

MINUTES
Regular Meeting
Carson City Airport Authority
Wednesday, October 19, 2016 • 6:00 PM
Community Center Sierra Room
851 East William Street, Carson City, Nevada

Committee Members

| | |
|-------------------------------|--------------------------------|
| Chair – Linda Law | Vice Chair –Phil Stotts |
| Member – Jim Shirk | Member Larry Tores |
| Member – Maurice White | |

Staff

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

NOTE: A recording of these proceedings, the 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 Recording Secretaries Division of the Carson City Clerk-Recorder's Office, and available for review during regular business hours. Audio recordings of the Carson City Airport Authority meetings are available at www.carson.org/minutes

A. CALL TO ORDER AND DETERMINATION OF QUORUM

(6:02:40) – Chairperson Law called the meeting to order at 6:02 p.m. Ms. Warren called the roll; a quorum was present.

| Attendee Name | Status | Arrived |
|----------------------|---------------|----------------|
| Linda Law | Present | |
| Phil Stotts | Present | |
| Jim Shirk | Absent | |
| Larry Tores | Present | |
| Maurice White | Present | |

B. PLEDGE OF ALLEGIANCE

(6:03:14) – Chairperson Law led the pledge of allegiance.

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

(6:03:40) – Chairperson Law entertained suggested revisions and, when none were forthcoming, a motion. **Member Stotts moved to approve the minutes of the September 21, 2016 meeting. Member Tores seconded the motion.** Chairperson Law called for a vote.

| | |
|--------------------|---------------------------|
| RESULT: | APPROVED (4-0-0) |
| MOVER: | Stotts |
| SECONDER: | Tores |
| AYES: | Law, Stotts, Tores, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

D. MODIFICATION OF THE AGENDA

(6:04:20) – Chairperson Law entertained modifications to the agenda; however, none were forthcoming.

E. PUBLIC COMMENT

(6:04:43) – Chairperson Law entertained public comment. (6:05:38) Bill Hartman advised of having previously requested to have the speed bumps “on the perimeter road near the EAA building and Neil Weaver’s hangar” removed at the time the northwest ramp was repaved. Mr. Hartman advised of having driven the perimeter road yesterday and that “the speed bumps are gone.” He thanked Airport Engineer Jim Clague and Airport Manager Tim Rowe, and expressed the opinion “the airport is a safer place without them.” Chairperson Law entertained additional public comment; however, none was forthcoming.

F. PUBLIC HEARING ITEMS:**F-1. FOR POSSIBLE ACTION: TO APPROVE THE REQUEST BY GREAT IMAGES TO CONDUCT COMMERCIAL DRONE PHOTO OPERATIONS WITHIN A FIVE-MILE RADIUS OF THE CARSON CITY AIRPORT**

(6:06:28) – Chairperson Law introduced this item, and Steve Jackson advised of having been issued a “Part 107 FAA Certified License ...” Mr. Jackson further advised of having been the owner / operator of Great Images Photography for approximately eight years and of having flown unmanned aircraft for approximately two years. Mr. Jackson requested permission to work with Airport Manager Tim Rowe to provide notification “when I am ... within that five-mile range.” Mr. Jackson expressed knowledge and understanding of the applicable statutes relative to unmanned aircraft as well as privacy and trespass. “My business has no intentions of doing that. It’s mainly to ... fly properties for real estate agents and maybe some minor inspections from time to time.” Mr. Jackson advised that he is careful to “follow all the FAA guidelines; ... monitor the CTAF with a radio while ... flying.” He reported a “great relationship” with the Minden-Tahoe Airport and with the Dayton Airport, and provided detailed information. Mr. Jackson advised that the drone “is not allowed to go over 400 feet high,” and that he has no intentions to fly the drone at that height. He assured the Airport Authority that he does “the pre-flight inspections on my equipment. ... I’m keeping my flight logs, my pilot time, my maintenance records up to date and I’m currently under the process of obtaining my own personal insurance for liability ... in that case.” Mr. Jackson advised that “public safety is paramount ... and always yield to aircraft; never, ever be operating my drone within a corridor of a runway.” He discussed his experience taking the Part 107 exam, and assured the Airport Authority that “if there’s any reason whatsoever that I feel that my aircraft is not safe to fly, I will cancel that mission until it is.”

Chairperson Law commended Mr. Jackson on the materials submitted for the agenda. Chairperson Law entertained questions or comments and, when none were forthcoming, thanked Mr. Jackson for his presentation. Chairperson Law entertained public comment and, when none was forthcoming, a motion. **Member White moved to consent to the request of Steve Jackson dba Great Images Photography to operate within five miles of the Carson City Airport so long as he complies fully with the FAA Part 107, and that he notifies the Airport Manager at least 24 hours prior to operations that are within one mile of the Carson City Airport. Vice Chairperson Stotts seconded the motion.** Chairperson Law entertained discussion on the motion

and Member Tores expressed a preference for Mr. Jackson to secure the previously-mentioned liability insurance. (6:12:40) Mr. Jackson provided detailed information on the process for securing the liability insurance. He advised of having agreed with a request from Airport Manager Rowe “to actually work on a public service announcement with the Airport to try to promote drone safety and awareness. ... I’m volunteering to do that ...” Chairperson Law expressed appreciation, and requested Mr. Jackson to provide a copy of the liability insurance certificate to Airport Manager Rowe. Chairperson Law entertained additional discussion on the motion and, when none was forthcoming, called for a vote.

| | |
|--------------------|---------------------------|
| RESULT: | APPROVED (4-0-0) |
| MOVER: | White |
| SECONDER: | Stotts |
| AYES: | Law, Stotts, Tores, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

F-2. FOR POSSIBLE ACTION: TO APPROVE THE REQUEST BY THE AIRPORT MANAGER TO SCHEDULE AND CONDUCT ANNUAL AIRPORT HANGAR INSPECTIONS TO INSURE COMPLIANCE WITH CARSON CITY MUNICIPAL CODE TITLE 19, AND COMPLIANCE WITH THE FEDERAL AVIATION ADMINISTRATION HANGAR USE POLICY, DATED JUNE 15, 2016

(6:14:18) – Chairperson Law introduced this item. Airport Manager Rowe advised that the Carson City Airport “has never had a hangar inspection and, as such, should insure compliance with ... [CCMC] Title 19.” Mr. Rowe recommended an annual hangar inspection “which would include participation by representatives of the Carson City Fire Department and Building Department, as requested by Inspector Robert Y. Lee, ... the Brisbane Airport District Office Compliance Inspector, who inspected the airport a couple of months ago.” Mr. Rowe advised he would also request the participation of Carson City Assessor Dave Dawley, as well as a member of the Airport Authority. Mr. Rowe read from a prepared statement, a copy of which was provided for the record.

In reference to the inspection policy, Chairperson Law took exception to the prohibition of RV storage. She expressed no problem “as long as [the RV] doesn’t impede the access to the airplane itself or the airplane leaving the hangar ...” She advised of not having had the opportunity to sufficiently review the proposed checklist, and that she was not prepared to take action on the policy at this meeting. She clarified that the matter is “significant enough ... to take time to discuss it.” Mr. Rowe expressed no disagreement with RV storage, and explained he had researched the FAA’s policy which discusses “incidental ... non-aeronautical use of hangars.”

Member White expressed an interest in reviewing the FAA Inspector’s report prior to taking action on this item. Mr. Rowe advised of having received the draft report, but that he has not yet received the final report. He agreed that the final report should be available prior to taking action on this item. Vice Chairperson Stotts advised of the anticipation of “quite a bit of opposition from the airport community to having their hangars inspected. There’s a number of problems that could come up here that they might not be expecting.” In response to a question, Mr. Rowe expressed the belief that penalties relative to hangar inspection refusal were within the purview of the

Airport Authority. He expressed the opinion that “if there’s a refusal to inspect a hangar, that could very well put them in violation of their lease. But that would be up to the Authority to enforce that.” Vice Chairperson Stotts discussed concerns relative to the Carson Air Group, which “consists of 38 hangar owners but only one lease. ... if the lease were to be pulled on one hangar owner, that would be basically punishing the entire group. That could create a bit of a problem over there in the Carson Air Group area ...” Mr. Rowe deferred to Airport Authority Counsel Tackes for the answer.

Mr. Tackes advised that “the lease is to the Carson ... Air Group as a whole. So if there’s a violation anywhere on the lease, that’s a violation of the whole lease. And so, ... the remedy would be to notify the association that you’ve got a violation on your lease. You have a certain amount of days to correct it or, otherwise, you’ll be in default. That’s what the terms of the lease say. Now, that may sound cold and abrupt, but you have to temper that a little bit with the other provisions of law ... in my briefing memo. First of all, the Airport Authority does have the right to inspect hangars. That’s both in the lease and in Title 19. However, ... it’s written in there to address problems. And, in the past, prior to the current airport manager, the prior airport manager did occasionally inspect hangars and what she did is she’d inspect them when there was a problem that was reported to her that involved something that was unsafe. She would show up and she would look at the hangar and try and figure out what’s the problem here? Can we resolve it? That’s the way it’s been done. I realize that Mr. Rowe has indicated that that has not happened during the five years he’s been here so there’s a little bit of a gap there.

“... you have the right to do it. But when you look at Title 19, it’s conditioned on something being identified as being wrong. I think what’s being proposed here is a ... door-to-door search ... approach to a hangar inspection and ... that’s quite a bit different than what’s envisioned in ... Title 19 and what’s envisioned in the leases which is you would be inspecting it if there was a problem that you’re trying to correct that was noncompliance with the lease.

“... the proposal for the policy or for this inspection is very different than what was done in the past. Candidly, you have the ability to do that and adopt that but you need to decide as to the wisdom of that. The fact that we don’t have a final audit report is significant. ... at the time that we had the exit interview with the FAA Auditor, he mentioned that he’d like to see an inspection of the hangars. I fully expected that he would back that up with some legal authority for doing that. The hangar use policy, which was issued by the FAA, is not legal authority for doing that. It is legal authority for, ‘you can use your hangar primarily for aircraft and aviation use and any other use that doesn’t interfere with that use.’ That’s really what the hangar policy says and it doesn’t say you do a door-to-door search. It doesn’t say that you bring along with you the building department to look for any potential building code violations and things like that.

“Now, there’s a balance that goes on here. ... there’s a legitimate concern that hangars are used for aviation purposes and all of those of us who are in hangars or have aircraft in hangars, we would like to have some comfort that the person in the hangar next to us doesn’t have a bomb factory ... or is doing something in there that might be somehow dangerous; that might end up burning down our row of hangars and threatening our hangars and our aircraft. So, there is some legitimate reason there to have some kind of inspection or some kind of standard but the approach that’s being proposed here is a pretty dramatic change from what’s been done in the past.”

Mr. Tackes recommended “that, if you’re going to go forward with something like this, you probably should amend that provision of Title 19 that says that hangar inspections only occur after something is presented to this [Airport Authority] and the [Airport Authority] authorizes that hangar inspection. That was written to deal with specific items. Now, arguably, you could say that the presentation of a proposal to inspect them all constitutes that kind of a request to you. That’s not what was discussed when Title 19 was adopted. … there’s a lot of moving parts here.” Mr. Tackes advised of having addressed many of the concerns in his briefing memo “because at the end of the day, your constituents, the people that you are serving are both the citizens of Carson City and the tenants on the airport. They’re the ones who are the users of the airport. They’re the ones who are paying the rent that’s paying the bills and the overhead. And it’s important that you do things like this in a cooperative tone with them as opposed to we’re going to do a door-to-door search. … the Fire Department doesn’t do that in neighborhoods and go door-to-door looking for Fire Code violations. The Assessor doesn’t go door-to-door down the properties to look for things to assess. … something needs to be tempered here and … that’s the problem that you need to wrestle with.”

Mr. Tackes responded to questions of clarification regarding the provisions of Title 19. Mr. Tackes noted “we’ve had complaints before that people don’t have … aircraft in their hangars. But one of the other things that you all know … is there are people who have hangars in multiple cities. They have multiple aircraft and hangars in multiple cities and they move them around and the airplane goes with them where they’re traveling or they use them for different purposes. It’s entirely possible that you would have hangars that you would go in and inspect and you’re not going to find an airplane in it because that airplane is … in Los Angeles or that airplane is in the State of Washington because that’s where they fly between. And so, … you kind of have to think through how is this really going to work so that you can assure yourself that the hangars are properly being used.”

Vice Chairperson Stotts expressed the opinion that “it probably really wouldn’t be fair to drag the Fire Department out here.” He expressed an interest in knowing the opinion of pertinent Fire Department representatives “because when you … look at it, as you mentioned, it’s quite a deal to have all of these people. … there’s a regular posse coming out there going around inspecting every hangar on the airport.” Vice Chairperson Stotts noted that the hangars “are considered commercial buildings. They’re held to a different standard of fire safety than residences are.” Vice Chairperson Stotts expressed concern that “it’s almost like a fishing expedition on the part of the fire department but also on the part of the building department.” He expressed the opinion “it would be difficult to get all of the owners of these hangars together at the same time for an inspection. So there’s three issues there. How do you get the posse together and, especially, the fire department? How do you get the owners there? And how do you get the building inspectors, who could come up with some unpleasant surprises for people that may or may not apply depending on when the hangars were built?”

Mr. Rowe clarified that he did not intend to conduct “mass hangar inspections. My idea was to take a section at a time. You have to schedule it out because you have to get all the entities on board and scheduled for a certain date. Then you notify the hangar owners and just as long as somebody’s there to unlock the door. … We don’t have to go through boxes, we don’t have to interfere with anybody’s private stuff. That’s not my intent. All we’re looking for is compliance and compliance can be just a visual inspection. … I’m okay with an owner’s designee. He can have somebody just open the door for us and that can be scheduled thirty days in advance or whatever date we so choose. This isn’t going to be a surprise inspection. I won’t do that. I don’t think that’s fair to the tenants.” Discussion followed.

In response to a question, Mr. Tackes advised of having discussed liability concerns in his briefing memo “because we don’t have details on how exactly this would work.” He advised that he “would not be comfortable with people … going into my hangar without me present. Plus, the other thing is, we have commercial fire inspections on our law office on a somewhat regular basis and they find something every time. … we’re usually thankful that they’ve notified us of a Code violation … My experience has been they’re going to come through, they’re going to find things and you’re going to have a tag list of things to correct which means that there’s also going to be a follow up review. So, on each hangar that would be inspected, it sounds like there’s really going to be two inspections. And, like you say, it’s a big dedication of time and resources … That’s definitely something that should also be worked out if you’re going to go down this path.

In response to a question, Mr. Rowe advised of having left a message for Fire Prevention Captain Dave Ruben “to ask these very questions. … Since this is probably not going to be settled tonight, it will give us time to sit down and perhaps have him at the next meeting to discuss these things.”

In response to a series of questions, Mr. Tackes advised that, based on his review, the FAA does not mandate inspections as proposed. Mr. Tackes clarified that the “FAA Inspector said it would be his recommendation that we do it. … I was assuming at that time, I would look at the Code and see that, the FAA Hangar Policy Use that’s issued by the FAA in June or some other FAA requirement. I was unable to locate one. Now, if there’s one out there, I don’t know about it. … Usually, when the FAA is talking about this, they make these references to the FAA … grant assurances which usually … that gets our attention because our FAA funding, every time we get an FAA grant, we sign off on the assurances … But if you look through the assurances, the only one that directly addresses hangars says that we must give hangar leases long enough to tenants so that they’re actually able to enjoy the use. In other words, it’s got to be long enough that they can amortize their investment and make it realistic. There isn’t anything about that. There’s a bunch of other provisions that they make reference to … where they say … if you don’t make sure that you’re in compliance with all the FAA regs and rules, then you run the risk of losing your FAA AIP funding and … their argument … is we have a hangar use policy that we issued as a regulation and, so, if we think you’re not complying with that, we could, arguably, call that a violation of the FAA assurances and say you don’t get a grant. But it’s a pretty stretched argument.

“And the other thing is, when you look at the hangar use policy, … it’s only six pages long and, at the very end, it says here’s the remedy if you don’t follow the hangar use policy. ‘The FAA may disapprove an AIP grant for hangar construction if there are existing hangars at the airport being used for non-aeronautical purposes.’ I have never seen an FAA AIP grant for hangar construction, at least not on our airport … And I don’t know what the scenario would be where we would qualify for an FAA grant to construct hangars. The underpinning of the hangar use policy … is … the vast majority of airports, they own the hangars. They built the hangars, they own the hangars, they rent them to individuals. And, when you think about that and read the hangar use policy, it makes more sense than when you apply it to our model where we rent out bare chunks of land. We have private investment come in and use their dollars to build hangars. We give them the right to condo-ize ownership so that people will actually spend the money and build a nice thing and then we … collect one rent check from each … development. And it’s worked very well for … this airport. We have a vibrant aviation community, more so than a lot of the airports that are our size in other communities. And … it’s worked well for us, but when you try and match that model against the hangar use policy, there’s a whole bunch of things that just don’t fit and I think it’s because when the FAA was doing this, they were thinking about the other model where we own all the hangars.

“They’ve got a lot of stuff in here about you’ve got to supervise it and make sure there aren’t waiting lists for hangars. Well, that doesn’t apply to us. We’re not the ones who can decide whether you rent or don’t rent a hangar. That’s not in our power because of the model that we set up. And they have stuff about monitoring the lease rates on hangars. Well … we didn’t put up the capital investment. We’re not the ones who are trying to recover an investment. It’s the private investors. So, the hangar use policy, it’s helpful because it’s a relaxation of what some people believe the old policy was. … when you read through it, it sounds like the FAA is trying to clarify what people misunderstood before because there were places before where some regional offices of the FAA were saying if there isn’t an airplane in every one of those hangars, and only an airplane, you’re in violation of the … hangar use policy. And I think the FAA came out on this and said, … ‘wait a second …’ The dominant, primary use needs to be for aircraft and aviation. But if you want to store other stuff in there, as long as it doesn’t interfere with the airplane, the aircraft use, it’s okay. … even when the FAA inspector was here, he apparently on his own stuck his head in a hangar door and found a hangar where there was an airplane in it but there were a bunch of boxes and other stuff in front of the airplane. And his reaction to that is, wait a second, that’s not dominant use for the airplane because you can’t easily pull it in and out. I don’t know how that was ultimately resolved. But, when I heard about that, I said, ‘Come on, I’ll show you my hangar.’ … we went to my hangar, looked at my hangar, there’s two airplanes in it. Clearly, they’re designed to come in and out and, while we were there, my neighbor, Dan Arnold, had his door open and you could see his airplane, front and center in the middle. And, yeah, he had a motorhome or a boat … he has something else in the back but it clearly does not interfere with his use.

“And so, I think the FAA Auditor is trying to do the best he can with the job he’s been given but I don’t see that we’re in a violation status and I don’t see that, there certainly is not a specific requirement that we need to do annual inspections or mandatory inspections.”

In response to a question, Mr. Tackes expressed the opinion that “there’s ample provisions in the FARs that say if you accept FAA AIP grant funds, you need to comply with all the FAA FARs … and that would include the FAA’s hangar use policy. … they can legitimately say … your primary use of your hangars needs to be aviation. I think they can do that even though there’s private dollars there, but I understand the argument …” Mr. Tackes advised he had not brought up the issue with the FAA because “after all, the FAA is our partner. We like to work with them as much as possible and, so, when we can accommodate them we do.”

Chairperson Law expressed the opinion that it would be wise to wait for the final FAA report before discussing the subject matter further. She entertained additional questions or comments of the Airport Authority members. In response to a question, Airport Engineer Jim Clague advised of having heard discussion “at conferences” that grant funding could be restricted “because there were not airplanes in the hangars.” Mr. Clague clarified that “with the folks at the ADO, their primary function is to just administer grants. And it’s Robert Lee who’s the compliance officer for the western region … That’s his function … just to make sure that airports are in compliance with the grant assurances. But it isn’t like he goes on a witch hunt or anything like that. … he was asked by the Phoenix ADO to come do an inspection here and, in his draft report, he found no violations. He only made a couple of recommendations … In any case, the ADO, their primary function is just to administer the grants and they make the assumption that we are following all the grant assurances and so are we. There’s so many of them, sometimes it’s hard to know whether we are following them properly but I believe we are.”

Chairperson Law entertained additional Airport Authority member questions or comments and, when none were forthcoming entertained public comment. She provided direction that comments would be limited to three minutes per person, and requested that comments not be repeated.

(6:49:37) Mark Robinson advised that he is a part-owner of Heritage Hangars ... “probably one of the more modern ones on the field and this even scares me. ... we’re probably one of the two that actually has a whole fire suppression system in there but, after running a company for 42 years and dealing with public agencies, there’s no such thing as a free inspection. And I can guarantee that, some way or another, you’re going to pay for that inspection. That’s the way it is. ... here’s my real point. You’re a unique airport here that you built all these hangars with private funds. And ... Minden’s building hangars down there at twice the rate we are and, if the word gets around that we’re piling on more regulations, more inspections, you’re going to push away investors.” Mr. Robinson cautioned “about the message that we’re sending out there to the community if we want to grow this airport.” He expressed a desire to “see this airport grow and I think it’s working just fine the way it is. ... if it ain’t broke, don’t fix it.” He suggested that the “scariest words in the English language are ‘the government’s here to help.’” In response to a question, Mr. Robinson advised that the hangars being constructed at the Minden Airport are privately funded.

(6:51:47) David Corrao discussed his involvement in developing an airport master plan in the late 1990s / early 2000s. “We put together a major master plan with realignment of the runway. We brought an awful lot of new construction to this airport ... There is a lot of financial investments here because we were the type of airport that people wanted to come to. At this juncture, it appears to me that the FAA Agent came through here, tried to elect a deputy, and I think the deputy now wants to become sheriff.” Mr. Corrao reviewed FAQs from the FAA website on the FAA policy on use of hangars at obligated airports. “There is no mandate with the federal guidelines, as they exist today, to have mandatory annual inspections. There is no mandate that the airport manager ... becomes an agent of the FAA in doing ramp checks not on the ramp but now inside individual private owner hangars ... There are many questions in the FAA questions and answers that are part and parcel of what is being proposed here, stating that what’s being proposed is not a mandatory item. ... I understand they’re suggestions but that doesn’t mean that this airport that has been very fruitful in having individual investors come in now be put in a place where they don’t have quiet enjoyment of the entities that they have built. This document, ... the proposal physically goes out and states that recreational vehicles, boats, motor homes, trailers, campers, will not be allowed. There’s nothing in the FAA regulations for hangar inspections that preclude those if the primary use of the aircraft hangar is for aircraft storage. I could go on but I think you’ve gotten the drift, between Mr. Tackes’ summarization of the FAA rules, what will probably be said by others besides me.”

Mr. Corrao advised that he was also representing Sierra Mountain Air Park North and Sierra Mountain Air Park South. “Those hangar owners have asked me to express their concerns to you in this matter. There was an incident, when I was on the [Airport Authority] where it was necessary to go through Title 19 and the leasehold requirements that were written to have a hangar inspected. In this instance, it was necessary to have the Sheriff come out here and, through interpretation of the some of the guidelines by the Attorney General, at that time, ... we were able to come up with the guidelines for the Sheriff’s Department to follow so that they could, indeed, cite the individual that was in noncompliance. And, at that same juncture, the citation did carry a penalty with it. It was paid, in fact, there were two citations issued for noncompliance the second time. So there are means and rigors, within Title 19 already and the guidelines of the leasehold for each of the individual hangar owners, that allow prudent inspection if it is a necessary event to take place. I don’t think we need any additional guidelines

for hangar inspections or mandated hangar inspections.” Mr. Corrao expressed the opinion that the subject item should not be tabled for further discussion. “I think it should be nipped in the bud. I think it should be eliminated and I think we should go on with other pressing matters here at the airport.”

(6:57:11) Lud Corrao advised of having built eleven hangars on the airport “under our name with our money. We spent over \$2.5 million doing so. That’s the airport north and south and I’m the manager of both of those entities, plus I have the 12,000-foot hangar on the very north end ...” Mr. Corrao advised of having discussed the subject matter in depth prior to coming to the meeting. He expressed agreement with David Corrao’s opinion that the matter should be dispensed with at this meeting. Mr. Corrao stated, “We all have these hangars for a period of time while we’re here and able to use them. When it comes time to sell them, we won’t have anybody to sell them to if it becomes an airport where you have the brethren looking over what you’ve got in your hangar to tell somebody else to come open your door.”

(6:58:10) Erick Laetsch expressed understanding for the rationale behind inspections, and pointed out that the Airport Authority has been in existence for 25 years. “A lot of people have sat up there and have thought about this and gone through the issues that you’re now considering. As a matter of fact, ... it was about eight years ago, with the full Authority present, this issue was discussed at length. And, at that time, ... there was a unanimous decision setting the policy that we would not have these inspections; that we would do as Mr. Tackes outlined and deal with problems when the problems come up.” Mr. Laetsch suggested “another very important issue ... that has not been touched on ... and that is, within the proposal that has been brought to you, you have two distinct elements. One is the request for authority to conduct inspections and have the airport manager go out and drag in other departments in the City without necessarily regard for their resources, their timing, and so on. It’s a little embarrassing if our airport manager is trying to tell the Carson City Fire Department how they ought to do their job. But, beyond that, within the proposal made to you is a whole set of new hangar use policies. It’s astonishing. We’ve been in existence here for 25 years. I’ve had a hangar for 17 years and now we’re going to have something that is not even agendized and that is for a decision as to what the new hangar use policies will be.” Mr. Laetsch requested the Airport Authority members to “follow precedent. This is attempting to swat a mosquito with a baseball bat. If there are specific problems, ... come knock on my door.”

(7:01:59) William Fletcher advised that he represents a group which has “built on the airport” and that he also served on the Airport Authority with David Corrao. “We ... made this airport do things that no one else has done or had done previously or currently.” In reference to a previous question, Mr. Fletcher offered to talk with Member White about development at the Minden Airport. “There’s many things to get done to get this airport on the right track to getting more hangars and more aircraft but ... the problem is ... with the proposal, you are now looking at deflating this airport, taking the wind right out of it. You’re scaring people. ... I invested a ton of money in this airport. I believe in this airport. I still do. I would like to invest more money but with the constraints that you have put on us, I’m scared half to death ... I’m going to lose what I’ve got in it because of the rules and the farce going on. We don’t need this on this airport. Show us an incident where we’ve had a fire due to chemical spills and EPA spills and different things like that.”

Mr. Fletcher provided background information on his development, and noted “we pay one bill. And our turn is to monitor all the members of our association. That’s the hammer you have ... You can tell the association that you have a member that’s not conforming. We don’t need inspections. We self-monitor because we know if we’re in violation, ... we could lose our lease. And, in turn, we lose everything we have invested, the individuals

do and everybody else involved.” Mr. Fletcher advised that he has eleven T-hangars and that he does not have a key to each one due to liability concerns. “I don’t monitor them. Whatever they do in their hangar is up to them as long as they abide by Title 19, our association rules, and various state laws and everything else. And, to my knowledge, everybody is doing that. … We have a lot of absentee people that live at the Lake, live in Southern California, live in the Bay Area. There is no way they’re going to make time to come over here or authorize somebody else to go through their private material for the fear … who’s liable for it?”

Chairperson Law advised that the subject proposal “was penned in the broadest strokes. That does not mean that it’s going to go forward as it is and … until we get the FAA’s final report, we need to … table it for now. If the FAA report comes and does not direct us to do that, that’s a different thing. But if the FAA report comes and it has some kind of authority behind it, then we need to be able to consider it. And … that’s the reason it was on the agenda tonight.”

Chairperson Law entertained additional public comment. (7:06:30) Dr. Brad Graber advised of two FAA documents, one of which will take effect on or about June 1, 2017. “That second document is a result of the FAA searching out this very subject and it resulted in … the new document. The basis to that document is interesting in that they specifically say … that they’re not the sheriff in town anymore. But rather, they leave it to the individual Authorities or sponsor … to take care of hangar usage. And sponsor is really important here because sponsor is the person or entity, it would be a city or a county that actually has accepted funds and, in that document, the funds are always referred to the purchase of land and the purchase of hangars. Nowhere in that document is it stated our situation in Carson City. And, again, it’s up to the Authority to take care of it because the FAA simply doesn’t have the people to do it anymore.”

Dr. Graber reviewed the history of hangar development in Carson City, and pointed out that “all of these structures are private. There is no sponsored hangar on this airport. The only building on this airport that might have federal funds is the state hangar. … Dr. Graber reviewed the history of the airport property acquisition and advised “we are not considered a sponsor according to the FAA’s document. We didn’t take money to buy dirt. We didn’t take money to build buildings. It’s totally private. And when you read that second document, which is the current one now, … nowhere in there does it describe a situation which we have the luxury of in Carson City. And that is the development that we have found.” Dr. Graber noted the significant tax base resulting from the capital investments, and pointed out that “about fifty percent of the taxes that we pay go to the schools in Carson City. So we need to really appreciate the fact that our airport is a very good contributor to Carson City. That’s a heck of a bunch of money to go to the schools.” Dr. Graber suggested imagining no private hangars but rather that Carson City was a sponsor. He suggested imagining the type of development on the airport, and pointed out that “had [Carson City] done it, you’re looking at at least four employees in Carson City in order to collect the taxes and do the maintenance. We take care of all of that ourselves.”

Dr. Graber stated, “This happened over the last 70 years. That’s precedent. Precedent was started here 70 years ago and precedent gives us the way that we use our hangars at the airport. When you consider the FAA documents, which we’re really looking at Washington, D.C. telling Carson City and the rest of the continent how to run their business. It’s not appropriate. … Precedent should rule.” Dr. Graber requested the Airport Authority to consider “leaving us alone and let us continue the way we have over these 70 years. We’ve done a good job. We’ve taken care of ourselves. When we’ve seen a problem in a hangar, we reported it … to the airport manager … and it was taken care of.”

“Some would say that the federal grant money … will no longer come to the airport. That’s just absolutely wrong. They have spent a lot of money here and they have not questioned the way we use our hangars because, as they walked around and drove their trucks around, they saw exactly what we all see: nice structures, well kept up, asphalt in between, nothing’s being broken down, everything is just swell.” Dr. Graber requested the Airport Authority to disregard the proposal, and to consider that “70 years of precedent should stand; … to be satisfied that Carson City receives 50 percent of our tax dollars. Please don’t mess with a really, really good thing.”

Chairperson Law entertained additional public comment and, when none was forthcoming, additional discussion of the Airport Authority members. When no additional discussion was forthcoming, Chairperson Law entertained a motion. **Member White moved to maintain the status quo and only initiate hangar inspection when a credible violation of the FAA Rules is brought forward. Vice Chairperson Stotts seconded the motion.** Chairperson Law entertained discussion on the motion and, when none was forthcoming, called for a vote.

| | |
|--------------------|---------------------------|
| RESULT: | APPROVED (4-0-0) |
| MOVER: | White |
| SECONDER: | Stotts |
| AYES: | Law, Stotts, Tores, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

Chairperson Law recessed the meeting at 7:17 p.m., and reconvened at 7:27 p.m. A quorum was still present.

F-3. FOR POSSIBLE ACTION: TO APPROVE AN AMOUNT NOT TO EXCEED \$11,000 IN EXPENDITURES FOR UPGRADING THE TERMINAL ELECTRICAL SYSTEM WIRING AND THE ADDITION OF BASEBOARD HEATING FOR THE WEST WING OF THE TERMINAL BUILDING

(7:28:02) – Chairperson Law introduced this item, and Mr. Rowe reviewed that portion of his manager’s briefing which was relevant to this item. Mr. Rowe responded to questions regarding accommodations for Airport Maintenance Manager Gary Province; and anticipated lease income for the west end of the terminal. Mr. Rowe responded to additional questions of clarification, and discussion followed.

Chairperson Law entertained public comment and, when none was forthcoming, a motion. **Vice Chairperson Stotts moved to approve a not-to-exceed amount of \$11,000 to upgrade the terminal electrical system wiring and the addition of baseboard heating for the west wing. Member Tores seconded the motion.** Chairperson Law entertained discussion on the motion and, when none was forthcoming, called for a vote.

| | |
|--------------------|---------------------------|
| RESULT: | APPROVED (4-0-0) |
| MOVER: | Stotts |
| SECONDER: | Tores |
| AYES: | Law, Stotts, Tores, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

F-4. FOR POSSIBLE ACTION: TO APPROVE AN AGREEMENT WITH TKDA TO PREPARE AN INDEPENDENT FEE ESTIMATE FOR THE AIRPORT MASTER PLAN UPDATE AT THE CARSON CITY AIRPORT

(7:38:20) – Chairperson Law introduced this item. Airport Engineer Jim Clague provided background information, reviewed the agenda materials, and responded to questions of clarification. Chairperson Law entertained additional questions or comments of the Airport Authority members and, when none were forthcoming, public comment. When no public comment was forthcoming, Chairperson Law entertained a motion. **Member White moved to approve the agreement with TKDA, for a lump sum amount not to exceed \$4,000, to prepare an independent fee estimate for the Airport Master Plan Update at the Carson City Airport. Vice Chairperson Stotts seconded the motion.** Chairperson Law entertained discussion on the motion and, when none was forthcoming, called for a vote.

| | |
|--------------------|---------------------------|
| RESULT: | APPROVED (4-0-0) |
| MOVER: | White |
| SECONDER: | Stotts |
| AYES: | Law, Stotts, Tores, White |
| NAYS: | None |
| ABSTENTIONS | None |
| ABSENT: | Shirk |

F-5. FOR POSSIBLE ACTION: DISCUSSION AND POSSIBLE ACTION ON ITEMS RELATED TO THE CARSON CITY AIRPORT PROJECT TO REHABILITATE THE NORTH APRON (FAA AIP NO. 3-32-0004-30), INCLUDING MONTHLY STATUS REPORTS, POTENTIAL CHANGES TO THE WORK OR WORK SCHEDULE, CONSTRUCTION CHANGE ORDERS, AND OTHER RELATED ITEMS

(7:43:32) – Chairperson Law introduced this item, and Airport Engineer Jim Clague reported on the weekly construction meeting held earlier in the day. “The latest schedule from Granite [Construction] is that they plan to get substantially complete by November 4th ... This Friday, they’re going to remove all the traffic controls so tenants can move freely about on the north apron but there will be work going on in various small portions throughout the apron. ... What will be lacking is apron lighting. The poles apparently are difficult to get and they actually don’t manufacture poles for light standards until the contract ... is in place. ... The poles aren’t scheduled to arrive until the end of November, but within the contract period and ... those will be erected.” Mr. Clague advised of NV Energy concern over “some of the components that they use when they provide service and, because this is a federally-funded project, they’re concerned that some of the components that they use in providing the service weren’t made in America which is a grant assurance. ... we’re working that out ...”

Mr. Clague reported that the project is “way ahead of schedule and it’s primarily because they are a very good contractor.” He further reported that the project is “way under budget because we eliminated two concrete pads ... We’ll probably bring a change order to next month’s meeting and, right now, it looks like we’re going to end up about \$50,000 under the construction budget.” Chairperson Law advised of having attended most of the construction meetings, and commended Granite Construction and their subcontractors as excellent. Chairperson Law entertained questions or comments; however, none were forthcoming.

G. AIRPORT ENGINEER'S REPORT

(7:49:50) – Mr. Clague presented the Engineer's Report.

H. AIRPORT MANAGER'S REPORT

(7:50:56) – Mr. Rowe reported that the cooperative agreement, between the City and the Airport Authority, was amended at the October 6, 2016 Board of Supervisors meeting to provide benefits to the Airport employees. Mr. Rowe advised that a request for proposals was opened “to seek out healthcare for the … City employees. No decision will be made to determine the type of healthcare plans that would be available until at least March. We may not know anything … until May …” Mr. Rowe proposed that any further discussion of the matter be postponed until May 2017, at which time more information will be available. Discussion followed.

I. LEGAL COUNSEL'S REPORT

(7:54:29) – Mr. Tackes advised of nothing additional to report.

J. TREASURER'S REPORT

(7:54:39) – Member White advised of not having prepared a report because he had not received the “appropriate financials.” Chairperson Law deferred this item to the November meeting.

K. REPORT FROM AUTHORITY MEMBERS

(7:55:11) – Chairperson Law entertained reports; however, none were forthcoming.

L. PUBLIC COMMENT

(7:55:20) – Chairperson Law entertained public comment; however, none was forthcoming.

M. AGENDA ITEMS FOR NEXT REGULAR MEETING

(7:55:21) – Chairperson Law requested the Airport Authority members to submit proposed future agenda items to the Airport Manager.

N. ACTION ON ADJOURNMENT

(7:56:01) – Chairperson Law adjourned the meeting at 7:56 p.m.

The Minutes of the October 19, 2016 Carson City Airport Authority meeting are so approved this 16th day of November, 2016.

LINDA LAW, Chairperson