anything less than most generous, and he wanted to make sure that Mr. Gonzales understood that the Board agreed that his is a very generous offer to help the Airport.

Mr. Handelin stated that the Board has precedence for a 50-year lease, but that he was not a proponent for a 99-year lease. He stated that he did not see this as someone wanting to obtain a 99-year lease, but as someone who wanted to help provide the Airport with funding for the future. Mr. Handelin stated that he thought the Board should pursue it, but echoed Mrs. Hutter's stated need on how to place a value on the offer.

Mr. Hornung stated that this was a wonderful offer from Mr. Gonzales, and he, too, appreciated it. Mr. Hornung agreed with the comments from the Chairman regarding the future. Mr. Hornung stated that he would have to weigh in against the numbers, and the Board should standardize how such an offer could be viewed from a dollar value standpoint.

Mr. Weaver asked if there were any public comments. There were none at this time.

Mr. Staub stated that he was just the liaison for the Board of Supervisors, and not an FBO or a pilot or even an aviation expert. Mr. Staub stated that his biggest issue was how to establish any of the rates for any of the leases, and has in the past stated his hesitance to produce leases at phenomenally low rates for very long terms. Mr. Staub stated that he appreciated Mr. Gonzales' generosity in making a full one-time payment within ten days, he did not see how we could hamstring future Airport Authorities, since he considered a 10- to 20-year period to be difficult.

Mr. Staub stated that we ought to at least embrace the request, and subject that request upon not only a rate, but also a criteria in establishing that rate so that it is acceptable and agreeable to both parties, and subject to periodic review by all parties and adjustment by the Airport Authority to ensure that payment is still in line with common rates. The review period should occur at least every five years, but never longer than every ten years. Mr. Staub stated that he could see approving the request subject to such lease rates and terms that would be agreeable to both parties.

Mr. Weaver asked if this was a motion. Mr. Staub stated that if he didn't have to repeat it, then it was.

Mr. Weaver asked for a second. Mr. Sullivan seconded the motion.

As a point of clarification, Mr. Weaver asked Mr. Staub if he wanted to go ahead and negotiate the terms of the extension. Mr. Staub stated that it was as Mrs. Hutter had pointed out earlier, the terms and criteria of how we establish the rate, and that it has to be subject to periodic review. Mr. Weaver asked Mr. Staub if he wanted to table this motion and come back to it next month. Mr. Staub stated that he thought it was going to take some serious thought and work on the part of some experts. He stated that if staff wanted to bring this item back because grounds and terms had been agreed upon, that was fine, but that if they had not accomplished those benchmarks, there would be no reason for this item to be brought back to the Authority until those benchmarks had been reached.

Mr. Hornung asked if the City had any resources to help determine those rules. Mr. Staub stated that he thought the only individuals who would be able to help with this item at this time would be experts in long-term real estate leases, hopefully with a specialty in airport leases. There has to be someone like that out there, but Mr. Staub already knows they do not work for the City.

Mr. Weaver asked Mr. Staub if he would like to clean up or amend his previous motion. Mr. Staub concurred.

Mr. Staub withdrew his previous motion, and moved to approve the request from KCXP Investments, LLC (Mr. Tom Gonzales) for an additional prepaid 50-year extension to the Airport lease agreement dated 17 August 2005 specific to Lot 207, subject to and conditioned upon negotiations of a lease agreeable to both parties, taking into consideration and seeking out the expertise to establish a rate that is fair and equitable to both parties, and including periodic adjustments within the lease term to address changes in the value of the property lease rates and the Carson City area.

Mr. Sullivan withdrew his previous second of the motion since removed from the table, and seconded Mr. Staub's current motion.

Mr. Weaver asked if there were any additional comments from the Board.

Mr. Sullivan asked if the motion would cover Mrs. Hutter's desired study. Mrs. Hutter stated that it would provide opportunity to conduct the necessary research and study the actuarial tables.

Mrs. Hutter asked Mr. Staub what would happen if an agreement could not be reached, and whether it needed to be brought back to the Board. Mr. Staub reiterated that his motion stated "subject to and conditioned upon...".

Mr. Weaver called for the vote. The motion carried, with Mr. Lewis and Mr. Sullivan abstaining from the vote for reasons previously stated. There were four ayes and one nay, with Mr. Weaver voting against based on his stated concerns with a 99-year term lease.

Mr. Lewis stated that, regarding this last item, it was Mr. Gonzales' intent to put the offer on the table to see whether the Board thought it was fair for both sides. Mr. Gonzales made the offer knowing that the Board had a match to fund, but his offer was not on the condition of his building his structure. That's why this item was the last in this trilogy.

- (8) ACTION TO CONSIDER THE STATUS OF THE AEROHEAD AVIATION, INC. (JEWETT) LEASE; RENT UNPAID; ACTION TO TREAT LEASE AS BEING IN DEFAULT; TERMINATION OF LEASEHOLD (*N. Weaver*). Mr. Tackes reviewed the background in this item. Under the name of Aerohead Aviation, Inc., Mr. Jewett is holding land on which he has not been making payments. The Airport Authority has done everything it can do to notify Mr. Jewett of his obligation, and Mr. Jewett has not responded. The lot was originally considered unbuildable due to its location within the flood plain; however, there is a CLOMAR in place that has raised the lot's elevation, and the lot buildable after all. Last October the Airport Authority moved to reinstate Mr. Jewett's obligation to commence paying rent on the leasehold once again. Notice was provided to every known address for Mr. Jewett, but the Airport Authority has received no response. In fact, letters sent to Mr. Jewett's official address were returned as non-deliverable. Letters were sent in October, a certified letter was sent on November 1st, with no response, and on January 4th, more letters were sent indicating that if Mr. Jewett did not pay his rent, his lease would be terminated with Board action at this meeting. The lease provides that notices are sent to the address posted within the lease, unless the lessor is notified in writing that the lessee's address has been changed. No change of address notification has been received. Mr. Tackes stated that the action proposed at this meeting is to terminate the lease to Aerohead Aviation, Inc.

Mr. Weaver asked for Board comment.

Mr. Staub asked if there was any reason for the Board to consider taking action against Mr. Jewett after terminating the lease. Mr. Tackes stated that the Board could continue to try to obtain the rent that should have been paid, but that would inhibit the Board from leasing out the property to anyone else. In that circumstance the land would have to remain available to Mr. Jewett.

Mr. Lewis had no comment.

Mr. Sullivan asked if any response had been received to the letter issued on January 4th. Mr. Tackes stated that no response had been received. He reported that the Return Receipt certificate was received, marked undeliverable to the original address in the lease documents, but that nothing had been returned that had been sent to Mr. Jewett's

other address. Terms in the lease provide that the lease can be terminated after 10 days notice. Mr. Tackes stated that the message here is that the Board made a very diligent effort in trying to contact Mr. Jewett, and has gone beyond the obligation in the lease to try to contact Mr. Jewett.

For the record, Mr. Sullivan asked if Mr. Jewett were present in the audience. There was a long pause, but neither Mr. Jewett nor a representative for Mr. Jewett stepped forward. Mr. Sullivan had no further comments.

Mrs. Hutter had no comments at this time.

Mr. Handelin had no comments at this time.

Mr. Hornung had no comments at this time.

Mr. Weaver asked for public comments. There were none at this time.

Mr. Weaver asked for a motion.

Mr. Staub moved to treat the lease between the Airport Authority and Aerohead Aviation, Inc. (Mr. Jewett) as being in default, and recommend that said lease be terminated; and instruct legal counsel to take all appropriate action allowed under said lease subject to counsel analysis that said action would be economically feasible (meaning, we don't want to throw good money after bad).

Mr. Handelin seconded the motion.

Mr. Tackes stated that he preferred to not be shouldered with the decision of terminating the lease; that the Airport Authority should make the decision on whether or not to terminate it.

Mr. Staub amended his motion to delete any of his earlier motion that addresses taking appropriate action allowed in the lease.

Mr. Handelin seconded the amended motion.

As a point of clarification, Mr. Tackes asked Mr. Staub if his motion had been for the Board to terminate the lease. Mr. Staub stated that yes, the motion was to treat the lease as being in default, and to terminate the lease. Mr. Tackes stated that he would provide notification to Aerohead Aviation, Inc., of the Board's action – but that he wanted to be clear on what action had been taken.

Mr. Weaver called for the vote. The vote was cast, and the motion carried unanimously.

- (9) DISCUSSION AND ACTION REGARDING APPROVAL OF REPORT TO LEGISLATURE ON THE STATUS OF AIRPORT LAND SALES AND LEASING AS REQUIRED BY AB 312 OF THE 73RD SESSION (2005) OF THE NEVADA LEGISLATURE; AUTHORIZATION TO AIRPORT COUNSEL TO TRANSMIT REPORT BY FEBRUARY 1, 2007 TO THE DIRECTOR OF THE LEGISLATIVE

COUNSEL BUREAU (*S. Tackes*). Mr. Tackes reminded the Board of action taken during the 2005 legislative session, wherein AB 312 required that appraisals must be obtained prior to leasing or selling land. Mr. Tackes stated that he was hopeful that provision of the law would be amended, and that instead something that would actually be useful would be put in its place, such as a comparative lease. Mr. Tackes has prepared a report for the 2007 legislature, and was asking the Board to approve the report and authorize Mr. Tackes to transmit it to the Legislative Counsel Bureau.

Mr. Sullivan so moved to approve the report and to direct Mr. Tackes to forward it to the Legislative Counsel Bureau.

Mr. Handelin seconded the motion.

Mr. Weaver asked if there were any staff or public comments. There were none at this time.

Mr. Weaver called for the vote. The vote was cast, and the motion carried unanimously.

- (10) DISCUSSION AND ACTION REGARDING ELECTION OF OFFICERS OF THE CARSON CITY AIRPORT AUTHORITY FOR THE POSITIONS OF CHAIRMAN, VICE-CHAIRMAN AND SECRETARY/TREASURER. (*G. Handelin*). Mr. Handelin stated that it had been two years since elections were held. Mr. Handelin stated that he believed that, barring extenuating circumstances, no member should serve more than half of their term in any one position, and moved to proceed with electing positions of Chairman, Vice-Chairman and Secretary/Treasurer.

Mrs. Hutter seconded the motion.

Mr. Weaver asked if there were any public or staff comments. There were none at this time. Mr. Weaver called for the vote. The vote was cast, and the motion carried unanimously.

Mr. Handelin nominated Mr. Lewis for Chairman of the Airport Authority. Mrs. Hutter seconded the nomination. The nomination was closed. The vote was called, and the motion carried.

Mr. Handelin nominated Mr. Hornung for Vice-Chairman. Mrs. Hutter seconded the nomination. The nomination was closed. The vote was called, and the motion carried.

Mr. Handelin nominated Mrs. Hutter for Secretary/Treasurer, citing extenuating circumstances in that no one else could do as good a job. Mr. Staub seconded the nomination. Mr. Handelin asked if anyone else wanted to be Secretary/Treasurer. There were no takers, and one emphatic "I don't!" The nomination was closed. The vote was called, and the motion carried.

There were no further nominations. Mr. Weaver wished the new Chairman, Vice-Chairman and Secretary/Treasurer the best of luck in their new positions.

- G. AIRPORT ENGINEER'S REPORT (*Non-Action Item*). Mr. Jim Clague, Airport Engineer, reported that he had submitted the grant application and the ACIP to the FAA, and would also be submitting the DBE program to the FAA, which is the Disadvantaged Business Enterprise program. The FAA has informed Mr. Clague that they probably would not be funding everything that was requested for 2007, which had included Phase II of the land acquisition on the Serpa property; pavement maintenance for the runway and the taxiway, and relocation/installation of the new AWOS. The FAA stated that it would probably just be the land acquisition phase, so Mr. Clague has amended the ACIP in case not everything is funded, so that the requests will still be on the books for funding in 2008.

Mr. Handelin asked if the Board should consider another trip to the FAA. Mr. Clague agreed that it might be a good idea, but to wait another month or so. The FAA will be attending the NAMA (Nevada Airport Manager's Association) meeting in early March in Gardnerville, and we could meet with them at that time.

Mr. Tackes stated that the FAA has always considered that the Carson City Airport Authority has been very logical and level headed in its proposals, but that we needed to stay on top of costs and the FAA's reaction to our proposals. Mr. Tackes pointed out that we have also had great support from Senator Reid's office and Senator Ensign's office, and imagines that we would also get great support from Congressman Heller's office, particularly given that he is a Carson City native.

- H. AIRPORT MANAGER'S REPORT (*Non-Action Item*). Mrs. Yvon Weaver, Airport Manager, reported that she had talked with Tony in Carson City Risk Management regarding damage to the fence where the taco truck drove through. The fence is hit in this area every winter. Risk Management has decided to wait until spring before making repairs, just in case it gets hit again. Later we will be talking about barriers in that area, but they are expensive. The fence isn't broken; it just doesn't look very nice.

Mrs. Weaver is working on the 2007 Open House, and was happy to report that the B-17 will be here this year.

Barriers have been placed between the Carson Air Group and Carson Executive hangars at the culvert.

Mrs. Weaver is working on some lectures to be held in the terminal.

Mrs. Weaver has been working with Jim Brazwell at the Douglas County Airport. They've been discussing a poker run, and doing a meet-and-greet for 27 legislators in March at the Terminal Building.

Mrs. Weaver thanked Mr. Staub for his help with the street sweepers who sweep the Airport. It's always a big deal at the Airport, since the smallest item hitting an aircraft can be very expensive, and sweeping is very much appreciated.

In a recent meeting Mr. Sullivan had mentioned scheduling a meeting with the residents in the Apollo Drive area. Mrs. Weaver asked Mr. Sullivan when he might like to schedule that meeting. Mr. Sullivan stated it would be better in warm weather, maybe sometime in May or June.

Mrs. Weaver reported that she is working on something new, and that's a calendar for the Carson City Airport. She asked members to submit pictures.

Mrs. Weaver reported that she received a call a couple of weeks ago from Jump Around Carson, who want to come to the Airport to take some pictures. Advertising is always of benefit to both parties, and it is nice that the Airport can help them in that regard.

Mrs. Weaver stated that she was working on the gate card audit, and has asked everyone who has a gate card to bring them in to show her their numbers. Any number not accounted for will be turned off at the gate, and the gate card deposit will be forfeited. If a user no longer wishes to keep their card, they can return it and have their deposit reimbursed.

- I. LEGAL COUNSEL'S REPORT (*Non-Action Item*). Mr. Steve Tackes, Airport Counsel, stated that he was pleased to announce that at the January 4th Board of Supervisors meeting, the NDOT grant was approved in the amount of \$50,000, which can be used for matching funds. Mr. Tackes thanked Mr. Staub for his effort on the Airport Authority's behalf.

For the record, Mr. Weaver stated that this would not have happened without Mr. Tackes' hard work, as he shepherded this item through from inception to completion.

- J. REPORT FROM AUTHORITY MEMBERS (*Non-Action Item*). Mr. Walt Sullivan reported that at the end of last month's meeting, a comment was made about the orange balls on the power lines. Mr. Sullivan had contacted SPPCo, which ordered 22 new balls to be installed. That's the good news. The bad news is that the work is scheduled out for anywhere from 6 to 20 weeks. He does not know why the schedule is so far out, but the replacement should be complete by the end of May.

Airport Treasurer Mrs. Collie Hutter reported that there is money in the bank, and the Airport Authority is positive on operations. Mrs. Hutter also reported that she attended a good meeting with the Department of Taxation on working out our accounting conundrum experienced due to the methodology of accounting, and has come to a very good accommodation with the state.

Mr. Handelin reported that the RFP on the gates was issued on January 2nd to about a dozen gate installers and manufacturers. Two of them have already visited the Airport, looking at the current gate situation, and Mr. Handelin has received on proposal so far.

Mr. Hornung stated that he wanted to publicly thank Mr. Weaver for his service as Chairman of the Board for the Airport Authority.

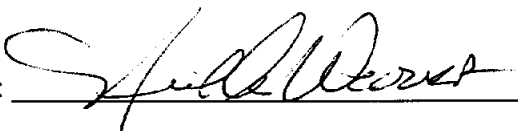
- K. ACTION ON ADJOURNMENT. As a point of interest for the history of the Airport, Mr. Weaver pointed out that Mr. Harlow Norvell still held the record for the longest meeting. Tonight's meeting was adjourned without objection at 8:55 p.m.

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NOTE: A tape recording of these proceedings is on file, and available for review and inspection at the Airport Manager's office during normal business hours.

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The minutes of the 17 January 2007 Regular Meeting of the Carson City Airport Authority are so approved on this 21st day of February, 2007.

BY: 
TITLE: Neil Weaver, Chairman