

**MINUTES**  
**Special Meeting**  
**Carson City Airport Authority**  
**Monday, May 9, 2016 • 6:00 PM**  
**Community Center Sierra Room**  
**851 East William Street, Carson City, Nevada**

**Committee Members**

<b>Chair – Karl Hutter</b>	<b>Vice Chair – Don Peterson</b>
<b>Member – Linda Law</b>	<b>Member – Steve Posic</b>
<b>Member – Jim Shirk</b>	<b>Member – Phil Stotts</b>
<b>Member – Maurice White</b>	

**Staff**

Steve Tackes – Airport Counsel  
Jim Clague – Airport Engineer  
Tim Rowe – Airport Manager  
Tamar Warren – Deputy Clerk  
Minutes by: Kathy King – Chief Deputy Clerk

**NOTE:** A recording of these proceedings, the Airport Authority's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are 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](http://www.carson.org/minutes).

**A. CALL TO ORDER AND DETERMINATION OF QUORUM**

(6:07:27) – Chairperson Hutter called the meeting to order. Roll was called. A quorum was present.

<b>Attendee Name</b>	<b>Status</b>	<b>Arrived</b>
Karl Hutter	Present	
Don Peterson	Present	
Linda Law	Present	
Steve Posic	Present	
Jim Shirk	Present	
Phil Stotts	Present	
Maurice White	Present	

**B. PLEDGE OF ALLEGIANCE**

(6:08:04) – Chairperson Hutter led the pledge of allegiance.

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

(6:08:32) – Chairperson Hutter noted there were no minutes for approval.

**D. MODIFICATION OF AGENDA**

(6:08:39) – Chairperson Hutter advised there would be no modifications to the agenda.

**E. PUBLIC COMMENT**

(6:09:14) – Chairperson Hutter thanked the citizens for their attendance, and noted the opportunities for public comment throughout the meeting. He suggested that anyone interested in commenting on specific agenda items do so during the public comment period relative to that agenda item. In reference to agenda item F-1, Chairperson Hutter advised “that all aspects of the Open Meeting Law, NRS 241, ... were strictly followed ... and that the process that was followed was conducted with the guidance of the Authority’s legal counsel, in consultation with the Attorney General and District Attorney’s Office.” Chairperson Hutter directed anyone with an objection to discuss the same with Mr. Tackes.

Chairperson Hutter entertained public comment. (6:13:11) Attorney John Moore introduced himself as legal counsel for Airport Manager Tim Rowe. Mr. Moore referenced a meeting which took place on Friday, April 22, 2016, at which he was present, together with Chairperson Hutter, Vice Chair Peterson, and Airport Manager Tim Rowe. “At the start of the meeting, Vice Chair Peterson announced that the Airport Authority had decided to move in a new direction without Mr. Rowe as the Airport Manager. Also in attendance at this meeting was Airport Authority Member Steve Poscic, but Mr. Poscic was not involved in any of the discussions had at this meeting. Also, during this meeting, Messrs. Peterson and Hutter offered Mr. Rowe a two-month severance if he agreed to resign and reiterated that the two-month severance offer was good for that day only. Mr. Peterson and Mr. Hutter clearly acted as though they possessed authority from the board to make this offer and to make it valid for that day only. Mr. Rowe refused to resign at which time the severance offer was again referenced and it was reiterated that the severance offer was good for that day only. Airport Authority Member Phil Stotts asked that this April 22, 2016 meeting and the apparent effort to act on behalf of the Airport Authority, without approval, be placed on the agenda for this meeting today. Chairman Hutter refused to place this issue on the agenda.”

Chairperson Hutter entertained additional public comment. (6:15:39) Tim Hahn introduced himself for the record, advising that he “work[s] on the airport with Carson Aviation Services” and is “quite familiar with what’s going on.” Mr. Hahn advised of having written a letter to Members Law, Poscic, Stotts, Shirk, and White, and read the same into the record. A copy of the letter was provided to the Clerk for inclusion in the record.

(6:18:14) Ben Reese advised of having moved to the community approximately two years ago “for various reasons; one including business, primary reason, quality of life and also the airport which I look forward to being a member of and have a hangar there shortly.” Mr. Reese advised that he has an airplane, currently housed in his garage, which he is not currently flying “because I’ve made a decision to focus on my business.” Mr. Reese discussed his experience working with Mr. Rowe “and some of the members ... at the airport who I became friends with quite readily.” He advised of having been requested to participate “in setting up for the Airport Days and I’m the one that had the umbrellas. That’s part of the business I bring to Nevada. I set them up on the airport. I have a lot of experience working with the EAAs, which I’m a member of as well, and I have done these kinds of events before. And the rumor is that I’ve heard that Tim is being chastised for his involvement in setting up that race or some other issues regarding the Airport Days which I, as the public, deem as a complete success. Now, the airport was closed, the people were notified, there were spotters on the runway, and the race continued between an electric car and a regular race car. This was quite entertaining to the public and is not uncommon at an airport where you have an event where you have ... airplanes being shown and the public being entertained. It’s good for the community and it shows the involvement. The car on the runway was a Tesla car. It was a roadster and it beat the car on the runway quite readily. I was the one who did the announcing. ... I set it up, I arranged it. I worked with both parties and I rode around through the public displaying the hood ornament of the race car, the Corvette, ... who lost on the runway. ... The bottom line is it was quite entertaining. Tim did a fabulous job working with everybody. There was no safety risk. As an airport rescue PJ, I would tell you that.

As a pilot, I would tell you that. And I would tell you that anybody who thinks this kind of event ... is bad for the public or bad for the airport is completely wrong. And if they do anything in this event to put Tim in jeopardy, they are not good for the airport. These people are not good for our City because they put you at risk for lawsuits and basically for shutting down the airport being a very friendly and inviting place which I, for one, would like to see. And I will not be part of this type of situation in the future if we cannot work together in a community that has everybody entertained and happy. ... Tim did a fabulous job on that day.”

(6:21:24) Sandy Goetze advised that she is a pilot and has been involved with the Open House at the Airport for approximately ten years, three of which have been with Tim Rowe as the Airport Manager. She described the Open House events as “a total success and he’s done so much. He and his wife, Gayle, have worked very hard on their own clock, not just on your clock. ... we’ve increased the size of the Open Houses and the involvement of the whole community, not just the airport community.” Ms. Goetze described Mr. Rowe as “a wonderful airport manager and he’s been wonderful with this event.” She expressed the opinion “he deserves a lot more than what he’s getting right now.”

(6:22:47) Earl Kessler introduced himself as a corporate pilot who has been flying out of Carson City “for many years. I’ve been flying in the Northern Nevada area for over thirty. I’ve known Tim for several years; mainly met him when he became the manager of the airport. Tim’s taken the airport from a pretty dumpy looking airport, when he first began, to ... as you know, led it through the rehab process, which he did a really good job. Whenever I have a maintenance problem, and I’ve called Tim several times, it’s hopped on right away. He’s helped with regulatory by getting our pattern altitude raised with the FAA which is no small feat, working with the FAA at all. And I think the guy is a stand-up, good manager. I think it would be a terrible mistake to get rid of him and try to train somebody else for a position that he’s crafted and created. I stand behind him and I think the guy should get all the chances he should to continue in the good job that he’s already doing.”

(6:24:05) Bee Ferrato inquired as to whether there is “a job description available for us to look at ...” Chairperson Hutter advised of a published job description that was used during the solicitation of the airport manager. Mr. Tackes advised that the job description was posted on the web page, along with the briefings, and that Mr. Rowe had placed a book at the back of the meeting room which contained the briefings.

(6:25:18) Mark Robinson introduced himself as the retired Vice President and General Manager for Electronics International Co. He expressed dismay over the wording of the agenda and advised that “if I ran a company like that, it wouldn’t have existed for any period of time. You have no structure to yours. It’s like we would have ten board of directors and one guy doing the work. And nobody, and this guy is not reporting directly to anybody ... If you report to everybody, you can’t do a job. I’m amazed that you don’t have any more structure to this than what it is laid out in that program. I don’t know how anybody could succeed the way that you, board, are doing things. I think the real problem here is the way the board is not structuring things for the airport. I don’t think it’s the other way around. And one of the things that I had in my years of experience, failure always started from the top. And when that failure, if you analyze that failure, it was the top management that didn’t do their job flowing it down. And, certainly, from the documents I read, this is the case. I think you guys ought to be looking at yourselves.”

(6:27:18) Jim Nunnelee advised of having “been part of the airport since 1999. I’m an active member with a Chapter 403 and I’m also active in the Open House. I drive the ground mount and, believe it or not, that does a lot of good will for the airport.” Mr. Nunnelee expressed dismay “about what’s happening ... We have seven board members. From what I understand, two of the board members visited Mr. Rowe with the offer to resign.

That's hardly a quorum. I'd like to know how many of you folks were aware of this meeting before it happened and was there really a quorum or not. If there's not a quorum, then that meeting was useless."

(6:28:43) Larry Cheek advised that he has worked for the Federal Aviation Administration Reno Flight Standards Office for approximately 18 years. "For the past two and half years, I've been the safety program manager. My function is to conduct education, training, and outreach to all the area airports and pilots to help reduce general aviation accidents. So I interact with practically all the airports in this area, including Truckee, because that's technically in our geographic area. All interaction with ... Airport Manager Rowe has been nothing but outstanding from the FAA's Reno Office perspective. We do observe, conduct surveillance of the Open House activities. We watch for safety issues. None has been presented. None has been documented. The other areas that we watch for is anything that gets reported to us from various pilots in the area. We have had reports of the amount of traffic that's increased at this airport and from our past actions, since October of last year, I'm pretty sure you all know that we've formed committees with Mr. Rowe being participant in them to try to help mitigate some of the risk and the safety issues from all the increased traffic, of which I'm very familiar that the traffic is going to continue to increase even more with the activity that's reported to us. Mr. Rowe, in addition to our interaction in the normal function of his duties during the day, has reported to many of our presentations that we conduct in the evening to help educate and train pilots. He has been there to help support what we're announcing as different issues and how we're trying to educate the people. So I just wanted to make it very clear that it's been nothing but an outstanding working relationship with the Reno office."

(6:31:13) Michelle Wise Bellard introduced herself as an educator in Washoe County, and advised that she holds volunteer positions with Jet Propulsion Laboratories and as Young Eagles Coordinator with the EAA 403. "Tim Rowe has, during his time as the airport manager, worked to increase educational programs within the Carson City Airport. He has supported the Young Eagles after-school programs and youth flight training. He has worked with the Civil Air Patrol to ensure Carson's chapter. The Open House, which has received less funding every year, has continued to inspire the youth of this community. The shortage of people pursuing aviation careers is predicted to be major. We, as a community, should continue to support these endeavors." Ms. Bellard requested the Airport Authority "to really contemplate ... making the decision and changing of the airport management. It is ... unusual to have someone like Tim Rowe that is that dedicated. He has been financially responsible for getting his own training. Tim Rowe has done just that to better his knowledge in the field and he has worked tirelessly with the community outreach to inspire the next generation of aviation careers ... and I think that's major in our community right now."

(6:33:30) Paul Hamilton introduced himself as a CFI and a DPE, and advised that he operates the fixed base operation specializing in light sport aircraft. He expressed the opinion that his operation has "probably, to a large extent, helped increase the air traffic here in Carson." He advised that he flies almost every day and spends a lot of time at the airport, training pilots, conducting introductory lessons, etc. He discussed challenges associated with the safe operation of light sport aircraft, and expressed the opinion that the Airport Authority "okayed the jet, the GA, and the light sport aircraft based on safety recommendations I made to Tim which he ran with and worked with the FAA." Mr. Hamilton expressed the belief that "Tim diplomatically addresses other pilots and reckless operations. I've many times come to talk to Tim about things that happen in the pattern. He immediately addresses those for the helicopters, military, other aircraft, general aviation, and I have to congratulate him at diplomatically being able to address those issues. And he's been very open to new aircraft practice and I have to thank him and I also have to thank the board, in past times, for allowing me to run this operation." Mr. Hamilton

expressed the opinion "Tim makes a great airport manager and does a great job at safety and I appreciate his efforts so far and I hope everyone else does."

(6:36:11) Bill Hartman advised that he has "been a general aviation pilot at this airport for about 20 years now. I've listened to everything that everybody has had to say and I am in full agreement with all of it. I think Tim's been doing a great job, not only in taking care of maintenance and issues at the airport, but also looking out for the benefit of us pilots who are here so that we can have a good, positive, and safe experience here. I look at you as people who represent us ... whether it be ... representing the FBOs or general aviation pilot, general pilot representing the pilots, whatever ..., and Supervisor Shirk as citizens of the City of Carson. And if you've been listening to what people have to say and are truly representing us, then I would ask you, I ask the Chairman to go ahead and just remove items 1 and 2 from the agenda, put them in the trash can where they belong and we can move on to the budget issues so she doesn't have to sit here all night and listen to the rest of this and we can move on with the business. So I make that request to you, Chairman Hutter."

(6:38:15) Harlow Norvell advised that he has been a resident of Carson City since 1959, with the exception of a 30-year career in the United States Military. Upon retiring from the U.S. Military, I served as a corporate pilot for Cisco Systems for 11 years and I now ... fly a corporate jet based here in Carson City for a company in Reno. I've been flying for 37 years and have over 10,000 hours. From October 2001 to October 2005, I was a member of the Carson City Airport Authority and then again from 2009 to 2013. Six and a half of those eight years I served as chairman. I was the chairman of the Airport Authority at the time Mr. Rowe was hired in March of 2011. I had intended to hold my comments until we got to the agenda item, but I would like to bring one thing up that I was involved in. After Mr. Rowe was hired, I made several attempts to write an actual job description, to come up with standards for the job, and to develop a performance appraisal. And there was not a lot of support on the Airport Authority to do that. I was counseled that to do that or to enter into a contractual agreement with the airport manager would make it more difficult to terminate him should that time come. In October of 2012, the Airport Authority meeting of October 17<sup>th</sup>, I agendized an item with respect to developing those standards for the airport manager which I felt would be in compliance with NRS 844, Section 24 which constitutes the enabling legislation of the Carson City Airport Authority from 1989, and asked that a committee be formed and undertake that action. The vice chairman was Guy Williams, who has now recently left the Airport Authority, also was asked to be a participant. We had decided that we would have a quorum of members present; that the meeting would be noticed and open to the public, and I just was never able to make that happen. So I have to take exception to the fact that Mr. Rowe has any standards at all under which to operate, other than the guidelines given him in Title 19, which are significant as the chief executive of the airport.

"And may I remind the Airport Authority that no one board member has the authority to run the airport on a daily basis other than the airport manager unless, in his absence, then the chairman, the vice chairman, and then I believe any member has that right in succession if the airport manager is not present. To act unilaterally out of the public eye, particularly when it comes to seeking the resignation of the airport manager and offering him compensation for that resignation if he were to do so immediately, I think is reprehensible and inappropriate. And it is disrespectful to the people of Carson City and to the process. So, Mr. Rowe, for the last five years has had absolutely no written guidance whatever. He's never had a performance appraisal. There is no employee manual. There are no enumerated rights for employees on the airport, no grievance process, no way to redress anything, except coming into this meeting and expressing his feelings which he has done. I would also remind the board members that Mr. Rowe was hired at substantially below the area average for airport managers. You look at any airport manager in this area at a comparable airport or any capital city airport in the United States and, in 37 years

I've been to every single capital city airport in this country, and none of them are run like this. None of them have a dilapidated terminal building. And I find it shocking that the responsibility for assessing the condition of that building has been removed from Mr. Rowe surreptitiously and assigned to the vice chairman of the Airport Authority. When did the airport take that action and make that decision? How did that happen? Does anybody up there know what's going on? That is a good question.

"And I'd like you to look at Section 24 in NRS Chapter 844 very carefully to see what Mr. Rowe is entitled to and has never had these last five years. One of the things that I did do ... in the original employment application, licenses or certificates required – possession of a pilot's license. You know why that's in there? There's a couple of reasons. One, we wanted the airport manager to be able to understand airport operations from the pilot's perspective. Mr. Rowe has in excess of 11,000 hours, has flown all over the United States and is a very, very experienced pilot. Additionally, when I was unable to get any job performance standards written for Mr. Rowe, using the only method that I had which was to go to the Airport Authority in an open public meeting, as the Chairman of the Airport Authority, I told him personally, my own volition, that I saw nothing wrong with him taking the opportunity, when appropriate, to do some flying, a very minimal amount of flying in order to remain proficient; that he might understand the airport again from the operator's perspective, but also to supplement his income somewhat because I told him, 'It will be years, if ever, that you receive a pay increase.' And he never has. He's worked for over five years and has never even been looked at for an increase. Yet he's worked hard. You've heard the comments made by the public in his behalf as an outstanding individual. I freely admit and I'm proud that Tim is a personal friend of mine and I support him 100 percent.

"Let me also say, as I close, and by the way I have the minutes of the meeting from October of 2012, that I believe that this agenda item to address his performance amounts to nothing more than a lynch mob. And I'm very, very dismayed to see that our Airport Authority has degenerated to this point. I think it's reprehensible. I think one board member has instigated this, spurred on by a faction on the airport that seeks a return to the old order where we had a part-time airport manager with a vested interest on the airport. And that manager and their cronies ran the airport ... into the dirt. We changed that about seven years ago, I believe. The first airport manager was not strong enough to withstand the onslaught that came his way as a result of this old order being put out of business. People no longer had to curry favor with the airport manager in order to get anything done on the airport. They were able to walk in to the airport manager's office, a neutral territory, the airport manager not having an existing economic interest in the airport. And what little flying Mr. Rowe has done he was doing prior to going to work for the Airport Authority. And I am the one that told him that it was okay for him to fly occasionally. So if you want to blame somebody, blame me, but then I'll turn around and blame you because you never gave him anything to work by. It's real easy to stand here and criticize him and to disparage him.

"These allegations in this agenda item constitute innuendo, half-truth, and outright falsehood. If you want to know what kind of man this is, don't ask the person that's persecuting him. Ask the public. Ask the users of the airport in general how they feel about this man and they'll tell you. And I will have more to say as this agenda item is heard. Thank you."

Chairperson Hutter entertained written public comments, and Member Stotts read into the record a letter from Dennis Koehl, a copy of which was provided to the Clerk for the record.

Chairperson Hutter entertained additional public comment. (6:53:32) Kim Allen advised that her husband "has a plane here at the airport." Ms. Allen inquired as to whether the Chair and Vice Chair's actions in requesting Mr. Rowe's resignation were legal.

**F. PUBLIC HEARING ITEMS:**

**F-1. DISCUSSION AND POSSIBLE ACTION TO CONSIDER AIRPORT MANAGER PERFORMANCE, INCLUDING THE CHARACTER, ALLEGED MISCONDUCT, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF THE AIRPORT MANAGER, TIM ROWE; (NRS 241) MAY INCLUDE SOME OR ALL OF THE FOLLOWING:** 1(a) EVALUATION OF PERFORMANCE ON MANAGEMENT OF THE AIRPORT, EMPHASIS ON SAFETY, COMPLIANCE WITH FAA RULES, REGULATIONS, POLICIES, SAFETY MEASURES, AND LEASE REQUIREMENTS; WITHHOLDING INFORMATION FROM THE AUTHORITY THAT IS CRITICAL TO SAFE OPERATION OF THE AIRPORT; RUNWAY INCURSION OCCURRENCES; 1(b) CONFLICT OF INTEREST; WORKING SIDE JOBS FOR PAY FOR TENANTS; APPLYING FOR CONTRACT AND PERMANENT WORK FOR TENANTS; 1(c) CLOSING AIRPORT FACILITIES FOR NON-AVIATION ACTIVITIES; 1(d) PROTECTION VERSUS WASTE OF AIRPORT FACILITIES; FAILURE TO MAINTAIN TERMINAL BUILDING; ACTIONS CONTRARY TO AUTHORITY DIRECTION WHICH HARMED BUILDING; RAMP MAINTENANCE FAILURES; 1(e) CONTRACTING AND MODIFYING CONTRACTS WITHOUT AIRPORT AUTHORITY APPROVAL; SECURITY CONTRACT; 1(f) UNDERSTANDING AND PREPARATION OF AIRPORT OPERATING BUDGET, ADJUSTING EXPENDITURES, AS NECESSARY; 1(g) EVALUATE OPERATIONS, MAINTENANCE, POLICIES AND PROCEDURES AND MAKE OR RECOMMEND CHANGES FOR IMPROVEMENT TO AIRPORT AUTHORITY; 1(h) SUPERVISION OF AIRPORT SUPPORT STAFF, ASSIGNMENT OF DUTIES AND RESPONSIBILITIES, CREATION OF WORK SCHEDULES AND TRAINING PLANS; FAILURE TO PROVIDE DESPITE REQUESTS FROM 2015 REPEATED IN 2016; TAKING UNAPPROVED VACATION TIME; 1(i) REFUSAL TO PROVIDE INFORMATION REQUESTED BY AUTHORITY MEMBERS; FAILURE TO UNDERSTAND AND FOLLOW CHAIN OF AUTHORITY, REPORTING RESPONSIBILITIES, AND SPECIFIC JOB DUTIES; 1(j) UNAUTHORIZED COMMITMENTS TO CLOSE AIRPORT OR AIRCRAFT MOVEMENT AREAS FOR NON-AVIATION USE WITHOUT AIRPORT AUTHORITY APPROVAL; 1(k) UNAUTHORIZED ACTIONS WITH REGARD TO THE AIRPORT SIGN (6:54:29) – Chairperson Hutter expressed dismay over “covering this subject matter tonight, ... certainly, it is not pleasant for anybody to be having this conversation. Having said that, as members of the Authority, it’s our responsibility to ensure the safety of the operations at the airport, the appropriate and best use of taxpayer funds and other revenue that the airport generates, and to, indeed, make sure that the airport is a strong and participatory member of the community; that its public relations are good; that it is a thriving engine for economic development in Carson City; that it supports educational efforts and so forth. ... that’s the mission that we have as Authority members and we’re really an oversight body that relies upon ... a chief executive to undertake the day-to-day operations of the airport in accordance with NRS and other documents.”

In consideration of the previous comments, Chairperson Hutter advised “that the agenda item has been placed in full accordance with NRS 241, which is often referred to as the Open Meeting Law. And, according to Mr. Rowe’s position as the airport manager, an employee at will, employed by the Carson City Airport Authority and in accordance with the rules for employee performance reviews for a public executive, we’ve conducted this process. His position is an executive exempt job. His functions are primarily governed by Title 19 ... which created, as Mr. Norvell said, the Airport Authority, ethics law, the Federal Aviation regulations, the hiring document he was hired under and standards of performance for executives that are widely recognized. The rules that we have to operate under, as a public body, referenced here in NRS 241, the Open Meeting Law, have some

sort of strange and perverse consequences to them. The process by which this item for a performance review of the airport manager was agendized is very clearly spelled out. It, in fact, requires that notice be presented no fewer than ... five business days before the meeting is to be scheduled to the employee who is to have a performance review. There are necessarily issues with regard to having a meeting to discuss and agendize the presentation of that notice. As the chair of this body, it is my duty to agendize matters to come before this body and, in conducting my responsibilities as the chair of this body, I, along with Vice Chair Peterson, presented to Mr. Rowe a notice of the meeting to be conducted. And the initial notice, which occurred at the meeting that was referenced earlier, was deemed to have potentially been deficient. It was slightly amended and was re-delivered on April 22<sup>nd</sup> by an agent of Airport Counsel Tackes and his firm. But the two notices substantially read the same thing, as they are required to under NRS, and the process that I am bound to conduct.” Chairperson Hutter read into the record the language of the Updated Written Notice of Meeting, copies of which were provided for the record.

In reference to previous comments and in reference to the meeting at which Mr. Rowe was requested to resign, Chairperson Hutter stated, “The assertion is made that we appeared representing the Authority. That is not correct. We appeared as two individuals who are indeed the chair and the vice chair of the Authority. Additionally, reference has been made to an offer of severance if resignation were accepted at that time. What was offered was that I and Mr. Peterson would support, before the Authority in an agendized action, a severance package as described if that resignation were tendered. In no way did we speak as ... the Authority or representing some sort of power based on an Authority decision. ... Similarly, I have no ill will toward Mr. Rowe. This is not to say that there haven’t been some excellent achievements in the management of this airport. It’s not a popularity contest or a ... whipping. This is an agenda item only ... to address the performance of Mr. Rowe and his fitness for the role of airport manager. It’s not about the Open Meeting Law. It’s not about a popularity contest. It’s not about process. I assure you, ... as chair, I, more than anyone, have a real obligation to conduct good process and I hope that’s what’s continuing to be represented here tonight.”

Chairperson Hutter reviewed the format for the meeting, and assured that the public would have another opportunity to comment.

In reference to previous comments, Vice Chairperson Peterson expressed support for Chairperson Hutter’s comments. “This is in no way a vendetta. There are issues.” Chairperson Hutter cautioned the audience against chuckling or heckling, and requested everyone to conduct themselves in a professional manner.

Chairperson Hutter acknowledged that Attorney Moore had joined Mr. Rowe at the meeting table. Chairperson Hutter advised of having carefully reviewed Mr. Rowe’s rebuttal, and expressed the opinion “it’s just important to make sure we’re on the same page on some basic framing questions.” Chairperson Hutter inquired of Mr. Rowe as to whether he considers himself an employee of the City of Carson City or of the Carson City Airport Authority. Mr. Moore objected to the question based on a lack of relevance. Chairperson Hutter stated, “At the end of the day, we’re really eager to understand what Mr. Rowe’s beliefs and feelings are.”

Chairperson Hutter requested Mr. Rowe to acknowledge that he reports to the Carson City Airport Authority. Mr. Rowe so acknowledged. Member Poscic expressed the opinion that the questions being asked of Mr. Rowe should have been provided to all the Airport Authority members. Chairperson Hutter advised, “They’re just my notes to myself.”

Chairperson Hutter requested Mr. Rowe to acknowledge that the Carson City Airport Authority is empowered to direct him to act in specific ways and that he is required to follow that direction. Mr. Rowe so acknowledged.

Chairperson Hutter requested Mr. Rowe to acknowledge that he is required to be responsive to and coordinate with both the Authority as well as individual members of the Authority. Mr. Rowe requested clarification. Chairperson Hutter stated, "My question is just that when individual members of the Authority request information from you, as the airport manager, Mr. Rowe, do you feel that it is your duty to provide that information." Mr. Rowe acknowledged a duty to provide requested information.

Chairperson Hutter requested Mr. Rowe to acknowledge that his decisions and actions are governed by Title 19, the Federal Aviation Regulations, federal wage and hour laws, state and city laws and regulations, from time to time. Attorney Moore objected based on "a multiple question." Mr. Tackes suggested "this is not a trial. If Mr. Moore wants to voice some objection, I think you can note and go on. But I think it's certainly fair for Mr. Rowe to answer the factual questions you're asking. And, if he doesn't understand the question, he wants to ask you to break it down or make a different format, that's fine."

Member Shirk expressed concern that the questions being posed by Chairperson Hutter are not part of the agenda, and inquired as to "how ... these questions come in related to the agenda item." Member Poscic inquired as to the reason Vice Chairperson Peterson also had a copy of Chairperson Hutter's "personal notes" and the rest of the Authority members did not. Member Poscic expressed objection, and Chairperson Hutter noted the objection.

Chairperson Hutter inquired as to Mr. Rowe's belief that his employment benefits are those offered by Carson City or the Airport Authority. Mr. Rowe stated, "the Airport Authority." Chairperson Hutter inquired as to where Mr. Rowe obtained "the hours and days that you quoted in your rebuttal to be allowed under your employment for sick time and vacation time." Mr. Rowe stated, "Payroll records." Chairperson Hutter inquired as to the number of days of vacation Mr. Rowe is allowed under his employment. Mr. Rowe stated, "120 hours per year." Chairperson Hutter inquired as to where Mr. Rowe obtained the information. Mr. Rowe stated, "From my payroll records."

Chairperson Hutter requested Mr. Rowe to agree that statements made during his interview for hire for this job could have been a critical factor in the Authority voting to hire you and that those are germane to your performance. Mr. Moore objected based on not "seeing that in the agenda anywhere."

Chairperson Hutter thanked Mr. Rowe for "indulging those questions," and expressed the opinion, "they're just important to understand that we have a common framing of who we are relative to you, Mr. Rowe, as an employer and that really was my objective in asking them."

Chairperson Hutter requested Mr. Rowe to acknowledge that he is the person primarily responsible for safety on the Carson City Airport. Mr. Rowe so acknowledged, with a clarification that he is "not the only one responsible for safety but it is my job, as airport manager, to ensure that safety is of paramount importance."

In reference to the April 22<sup>nd</sup> meeting, Member Poscic recalled that Vice Chair Peterson stated that the board is moving in a different direction. "That makes it part of the Airport [Authority] and it wasn't voted on." Chairperson Hutter stated, "Member Poscic recalls the conversation differently than has been presented."

In reference to the Performance and Fitness Review Briefing, Chairperson Hutter reviewed Section 1, "New Airport Sign, March 2016 meeting." Chairperson Hutter inquired as to Mr. Rowe's understanding of the action

taken by the Authority. Mr. Rowe advised that “the sign is at SignPro. It will take a while for them to get to it. They will remove the lettering.” Attorney Moore advised that Mr. Rowe would “address that statement.” Mr. Rowe provided historic information, as follows: “Last year, I approached Bill Hartman and the Boy Scouts because they’ve been so helpful on the airport in volunteering and doing special things for the airport. … what they’ve done with the sign, they took it upon themselves to redesign and have a sign made. Now, Mr. Hartman, in December did approach the Airport Authority for reimbursement. And, from the December … 16<sup>th</sup> minutes, ‘Mr. Hartman circulated a photograph of the new Carson City Airport sign and requested that he and Carson Aviation be reimbursed for the expenses. Chairman Hutter inquired whether this expense would be considered part of the ongoing airport maintenance. Discussion ensued and it was agreed that no motion was necessary as the expenditure was part of the airport’s maintenance budget.’ And then Chairperson Hutter recessed the meeting.

“In March, the minutes of the meeting, Chairperson Hutter introduced the item again and noted that the airport sign sponsorship phrase was inappropriate, adding that the airport had purchased the sign. Discussion ensued regarding the labor provided to install the sign. Vice Chairperson Peterson explained that when the sign was approved, no discussion of payment had taken place. However, in a subsequent meeting, a bill was presented to and approved by the Authority. He also explained that any impression of favoritism should not be conveyed by the Authority. Member Poscic gave background on prior discussions regarding the sign. Vice Chairperson Peterson and Member White believed that since the Authority had reimbursed the Boy Scouts for the sign, no sponsorship should be listed. Chairperson Hutter suggested removal of the sponsorship and modification of the sign instead of its removal. During public comment, Bill Hartman introduced himself … he returned the check from the Boy Scouts. Now, as noted in the December meeting, the decision to reimburse the Boy Scouts was left up to my discretion as part of the maintenance budget. The Boy Scouts have always supported the Open House in planning and organizing an airport walk to pick up trash and foreign object debris. The airport has always, even prior to my arrival, as airport manager, given a donation to the Boy Scouts for their help and participation at the airport. I was also instructed to … reimburse the Boy Scouts at the March 9<sup>th</sup> meeting. Mr. Hartman had refused to accept the check from me due to an anonymous donor who reimbursed Boy Scout [Troop] 341 for the cost of the sign. Mr. Hartman is here to be a witness to this proceeding and express his comments.” Mr. Rowe requested Mr. Hartman to come forward and comment.

Chairperson Hutter clarified that his “comment was with regard simply to the execution of the motion that was made, seconded, and approved; the action taken by this Authority to have the sign edited … None of the background is germane to the discussion. … It goes to the question of … I wanted to make sure that you understand how to receive the direction from this Authority when it is made.”

Mr. Moore advised that Mr. Rowe had further comment. Mr. Rowe stated, “The airport sign has been removed and SignPro is removing the lettering that is in question. Once the sign is completed, it will be restored to the airport. … As for the original sign, it is still in place and was never removed in the first instance. The new sign was merely attached over the old sign. The Boy Scouts did design and develop the look of the new sign. It seemed only appropriate that the Boy Scouts be recognized for their contribution to the airport. It makes little sense to alienate a community group that actively supports the airport.”

Chairperson Hutter entertained questions or comments of the Airport Authority members. In consideration of the anticipated length of the meeting, Member White suggested deferring item 3 to a future meeting, thereby allowing Ms. Kohn to be excused. Chairperson Hutter entertained a motion. **Member White moved to table item 3, the budget workshop, and allow Ms. Kohn to be off the clock. Vice Chairperson Peterson seconded the motion.**

Chairperson Hutter entertained discussion on the motion, and discussion ensued. Ms. Kohn advised that the Airport Authority is required, by statute, to hold the budget hearing before May 31<sup>st</sup>. Chairperson Hutter entertained further discussion. In response to a question, Mr. Tackes advised that modifying the agenda is allowable at any time during the meeting. Chairperson Hutter entertained additional discussion on the motion and, when none was forthcoming, called for a vote.

<b>RESULT:</b>	<b>APPROVED (7-0-0)</b>
<b>MOVER:</b>	White
<b>SECONDER:</b>	Peterson
<b>AYES:</b>	White, Peterson, Law, Poscic, Shirk, Stotts, Hutter
<b>NAYS:</b>	None
<b>ABSTENTIONS</b>	None
<b>ABSENT:</b>	None

(7:22:10) Chairperson Hutter reminded the Authority members that discussion was relative to item 1 of the Performance and Fitness Review Briefing. Member Poscic inquired as to who owns the sign “being as how the airport never reimbursed the two people that paid for this sign.” Chairperson Hutter advised that the airport had reimbursed the folks who paid for the sign. Member Poscic pointed out that the check was returned to the Airport Authority by Mr. Hartman. Chairperson Hutter advised that further investigation would be made into the matter.

Member Stotts suggested considering how the “business with the sign … came about in the first place. … Mr. Neil Weaver complained to Vice Chair Peterson and … this was on tape in the meeting. You said that you had a complaint from him about the fact that the airport was promoting another business. And, therefore, the ball got rolling and we’ve been involved in this ridiculous thing which should have been simple over a doggone sign that the Boy Scouts wanted to put up.” Chairperson Hutter expressed agreement and the opinion that “the topic was about manager’s action not being consistent with a specific ruling by the Authority reference having the amendment to the sign made.”

Member Shirk noted that the subject discussion was relative to item 1(k), and inquired as to when public comment would be allowed. He further inquired as to whether the check was returned. Member Poscic advised that Mr. Hartman returned the total amount of the check to the Airport Authority. In response to a question, Attorney Moore expressed disagreement with Chairperson Hutter’s previous refusal to allow Mr. Hartman to provide comments. Attorney Moore stated, “I believe this agenda item is related to Mr. Rowe’s competence as the airport manager. I believe under NRS 241.030, Mr. Rowe is entitled to present any evidence in his favor.” At Member Shirk’s request, Mr. Tackes advised that the chair can entertain comments, “and if you request the chair to call someone, they can do that.” Mr. Tackes expressed uncertainty as to the procedure suggested by Mr. Moore, and the understanding, “from what Chairman Hutter described earlier is that Mr. Rowe will get a chance to respond to every one of these issues. And so I don’t know that there’s anything lacking here in his ability to present his case.” Mr. Tackes suggested that Mr. Rowe providing responses, in consultation with his attorney, would be helpful. Attorney Moore stated, “I’ve not answered a single question.”

In response to Member Shirk’s question, Chairperson Hutter advised public comment would be allowed “after the conclusion of the lettered subparts on the agenda. … the sequence of contemplation … of those subparts which, of course, are for reference only, but per the briefing memo that was presented where the airport sign happened to

be item #1 and #2 being about the security.” Chairperson Hutter acknowledged that he would be following the order set forth on the Performance and Fitness Review Briefing.

Member Shirk inquired again as to whether the check was returned. Mr. Rowe advised that the check was returned to the Airport Authority by Bill Hartman.

Vice Chairperson Peterson advised of having recently reviewed the video “of all of these meetings and, as succinctly as I can, on the October 15<sup>th</sup> meeting, at approximately 2:28 in public comments, Mr. Hartman approached on an unagendized item and said, ‘We really ought to have a new sign.’ We were not agendized to address that so he said, ‘Well, then you should do something about it.’ … November 2015, Mr. Hartman approached the podium, and this is at 14:40 on the tape of that meeting, and he brought a picture to show the new sign which the Authority had never considered or even been agendized to consider and informed us that it was now installed. Manager Rowe noted it was now installed. There was no mention, in either the first meeting or the second meeting, of who paid or how it was paid or any reimbursement. We thanked Mr. Hartman and that was the end of November. The December meeting, there was an agendized item to request reimbursement for Mr. Hartman. This is at 1:28 on the tape. Mr. Poscic chose to leave the dais as he was involved in this transaction. We were reshow a small picture of the sign and we were told that Steve had approached Tim and Mr. Hartman and said, ‘Get it done,’ and that they could ask for reimbursement later. And this agenda item in the December meeting was that agendized item. We were told, in that agendized discussion, that Carson Aviation Services had paid \$200 and had given a receipt to Tim and Mr. Hartman said he had paid \$175, although he was willing to accept \$150 against his original estimate. There was a discussion, primarily between Chairman Hutter and Manager Rowe, saying that really such small maintenance items really were in his discretion to take care of and that we didn’t really need an agenda item to approve payment or reimbursement to those who paid for it. There was no discussion in any of the first three meetings with the Boy Scouts whatsoever. Tim said the sign repair was not maintenance. He really didn’t think it was or he wasn’t sure. We all agreed or Chairman Hutter said, ‘It’s maintenance, take care of it.’ Member Law said, ‘If we’re going to pay for it, we should pay for it all. We should pay the \$200 to Carson Aviation Services and the \$175 to Mr. Hartman.’ There was a mention toward the end of this that, at one point, there was a discussion, not within the agenda, but within the individuals doing the sign of maybe having the Boy Scouts do it, but they had decided against that. Again, this was not an Authority action whatsoever and so Mr. Hartman went to SignPro and had it done. The instruction from Chairman Hutter, after this, was to Tim to settle up the reimbursement to the people who paid for the sign, that being as presented in the agenda, Mr. Hartman and Carson Aviation Services. After that, it is much as Chairman Hutter said, we sort of discovered that the sign had turned up with language that didn’t match … from the Airport Authority perspective, we had paid for a sign. We had instructed the manager to reimburse those people who had the sign done and it showed up with sponsored by language and we felt that was inappropriate. It was brought forward by … anybody else who could say I object to what’s happened here and we pursued it here. Then the instructions, between Chairperson [Hutter] and Mr. Rowe were this … to eliminate the verbiage and vote to reimburse the individuals. That is at 7:16 on the tape of the April meeting. It was about that point, a little later in that tape at 10:25, Mr. Poscic noted that the sign had been removed. So we queried Mr. Rowe. We said, ‘Wait a minute. The instruction earlier was, in the December meeting, to correct the verbiage and to reimburse the people who paid for it. What is it about removed?’ Rowe said, ‘Yes, the sign has been removed.’ Rowe said, ‘There was an understanding … that he had the choice of reimbursing Mr. Hartman or giving the money to the Scouts.’ No, that’s not what we discussed. That was not the direction. So, for anybody who wants to pursue this and wants to look at it, I’ve got the times on the tapes. There was never, ever, ever any indication, from the Chair or the dais,

that there was an option available to reimburse the Scouts. The instruction was to reimburse the two people who actually submitted the receipts that they had paid for. That's it."

Chairperson Hutter entertained additional Airport Authority member questions or comments. Member Stotts suggested "cut[ting] to the chase and just identify what exactly Tim is accused of doing here. I mean, this is supposedly something bad but I don't see it." Chairperson Hutter advised of having "satisfied my question which was just simply to explore why Mr. Rowe ... did not understand the instructions that were given by this Authority and that really was the end of it; with regard to having the sign modified, as we directed, or whether should be taken down and something else done with it. That is my only comment here. I don't want to belabor this. I think that Mr. Rowe has responded to this and I'd like to move on."

Member White inquired as to the purpose and intent for removing that sign. Mr. Rowe responded, "To change the verbiage."

Chairperson Hutter introduced item #2 on the Performance Fitness Review Briefing. "This is a subject regarding a concern of Mr. Rowe taking action contrary or absent Airport Authority approval with regard to a contract modification, renewal, or letting to an airport security firm. And the background on this really predates my time on the Authority ... but the concern that was raised was that, at one time, there was an item brought before this Authority to contemplate a substantial increase in security services ... to the tune of moving from \$300 a month to \$48,000 per year. The Authority did not take action on that proposal and really left that item standing. At some point, subsequent to that, and before the July 15, 2015 meeting, the amount shown in the budget for security services had doubled, from approximately \$300 a month ... to \$600 a month, and that's reflected in budget information that we have. And this was explored and represented a doubling of that cost and, in questions that were asked of Mr. Rowe regarding that, Mr. Rowe did admit that he had had conversations with Capital Patrol ... and that the rate of visitation had been doubled. This was not done on the basis of any Authority action and my concern here is this represents contracting modification or renewal of a contract that was initially brought before the Authority and approved and I'm concerned about the understanding, by Mr. Rowe, of whether such action can be taken to contract the airport without Authority approval. Now, clearly, the precedent was that it had and that this was required and this is just a concerning action that was taken unilaterally without Airport Authority approval. And my question to Mr. Rowe ... is now, do you have a clear understanding of whether contracting authority can be taken unilaterally or whether these items indeed need to be brought before the Authority."

In reference to his written rebuttal, Mr. Rowe stated, "In 2014, it was made known to me that there had been several break-ins surrounding the airport. I spoke with Virgil Hammond, of Capital City Security Patrol, regarding this problem that he confirmed. He suggested that his company could double the patrols on the airport and I chose to be proactive to protect any airport property and aircraft from vandalism and damage that might occur on airport property. I believed that I could expend this additional expense without Airport Authority approval because it was not a major expense and, just to note, we did not have a current contract with security. Notably, the CCAA has not established a policy for determining what expenses can be made in the discretion of the airport manager and which expenses require Airport Authority approval. Because of the apparent concern related to vandalism and break-ins, I acted on this issue and increased the patrols. It was brought to my attention by the Authority that this was a decision that needed CCAA approval at a regularly-scheduled meeting. If provided with appropriate written or even verbal policies related to these issues, this matter would have been presented to the CCAA. This issue was not raised as a concern related to my performance as the airport manager in 2014. There was no reprimand for such a decision."

Member Law inquired as to how long a period of time were the patrols done before they were returned to their normal levels. Mr. Rowe stated, "It was about a year and they were back to their normal levels as soon as I was told by the Authority that it needed Airport Authority approval for such an expenditure. So I took it back to the \$300 a month." Member Law inquired as to whether there was an "actual, original contract with the security company, a written contract in a file somewhere that said they would provide x number of services for \$300 a month." Mr. Rowe expressed the belief that "was written under the former manager in 2008 or '09. That contract ... was good for about a month." Member Law inquired as to whether the original contract was amended at the time the number of patrols was increased. Mr. Rowe expressed the belief that he included the cost in the budget.

Member Poscic suggested that he would "start a time line about what all this reasoning was brought about. I'm going to start way back in July of 2015. We had a manufacturer's position open on this airport. There seemed to be discussion as to whether his distance from the airport was correct. Unbeknownst to us, counsel went to the District Attorney and got approval for this. I commend him for doing that. Then he went to the Board of Supervisors and told them it was okay to circumvent the manufacturer's rule." Chairperson Hutter inquired as to the relevance of Member Poscic's comments. Member Poscic stated that he was "getting to the animosity of the two people performing this public performance review." Chairperson Hutter cautioned Member Poscic "that we are here to talk about the agendized matters ... as opposed to speculation as to why we're here tonight. We're here to prosecute these issues tonight." In response to a question, Chairperson Hutter advised Member Poscic that he "would have the opportunity at the appropriate time for member discussion." Member Poscic advised that he was "trying to put this into context as to why all of this started. That's the reasoning behind my timeline." Chairperson Hutter requested the members to restrict their commentary to the item being discussed. Member Poscic stated, "It has everything to do with the item being discussed because, if the airport board members that forced this issue were put on this board incorrectly, then this issue would have never happened because these innuendos started about November. Innuendos and poking." Chairperson Hutter expressed the opinion that "that is out of line for the discussion tonight." In response to a comment, Chairperson Hutter inquired as to whether Member Poscic had comments "with regard to questions around the modification or renewal of this contract." Member Poscic advised he had none.

Chairperson Hutter advised that "the original contract that had expired at the time that this came up was for one year." Chairperson Hutter inquired as to whether "discussions with Capital Patrol to extend that contract or renew it or continue to pay them for their services at an increased rate, in this case," Mr. Rowe "extend[ed] advanced monies to Capital Patrol for the purposes of obtaining a vehicle ... in effect, making a loan to Capital Patrol." Attorney Moore stated, "I don't see that on the agenda." Chairperson Hutter advised that he would "note it as such." Attorney Moore advised that he was "trying to adhere to the chairman's admonition to Member Poscic." Chairperson Hutter expressed the opinion "it's just germane to the contract."

Member White recapitulated the previous discussion, as follows: "... we're talking about whether the airport manager has the ability to contract services that he sees necessary to conduct the airport in a safe manner." He stated, "We recently had an incident at the airport where the fence was damaged and hazmat cleanup was necessary. We did not note any problem with the manager contracting those services as they were needed when they came up." Member White expressed uncertainty "as to what the issue with this particular situation would be. ... we have a standing relationship with the fence company that did take care of that issue with the fence."

Member Shirk inquired as to whether Mr. Rowe had ever "done other similar things such as this for the security of the airport where you, on your own, did something similar to this for the security and everything you said in

your rebuttal. Is this an ongoing thing where you do it as an airport manager? You have done it in the past since you've been here in this position?" Mr. Rowe stated, "Offhand, I don't recall. But if I had to do it over again and to protect the interests of the airport, I would." Member Shirk inquired as to whether Mr. Rowe's "contract or written job performance ... say[s] ... that you can't do this or you can do this?" Mr. Rowe stated, "There's nothing written." Mr. Rowe acknowledged that after he "increased this, I came to the ... Authority and told the Authority what I did and how I did it." Member Shirk inquired as to whether anyone on the Authority corrected Mr. Rowe at the time or whether there were "any repercussions from you doing what you thought was necessary for the security of the airport." Mr. Rowe stated, "I was told that I acted inappropriately; that I should have gotten Authority approval and, at that point in time, I decreased the monthly fee and reduced the patrols and immediately we began on a new contract or request for proposal for security. And we have signed a new RFP with the same company at \$300 a month and that has never changed." Member Shirk expressed agreement with Member White's earlier comments.

Vice Chairperson Peterson suggested that "Manager Rowe has misstated a reply to your question." Vice Chairperson Peterson stated, "I was not here when that happened but I've spoken to some people that were. And, what I have been briefed on is that Mr. Rowe did unilaterally increase the amount he was paying the security firm. The contract which was, as he says for one month, was actually a month-to-month contract; a rolling contract at an agreed-upon amount. The total of that contract was in the number range that would have required bids and Authority approval, when you total it; not necessarily one month. The price of the fence could well have been less than that amount. So one is a big amount that fell into the Authority approval required; the other did not. Meanwhile, it was an Authority-approved contract. Manager Rowe has said he brought it to the attention of the Authority. My understanding is he did not initially. It was discovered during a review of the budget, noticed that the security charges had doubled and this, as he said, it took a year that he was on the doubled amount and the reason it went back down, is after a year of whoever was monitoring at that time, it was discovered without notice from Manager Rowe that why is this doubled? He said, 'Well, I doubled their rate.' And that's when he was told to correct it back. So I think his answer to you was incorrect. I think the difference in the fence and Authority approval is the total size of the contract rather than one off time."

In reference to earlier comments, Member Stotts stated, "There's ... seven people up here trying to tell Mr. Rowe what to do. And he should have the ability to act when something goes wrong, ... for instance, if there's an increased number of break-ins. I see it from here, the way you guys would prefer to have this done was he waits until the Airport Authority makes an opinion and gives him permission to increase the patrols. That's one option ... or two, talk to the people who were doing all the break-ins around the airport and tell them to hold off until we can get more patrols out here. This appears to me, we're making mountains out of molehills. In fact, we're not even making mountains out of molehills, we're making molehills so we can make mountains out of them. I think Tim should be allowed to act a little bit independently in matters of what's going on at the airport. I don't see the point of this."

Chairperson Hutter acknowledged Members Stotts' comments, and acknowledged "better process, better procedures, stronger documentation and management practices are in order and will be ... a lesson learned coming out of this." Chairperson Hutter noted that "part of Manager Rowe's job description is, indeed, to point out and recognize those places where these things are deficient or lacking and make recommendations to improve and strengthen the managerial policies of the airport, as its chief executive, and call these things into question proactively when they're recognized. My comment with regard to bringing this matter up was simply this: there was a contract for these services that obviously required Airport Authority approval. Why would it have been

sought and granted ... if not. When this came back up, there was discussion in front of this Authority over various options for increasing the patrols. It was clear that it was believed that the Airport Authority's approval was necessary. But then, when the time finally came to make that modification, not because of an emergent issue, not because something was on fire, that authority was not sought. It was simply increased in the budget line and that was when it was called into question."

Member Shirk pointed out that the budget is reviewed monthly and inquired as to why this matter "wasn't discovered early on. Why was it discovered so late? Or how did it come about, this discovery, and if ... it is in his job performance or his contract ... that he brings this stuff forward, I've never seen that contract or job performance stated of what he does. I've never seen anything to that effect. So, I'm a little lost as to, ... I understand we have a \$300 increase in security. I'd like to know when was it discovered. Why wasn't it discovered sooner? Is it anybody on this Authority or our bookkeeper should have not discovered this too? ... I don't understand the progress we're making here ..."

In response to a question, Chairperson Hutter advised that the airport manager is responsible to "keep the books." Member Shirk pointed out, "... we have a treasurer to oversee the books. He has to sign the checks. So somebody was signing the checks. Who was the treasurer when all of this was going on?" Mr. Tackes advised that "Mr. Poscic was the treasurer at the time that the fee to the security agreement was unilaterally raised. And then, when Mr. White became the treasurer, one of his questions when he first looked at that first budget that he worked on is, 'What happened here? Why did the rate go up so high?' And, as a result, there was a fairly lengthy discussion at one of the meetings and Mr. White asked quite a few questions ranging from how did it happen to is this minimum wage. I don't remember all the questions that were asked, but Mr. White was pretty thorough in his questioning. And that's when the Authority first found out that the security fee had been raised and it's unclear how long it had been raised because, if you look at the budgets from the prior year, it looks like it may have been raised two years before that simply because the security line had jumped from \$3,600 or \$4,000 to about \$8,000. But that's factually how it happened."

Member Law stated, "As someone who's owned an airplane on this airport since probably 1990, you can be assured that if I was leasing a hangar, as I do, or if my airplane was parked on the ramp, as it was, if I knew that there were break-ins and vandalism going on, as a pilot and an owner of an aircraft, I would certainly think that it was reasonable, at least at the outset, to increase patrols until that activity diminished. So, I can certainly understand where the airport manager could have unilaterally made that decision. Whether it was wise to continue it after that activity ceased and why it wasn't brought as an agenda item, I don't know. But I can certainly understand the reasoning behind the increase."

In reference to Member Shirk's earlier question, Member White advised that the "checks to the security are, indeed, within the range that Manager Rowe has the authority to sign. So the only way that a person would know the increase was happening was to review the statement from the bank which, if you've ever reviewed those statements, they're not very easy. The configuration of those statements is, in my opinion, inept on the bank's behalf. So it's difficult to even know what checks Mr. Rowe writes because all you get is numbers on the page. The copies of the actual checks are miniature ..."

Chairperson Hutter inquired as to whether, at the time Mr. Rowe increased the security patrols, he executed a contract or a renewal or a new contract with Capital Patrol. Mr. Rowe stated, "I did not."

Chairperson Hutter introduced item #3 on the Performance and Fitness Review Briefing, and advised that Vice Chairperson Peterson would present the item. Vice Chairperson Peterson stated, "Most of these elements here are, as stated in the review, to look at the fitness of Manager Rowe to be a manager and the history of his decisions and is he complying with the regulations that he's agreed govern his activities, being Title 19 and the hiring job description that was posted that he responded to and the FARs. This event, as I have tracked through by talking to the relevant people, Manager Rowe contracted in April of last year with the Western States Corvette Club to hold an autocross on the south ramp. It was going to be held in July. It came to light, he did not present any agenda item to the Authority. He signed the contract, accepted a deposit, and later, the chairman at the time, Chairman Williams, discovered this event through some mechanism and gave guidance to Mr. Rowe that it was out of order and he didn't have the authority to do it. And then life moved on. However, in considering the totality of Mr. Rowe's work, this one stands out both in his actions and his responses in the rebuttal, showing us how he views his role and how he views the limits and extents of his authorities.

"The first thing to point out is we would call this a special event by any stretch and Title 19 is very specific on how the authorities can go for such special events. In his rebuttal, ... Manager Rowe says, ... 'provides that the airport manager or the Airport Authority may approve special events be conducted at the airport.' That's from Title 19.02.020.040. And he's correct. The rest of that same paragraph, however, goes on to say, 'with the approval of the airport manager or Airport Authority, subject to all applicable FAA regulations, and,' and this he's left out of his rebuttal, 'on such dates, in such areas, and upon such terms and conditions as shall be specified by the Airport Authority.' He's ignored that. In his comments behind quoting Title 19, he said he felt he had the authority. At this point, Manager Rowe would have been in his position about four years and he clearly could find Title 19. I don't know why he did not read the second half of the paragraph. Also, there are requirements for special events that stipulate a \$2 million liability policy will be raised by the people holding the event. We never saw that. That didn't happen. Meanwhile, the objection that was behind this was they were going to have high powered cars driving around on a new, FAA-funded ramp. The expectation was it would do damage to a surface that we had signed grant assurances for that we would protect. Manager Rowe's response in this is that this was not a race or a contest of speed, as alleged. It was a rally, similar to a show and shine that are prevalent in this area during Hot August Nights."

Vice Chairperson Peterson displayed "the public notice posted by the Western States Corvette Club on their website describing the event which is an autocross. I used to race autocrosses. I know what they are. They are contests of speed. They are timed. There are rules and, in fact, in here they provide the guidance that helmets are required and that the contest will be held in accordance with their competition codes. They also stipulate that you can use race tires and so on. I just mention the very first autocross that I drove in, the second car out was a young lady in an early '70s Corvette. Her throttle stuck. It went straight ahead. It hit a curb and rolled 360 in the air before coming back down on its wheels. So, I raise here that Mr. Rowe committed the airport to an event out of order. He did not get approval from the Authority which is in the same paragraph he quoted. He has denied that it is a contest of speed. We have the notice provided by the Corvette Club and the rules that stipulate the timing and speeds. I'm at a loss how this indicates solid thinking or respect and adherence to Title 19."

In reference to Vice Chairperson Peterson's earlier comments, Mr. Rowe stated, "The airport manager has the authority to approve certain special events and / or the Airport Authority that's conducted at the airport. Title 19.02.020.050, Public Use, provides that the airport manager or the Airport Authority may approve the closing of the airport due to weather, conditions of the landing area, the presentation of special events, and like causes. With these regulations, I believe that I had the discretion to hold special events without the approval of the Airport

Authority. Now, let's make this very clear. I did not approve exhibition of speed at all, period, or an autocross. This was merely a rally of cars. Now, to say that there's a lot of cars driving over brand new pavement. Well, we have a lot of cars driving over brand new pavement right now."

Vice Chairperson Peterson stated, "In this particular case, there is no discussion of closing the airport. However, it is a special event. You seem to have agreed to that and the paragraph 19.02.020.040, which you have quoted as supposedly giving you authorization says, 'on such dates and such areas and upon such terms and conditions as shall be specified by the Airport Authority.' How did you tend with that requirement and that paragraph?"

Mr. Rowe stated, "This was brought up and this is where I found out that a mistake was made on my part; that I should have brought it to the Airport Authority. So that's when I took steps to cancel the event and the event was canceled and never took place."

Vice Chairperson Peterson suggested that "your rebuttals that you had the authority really are incomplete. You now are acknowledging that this was an error in decision making on your part. Is that correct?"

Mr. Rowe expressed the belief that he "had the authority to conduct the special event or to approve the special event." Vice Chairperson Peterson requested Mr. Rowe "to explain how you're referring to this paragraph while excluding the requirement to go to the Authority." Mr. Rowe reiterated, "I believe I had the authority to approve a special event." Mr. Rowe acknowledged he "believe[s] [he] still [has] authority to approve special events without Authority approval." Mr. Rowe stated, "because of my experience last year, I have chosen to bring more and more to the Authority for their approval. From that point on, I brought to the Authority every month certain approvals; from groups using the terminal to the Cactus Air Force for the aluminum overcast coming to the airport. All of these things were brought to the Authority for approval even though, because they were aeronautical in nature, I could have done it myself."

Vice Chairperson Peterson read into the record a portion of Title 19.02.020.040, and expressed grave concern "that you're maintaining you still have authority to act without the Airport Authority's approval on special events." Mr. Rowe stated that "since that time last year, I have gone forward presenting all issues with the airport to the Authority."

Member Poscic expressed the belief that "since I've been on this board, we've been pounding all the board members, airport manager, and anybody in this community to raise funds to make sure that our budget was in order. ... with this, the money that was to be collected for this was to improve our budget." In response to a question, Mr. Rowe expressed the belief that the event, had it taken place, would have raised approximately \$600.

Member Law advised of having participated in a number of autocrosses and that "the lateral loads and so forth are no different than an airplane taking off or landing in many instances. My issue here is with the way that [Title] 19.02.020.040 is actually written. It says that he has the right to approve special events. It also says ... 'other language in the section states that such events shall be held only upon the prior approval of the airport manager or Airport Authority, which might be construed that the CCAA must only approve the date, area, and terms and conditions of the special event, not the special event itself.' He has the right to approve special events. He should, according to this, ... says shall so that's must come to the Authority to get approval for the location, the date, and the terms and conditions. He failed to do that but, I understand from what he's saying now, that he has since learned his lesson. He paid the price for it; once he received the admonition of the attorney and the

chairman, canceled the event. Just since I've been here in October or November, ... he has brought a number of special events to us for our approval and I understand that and everybody has to have a learning curve."

Member Shirk read into the record portions of Title 19.02.020.040, Special Events, and 19.02.020.050, Public Use. Member Shirk expressed the opinion that "it's convoluted, ... it's confusing. ... He has the authority to close it for special events. I don't know if that's the issue that he can't or he can and that should have been in his job performance or he should have gotten written up when it happened or there should be some outline or guide that says what he can and cannot do. I mean, we're coming back after the fact saying, 'can you do this?' I don't know, but reading this, it says he can. ... I don't know what balance you're trying to find at least with this agenda item. I don't see what you're trying to accomplish here so maybe you can explain that so I can have a better perspective because I don't get what we're trying to go to on this one particular agenda item."

Member White suggested that "this item really is around to what authority Tim has in regards to special events. However, there's been several other very pointed comments made about the characteristics of this particular event." Member White requested Mr. Tackes to provide a definition of a contest of speed. In response to a request for clarification, Member White stated, "as in this autocross rally, the allegation in this paperwork is that Mr. Rowe indeed scheduled a contest of speed at the airport as if it was something disastrous for the airport. What is the definition of a contest of speed?" Mr. Tackes advised that "contest of speed is not a term that appears in the Title 19. The section that was just read by Member Shirk ... where in the response to you there was a period at the end of that very short piece. That's incorrect. The rest of that sentence continues on about requiring Airport Authority approval. The web page that Mr. Peterson handed out to you makes it very clear that this is a timed course around pylons and there are penalties for hitting pylons. The idea is to race as fast as you can. They have restrictions on the tires. They have restrictions on the modifications to the vehicles. For example, any engine modification may be used, including after-market turbo and supercharging, but not nitrous oxide. It refers you to their competition code. It also requires helmets. And so, it's pretty clear, when you read this description, the idea is to race around pylons as quickly as you can. Now, I don't know if that answers your question, but that's what this is about. It's not a display of vehicles. If you looked at the entire webpage, they did have a show and shine event in their weeklong event but it was earlier in the week. This was the event that was their signature event on the final day of the event and it was very clearly a race."

Member White assured Mr. Tackes that "a contest of speed ... includes two cars racing one another not individuals running to see what their time might be. Secondarily, I have some questions for the airport engineer. So, it has been alluded that this event would have adverse effects on the new pavement at the airport." Member White inquired of Mr. Clague as to the specifications for "this pavement ... in the area where this event was going to take place." Mr. Clague was uncertain as to the meaning of "specifications, but the load bearing capacity of the pavement or ... it's relatively new pavement and if there was fast moving vehicles on it making turns, it could indeed damage that pavement because it's so tender." Member White inquired as to the load bearing rating on that pavement. Mr. Clague was uncertain as he did not have the specific information on hand. He stated, "it would certainly handle the weight of the vehicles." Member White inquired as to whether the pavement had been in place long enough to be properly used by any airplane coming in or out of this airport. Mr. Clague stated, "... not necessarily. It depends on the weight of the aircraft." Mr. Clague acknowledged that the airport has a maximum weight rating "for the runway." Member White inquired as to whether the pavement that was "put in place in this area up to supporting airplanes authorized to come in and out of this airport." Mr. Clague responded affirmatively.

Vice Chairperson Peterson expressed the opinion that Member Shirk raised a worthwhile point. "It has to do with the ambiguity that appears to exist between the rules the Authority operates under interacting with the manager and, actually, all of us could get behind continuing to improve Title 19 which was done some number of years ago and the job description and all of that. But I think we have what we inherited. We get onto this Authority, usually under duress, and we bring individual skills. The manager has his set of skills and, when I read this section in Title 19, governing special events, to me, it ... it recognizes the manager can bring something forward. The Authority can bring something forward. And then, and it says, and not might, bring it to the Authority to approve dates, areas, terms ... and conditions, and all these things. ... specifically so that we can add our accumulated knowledge and wisdom and experience in such things. Again, driving autocrosses, they're fast. It depends on the course layout. You ... ride around a small course, it's not that fast. You put it in a big parking area, you can get up to 50, 60 miles an hour with strong g-loads; much higher than I'm going to steer my Mooney on that ramp. If I've got a 200 horse power engine and I'm going around a corner for time ... in this particular case, contest of speed is reasonably interpreted as it was just a term that I put into this description to differentiate it from a show and shine. It is or was intended to be a timed, high speed, as high as permitting by the course, to go around it and you're going to get penalties if you knock over pylons. ... This was contracted by Manager Rowe in April and, shortly before the event, Chairman ... Williams found out about it and said, 'Whoa. We were supposed to be involved in this.' And I wasn't on the Authority. There may well have been somebody here that would have said, 'Yeah, let's go for it.' There may have been people who said no. I've seen what happens to fresh tarmac. But that's the way this works and he's supposed to know it and that's my position. He should have known, from the exact paragraph, that when he wanted to approve this, and I applaud him for bringing business in, first order of business, bring it here, get the cumulative wisdom of the Authority ... This is to Manager Rowe's decision making, having a document said he must bring it to us for approval and he didn't."

Member Poscic stated, "I'm going to stick up for the Airport [Authority] chairman. There are people in this audience that have something very important to say later in this meeting so I'm going to ask the people that have to chuckle and carry on, go out in the hallway and scream if you have to. But don't have this room removed to where there is no other people to mount a defense for Mr. Rowe."

Member Law inquired of Mr. Clague when the tarmac was put in place in the area that the race was going to be undertaken. Mr. Clague was uncertain as to where the race was to take place. Mr. Rowe clarified, "It wasn't going to be a race and the event was going to take place on the south apron." In response to a further question, Mr. Rowe described the area as "right in the vicinity of the concrete pad." He acknowledged that the pad was in place at the time and stated, "The ramp was completed." In response to a question, Mr. Clague advised that the area would have included both concrete and tarmac. He reiterated an uncertainty as to "the specific area. I never saw an exhibit of where this was going to be held or anything." Member Law advised that autocrosses do not take place on concrete and tarmac "because when it's laid out, it has to be on a consistent surface. It has to be laid out in advance and ... depending on how long the tarmac's been there, I just don't know. But I can tell you, I've done a significant amount of auto crossing. I don't know that I've ever seen a piece of tarmac torn up but ... it depends on how long it has had to cure."

Member Shirk inquired as to which of the numbered agenda items the subject discussion was related. Chairperson Hutter explained that "agenda item #1 is divided into several letter elements that speak to general areas of concern, topical matters and, again, as the agenda item says, our discussion tonight and presentation may include some or all of the following. The actual order that the topics are being taken is pursuant to the Performance and Fitness Review Briefing and so we're on item #3. Member Shirk expressed the opinion, "You

can look at it either way and I don't think anybody's right or wrong. It says, 'shall be held upon the prior approval of the airport manager or Airport Authority.' It says that in .040 and it says that in .050. So I think we need to move on from this because I don't understand it. If it says either or." Discussion took place, between Member Shirk and Vice Chairperson Peterson, to interpret the language of Title 19.02.020.040.

Member White advised of having been a member of the Airport Authority "when this non-event took place and I recall that Manager Rowe took a thorough and extended beating for this. He was advised that he should bring these special events to the Authority, events of this nature. He has since adjusted his conduct and there has been no further incident of this sort of thing and I believe you're out in the weeds on this. This is ridiculous for this to come back up again when he was thoroughly admonished as to what his actions should be and if Chairman Williams, at the time, did not see it necessary to discipline or review, then there's no reason for it to be before us tonight."

Member Stotts suggested "what we appear to be doing here is making up rules, regulations, restrictions, and so forth that Tim's supposed to follow after the fact. We can't hold him liable or call him a bad manager because he did things that nobody has ever defined as being a wrong act in the first place."

Chairperson Hutter entertained a motion. Member Law suggested a recess, and Chairperson Hutter recessed the meeting at 8:28 p.m. Chairperson Hutter reconvened the meeting at 8:42 p.m. In response to previous comments and questions relative to the timing of these issues being brought before the Airport Authority, Chairperson Hutter expressed the opinion "it speaks to the process that we're required to follow. It's bizarre. It's not like what you or I are familiar with in the corporate world. There are a lot of restrictions on how we can conduct personnel and performance reviews. And, indeed, that's exactly what this is. It's a review and it does mean that we're going to be covering some trod ground again. And I wish I knew a better way but, from my understanding of the rules as presented to me by counsel and ... my research, this is unfortunately the best that we can do." Chairperson Hutter thanked the Airport Authority and the citizens for their participation.

Chairperson Hutter requested Vice Chairperson Peterson to present item #4 in the Performance and Fitness Review Briefing, a "Two car race on active runway during open house." Vice Chairperson Peterson stated, "To some extent, it's a continuation of the last item and, as Chairman Hutter said, this is a review." Vice Chairperson Peterson stated, "From where I was on the open house ramp, it looked like there was a runway. In our effort to have just the facts, the real, provable information and not opinions, we asked of other people and I was informed that ... it was on the taxiway on the north side of the runway. ... Don't want to confuse the things here. I believe the elements here are a little bit different than the last one and that, in my opinion, ... special events require the approval of the Authority for when, how, conditions, all of that. It was not sought. There was conversation between Counsel Tackes and Mr. Rowe, informing ... Mr. Rowe that we don't have insurance for the proposed jet Corvette race that was going to be on the runway and then that was the last we heard. There was never any more input from Manager Rowe as to what we do here, how do we make it happen, can we get it in front of the Authority to be sure I've covered Title 19's requirement that the Authority approve the place and conditions.

"I included in the briefing on this about closing the airport. And I agree that the manager can close the airport for a variety of reasons. However, Title 19 is very, very, very clear that the manager, in all of his decisions must abide by other regulations. That can be City regulations, it can be the FARs, it can be any of those things. So he has the authority and I'll take the classic case, airplane has an incident, it's splattered all over the runway, he's got to close the runway right now. It's in the interest of immediate safety concerns. Absolutely. No question. Special event, pre-planned is not that event. I'm asserting that he was required to come to the Authority for

consultation and approval. He didn't get that. I have raised closing an airport for this reason: I used to fly air shows, competition, and I have, in fact, coordinated with the FAA on many occasions to close runways and to close airports. And, generally, what you do is you go to the FAA and you say, 'Here's what we're going to do. This is an event. What do we have to do?' And they tell you ... you can negotiate but you only get so far and you follow their rules. I posted a website link in my briefing that is on the FAA website and it's very clear, 'before you close a runway, call us.' It's required. We have no evidence that Manager Rowe called. Now, he might say ... well, we weren't on the runway so we didn't need to close the runway and we had people watching it. I've had that conversation with the FAA. ... If you're operating on or near a runway in a way that might hazard the runway, it requires an FAA waiver and closure. And there's rules. ... So, we're raising this element here ... to kinda review Manager Rowe's performance and whether he is, in fact, following Title 19 and the other requirements that require him to follow and obey the Federal Aviation Regulations and other regulations that govern this. So, Mr. Rowe, over to you. Back to the chair."

Chairperson Hutter provided Mr. Rowe the opportunity to respond. In reference to Title 19.02.020.040 and 19.02.020.050, Mr. Rowe stated, "special events state that the airport manager or the Airport Authority may approve special events to be conducted at the airport. .050, Public Use, allows the airport manager or the Airport Authority to close the airport due to weather, conditions of the landing area, the presentation of special events, and like causes. Now, the two-car race in question, I saw no reason to issue a NOTAM for that. The reason was ... because it was closely controlled by three professional pilots with hand held radios. Also, the FAA was on site at the airport, Larry Cheek, and the FAA is always on site at all of the open house events. We acted accordingly, professionally, and we think we gave the people a very good show. The race lasted for all of 20 seconds. There was no reason to issue a NOTAM. There was no reason to issue white crosses. Now, having said that, I have never been given Authority approval to do an open house. That includes areas, dates, and conditions that were not approved by the ... Airport Authority. It never came up until last year when, because of the car rally, it was decided that I was going to put this year's open house on the ... agenda for approval and it was approved. Prior to that, there has never been Airport Authority involvement on an agenda while I've been manager to have it approved by the Airport Authority.

Member Law expressed the opinion "it's unfortunate that this item has come up on the public hearing's agenda tonight and it has become necessary to do it. To me, communication in public life is an important part of it. In this instance, I think things perhaps could have been handled better or more openly on both sides of the issues that we are discussing. I've made personal inquiries, read and listened to the allegations, responses, and related comments from the public here tonight, and had decided to reserve any decision until after all parties had an opportunity to speak to all topics that had been raised. I've asked several questions and received answers that clarified some of my concerns. And, in the interest of time and the fact that I think that not only this Authority but Authorities in the past could have handled things better, I would like to **move that we take a vote and see how many people on the board are ready to vote at this time as to whether or not we feel there's anything that should be done as far as reprimanding or censoring or whatever for our airport manager.**" Members Stotts and Shirk seconded the motion.

Chairperson Hutter refused to recognize the motion. In response to Chairperson Hutter's request for clarification, Member Law expressed a desire to make a motion "to curtail the testimony on the rest of item 1 and to find out how many of the members present, who have already had a copy of the notice, a copy of the response, had a chance to listen to their constituents and so forth, express their desire to either vote one way or the other as to whether this should continue." In response to Chairperson Hutter's further request for clarification, Member Law

expressed a desire “for the members to vote on whether or not they wish to continue with this item before they vote as to whether they want to go forward with asking for Tim Rowe’s resignation or censure or whatever. If ... some of us are ready to vote, I think we could eliminate a tremendous amount of time for not only us but the people in the audience ...” Chairperson Hutter expressed the belief that Member Law’s motion “is ... to end debate and to take a vote on whether to continue discussion of the item?” Member Law further clarified the intent of the proposed motion “to discontinue the discussion and take a vote on our position on the topic in general.” Chairperson Hutter requested clarification of “what a yea vote would mean and what a nay vote would mean.” Member Law explained that “a yea vote would mean that we dispense with the other items on the agenda and that we poll the members as to whether they intend to keep Tim Rowe as the airport manager without covering the rest of the items on the agenda.” Chairperson Hutter requested further clarification. Member Law reiterated, “the motion is that we poll the members to see if they are ready to vote on keeping or terminating the airport manager.” In response to a further request for clarification, Member Law explained “an aye vote means that we discontinue the deliberation on this. ... **The motion would be to end the deliberation on it and go directly to a motion as to whether the members wish to keep the airport manager or whether they wish to dismiss the airport manager.**” Chairperson Hutter suggested “that would be a second motion.” Chairperson Hutter expressed the belief “this is basically a motion to end deliberation although we don’t actually have a motion before us. So it’s a procedural motion of some sort and it’s just important that we understand what it means.” Chairperson Hutter called for a second. **Member Stotts seconded the motion to end deliberation.**

Following a brief discussion, Member Law inquired of Mr. Tackes as to the appropriateness of the following motion: **That we take public comment on what has been heard thus far, which basically was what we heard before it started and then move to close the discussion on the item in anticipation of another motion which would be to keep or fire the airport manager.** Chairperson Hutter suggested “this would technically be some sort of a procedural motion. It’s not a main motion for action on an item. So, I believe I understand Member Law’s motion and Mr. Stotts’ second.” Chairperson Hutter entertained discussion on the motion. In response to a question, Chairperson Hutter entertained a motion. **Member Law moved to open the floor to public comment on items that we have heard thus far, under item F-1 on the agenda and, at the close of those comments, to cease discussion of this item.** Member Stotts seconded the motion. Member Shirk suggested an amendment to the motion **to suspend all discussion about the airport manager’s performance until we can have a performance record or something that we can hold him accountable to.** In response to a question, Member Shirk discussed the need for “a job performance evaluation ... that’s what this is all about and we don’t have that and you need to have that in your motion if you so want to amend it.” **Member Law moved to suspend discussion of the performance of our airport manager, Tim Rowe, pending the ability of the board to set a subcommittee to establish a formal job description, standards, and a performance appraisal process of our airport manager.** Attorney Moore objected based on the lack of a properly agendized item. He advised of several other objections, but expressed understanding and appreciation for Member Law’s perspective.

Vice Chairperson Peterson expressed support for “making this a shorter, cleaner, neater process. As the chairman has said, ... we have been strictly following what we were instructed to do to the best of our skill to do so and I still believe we did it right. I don’t like the process but we’ve done what we had to do. I will agree to terminate review deliberations if you will allow me to introduce one more item for discussion. One more. We have quite a list. I appreciate the desire to wrap it up. I’d like to introduce one more item and then I will make a motion to terminate this process.”

Chairperson Hutter expressed the belief that the Authority cannot “entertain a motion like the one that Member Law is presenting to cut short deliberation and presentation of this item. There may be something I am missing but I have to work within my knowledge and my role as the chair and I think that we’re going into a very murky space where even Mr. Rowe and Mr. Rowe’s counsel mentioned that to terminate this process at this point would leave things unanswered and unasked. And so, I’m going to actually move along. And I hope you’ll understand where I’m coming from with that.

Member Shirk inquired of Mr. Tackes as to whether Member Law could make the previously stated motion “at this juncture.” Mr. Tackes advised that Robert’s Rules of Order “provides that the procedures are set by the chairman. Motions as to the ultimate disposition of an item can be made by any member. But this isn’t a motion to the ultimate disposition of the item. It’s a motion along the lines of the procedure. So what’s happening is we’re getting kind of a conflict between two different processes. I think that maybe Mr. Peterson has kind of hit on the answer which is … if Mr. Peterson and Mr. Chairman who are presenting these items say, ‘Okay, we’re done now,’ then I think you get to the same spot. … That’s kind of what I think Mr. Peterson was saying, ‘Give me one more item and then we’ll be the ones to stop the process.’ And if I’m out of line here on what you were saying, please correct me because I’m just trying to read it as fast as I can.”

Chairperson Hutter thanked Mr. Tackes and advised that he would take responsibility “as the chair. I believe that it is the item I brought to the agenda and we need to see it through.”

Member Stotts explained that Member Law’s proposal was simply to take “a poll among us to see if we’re ready to vote. Now, if everybody said or even a majority of people said they’re ready to vote then, at that point, it seems to me that we could vote on whether we want to terminate [Mr.] Rowe or not. … The reason behind this, we’ve heard all the allegations. We’ve read all the stuff. We’ve read the rebuttal. We’ve heard from the audience. We’ve got a pretty good idea of how they would like to see this pan out and, basically, this whole thing about these allegations against him are micromanaging after the fact. The fact of the matter is he hasn’t had any guidance. So, if we were to vote to keep him on, … but … with the understanding that he would be given guidance in the future as to what he was supposed to do.” Chairperson Hutter suggested this would be “the beginnings of a very good motion … at the appropriate time … but I just want to keep us on track here for the very sake of what Member Law is talking about. I’m trying to keep us to a process … and continue and get through the subject matter expediently and so that all of these things are heard.”

Member Poscic advised of having supported the open house event “since I’ve been here. I was at that open house. I talked to the FAA about this issue. He saw no problem with it so if we don’t have an FAA violation, where the hell’s the violation?”

Member Shirk thanked Mr. Tackes for the clarification, and expressed appreciation for the chair’s position. Member White expressed the belief that Member Law’s “original suggestion and motion to take a poll to see if the individual members are ready to vote to keep Tim or not to is absolutely appropriate considering now we’ve been in this meeting for over three hours. Frankly, I’ve heard enough and I would like to, once again, second that original motion that we take a poll as to see who is ready to vote and who is not.”

Chairperson Hutter expressed uncertainty as to “how that actually gets handled in a way that doesn’t cause chaos and what I mean by that is I’m not sure … the appropriate way to entertain that. I do know that there are certain things that to end discussion, there’s some things, under Robert’s Rules, a 2/3 majority. I would rather us please

proceed and proceed expeditiously and let's try to keep our questions and comments, at this point, to the subject matter. We can probably move through this quickly and I'd like to do that."

Member White expressed a desire to "make ... comments during this two-car race during the open house. ... The open house was indeed a right and proper event to be taking place. Mr. Rowe did have authority to make adjustments, as needed, to enhance the experience of the people attending that open house. Considering there was an FAA agent on site, there has been no action taken by the FAA; again, I believe you're out in the weeds on this one. This is ridiculous."

Chairperson Hutter commented, "Regardless of whether the FAA did nor did not take action against the airport, I don't want to be flirting with that. We don't want to feel lucky after the fact. We want to feel sure about what we're doing in the moment. And, ... I do have concerns that the airport was not properly closed for this event. I also have questions as to the judgement, and a lot of this does come to that, the judgement that would lead to ... the sequence of events, in fact, perhaps including hosting this race to begin with, really ... demonstrate good judgement and it's that decision-making process ... that we're visiting here and that question of judgement in whether to hold these events, whether or not they ended up taking place."

Vice Chairperson Peterson expressed the opinion "we've all heard enough on the two-car race. Again, it is up to the Authority members to decide on the whole if this reflects good judgement, a person fit for management or not. That's what we're here to do."

Member Poscic inquired as to whether the previously stated motion and the second needed to be withdrawn. Mr. Tackes reiterated his and Attorney Moore's opinions that "we didn't think that was an appropriate thing that could be done at this stage."

Vice Chairperson Peterson expressed sympathy "to finding a way to bring this to a meaningful conclusion. We still have the review to do. I'm going to ask the chair to allow me to address this item and then I may have a motion that I hope would be procedural. ... It is number 11 on the Performance and Fitness Review Briefing. This is titled, 'Conflict of Interest.' ... I want to read you a couple of things. Definition of conflict of interest is a situation in which a person or organization is involved in multiple interests, financial interests, or otherwise, one of which could possibly corrupt the motivation of the individual or organization. I've also taken from the 2014 Ethics in Government Manual for Nevada Public Officers and Public Employees, NRS 281A, a public officer or employee must commit himself or herself to avoid conflicts between the private interest of the public officer or employee and those of the general public whom the public officer or employee serves. Now this was originally raised, and there's been some discussion here, about the discovery that Tim Rowe, a full-time executive manager of the airport was flying for pay for people residing on the airport and the consideration I gave to it, and I sought counsel and I also sought input from Chairman Hutter is, it seems to me that if the manager is required to enforce the rules around the airport and is potentially, therefore, going to be confronting any individual about their behavior and conformance to the rules and if he had ever taken money for work from those individuals or was seeking employment from them, this would compromise. It creates a situation and, again, quoting the Ethics in Government Manual, to avoid conflicts. Certainly, he's got to not have the conflicts, but he must act in a way that avoids conflicts.

"So I began doing some research and I didn't really know what Manager Rowe's actions had been when flying so I went back and took a look at some things, one of which was Mr. Rowe's rebuttal. He says, in defending his decision to continue flying for pay, he says, 'I have flown a Cessna 421 for the owner of that airplane for six

years. I was flying this plane when I was hired as the airport manager. I fly this aircraft, on average, twice a month.' He does say, 'per conversations with former Chairman Norvell, I have always understood that I could fly on a part-time basis to supplement my income.' He says, 'I do not do overnights and I seldom fly on weekdays.' He says, 'When I fly on week days, I take vacation.' So, we could debate that for a long time but, at this point, can you cue up a video? ... So I went back and looked at the hiring process when Mr. Rowe was hired as the manager and there was queries from the public, like you, standing up here expressing concerns about the possibility of Manager Rowe continuing to fly or returning to fly and he gave verbal assurances that ... he was giving up flying. He was going to dedicate himself to being a manager. ... The comments that Mr. Rowe made, himself, are part of the consideration in making a hiring decision. And it just so happened, in looking at this conflict of interest, I found a comment that I'd like to share. It was originally a question asked by Member DiLoretto and Mr. Rowe aired it." Vice Chair Peterson requested that a video be displayed, which depicted a portion of Mr. Rowe's interview process.

Vice Chairperson Peterson stated, "Mr. Rowe says here in his rebuttal that he's been flying an aircraft since before he was hired. He was flying at the time he was hired but in his hiring interview, he denied he was. ... At the top of my personal concerns ... is integrity. We have his own statement that he was flying at the time he was hired. Being questioned by the Authority, 'Are you flying?' His answer is, 'No.'" Vice Chairperson Peterson inquired as to whether Mr. Rowe understood Ms. DiLoretto-Long's question "to be an inquiry as to whether you were flying or acting only as a chief pilot and do you feel like your answer was a commitment that you would no longer be flying?"

Mr. Rowe responded, "The question was, was I a chief pilot. I was not. Now, I'm going to qualify that a little bit and say that I had given up flying on a full time basis. My statement to the Authority holds. It is not untrue. Now, when I have stated that I have been flying that airplane part time and it is true, on average two times a month. Basically, it's actually less than that. I've been flying that airplane for six years. I brought that airplane to Carson City and I also put it on the tax rolls, as is required by Title 19. But am I a chief pilot? No. The question was asked, am I a chief pilot and that answer is still no. And I would like to state also that Chairman Norvell knew about this. Guy Williams knew about this and, when the current chairman came on the Authority as chairman, I notified him of the very same thing. He is aware of this."

Member Poscic clarified the meaning of a chief pilot position. "A chief pilot is implying that he has employees under him flying other airplanes. The man is flying a Part 91 airplane. That has nothing to do with being a chief pilot."

Vice Chairperson Peterson expressed the opinion "that the Authority doing the hiring at that time deserved to hear the fullest answers you could provide and not a carefully parsed one. That's what we're here doing tonight and, in fact, what everybody has kind of agreed ... that can't we all do better in communications? Can't we all do better in establishing the rules and guidelines and requirements? We all agree that, I think it starts with the manager and ask a question which, I believe, speaks to the totality of your commitment to the airport. I believe your answer denied an intent to fly. We have another videotape here. This is Wendell Paye ... and he's a member of the public that came forward to speak and this is an indicator of the concerns held by the public at that time." Vice Chairperson Peterson requested that a portion of a video be displayed.

Vice Chairperson Peterson stated, "If I had been sitting on that Authority and I heard Mr. Rowe's answer to Ms. DiLoretto's question and ... I know what professional pilots mean by the term chief pilot. I'm not sure she did. I'm not sure the other non-pilots on that Authority did. If I had been sitting on that Authority, even knowing what

I know about chief pilot, I would have taken Mr. Rowe's answer to mean he's done with professional flying. He's committing himself to managing the airport which is what we wanted. I would have also interpreted Mr. Norvell's comments as acknowledging Mr. Rowe's commitment to the airport and to be giving up professional flying. He's sharing his experiences on growing old. He understands the desire to not be in the saddle all the time. And I think that there is a very, very high standard during a job interview and in writing out your resume, your application, that total revelation of what's going on is the minimum standard and carefully parsing words to avoid saying, 'Well, by the way, I'm flying right now and I hope to continue,' I think he failed that standard and, quite apart from the other things we're discussing here tonight, not being forthcoming in a job interview, to me, is a deal breaker."

Mr. Rowe stated, "Chairman Norvell, at the time of my job interview, knew that I was flying this Cessna 421 part time."

Vice Chairperson Peterson stated, "I'm speaking as someone who didn't know the private conversations between you and Mr. Norvell. You, yourself have said the accumulated Authority has the power to make these decisions. I can appreciate that he supported it but I'm telling you that if I were on the Authority, and I heard that testimony, I would have interpreted it meaning you had given a commitment to be giving up professional flying and to dedicate yourself to the airport and that's part of conflict of interest because, had I heard, as a part of that Authority, you intended to continue flying professionally in some capacity, that conversation would have continued, as I think it should. There is a legitimate conversation about conflict of authority, but I believe the answers that you gave and that Chairman Norvell supported headed off that conversation. I believe that was an insufficient revelation to the Authority."

In reference to the definition of conflict of interest included in the briefing, Member White stated, "Nowhere in this conflict of interest definition does it say anything about actually flying. I was in that meeting when Mr. Rowe was interviewed and I can tell you that was as ugly as this meeting is tonight. I can tell you that, in no way, did I interpret Mr. Rowe to be indicating he would no longer fly. ... multiple chairmen have acknowledged and, at least by tacit agreement, have agreed to allow Mr. Rowe to continue to fly. For you to now come in, some six years later and try to impose your interpretation on this situation, again, shows the straws you are grasping for, for whatever reason. Again, you are out in the weeds."

In reference to the video presentation, Member Stotts interpreted Mr. Paye's questions as "was this an interim job for him. Well, here he is five years later. It obviously wasn't an interim job. I don't see that that was dishonest on his part."

Chairperson Hutter advised of not having "contemplated the conflict of interest potential, perhaps not in the way that Member Peterson has described it but in another way, ... prior to recently. And, ... I need to raise the question now because I've thought about it now and we're all learning as we go. My question for you, Manager Rowe, is is your secondary employer in flying this 421 aircraft a tenant on the Carson City Airport." Mr. Rowe responded affirmatively. Chairperson Hutter suggested that "because of that, with conflict of interest not having committed some malfeasance or favoritism ..., the conflict of interest is a scenario that poses the potential for preferential treatment, the potential for a conflict of interest. This is where my concern now lies is how can you have a stream of income from an employer who is also someone who you have to hold to standards of safety and compliance and so forth, and how can there not be the potential for some conflict should there be an issue that presents itself." Chairperson Hutter inquired as to how Mr. Rowe would "reconcile that for yourself." Mr. Rowe advised that he has "never played favorites or expressed favoritism for anyone on this airport. There are a few

people in this audience here that have come under my criticism and some of those people are my friends. I do not play favorites. I do not give preference to anyone.” Chairperson Hutter clarified that he was “not asserting that you have. I just am calling attention to the concept of conflict of interest being a scenario that presents the potential or the question around things like that; not to make an assertion that you have done so.”

Member Poscic suggested “there’s only two board members that insist on pursuing this and the rest of us are commenting against it. … that’s just my virtual opinion of this as it’s going on.”

Vice Chairperson Peterson expressed the opinion that Mr. Rowe’s reply was not responsive to Chairperson Hutter. Vice Chairperson Peterson advised of having “no information that you have ever acted with favoritism ever. Your behavior very likely has been above reproach in all regards. The problem that we face and that this Authority must pay attention to, is that you have created a situation … in which you could be challenged. And that is the definition of conflict of interest. Not that you have done it. That’s a whole different discussion, but … that you’ve created a situation in which your motives could be questioned. You’ve, in your own rebuttal, said that you have applied for employment at NDOT and that you would resign had you gotten it. … However, the simple act of applying and hoping for a positive answer in your favor means there’s now the potential for effecting your decision and that is specifically addressed by the Nevada Ethics in Governmental Manual.”

In reference to item 13 in the Performance and Fitness Review Briefing, Chairperson Hutter advised that Mr. Rowe had approached him “about potential vacation days. He did ask whether he could take that time. I remember kind of noting that this was Reno Air Race week and saying, ‘Well, yikes, that’s not a great week.’ But the point being is I did approve that vacation. … The thing I wanted to correct was, it’s sub item c …, after the April 2016 meeting, Mr. Rowe presented a hand written note of requested future vacation time … once again including the Reno Air Race Week. That is incorrect and I apologize for that, Manager Rowe. Those requested vacation days do not overlap with the Air Race Week. The real point in bringing this all up was … to recognize the delicate balance here. I can’t deny that I approved the vacation during that week. I wouldn’t approve it if it were to happen again. And I think that Mr. Rowe has, perhaps, not asked for that week again. My point in bringing it up had been to note that it wasn’t a great decision to ask for that week off; a time when, obviously, we have a tremendous amount of traffic at the airport. But I wanted to just clear the record on that and … state my apology for that incorrect statement which I know was publicized.

“I have one more topic that I feel is important to bring up in the ones that I brought to the table. And it references item number 5 on your briefing document, Failure to Maintain and Protect Airport Property. So, one of the key responsibilities of the Airport Manager and, frankly, all of us here on the Authority is to ensure that the things that we purchase with taxpayer dollars and airport revenue are cared for and maintained in a way that … extends their life and minimizes their decay. And, as everybody is quite familiar with at this point, we are at a place where, as you’ve seen from recent agenda items and actions, where we’re taking some pretty substantial measures to repair the roof of our terminal. And I bring this item up because I think that we could have avoided getting to this point. As I mentioned in a previous meeting …, it’s a bird in hand; not a very pretty bird but a bird in hand. And my concern in reflecting on this is really, upon reviewing the manager’s job description that was used to solicit for Mr. Rowe’s employment, … one of things that he’s responsible for is to plan activities and recommend actions for the operations, maintenance, policies and procedures, and use of the airport. And, of course, … that includes maintaining the tarmacs and the other facilities and one of those is the terminal. And it concerns me that we got so late down the road without there having been any substantial action taken to do preventive maintenance on our terminal building. Now, I do know … that our maintenance personnel, Gary, has … over the course of the last

couple years dispensed ... about 75 gallons of sealant ... onto the roof and I recognize that. The question I have is, was that the right course of action or were there some proactive steps to suggest to this Authority replacement of the roof ... some sort of maintenance years ago ... that could have headed off the level of repair that we have to do now. I'd also call attention to simpler things that don't relate to the roof like painting of the exterior of the building. We have some concerns about ... witnessed aflorescence on the inside of the building and, obviously, the growth of mildew and mold and some of that could have been limited by simply maintaining the exterior painting of the building. So I just wanted to call attention to this and ... ask Manager Rowe whether I've missed something or have you brought preventive maintenance items and recommendations for the terminal before this Authority prior to the most recent issues with the roof and the mold that really date back about twelve months at this point."

Mr. Rowe advised he couldn't recall "actually bringing it to the Authority ... but [former Chair Harlow Norvell] ... is well aware that when I took over as manager, five years ago, I looked at the terminal and knew that we had to do something about it at some point in the future. At the time, I began what I call my five-year plan to replace the terminal. I sought out the possibility of FAA funding. That was not possible. I ... thought about partnerships with the City and private partnerships. I began discussions with the Fire Department, the emergency operations people, and others on the airport, even El Aero at the time, to figure out a way that we could tear down the terminal and build something new. Yes, we were maintaining it as we went. There was no long-term plan to save the terminal. It didn't make economic sense and it still doesn't. However, over time we went from a two-story structure with a hangar down to where we are now with not what we want, what do we need. And that's where we came up with the idea that we could get funding and that was to tear the terminal down, get a snow equipment removal storage building that we could get funding for, at the rate of ... 95% roughly, and some office space and conference room where we could hold meetings and do other functions. This is what we came down to. Unfortunately, the preventive maintenance that we've been doing on the terminal simply wasn't working. The leaks were too far gone and we couldn't do anything. Gary, as I have said, has been putting 75 gallons of sealant on that roof but it didn't start two years ago. This started six years ago under the former manager and he's been trying to keep up with it all along. Casey Pullman, the former manager, painted the exterior. We came in, painted the interior, using the Sheriff's trustees. They came in, we bought the paint, they painted it. Gary, even though he's not an expert at tiling, did a pretty good job, considering the very small cost of rehabbing the bathrooms. So, we did ... what we could with the limited budget that we had. So, yes, over the past five years, this has been a long-term plan. We knew, because of the pavement, the construction, that we just simply couldn't pay for or expend a lot of money on the terminal. So, I did ... what I thought was the best with what we had to work with."

"Last year, we discovered that we had a mold problem. And, in October ... I brought it to the Authority that we needed an inspection. It's outlined in my brief. And I've been told that what I was attempting was a knee-jerk response. I would say seven months of looking at this was not a knee-jerk response. We did what we could with what we had to work with."

In reference to the snow removal equipment building, Chairperson Hutter expressed the opinion "obviously, there were some pipe dreams. I was part of the Authority when we heard some of those things. We've certainly come to learn, and did know, that a snow removal equipment storage building would be funded potentially, although not a high priority by the FAA, but would only be those portions of some future terminal that would, indeed, house that equipment. ... there seems to have been, without particular direction from the Authority, a theme here that was sort of a road to tear down. And I don't see, in our discussions, we haven't seen any scenario that's plausible in the near future where funds would be available to rebuild that terminal unless a private entity came in and took

a lease or something and ran a restaurant ... So, ... I wanted to revisit this because I think that ... pouring good sealant after bad seemed to not be arresting the degradation of the roof and I just ask why some more aggressive or ambitious methods or suggestions weren't made to approach the problem differently instead of ... repeating the same approach." Mr. Rowe stated, "The very simple reason is the airport was under construction. We had matching funds to pay for the south apron, Taxiway Delta, and ... the north apron. We simply don't have the money to aggressively address the terminal."

Chairperson Hutter expressed the opinion that an "appropriate topic within this does come to a question ... with regard to budget and budget management. And it's a significant and relevant piece to this. One of the challenges we face as the airport is ... we're not rich. We don't have a lot of cash. We have to be very judicious with that which we do have. And part of your job is very much being savvy, astute, and capable when it comes to preparing and presenting budgets, managing the bookkeeping of the airport, the tools that support that, QuickBooks in this case. And one of the concerns that I've had, going back to my early time on the Authority, was stepping into a place where ... in our 13/14 budget that, while ... we didn't have an operating deficit, we certainly had an overall deficit when you took into account our expenses for capital improvement projects. It was a scenario that, in fact, put us into a position where, as our auditor warned us, we were in trouble against the statutes with regard to minimum reserves. And some of ... the reason for that [was] some pretty significant ... expenses from the budget amounts in a number of operational categories. And the point I'm trying to make here is that we really were in kind of an uh-oh position there. And, from that point forward, and I remember Chairman Williams, at the time, making a very strong statement about this, two things had to happen. One, we need to have budgets that were much more aggressive on expenditures. And, two, you were asked and we needed a contingency plan. What would we do if an unforeseen something drove a budget line or if revenues didn't come in or we had some unscheduled maintenance to do on pavement that we had to match? And this set the tone for a need to really tighten the belt.

"And I'm concerned that we have seen preliminary budget proposals that you've made, including the one for this year, that basically bump up subjects that we've talked about, expense line items like open house, like marketing and advertising, back up to four or five thousand dollars, when we've basically zeroed out some of these things previously as a result of the need to rebuild that reserve fund, to make sure that the projected reserves remain above statutory limits or minimums, despite our commitments and the things that we want to do in accepting grants. And so when I saw our preliminary budget come in this year with these things seemingly ... to me, it really appeared as sort of neglect and not having approached those subjects specifically and in consideration of where we'd been in prior years and, additionally, misrepresenting (I don't say intentionally) the amount of ACIP money that we would have to match using, incorrectly, the prior year numbers. You've since then asserted that, 'Well, we didn't know if we were going to forward with the grant,' but that would just mean you would leave it at zero. I don't think that that's exactly accurate because it was the prior year's numbers that were mistakenly inserted. It really held up our budgeting process. And I just bring these things up because it says to me that there is not a facility with the tools, with the budgeting concepts. And I would just ask you, do you feel comfortable tackling these subjects in performing this portion of your duties? Because I know that you've needed to rely quite heavily upon our auditor to back you up and have responded to questions about auditees in the QuickBooks accounting with, 'I don't know. I'd have to ask Beth.' So, I'd like your comment on this because ... I think it's important to address the substantial concern about budget management."

Mr. Rowe stated, "Last year, the airport realized a \$130,000 profit based on cutting the budget. I would like to be able to take all of the credit for that, but this was the Airport Authority going through a budget process, a budget

workshop if you will. A lot of things were cut, rightly so. Now, this year, ... we've realized, in some changes to the budget, that ... for instance, marketing. The reason the marketing is set where it's at because I've cut all marketing out, all advertising. The marketing is set because of legal notices that have been published this last year, looking forward to next, whether we have those actual expenditures, I don't know. But I think \$5,500 is a realistic number. The open house. Last year and this year, the open house budget is \$5,000. The open house was approved by the Airport Authority. Now, fortunately, I've been able to receive sponsorships that will make the open house much easier to swallow. I would love to be able to get enough money to where it won't cost the airport anything. Right now, I just don't know if that's possible but we will be able to cut the budget back. There are other things that are happening, phone, internet service. Right now, budget for phone / internet has to remain the same until we can get the Charter network which we hope will take place in the next couple months; that we will have phone service and internet at a substantially reduced cost but I don't know that number. I wish I did."

In reference to the preliminary budget presented at the last meeting, Chairperson Hutter advised that the phone budget line was held "flat from last year at \$9,000 projected. I'm not trying to split hairs here but we know that we decommissioned the [inaudible] line as a result of ... the RCO capability to contact Nor-Cal or Oakland from the ground. That alone should have reduced the bill projected for next year and, yet, that budget line item was not reduced. Marketing and advertising, well my documentation here, as we look at the workshop, shows that our budget for prior year was \$3,000. We're expected to spend \$6,500 and blow that budget number this year. And then for next year, for fiscal year ending 2017, you have put in a preliminary request for \$5,000; an increase in the marketing / advertising budget, when we actually have driven that down over prior years at direction of this Authority because we're not sure what in the world we would use marketing and advertising to do. The examples you bring up about the open house and kind of being creative and boot strapping it and going to different things, passing the hat, getting community support for it, I compliment you for that and I participated in that and many of us in this room did. That's a good way to go about it. That was smart. Similarly, I think that there are creative solutions we've urged you to take when it comes to marketing and advertising and trying to use the talents and the volunteer capabilities of this group as opposed to spending dollars. I'm not trying to get into a deep discussion here. I'm just pointing out some key examples where it just seems that there's a bit of a decoupling between what I would consider, sort of, a keen eye to this stuff and some fiduciary duties and what we're seeing presented. And it concerns me."

Mr. Rowe stated, "We've come up with numbers for the tentative budget, ... worked closely with Member White, the treasurer, and Beth Kohn and Jim Clague to formulate this budget and we have come pretty close but it's just a tentative budget. It's a piece of paper in order to work out the details. We haven't quite got there yet. We were going to work on it tonight and then come up with a final for the May 18<sup>th</sup> meeting. Now, I think we're pretty close. I'm ... always willing to make adjustments as [are] other entities. There's some things we cannot make adjustments on, airfield maintenance for one. And, ... we do the best we can but, here's the problem, sometimes you cannot foresee unforeseen things like somebody running through a fence and killing themselves which costs a lot of money. That puts us ... nearly against our airfield maintenance budget. But we're being very careful now to stay within that budget by withholding tires on the tractor. We'll wait til July; things like that that we know that we have to be careful with. So, yeah, I think we're doing a pretty good job staying within the budget. Some things go over but, fortunately, at least this year, we've got rock sales. But that's not a perfect solution. In another year, that's going to be gone. So we have to keep thinking about being very careful with the money we spend because of construction projects. We know they're out there and we're going to do our best to stay within the spending limits that we have."

Chairperson Hutter expressed agreement with the intent, and stated, “You certainly surprised your treasurer when presenting that preliminary budget and, this has nothing to do with planning numbers, but using incorrect numbers that would … cause a gross misrepresentation of what the remaining reserve account balance would be. And, obviously, we caught that and are making changes to that. I’m through with my comments on this matter. Thank you, Mr. Rowe.”

Member Poscic noted that “Beth Kohn got excused from this meeting tonight for our final budget workshop and the semantics of these numbers don’t count until we have that final workshop. So, why are we hashing over numbers that haven’t been approved yet?” Chairperson Hutter stated, “… I’m sorry that this continues to be … a gap here in understanding, between what I’m saying and what you’re responding to. It is about things that indicate to me a competence or lack thereof when it comes to these concepts and the duty that the manager has, not Beth [Kohn], to prepare and think through a coherent budget and one that looks through the appropriate forecasting in the out years for our reserve account. That’s what I’m calling attention to. Not trying to workshop this budget in here.”

In reference to the Airport Manager Notice of Job Offering and Request for Resumes and in preparing for this meeting, Member Law noticed, “based on one of the points there which is the one we’re discussing is that it specifically states in here that the airport manager is to assist in preparing preliminary annual airport operating budgets. Assist does not generally mean that you are totally responsible for content.”

In reference to the subject item, Member White agreed with Chairperson Hutter, and expressed significant dismay and disappointment “in the mistakes that were made in preparing the current, proposed budget. I will say that it would have been nice had Tim and Beth and myself been aware of the apparent private discussions Vice Chair Peterson has had regarding his concerns about the budget and those concerns may well have been addressed if I had known that you had those concerns. So, I think this is one of the situations where, when Tim consistently has to refer to Beth about the budget, some remediation has to take place.”

Chairperson Hutter entertained additional comments or questions on the subject item. Member Poscic advised of a misunderstanding “because we have Beth Kohn on our advisory committee for budget to make sure that we don’t make any serious mistakes. She’s here to tell us our percentages and such like, so is the airport manager a CPA? I don’t think so. … when I was the treasurer / secretary, I hated that job so I can’t say that I was perfect either. … I made a bunch of mistakes but it just goes down to the fact that that’s why we have Beth Kohn to protect our backsides.”

In response to Member Poscic’s comments, Vice Chairperson Peterson stated, “In a healthy organization, there is a give and take, a coordination, a cooperation between the manager and the board that he works for. A lot of what we’ve been addressing here tonight has been that it appears to be dysfunctional and we still, as we sit here now, have major disagreements on … my understanding … and Manager Rowe’s. But on this … budget issue, during his original hiring, Member DiLoretto asked him, ‘Can you manage budgets?’ At that time Mr. Rowe’s specific answer, and I’m quoting here, ‘I’m a budget king. I’m a budget hound. I’m getting good at QuickBooks.’ A CPA, and I’m speaking here from my business perspective, is the last person in the budget process. In fact, typically, they’re not in a budget process at all. A CPA approves your end of your results, period, and blesses that you’ve done your accounting correctly. The fact that we’re involving our CPA in the budget process is essentially proof that Mr. Rowe is not up to the standard that he apparently responded to in his hiring. I agree with Mr. Poscic, it’s my least favorite part of a business. Generally speaking, if I’m running a company, I hire a good accountant, a good CFO, but we have one guy. We have one professional person to run this airport and, as Ms.

DiLoretto said, he has to be able to handle many balls in the air. It's a challenging job. I get that, but I'm only speaking here in favor of Mr. Hutter's observations and Mr. White's. What we're getting, number wise, from the manager has been unreliable and has required more work after the fact than I believe we would expect normally from a manager."

Chairperson Hutter advised that he had "no more items or topics as part of this item," and inquired of Vice Chairperson Peterson. Vice Chairperson Peterson stated, "We're reviewing the totality of, arguably, five years' worth of performance here. That is appropriate. If we actually had made an agenda item to hold a review for adjusting his pay, it would have been the identical process to ... notice this meeting and we would have had to go through all of these subjects. But we're here today because there hasn't been a review.

"There's one last thing that's on our list and I find myself troubled by it. I don't have an answer for it. That is why the Authority has been convened is to hear the information. They get to vote on it. We don't determine these things. It is the Authority and I'll begin by reading an email. This will introduce the item. The email was from Steve Lewis to Manager Rowe. It says, 'I'm sure you're fully aware of the vehicle runway incursion at A3 on Friday afternoon about 5:00 with the State Citation upon landing. Ward Shelton was waiting at the end of his hangar to watch this aircraft take off with his wife on board. He had his camera and possibly took a picture of the car. N327MC was holding short, awaiting the touchdown of the State's Citation. As the Citation was rolling out, the grey-green station wagon pulled out in front of the Citation and then proceeded quickly down the runway to the high speed taxiway just in front of the State's landing Citation. The car exited the high speed at a very high rate of speed as we, George Clary and myself in my office, could actually hear the rev of the engine in the car over the thrust reverser noise. I think the person driving the car saw the aircraft, upon entering the runway, and realized they could not cross on A3 and elected to outrun the Citation by going west on the runway and then finding the high speed to exit. The car made a beeline for gate number one and exited. I've seen this car many times cross this same intersection and, typically in the late afternoon and early evening. I believe you may know who this is. Other than what appeared to be a lady in the car, myself, George Clary, and Ward Shelton witnessed this event. Of course, the state pilot got a good view as well as I'm sure they were braking hard not to hit the car. P.S. Like me, Ward too is very upset this happened as his wife was about to depart the same runway and this could have happened to his pilot. Not sure who was flying 327MC, but they too may have seen this event from the end of 27. This person needs to be prosecuted as they have absolutely no respect for the safety of our airport. It's issues like this where the FAA will remove the vehicle privileges to the center of the airport and those owners will have no access to their hangars and aircraft, including Jet Ranch.'

"This was heard at, it might even be the first meeting when I rejoined the Authority. It was certainly no later than the second one. Manager Rowe briefed us on his research, the short version of which ... was that he had tried to find out who this was and he had run out of ideas. He had seen a car that sort of matched the description, confronted the owner, who was male, who said no, it wasn't me, but I did, in fact, see it happen. When he reported these things to us, he said, 'I'm going to continue trying to find who this is,' and we said, 'Great. This is serious. Anybody's life is serious but this is big serious. If you find out any information, please report it to the Authority because, clearly, we have to take action on something like this. There's numerous, numerous ... violations, numerous problems.' And I'm not blaming Mr. Rowe at all for the car pulling out on the runway. That's not really the question here. It is the pursuit of the investigation as to what happened. That's where it stayed. The Authority never heard anymore from Mr. Rowe. Nothing. Certainly, I never heard anything individually and there was no more presentation to the Authority.

"I had a completely incidental meeting. I'd like to call Jennifer Kuklock to come up, please. And we're sitting across the table at a dinner ... had no idea who she was and struck up a conversation. ... After you sign, if you'd give your name and tell us ... what your employment was at the time this incident occurred."

(10:07:55) Jennifer Kuklock introduced herself for the record as "a former pilot for the State of Nevada." In reference to the subject incident, she advised she "was one of the pilots on the airplane that afternoon. I was flying with Mark Rasner. Mark Rasner was in the left seat. I was in the right seat. We were coming in for landing. We had cleared the runway. We didn't see anything, anybody that looked like a threat. We had touched down. As we were rolling out, we deployed the thrust reversers and, at that point, out of my peripheral vision ... I had seen something. And at that point, it was that we realized there was a car driving down the runway in front of us. So we were standing on the brakes. Thrust reversers were out longer than they should have been. At some point, as the car was driving down the runway, they had sped up a little bit which is when they had exited the high speed and exited the airport. So that's kinda what happened."

Vice Chairperson Peterson inquired as to who was aboard the airplane that day. Ms. Kuklock replied, "We had a full airplane. I don't remember all of the passengers but I do know the governor was with us, Governor Sandoval was with us, and I do believe that the lieutenant governor's chief of staff was with us. The other passengers, I'm not positive who was all on the aircraft. I'd have to look back at the manifest."

In reference to the dinner discussion with Ms. Kuklock, Vice Chairperson Peterson requested her to share "the circumstances and that comment." Ms. Kuklock replied, "At some point following the incident, I don't remember the exact date that this event took place, we had again landed, it was Mark and I again. We were on the NDOT ramp and Manager Rowe had come over to us and ... stated that he had heard that there was someone from the other side of the airport, which would have been the north side, that ... it was someone's girlfriend who had been drinking and that's all the information that was given to us."

Member Poscic inquired of Ms. Kuklock as to whether she could identify the car or the driver. Ms. Kuklock stated, "... it was a charcoal grey colored car. We were not able to identify the person as the person was driving in front of us. We were, obviously, behind them trying to slow down. Did not see a person, didn't see how many people were even in the car. We just saw what appeared to be a charcoal grey station wagon looking vehicle. At the time, the Governor had went like this to us because he was, obviously, concerned as to whether this would, I'm assuming, would affect his safety, our safety, and the safety of others. Anyway, so we had asked. I had leaned over and asked passengers if they were able to identify what type of vehicle it was and ... nobody was able to identify."

Chairperson Hutter entertained additional questions of Ms. Kuklock; however, none were forthcoming. Vice Chairperson Peterson stated, "... sitting here on the Authority, in my first month or two, I heard your briefing and had no reason to believe you wouldn't pursue it with all vigor. I'll admit, at that time, I had not seen this email from Steve Lewis, who quite correctly was very upset about it and he has underlined [sic] they need to be prosecuted. It's his comment about the color of the car. If you came into any additional information, even rumors indicating that somebody, somewhere on this airport had any information that they had not volunteered, I would like to know why you didn't call the capitol police or sheriffs to come out and initiate a formal investigation with their significant powers of encouragement to get people to tell what they saw. I'd like to know why you didn't engage the police."

Mr. Rowe advised that he was “on vacation on … the date this happened. I didn’t find out about it until the Monday afterward. I called Mark Rasner and questioned him about what he experienced, what did he see. I had two different colors, I had two different cars. I had really nothing to go on. I did bring this to the Authority. I did brief the Authority. Now, as I said in my statement, it took a couple of weeks and I heard that it could have been this girl who was drunk. Why didn’t I go to the police? What could they have done? I ask you? I think I did a fair investigation considering what I had to work with. Could I have come in Monday and called the Sheriff’s Department and asked them to come out and investigate? What could they have done simply because three days have elapsed? So, we did what we could. Now, do I know who it is positively? No. All it is is innuendo. It’s a possibility. I don’t have proof. What proof can I bring to the Authority?”

“Now, there were some other allegations made against me and I would like to have, since you were able to bring your witness, I would like to invite Steve Lewis up to clarify his comments.”

Vice Chairperson Peterson advised he was not finished with his questions, and expressed the belief Mr. Rowe had not answered his question. “I’m happy to accept that right in the face of the event, you did your best to chase down what you could find. Apparently, based on your comment to Ms. Kuklock, you came into more information. My question is, I’ll answer your question. What more could you do? You could have called the police. They are trained in crime investigation. This was a crime. I’m not talking about you making a crime. The person that pulled on that runway was recklessly endangering the lives of others. That is a job for the police. I appreciate that you tried to run it down as quickly as you could. You came up with nothing. Then later, apparently, you found more information. We don’t know what it was. My position is your duty, as soon as you realized you were running out of information to find, would be to call the police to investigate, with their skills. You, me, we are not investigators. They are. And I’m asking why you didn’t call them when you ran out of finding things. Are you assuming, you say what more could we do. Are you assuming that you know what the police could do? It sounds like you are.”

Mr. Rowe reiterated the questions asked by Mr. Peterson and suggested that calling the Sheriff “three days after the incident” would have resulted in being “laughed at by the Sheriff’s Department. I did the best that I could do considering the information that I had. I believe the Sheriff’s Department probably would have run into the same roadblocks.” In reference to Steve Lewis’ email, previously read into the record, Vice Chairperson Peterson expressed the opinion that his “comments … are well founded. This was an extreme violation. We don’t know who it was. We don’t know that they were drinking, but apparently someone has a lead on that information. That’s what the police is there to do. You’re not equipped to do it. I respect that. … we had a duty, you had a duty as the primary safety, call it officer, of that airport to contact the police and say, ‘We’ve had a terrible transgression out here that threatened the life of the governor and eight more passengers and two pilots. We need help in investigating this.’ And, in my opinion, guessing that they would have laughed at you and guessing that they couldn’t do anything does not meet the standard of your office.”

Chairperson Hutter recognized Steve Lewis, at the request of Mr. Rowe. (10:18:00) Mr. Rowe stated, “Steve, I came to you on Monday and asked you, basically, did you see anything; and read your email and I was wondering if you could comment on these two incidents and also, later on, I’ll ask another question.” Mr. Lewis stated, “Well, as my email indicated, as some of you may know, I’m the owner of Sterling Air. My office kind of has a catbird seat to the runway. There was, in fact, another client of mine, another flight instructor who operates on the airport was actually in the office when this incident occurred. And, again, what caught our attention was probably the rev of the engine and, out of the peripheral vision of myself and George, is when we saw the car actually

exiting down the high speed, obviously, something that's very unusual. At the same time, we also heard the thrust reversers of the State Citation. So, clearly, we saw that there was a very near, or certainly an incursion on the runway and something that looked to be pretty close. You just had ... comments from one of the pilots.

"What I stated in my email is that, and I'd reported this to Tim a little bit earlier, is because I tend to work late some evenings in the summer, I tend to see people cross the runway at that intersection, people who are on this airport who I've told Tim about and I know that he's gone over and counseled them because he's come back to me and said, 'I've asked them again not to do this and warned them.' I did not know who this incursion was made by. I could not positively identify the car, much like the State pilot indicated. It looked greyish. I thought it was more greenish – greyish. I did think it was kind of a station wagon type car. Might have been a VW, might have been a Volvo, I just didn't know, and gave him as much information as we had, both George and I, so he could try to follow some leads. The fact that I had seen what appeared to be a similar car I had seen a couple of times in months prior that I had already reported to him and Tim told me that he had gone over to two or three of the tenants in the center triangle trying to inquire as to possibly who drove a car like that. So, pretty much what I indicated in my email is something that I wanted to relay to the airport manager that he would follow up on and, as I understand, he did."

Mr. Rowe advised of having "talked to El Aero and I came to you and asked you about that possibility. Do you recall that conversation?" Mr. Lewis expressed the belief that he did recall the conversation, but stated, "I can't really remember any of the specifics about it. I remember you had said that you had heard something from an employee at El Aero. But I don't know that I can really remember what it was; that maybe they saw somebody enter the airport at that gate that might have been a little bit drunk. I don't know. Is that what you're referring to?" Mr. Rowe answered in the affirmative.

Vice Chairperson Peterson thanked Mr. Lewis for his participation and expressed clear understanding "we want a safe airport and also one that is abiding by everybody's rules so we just get to keep going forward, doing good things. When you say that this person ought to be prosecuted, would you agree that had Manager Rowe contacted the police, at any time, and they had come and questioned you and questioned other people and, through the work that they do, found out who this person was, that they should be prosecuted?" Mr. Lewis was uncertain as to whether the person should be prosecuted "because I don't know if it was a prosecutable offense ... Obviously, a car should not be on the airport runway. Had it been a person who he had addressed time and time before, that they were crossing that intersection, probably absolutely yes, they should be prosecuted. But here again, I don't know if it is a repeat offender because I don't know who it is." Vice Chairperson Peterson clarified he was not "an expert in criminal law at all ... which is why it seems to me we would contact the law officers and say, 'We've had lives endangered.' Vice Chairperson Peterson read into the record the statutory definition of reckless endangerment from NRS 202.595. "Under that basis, had they found them and had the rumor that Mr. Rowe heard about them having been intoxicated and we have rules against crossing over there, this is the willfully part. They've ignored rules, they've endangered lives, but I'm not the expert. I don't think we want a manager that is an expert in law enforcement, but we have had an act that has clearly endangered lives. You're the one that wrote about prosecution. I happen to agree. All I'm asking you is, if Manager Rowe had contacted the police and they came out and conducted their interviews and found this person, do you believe some action by the police would have been appropriate?" Mr. Lewis was uncertain. "I'm not a law enforcement official so I can't answer that question."

Vice Chairperson Peterson advised Mr. Rowe, “that’s actually concluding all of this but I am going to say I still believe what we’re looking at here is several and consistent acts that ignore rules and judgment in pursuit of your duty. In this particular case, it raises questions that I’m nervous to even go look for. I believe when you say, ‘Well, what would they have found? I don’t know what they could do?’ They do what police do. They hopefully find the truth and then you would have done your job to enforce the rules of Title 19 and others regarding operations of the airport and we’d be fine and we wouldn’t be sitting here, at least on this item. But your reasons for not calling them I don’t think bear scrutiny.”

Chairperson Hutter entertained additional questions on the subject matter. He stated, “Just to recap what I mentioned several hours ago about our process. We will, at this time, have public comment on this agenda item and then we’ll return to Mr. Rowe. I believe that you may have a summary statement about the topics we’ve talked about tonight and then we will come back to the Authority.” [Vice Chairperson Peterson left the dais at 10:26 p.m.]

Chairperson Hutter entertained public comment, and provided instruction with regard to the same. (10:27:02) Michael Greedy introduced himself, for the record, and advised that he has an aircraft based at Carson City. “I find Mr. Rowe to be a competent manager. I recommend that you not dismiss or take any action with respect to Mr. Rowe. I have seen no demonstration of unacceptable managerial performance. Several references have been made to a job description. I did not see a job description in the briefing memo. If you intend to hold Mr. Rowe to the standards in the solicitation for the job, then you need to state that. I am dismayed that no contract exists between the Airport Authority and Mr. Rowe. After listening to this, I can easily conclude that the transcript here is going to be inconclusive and my last thought in this is the one that first occurred to me when this proceeding was brought to my attention. I see Pedro Martinez in this misadventure.”

(10:28:22) Tim Hahn expressed the opinion that he “might be able to assist the … Authority in shedding some light on the last exchange. I am a retired law enforcement officer. I spent an entire career as a law enforcement officer until I was injured in the line of duty and had to retire. I can tell you right now that had someone called the police at the time that this was happening and they could have caught that person on the airport, they would have been able to take action. Three days later, not a chance. Nobody is able to identify the car. No one’s able to identify the driver. There’s not a cotton-pickin’ thing law enforcement could have done. Nothing. And the fact that it took seven months from the time that this happened before somebody thought about calling the police, there’s even less. So, Mr. Rowe not calling law enforcement wouldn’t have done any good anyway. There’s not a thing they could have done. If they had been called at that moment, they could have responded and caught the person. Past that, nothing’s going to go.”

(10:29:55) Ben Reese advised that his “job was to save lives and to make the airport, the aircraft, and the people that flew them safe. So, I get all this. Now, Mr. Rowe, he was asked if we could have the race on the runway and, after his process of decision, he came back and said, ‘No. You need to restrain it to the taxiway.’ So, he did his job very well. The race for the public, you know, the Tesla car, with Tesla coming to Nevada, this was a big deal. I mean … electric power versus fossil fuels. This is the kind of thing airports are supposed to be. It’s a public place and you guys represent the public and the public interest. And Mr. Rowe has done a good job at coordinating the public’s enjoyment, use of the airport, the business. So in that regard, that whole race thing is not a negative at all. Now, the Corvette thing, I didn’t know about, but I did a little investigation with the people here and it’s really funny because he made a decision that he never did it again. In fact, after the Corvette people were so upset about the fact that he canceled it, he actually, out of his own pocket, paid them \$1,800 for their loss

of whatever. I don't even know why he paid them, but he did. That shows a responsible, upstanding person who took it in the shorts. He deserves our recognition as a man of his word. He didn't continue the process of going against the Airport Authority. In fact, he's working with you guys consistently since then."

Chairperson Hutter noted that Vice Chairperson Peterson had returned to the dais at 10:32 p.m. (10:32:20) Gary Cain advised that he owns a hangar and is also an expert witness "so I actually know quite a bit about law enforcement as well because I testify in court frequently on criminal matters. The allegations leveled against Manager Rowe are, at best, laughable. The evidence that has been used to support them has been ridiculous, at best. There's been a constant reference to his character. The only lack of character that I see has been the chair and the vice chair. What I see is a petty tyrant with a personal vendetta. I don't see anything that's even remotely acceptable. Period."

(10:33:11) Steve Lewis, owner and operator of Sterling Air, a class 1 FBO at Carson Airport advised that he had "been operating on this airport since 1977. I've seen part-time managers and full-time managers come and go. One of the comments, Chairman Hutter, that you made at the opening, at roughly 6:32 this evening, was that you were going to read some other letters into the record. Question for you specifically, were you going to read the letter from Mr. Golden, the owner / operator of MountainWest Aviation that you received today?" Chairperson Hutter acknowledged that he would read the letter into the record. Mr. Lewis expressed the opinion that "the way that Mr. Rowe was approached, on that Monday morning, was, at best, gross harassment and true intimidation by two of the members. ... thankfully, we had an officer of the court, an attorney there, who could witness what was said and representing yourselves that the Airport Authority was taking a different direction and offering two months' severance pay and giving him until 5:00 that day to accept, I think, was quite frankly just flat out intimidation. Speaking to a couple of the other members here, they had no knowledge of that. Clearly, you acted upon yourselves but represented yourselves that you were acting on behalf of the Authority; that the Authority was making a change in direction that did not include Mr. Rowe. The fact that he does not have, nor has he ever had a formal job description, I think is an embarrassment. So, what I would recommend is whatever you do with Mr. Rowe tonight or future airport managers, I would certainly think that forming a committee of three people that does not include you, Mr. Peterson, or you, Mr. Hutter, to work on job descriptions in a proper way to evaluate this gentleman or any other subsequent airport manager on an annual basis, based upon his performance, graded against his job description. But, I think that is something that this Authority needs to work on and work on very quickly.

"Personally, I think he has done an exceptional job at the airport. The bickering that has gone back and forth, between various FBOs and operators on the airport, is all but diminished. I think that the airport, physically, looks better. Again, I've been here since 1977. I think we are taking a proactive approach to making our airport look like the capital city and the front door to state government and to our capital city. And for that, I commend him and I hope that all of you will consider, if he has done wrong, this is the first time you've brought this up in five years. I think it's overdue."

(10:36:55) Mike Reynolds, "an FBO operator, and I have been an airport manager on two separate occasions. One airport that I managed was considerably bigger than this airport. In that capacity, I never left that airport. I wouldn't dream of leaving that airport without somebody being in charge of that airport. And if that person in charge had witnessed an incident that occurred, a serious incident as you brought up, Member Peterson, it would have been reported ... to the police. On two separate occasions, in my absence, we had the exact same situation, a runway incursion. When I returned to my management duty, it was already being processed by the police." Mr.

Reynolds inquired as to “what member of the board … was in charge when Tim Rowe wasn’t there and why was that member remiss in their duty not to call the police. So, who was in charge? Who is in charge of the airport when Tim Rowe is not there?” Member Peterson stated, “… we’re not required or even encouraged to respond to questions from the podium. I am moved to do so. I just want to clarify. It’s one of these funny things that gets out of control. I don’t know who was in charge. One of the items that we had thought about bringing up tonight had specifically to do with the chain of command when the manager was absent from the airport. And there are concerns in this area and we’ve elected not to introduce it into conversations tonight. So, I would ask the same question. Who was in charge that night? I can’t answer you because we had not been using the Title 19 chain of command that we should be. And it begins with Mr. Rowe and a nomination sequence.”

Chairperson Hutter entertained additional public comment. (10:39:42) In reference to previous comments, Harlow Norvell suggested consulting Title 19 as to the chain of command “when the Airport Manager is on vacation. It’s very clear who is in charge.” “With respect to Mr. Rowe and his very occasional flying, unless I’m incorrect, Tim is not an employee.” Mr. Norvell inquired of Mr. Rowe as to whether he is an employee of the company for which airplane he occasionally flies. Chairperson Hutter cautioned Mr. Norvell against question and answer with Mr. Rowe. Mr. Norvell expressed understanding, “but this is trying to be characterized as something that it isn’t. And he did this at my behest in the very beginning because, as I said, he’s never had a salary increase. Never even been up for a salary review and he was told that when he was hired. He was also told that he would be paid far less than the area average and he was encouraged, by me, to do exactly what he is doing. And if there’s any blame to go around, then it would belong to me. However, I cite the minutes of October 17, 2012, when I implored the Airport Authority to take in hand the matter of an employee manual that would describe the leave policies of the airport; the performance appraisal system that the airport would use; the job standards that would be described at the beginning of the rating period and signed by, perhaps, the chairman of the Airport Authority and by the Airport Manager; that there would be interim reviews throughout the year so that we didn’t have to be here until midnight with a very confusing and disoriented and disjointed attempt to discredit a very fine and honest and honorable man. I think that this attempt has been scurrilous. I think that this review has been a cover, a very carefully crafted attempt to discredit Mr. Rowe for reasons that are not evident here tonight. And I feel very bad about that. I think it’s beneath the dignity of the Airport Authority to do so, and I would plead with those members who have not been personally involved in this attempt to exercise discretion; to give Mr. Rowe the benefit of the doubt. If there’s something you want him to do, then tell him. Let him know what you expect of him. I pleaded with the Airport Authority to do this four years ago and there have been subsequent pleas tonight to do the same thing. Again, please impanel a … number of members of the Authority. I would suggest a quorum. Notice the meeting, invite the public, receive comment, use what Carson City has already developed to manage their employees. Give this good man and our maintenance person something to work with. I mean, they’re running scared all the time. They’re keeping personal notes on when they go to the bathroom, for crying out loud, because they’re afraid they’re going to be criticized about it. They know that at least one member of the Authority is after them, and anything that they can find, any little mistake that they made is going to be called to their attention and they’re going to be accused of being dishonest, they’re going to be charged with malfeasance. I think it is wholly inappropriate. There’s a ton of people behind me who support this good man and the efforts that he has made over the last five years. I plead with you to listen to them. Listen to what we are telling you.

“I understand that the evaluation, the rehabilitation and the care of the terminal building has now been turned over to Member Peterson. I assume that that’s with the concurrence of the board. I make that assumption. I think it’s

a terrible thing to do. If you want him to do the job, then let him do it. But don't give it to the vice chairman to do in his place. I think that's just completely wrong."

Chairperson Hutter advised that Michael Golden, from Mountain West Aviation, had submitted a letter, dated May 9, 2016. [Member Stotts left the dais at 10:45 p.m.] Chairperson Hutter read Mr. Golden's letter into the record, a copy of which had been submitted for inclusion in the record.

Chairperson Hutter entertained additional public comment. (10:48:08) Edmond Strauss advised of having occasionally rented a plane from Sterling Aviation. He expressed the opinion that "this proceedings do seem to have been very scurrilous and seem attacking upon this man. And, also, if this is how an employee review is conducted, I just want to point out that Tim Rowe has had to hire an attorney, at his expense, to be present at what's called an employee review. Something is not right about that. ... While we're here just sitting around, this is costing Tim money and everyone seems to support him and, yet, he has to have an attorney due to the type of questioning he's been under all night. Thank you, Tim."

Chairperson Hutter recognized Manager Rowe for closing remarks. Attorney Moore advised of "procedural items ... that Mr. Rowe does not wish to waive by not making these comments. It's our contention that the agenda item, item #1, is deficient for several reasons. It's drastically different from the written notice that Mr. Rowe received by hand delivery on April 29, 2016. In that notice that Mr. Rowe received, it mentions specifically that administrative action may be taken against Mr. Rowe; that his employment may be in jeopardy; that there may be adverse administrative action taken against him; that the actions may include termination, remedial action, or other restriction on employment. Those items did not make it into the published agenda. The only issue that has been stated in the agenda is that there may be a discussion and possible action to consider airport manager performance. There's nothing stated in that agenda item that there may be adverse employment action taken, and we would contend that any adverse employment action is inappropriate under the Open Meeting Law because of that failure.

"We're also concerned about the briefing that was provided by counsel. It appears to create an impression, on page 2 of that briefing, that there are only three options available to this board. One being termination of Mr. Rowe's employment, remedial action against Mr. Rowe, or a restriction on his employment. Those are sample motions. There is not a sample motion in there stating, 'I move that no employment action be taken against the airport manager,' which I believe is also appropriate action that can be taken.

"We also believe and contend that Mr. Rowe's employment is not at will. It's been stated here that it is. We contend that this performance and fitness review is, in fact, a procedure ... that this board has engaged in. And, under Chapter 844, of the Statutes of Nevada, it states that if the board enacts procedures related to employment of its employees, there are certain things that must be met. One of those items is that the employee can only be terminated for cause and we contend that, under the circumstances of this case, because a procedure has been followed by the board to discipline Mr. Rowe, that his employment can only be terminated for cause.

"It's been mentioned here today that several items were taken from Mr. Rowe's purview, as the airport manager, including potential construction at the terminal. We contend that that was not done without Airport Authority approval. It was not presented as an appropriate item. Additionally, preparation of the agenda, which has typically been Mr. Rowe's province, as an employee, as the airport manager, was also taken from him without, we contend, proper action by the board.

“Finally, in the advertisement that Mr. Rowe responded to, it states that he would have a starting salary of \$62,000 per year and it mentions, plus benefits. And in parentheses, it states cost of living increase, health, state retirement program eligible. As has been stated, Mr. Rowe has not received the cost of living increase. We contend that Mr. Rowe, if he had received a normal cost of living increase would now be making in excess of \$70,000 per year, not the \$62,000 that he is making currently.

“As has been urged by several members, former members of the board, we also urge the … Authority, at this time, to enact appropriate measures from which Mr. Rowe can be properly evaluated. Those measures likely cannot be enacted today but we would urge the board to take action, under these circumstances, to make sure this doesn’t happen again. If Mr. Rowe and his employment should be terminated, it should be under a standard that he understands, that has been explained to him, and that has been set out to him; not after-the-fact allegations of potential misconduct, most of which happened more than a year ago, for which no formal reprimand was ever issued against Mr. Rowe.

“So, that is our contention and, with those final items, I would like Mr. Rowe to read a statement that he has prepared.” Mr. Rowe read into the record a closing statement, a copy of which was submitted for inclusion in the record.

Chairperson Hutter entertained a motion. **Vice Chairperson Peterson moved that Manager Rowe be terminated forthwith for violation of a variety of requirements of Title 19, FARs, and his hiring document, and most specifically, due to his evasive, non-responsive, and incorrect answers during his hiring interview.** Chairperson Hutter **seconded the motion**, and entertained discussion. Member White referenced Chairperson Hutter’s previous “refusal” to allow “engagement during the public comment period. During this meeting and in previous meetings, that has been allowed. I suggest you’ve made a grievous error not allowing engagement with the public during this agenda item. Yes, indeed, public comment at the beginning of the meeting and at the end of the meeting does not allow us to engage or have discussion with the public. During agenda items, we are and should be encouraged to have discussion with the public.”

Member White requested Mr. Tackes to “bring up the section of Title 19 that describes the chain of command on this airport. I believe it is 19.20.020.020. I bring this up and want this read into the record because there has been several questions as to who is responsible for this airport in the absence of the manager and, indeed, who is the manager’s direct supervisor. What is the chain of command?” Mr. Tackes read into the record CCMC 19.20.020.020, Airport Manager. Member White expressed the opinion, “that answers the question at hand. Additionally, it has been testified here that the interpretation of Chairman Hutter’s and Vice Chairman Peterson’s actions regarding the meeting in Mr. Rowe’s office was with the intent to convey that they were acting on authority of the Authority. Absolutely not true. As far as I’m concerned, that is an action more grievous than any of missteps that Tim’s been accused of here tonight. If there’s an action to take tonight, it would be against the chairman and the vice chairman. I will not support the termination of [Mr.] Rowe. Let me make it perfectly clear, I am not here to defend Tim. If Tim worked for me in the private sector, he’d be gone. That’s not how it works here.”

Member Poscic advised that he is at the airport nearly every day of the week, and stated he has “been advised every time, maybe not in the correct sequence, when Mr. Rowe has his vacations or his weekends that he won’t be available. So, therefore, I believe that I’m qualified to be an assistant if that’s the way you want to put it to Mr. Rowe.”

Member Shirk expressed the opinion that “the discussion here raised a lot of questions; not only of the airport manager’s position and duties and responsibilities, but also of the Airport Authority. We have not delegated those duties to our airport manager, I think. I think there’s a lack of communication between the Authority and the manager and I think it is our duty, here, on this board or Authority to first provide a job description, job performance evaluation, or something we can weigh or measure his ability to provide the services that we wish him to provide for the Airport Authority. I think there’s a lack of communication on the very basis. As to the issues that were raised here today, A through K, ... I see your point of view. I just think these should have been raised as they were coming, as they happened. And in some cases, they were. And now we’re bringing them back. I understand that maybe it’s frustration or you want to get clarity. I’m not sure, I try to at least evaluate everything that say there’s this side and that’s what they’re trying to accomplish, and there’s the other side over here and I’m having a hard time understanding the other side. I can’t grasp it, I guess. I see the frustration in dialogue but it’s really not the airport manager’s failure to perform. It’s our failure to tell him how to perform. That’s the way I look at it. Maybe I’m off, but I would discourage any board member from voting in favor of this motion at this time.”

In reference to Member Posic’s comments, Chairperson Hutter referred to the section of Title 19 read into the record by Mr. Tackes. “I actually did have a conversation with Manager Rowe in his office where ... we actually, without really intending to go there, touched on this topic. And Mr. Rowe said to me that in his absence, he had found it to be effective to effectively pass the reins to Member Posic. And I don’t say Member Posic necessarily, well, it would be Member Posic, right, in his capacity as a member but also recognizing, as Mr. Posic said, that he is on the airport frequently. And ... really not, I’ll admit it, totally cognizant of the details of that process. Maybe one of the things that could stand to be improved amongst many things I think we’ve learned about tonight. You know, I sort of said, well, if you have a system that works there, the important thing is that we get there. Now, ... I recognize that that belies a lack of knowledge at the time of what is dictated and, perhaps, I should have pushed back on that. But I did want to acknowledge that and, hopefully, our comments in combination addressed the question that was asked.”

Vice Chairperson Peterson stated, “Well, this has been fun. Early on, in the opening comments by the public, there’s more than a few of you that raised the question of the meeting that we presented Manager Rowe with a notice. And I responded to one of the people that I would attempt to respond to it later. Relates to the Open Meeting Law and the regulations on how this is conducted and we’ve heard a lot of frustration, I think scurrilous is the term, that how this has been put together and how it’s come about. When the agenda item was first discussed, we challenged ourselves to focus only on the agenda item and not make this about 47 different subjects, including the Open Meeting Law. I’m speaking for myself but I think I’m speaking for Chairman Hutter. We’ve not been responding to the Open Meeting Law comments and to the allegations regarding the meeting with Manager Rowe. We really wanted to stick with the (inaudible) on this but it deserves to be addressed at this point. It may factor in people’s votes later. We’ll see.

“So, I want to point out to kind of walk you folks through this. I’ll back into the Open Meeting Law. The meeting with Mr. Rowe, and I remember the day, the 27<sup>th</sup>, whatever the day was, was to accomplish one thing. It was to determine which of two agenda items could be put on the agenda and, just to clarify for all of you, most of us, all of us members have essentially the same power and that’s to sit up here and deliberate and vote. None of us have power to exercise authority outside of this group and I will say right now, I have never presented myself as Mr. Rowe’s supervisor. I do understand that the best ... defense is a good offense. I have offered advice and guidance to various results as many of us have. That is appropriate. But the one power reserved to an individual

on this Authority is to the chairman and it is the power to determine what the agenda is. In his absence, and he has had some business travels, that would fall to the vice chairman. So, the two of us discussed the merits of what we perceived as (inaudible) problem. We did not deliberate with other members. That would be a violation of the Open Meeting Law. So the only question was, are the problems big enough to have a review? Now, here's where it gets interesting. I've had several people say, 'Well, that decision should have been discussed in an open meeting.' It was our conclusion, based on confirmation and seeking advice from the counsel and the Attorney General, that simply convening an open meeting to discuss a performance appraisal with possible negative responses would itself require the advance notice to Manager Rowe. We would be deliberating the merits of a review and we would have been required to go to him, somebody, and say, 'Here is your notice of the things that we intend to discuss in open meeting.' So, there has to be a start to that process and it starts by, the chairman, and we did counsel together to say, we believe this rises to a necessary conversation. We cannot go, we are not allowed to present that to the open Authority without notifying the manager.

"So the process was to decide to go to the manager and say, 'Here is the document to notify you of the subjects we're going to discuss.' And it went through a number of revisions with the guidance of our counsel and, like I said, the Attorney General and the District Attorney. We had no desire to intimidate. That was not it at all. We actually were, it was recommended ... that it was routine in City actions that, if you're going to go for a disciplinary hearing to a public employee, that you also entertain an agenda item, I want you to pay attention to that word, to accept his resignation. It is a professional courtesy. In my life, out in the public business, it's routine that if you've got a problem, you're cross ways with a senior executive, you're prepared to entertain a smoother way to solve the problem. At no time, never, did I or Chairman Hutter use the word, 'The Authority feels or the board feels.' I used the word 'we' or 'the two of us.'

"Chairman Hutter had asked me if I would brief Mr. Rowe on the process because he and I had discussed it and I was the one in town preparing the document. He was on the road and, something that I want to mention, when I notified Mr. Rowe after the last meeting that Chairman Hutter wanted to meet with him on a coming day, and I think it was the 27<sup>th</sup>. Fair enough. He said, 'Okay, but I'm going to record it on my phone.' I said, 'That's fine, that's fine.' Every word I spoke and that Chairman Hutter spoke to Tim Rowe in that meeting was with the belief we were being recorded. At no time did we represent ourselves as the Authority at all. We gave him a legally required notice of this hearing. And we said, 'If on the other hand, you would rather not do this, we would support an agenda item to consider a severance package.' The reason for saying, 'It's good through the end of the day,' is there's also a legally-required notice of when the agenda can be put together and sent out in a duly, publicly-noticed meeting. So we had time constraints. Manager Rowe said, 'I'm not resigning,' and we said, 'Okay. Then we're done here.' You have the notice of review, legally required and we'll see you in the meeting and that's why we're here.

"Now, we've set quietly on that. Was the notice legal? It was not only legal, it was specifically required and it was the only option to begin this review process. As I said, if somebody decided ... it's time to review Mr. Rowe's performance and the subtext is to give him a bonus and a raise and a new car, we would be required to give him that notice. It's the same notice. ... Again, you may not believe me but feel free to check with either of these attorneys. I actually think they would agree on this one. That's what our advice was."

Chairperson Hutter cautioned the audience against comments off the record. Vice Chairperson Peterson stated, "Believe it or not, I agree with the sentiment. The process is bulky as hell. When we heard that this is what we had to do, ... this is tough but it's what we had to do. I will say and I may have said this at the beginning but, if

not, I'm going to reiterate it. If the events had transpired, as Manager Rowe and his attorney had described them, I would be agreeing with your sentiments on it having been out of order. Scurrilous is a wonderful term. But it didn't happen that way. He was not intimidated. He was presented with legally-required documents with one goal; which one would he prefer to be on the agenda.

"Now, this brings me to the last point at least on this briefing which is, I can't speak for Chairman Hutter, but I'm pretty sure of this answer. At no time did we deliberate with other members or canvass their votes. This is important. I actually had private people come to me, when they heard what was going on, and they said, 'Oh gee, Don, would you like for me to call other Authority members and tell them my opinion that, yes, this is overdue ...' I said, 'No, that's unacceptable to me.' We cannot have serial quorums put together like that and I turned down their offer to do that. This was brought to the Authority for deliberation and looking at the facts and whatever the decision of the Authority is what will stand. That has always been the expectation.

"Now, I made the motion on this because that's now the time for that and we'll vote on it. I want to reiterate, and this is in response to Attorney Moore over here, my motion to terminate is based on cause. There is one of these that leaps out at me and I was stunned when I saw it, and it's what I believe to have been evasive, non-responsive and distracting response during his hiring interview. I believe there is a duty, before you ever accept a job, to come clean on every, every element. And I don't believe he did it and I believe that habit of being non-responsive has continued. I think I'm done. Wait just a second here.

"Oh, the last thing I'd say, and this is advice to future Authorities. The duty for the Authority to respond to problems as they occur sounds good. That's how I deal with my grandson. The problem is we've also heard how he thinks he's being harassed and micromanaged and double teamed and questioned on every point. If we ended up with a standing agenda item at every meeting, let's discuss the manager's flaws, this would be a horrible experience, as it already has been tonight, but it would be horrible in perpetuity and I don't think we'd keep a manager, regardless of his qualities. A review, I would raise some other comments. This should have been handled a year ago or two years ago or three years ago and, Mr. Norvell, I appreciate your commenting that, at the time that you hired Mr. Rowe, there were some things that we'd been better off if they'd been put in place back then. I agree with you. But they're not. I don't believe that relieves all seven of us today from looking at what has occurred. What do we do about it now? That's up to the Authority, but I believe future Authorities would do well to have regular reviews. They will have to be noticed five days in advance. It will have to describe possible negative actions. That's the law, but at least it would keep the tab down. But here we are, we are doing a procedurally correct, legally-required process. It has been painful. Unfortunately, in my opinion, the standard met over the last five years does not warrant to continue. And that's ... partly why this is on. Clearly, I didn't act alone in believing this or it wouldn't have gone this far because it had to be on the agenda to begin with."

Member Poscic stated, "I've listened to about 60 percent of this diatribe and it's an outright lie. Mr. Peterson came into that meeting, asked Mr. Rowe that the board was going in a different direction, and would you resign and you have til 5:00 to make up your mind. If that sounds like a performance review, well, I may be just a dumb mechanic, but it sounds to me like it was a threat, an implied threat to try to get the airport manager to quit. End of story."

Chairperson Hutter "agreed that, if that's what actually was said, that would sound pretty terrible but I'm going to reiterate for this group and ... I am unwavering in my conviction and statement that absolutely, that is not how it was presented and represented. Obviously, this is a couple people's viewpoint against a couple people's

viewpoint in choosing how to present what happened. But, in no time did I or the vice chair represent ourselves as acting on behalf of the Authority in any of the matters that we presented. Okay? That's my comment on that."

Vice Chairperson Peterson expressed admiration for "people having loyalty to their friends. I'm okay with that, but I do think it ought to be carried at a high level and we ought to at least be honest about it. Mr. Poscic was sitting ten or 14 feet away from the table where the discussion was going on. We can go on about this all day. I'm just going to reiterate one thing. I believed I was being recorded. I knew I was not representing the Authority. I was explaining the agenda items prepared by the chair and I, and giving the manager the choice of which way he wanted to go."

Chairperson Hutter entertained additional Authority member comments and, when none were forthcoming, called for a vote on the pending motion. He summarized the motion, as follows: "Mr. Peterson made the motion that we, effective immediately, terminate Mr. Rowe from the position of Airport Manager for reasons that he presented." Chairperson Hutter called for a vote on the pending motion. **Members Law, Shirk, White, Poscic, and Stotts – nay. Chairperson Hutter and Vice Chair Peterson – yea.**

Chairperson Hutter entertained a motion. **Member Poscic moved that no employment action be taken at this time against Mr. Rowe, the Airport Manager. Member Shirk seconded the motion. Member Shirk moved to amend the motion to direct the Airport Authority to provide a job description for the position of the airport manager, including salaries, benefits, and other such items that relate to his position; and that the Airport Authority will have an evaluation four months after the completion of the job description and eight months, and then one year later, and then will be on an annual basis of the job performance of the airport manager.** In response to a question, Mr. Tackes advised, "We're now outside the scope of the action you can take. But I think you ... can do that at the next meeting. You can propose that as an agenda item at the next meeting and go forward with it that way. You can ... still get there." Mr. Tackes responded to questions of clarification, and **Member Shirk rescinded his motion to amend.** At Chairperson Hutter's request, Member Poscic read his motion back. Chairperson Hutter entertained additional discussion on the motion and, when none was forthcoming, called for a vote. **Motion carried 6-1.**

**F-2. DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE CHAIRMAN TO HIRE A TEMPORARY AIRPORT MANAGER PENDING REPLACEMENT OF AIRPORT MANAGER, AND ADJUST DUTIES OF AIRPORT MAINTENANCE PERSON; AND AUTHORIZE CHAIRMAN TO APPOINT A SEARCH COMMITTEE FOR A NEW AIRPORT MANAGER THROUGH REGIONAL ADVERTISING (11:30:58)** – Chairperson Hutter advised that this item would be withdrawn, "given the action taken in item F-1."

**F-3. DISCUSSION AND POSSIBLE ACTION AND WORKSHOP REGARDING THE TENTATIVE BUDGET FOR FY 2016 / 17 (11:31:06)** – Chairperson Hutter advised that this item would be continued to a future meeting date.

**F-4. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE PROPOSAL BY THE U.S.M.C. TO CONDUCT OPERATIONS AT THE CARSON CITY AIRPORT, BETWEEN JUNE 10 AND 22, 2016; STAGING OF AIRCRAFT; THE BILLETING OF APPROXIMATELY 200 PEOPLE; MEMORANDUM OF UNDERSTANDING REGARDING LIABILITY ISSUES (11:31:19)** – Chairperson Hutter advised that this item would be withdrawn "as a result of the Marine Corps informing us that, while they appreciated our conversation about it, they've chosen to go a different direction."

**F-5. DISCUSSION AND POSSIBLE ACTION REGARDING THE REPAIR OR REPLACEMENT OF THE ROOF AND TO MITIGATE THE MOLD HAZARDS PRESENT IN THE TERMINAL BUILDING; BID FOR STRUCTURAL ANALYSIS RECEIVED FOR \$7,150** (11:31:39) – Chairperson Hutter introduced this item, and recessed the meeting at 11:31 p.m. Chairperson Hutter reconvened the meeting at 11:38 p.m., and reintroduced the subject item. He suggested addressing “another set of concerns or questions that came up earlier this evening about this. And that was my action, unilaterally, to move, temporarily by the way, … management of the terminal renovation contracting and construction management process, including discussions with the contractor about the nature and cost of structural evaluation, exploratory work, to Vice Chair Don Peterson. And I had asked Tim to please, and thank you for doing so Tim, convey the information necessary, with contact info, for the contractor. Let me be very clear about what my reasoning was. I knew that this hearing was coming up. I knew that Manager Rowe was going to be very much involved in his preparations for this hearing and we’re hoping to keep the process of having the conversation with the contractor on track so that we can keep this process moving without any more undue delay or damage to the building. That was … the full extent of the subterfuge … just making a prudent decision, for the sake of expediency, to have Mr. Peterson do some more follow up with the contractor. In fact, he will speak to that and what that conversation yielded. If it’s the desire of the Authority to place that responsibility back in the hands of the manager, I’m not going to stand in the way of that and we’ll have that conversation shortly.”

Vice Chairperson Peterson advised that his “only involvement, over the last four days, was to meet with Mike Fritz, the contractor, seeking clarification on some information we’d received. The original action item of a month ago was to move forward with the restoration of the building. We discussed about what to do if bad problems were uncovered and we didn’t want to get … \$40,000 or \$50,000 into it and find out that there was no point in doing it. So we set a price of \$2,500 to work with the contractor to say, ‘Look, we’ll authorize up to \$2,500 of investigation of the structural integrity for you to confirm your commitment to the bid. If you get to that expenditure of \$2,500 and you don’t like what you find, we pay you \$2,500, we find out what else we want to do with the building, and we move on.’ Or we might decide to carry on based on his recommendations.

“So, we began to get information flowing back through from Manager Rowe that there was a quote, I think, for … \$7,150, for an actual engineered review of the building and that was well above the number that we had set and that would be over and above, since it was an external engineer inspection, that would be over and above the \$89,000. My memory of the original approval was that the \$2,500 would come out of that \$89,000 and, if we proceeded, then all he would have done would have been work that confirmed that he can stick to his \$89,000 bid and so, the new information of \$7,150 actually changes the potential problem because, even if they would decide it’s good, it would now be \$89,000 plus \$7,150 and that’s not where we wanted to go.

“So, I met with Mr. Fritz and said, ‘Okay, help me out here. What are we doing and why are we doing it?’ And he said, ‘Well, I was instructed by Mr. Rowe to get an external engineering analysis.’ I said, ‘Ah, okay. … Let me ask you a question. In your opinion, is that what we need for you to confirm that we have a good bid here that you can meet?’ He said, ‘Don, … this building’s going to pass. I can tell you it’s going to pass. I’ve been doing this a long time. It’s a fine building. … I don’t particularly see the need of the \$7,150 … the bird analogy.’ He said, ‘I don’t see the need to do the engineering thing. That’s what I was told I had to do.’ I said, ‘Okay, let me ask you this. Can you go to work on this, pull up the roof, whatever you need to do, for the \$2,500, as we originally thought we were approving?’ He said, ‘Well, it would only be a few thousand.’ I said, ‘I need more. What do you mean a few thousand?’ He said, ‘It could be \$2,500, it could be \$5,000.’ I said, ‘Okay. Let me find out the will of the Authority.’ And this is just information I found. There’s been no work done and no agreement

signed with him. If we could amend this to a \$5,000 cover that he would expend no more of his labor towards investigating the building and, upon his confirmation that it's good to go, we are still tied to the original \$89,000 approval. He said, 'It's going to happen. This is a good building. I can make it happen.' So, I said, 'I'll bring that to the Authority,' and that's where we are right now."

Chairperson Hutter entertained comments from Mr. Rowe. Mr. Rowe advised that "when I received the instruction from the Airport Authority, at the last meeting, the limit was \$2,500 to ... pay for an inspection of the structural integrity of the building. I called Mike Fritz the very next morning and told him what the Authority had decided to do, adhering to the exact words of the Authority. Mike Fritz called me a couple of days later and told me that he ... had contracted with Stantech to look into the building. Mike came out and took some pictures of the building, came back with a quote and an estimate which I forwarded on to the Authority the very same day that I received it. It's \$7,000 plus \$150 for Mike's time.

"It was never my understanding that any money ... was to come out of the \$89,000 to Mike in his fee. Now, perhaps if the next motion is made, then I would know exactly what the expenditure is going to be out of the cost of replacing the roof and mitigating the mold; if we're going to deduct for an inspection or anything else, because that was not made clear to me."

Chairperson Hutter recalled "the intent of the Authority ... that what we were really looking for was a sublimit of the \$89,000 that would really be the named contractor doing some initial work, pausing at that \$2,500 mark, and making a determination as to whether it was worth going further or not. And Mr. Rowe maybe heard something different ... no harm, no foul, went in a different direction, got a ... far more substantial bid and evaluation for some external engineering services that, if I remember, the bid included some x-raying of the cinder block to identify rebar gaps and things like that ... a far more extensive piece. Mr. Peterson, of course, relayed his conversation with the contractor to sort of frame it up a little bit differently and we're hearing a number that would be a not-to-exceed \$5,000 turn back point. ... So, I'm just summing up what I've heard so far."

Member White stated, "Indeed, that was the intent of my suggestion to have the building inspected after Mr. Rowe revealed that apparently there are some crumbling of the cinder blocks. So, I don't know that we need to go as far as an actual, full-on engineering evaluation of the building, but just to simply make sure that, on some spot inspections in areas that appear to be trouble zones, that we will be able to install a new roof once the old roof is taken off. I don't want to get that roof off and then find out there's no sense in putting a roof back on. If we can get that thing opened up to the point where the contractor, within the \$89,000, is comfortable that we can successfully replace the roof, then we go forward. If, at the end of his evaluation, he's not comfortable with the condition of the building, then we close that building back up so that it's weather-safe, weather-tight as possible, and find an alternative." Mr. Rowe acknowledged his understanding.

Chairperson Hutter entertained public comment. (11:49:17) Steve Lewis expressed the hope that alternatives have been considered. "\$89,000 to re-roof a building that is that old, we know that it's probably served its life expectancy. A bird in the hand ... is not a real, shiny bird as some of you know. That building was actually part of my original lease that I gave back to the Airport Authority in hopes that we could find a better use for it. Taking it out to the dump would be the appropriate use, and I was hoping that we could do that earlier. I ... believe that what I've heard is that Mr. Rowe has obtained some bids to actually knock it down and purchase a temporary facility. I just hate to see \$89,000 spent on that building."

Chairperson Hutter entertained a motion. Vice Chairperson Peterson advised that the \$89,000 figure is for the whole building, “not just the roof. So, unless things are discovered and that’s what led to, can we set a stop limit where if we get started and the scorpions come out, we call a king’s x, revisit and consider other alternatives. So, we’re all with you, except it was deliberated.” **Vice Chairperson Peterson moved to create the letter of engagement with Professional Home Developers for the originally quoted amount, with a limit of \$5,000, for him to do investigations and, upon confirming the building is usable, to complete the construction for the original \$89,000 bid; if, on the other hand, his investigations reveal he cannot complete it for that, it’s to be returned to the Authority for consideration.** Member Law seconded the motion. Chairperson Hutter entertained discussion on the motion.

Member White referenced previous discussion regarding “how we might develop the front properties at the airport. Several months ago, it was discussed that we might engage some developers and see if there is an appetite, in today’s economic climate, to develop the front of the airport. Indeed, I have engaged several people I know in that realm and I believe there is that appetite currently.” Member White suggested continuing to move forward “with making sure that we have a functional terminal,” and suggested “issuing an RFP in regards to leasing the properties and see if we can get a couple of developers to compete with one another on putting together the front of our airport.”

Member Law inquired as to the possibility of amending the motion according to Member White’s suggestion. Mr. Tackes advised that “the process would be, at a meeting, you would adopt a resolution to move forward and you would also need to get an appraisal of the property, and then you would set terms and conditions, a time frame for sealed bids, and opening, and then award of bid.” Member White responded to questions of clarification relative to his comments, and suggested “be[ing] cautious about moving forward on another \$89,000 when maybe that terminal won’t be there at the end of the summer. Let’s keep moving forward with what we’re doing now, but keep in mind that we, perhaps, have the opportunity to go another direction. We need to get these ducks in a row as quickly as possible, but let’s be ready to … king’s x.” Chairperson Hutter discussed support for Member White’s suggestion, and further suggested that the terminal building will likely be needed for a period of years. Member White responded to additional questions of clarification regarding possible interest in development at the airport.

Vice Chairperson Hutter suggested “there will probably be some time … before Mike Fritz has started to pull things apart in a way that are irretrievable. … We’ve got this meeting on the 18<sup>th</sup> coming, almost probably entirely devoted to the budget and a few other house cleaning things. I would think, as we’ve discovered, we can schedule special meetings. If you’ve got interested parties, you might communicate we could stop something and it would be cheaper for them to acquire an interest than after we’ve done it because we would have imbedded money at that point and we could schedule a special meeting to hear a proposal.” Member White clarified that he is “not out seeking a developer to come in and make a bid. I’ve asked some conceptual questions about what is the appetite in the market today and that’s where we’re at.” Following a brief discussion, Member White expressed a preference for Vice Chairperson Peterson to take the lead.

Chairperson Hutter called for a vote on the pending motion. **Motion carried 7-0.** Chairperson Hutter entertained comments and discussion, and Member White reiterated the preference for Vice Chair Peterson to “take the management role on this particular project.” **Member White moved that Vice Chairperson Peterson take a management role in this project.** Chairperson Hutter seconded the motion, and entertained discussion. Mr. Tackes responded to questions of clarification.

Chairperson Hutter entertained public comment and, when none was forthcoming, additional Airport Authority member discussion. In response to Vice Chairperson Peterson's question, Member White suggested he has "shown an apparent interest in managing this project whereas you accepted the assignment from Chairman Hutter, and I have the utmost confidence that you will be diligent and understand the process and see that it is done properly." Vice Chairperson Peterson expressed appreciation, and stated, "it was always anticipated that any contribution I might bring was going to be of a very temporary nature. And I've reported what we've found which was a way to contain the cost to move forward and I'm happy to have contributed that. I'm also happy that Manager Rowe picks up and does his duties. That doesn't bother me in the slightest. And I'll just go on to comment that, as I think we've produced tonight, it could very well be that the work that Mr. Norvell tried to get done and couldn't will now be done; that we'll get some specificity and job descriptions, reporting responsibilities, communications, coordinations, and I think we need to move ahead quickly with that. And, given that, the contributions of the entire Authority in guiding the manager, I would like to think would be more effective than I have personally seen in the last few months, perhaps forever. I mean, I do go back to when we had Yvonne as a part-time manager. Got to witness all of that and I was around with, at that time, Chairman Lewis, to kind of work through that and I think there was progress made. More progress. But I'm very comfortable and confident that Manager Rowe is the right one to pick this up and run with it."

Member White offered to withdraw his motion if Vice Chairperson Peterson was "not willing to take this particular assignment." Vice Chairperson Peterson stated, "if there was a compelling reason, I'm here to serve the Authority as we all are. I would rather that our energies go into building better inter-relations with the manager all the way around so that, if we have something to contribute, maybe it's your negotiating skills or your construction expertise or whoever, that we have an open channel to the manager ... to where advice and consent is brought to the game to improve our overall result. And I'd rather that's where our energies go than to take this job off him."

Chairperson Hutter expressed the belief that the motion "may not be able to be withdrawn and needs to be seen through for consideration, interestingly enough." He entertained additional comments and discussion and, when none were forthcoming, explained the possible outcomes of the motion. **Motion failed 2-5.**

Chairperson Hutter thanked everyone for their participation.

**G. AIRPORT ENGINEER'S REPORT** (12:06:45) – Chairperson Hutter introduced this item, and Airport Engineer Jim Clague reviewed his report, copies of which were included in the agenda materials.

**H. AIRPORT MANAGER'S REPORT** (12:07:18) – Chairperson Hutter introduced this item, and Mr. Rowe advised of nothing to report.

**I. LEGAL COUNSEL'S REPORT** (12:07:23) – Chairperson Hutter introduced this item, and Mr. Tackes advised of having discussed with Ethics Commission representatives "to find out how we rectify the fact that Member Poscic properly withdrew from the item on reimbursement of the sign when it was first put on but then, at a later meeting, got caught up in the discussion and the vote as to what to do in terms of refund. I was under the impression that they were going to say just renotice it and retake the action. They said well, that doesn't really fix the problem. The violation has occurred, but if you renotice it and take the action, it mitigates any kind of claim or any kind of damages or any penalty they might seek and, candidly, I didn't get the impression they would be seeking any kind of penalty but, in an abundance of caution, I would suggest ... that we revisit the sign at a future agenda, retake the action. That'll give Member Poscic an opportunity to abstain from the item, retake

the action, whatever that action is, and be done with it.” Mr. Tackes advised that he would agendize the item for the next meeting. Chairperson Hutter thanked Mr. Tackes for looking into the matter.

**J. TREASURER’S REPORT** (12:08:58) – Chairperson Hutter introduced this item, and Member White advised of “no treasurer’s report, as such, considering it’s too early in the month to have all the numbers in.” He alerted the Airport Authority, “as I have in the past, in regard to charges from counsel, the airport has been presented a bill from counsel at over \$15,000. That bill will put us about \$15,000 over counsel’s budget. Additionally, tonight, now that we are six hours in, six hours times \$300 an hour is, we are substantially over budget for counsel. We need to have a very serious discussion about this particular line item.”

**K. REPORT FROM AUTHORITY MEMBERS** (12:10:09) – Chairperson Hutter entertained reports from Authority members; however, none were forthcoming.

**L. PUBLIC COMMENT** (12:10:13) – Chairperson Hutter entertained public comment; however, none was forthcoming.

**M. AGENDA ITEMS FOR THE NEXT REGULAR MEETING** (12:10:27) – Chairperson Hutter advised that the next regular meeting is calendared for Wednesday, May 18<sup>th</sup>, and suggested that the airport budget will be “the primary matter at hand, perhaps aside from a curative item on that previous sign question.” Chairperson Hutter inquired as to the need for an interim budget workshop. Discussion followed, and Members White and Law expressed support for scheduling a budget workshop as soon as possible. Chairperson Hutter suggested designating the budget workshop for Wednesday, May 18<sup>th</sup>, and scheduling an additional special meeting to approve the budget prior to the end of the month. Additional discussion followed, and consensus of the Authority members was to designate Wednesday, May 18<sup>th</sup> as the budget workshop meeting, and to schedule Monday, May 23<sup>rd</sup> as the final budget meeting.

Chairperson Hutter requested the Airport Authority members to submit additional agenda items for the May 18<sup>th</sup> meeting to Mr. Rowe.

**N. ACTION ON ADJOURNMENT** (12:16:28) – The meeting adjourned by mutual consent at 12:16 a.m. on Tuesday, May 10, 2016.

The Minutes of the May 9 - 10, 2016 Carson City Airport Authority meeting are so approved this 20<sup>th</sup> day of July, 2016.

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KARL HUTTER, Chair