

**RENO-TAHOE AIRPORT AUTHORITY
BRIEF OF MINUTES
MEETING OF THE BOARD OF TRUSTEES
November 6, 2008
8:15 a.m.**

MEMBERS PRESENT

Thomas Gribbin
Lynn Atcheson
Larry V. Harvey
Joseph W. Mayer
Brooks Mancini
Mary Simmons
Randi Thompson
John Wagon

EXCUSED

Bill Newberg

ALSO PRESENT

Krys T. Bart, A.A.E.
President/CEO
Marily M. Mora, A.A.E.
Deputy Executive Director
Ann Morgan
Counsel/Jones Vargas
Theresa Finley
Clerk of the Board

The Board of Trustees met in the Board Room, Airport Authority Administrative Offices, Reno-Tahoe International Airport, Reno, Nevada. Chair Tom Gribbin called the meeting to order. The Pledge of Allegiance was recited and RTAA employee Mark Cameron performed the invocation. Roll was called.

PRESENTATIONS AND AWARDS

Employee and Tenant Recognition

Marily Mora presented Tony Osendorf, Manager of Finance, with the Distinguished Budget Award and plaque.

Skip Polak, Reno-Stead Airport Manager, received a letter of recognition and a commemorative coin from the National Transportation Safety Board for his assistance during an aircraft incident on September 6, 2008.

Introduction of New, Promoted and Retired Employees:

Marily Mora introduced new employee Cindy Fraser, hired as a part-time Executive Assistant and Becky Richter, hired as a part-time Administrative Assistant.

Tenant Communication:

None

APPROVAL OF MINUTES

On motion by Trustee Wagon, second by Trustee Mancini, which motion duly carried by unanimous vote, the Board approved the minutes of the Board Meeting of October 9, 2008.

APPROVAL OF AGENDA

Chairman Gribbin proposed moving Committee Reports to Board Information and Discussion as there was no Caucus Meeting in November and moving the Civil Air Patrol presentation ahead of the Consent Agenda. On motion by Trustee

Atcheson, second by Trustee Mancini, which motion duly carried by unanimous vote, the Board approved the Agenda as revised.

Presentation

Colonel Ralph Miller, an officer of the Civil Air Patrol (CAP) gave a presentation regarding a difference of opinion between the Civil Air Patrol and the Reno-Tahoe Airport Authority (RTAA). Colonel Miller explained that he has given several presentations at a series of public forums. He also stated that he had previously made a presentation to staff.

Colonel Miller stated that the CAP has requested that reduced rent space be made available at RTIA and was informed that RTAA indicated that the CAP would be welcome if they paid full rent. He also stated that the CAP was told no rent reductions at either Reno-Tahoe International or Reno-Stead Airports would be available.

Colonel Miller outlined 3 reasons this decision was unacceptable to the Civil Air Patrol. He also distributed a list of airports either considerably larger or regional airport comparable in size to the RTIA.

1. Contrary to current standard national airport and industry practices - All host CAP facilities and have a nominal yearly rent associated with the lease. Additionally, he stated that the airports the CAP has polled that no airport has declined request for reduced rent.
2. Contrary to published FAA policy – FAA does not have the authority to require reduced rents, however, there is published policy regarding the benefit of providing nominal rents to CAP units.
3. Contrary to the expectations of the State of Nevada – CAP is welcomed widely by Clark County and Clark County Commission who sees the CAP as a valued partner and integral to Nevada’s safety. Other airports in the Nevada Wing include Tahoe, Truckee, Minden, Hawthorne, Yerington, Elko, Ely, Winnemucca, and Nellis Air Force Base. According to Colonel Miller, Senator Reid has expressed his dissatisfaction with the RTAA decision and has appointed Bob Herbert to monitor the situation.

Additionally, Colonel Miller stated that 80% of all Air Force missions flown are by the CAP at significantly reduced costs. It saves taxpayers hundreds of millions of dollars. CAP has an annual operating budget of \$62 million and millions of hours donated by volunteers. However, the CAP has no appropriations for rent. The expectation is generally that local airports will provide land. The CAP has occupied its offices in Sparks since the 1940’s and it is seriously dilapidated and uninsurable.

Trustee Harvey expressed his displeasure with the CAP about not coming to the Board prior to going out into the community. However, further discussion should be held regarding this matter. Colonel Miller agreed and apologized for the break in protocol. Trustee Mayer inquired about how the Board plans on proceeding regarding further questions. Chairman Gribbin felt it most appropriate to meet with staff regarding the CAP request. Colonel Miller clarified that they are looking for a parcel of land approximately 7,500 sq. ft. and CAP will take care of all improvements. The CAP is willing to do in-kind services and nominal rent. They would like access to runways, but this is not critical. Trustee Thompson suggested the CAP should focus on land at Stead. Colonel Miller stated the primary reason for the CAP preference for being at

RTIA is the cadet program and issues parents have transporting their children back and forth to Stead. Additionally, the CAP is an emergency response team and Stead has a single artery that becomes clogged. Trustee Atcheson inquired about how many cadets are involved. Colonel Miller stated there are approximately 40-50 in the Reno squad.

Colonel Miller responded to Trustee Mayer's inquiry about the CAP intent to continue to go public. Colonel Miller explained that the CAP was twice turned down for requests for nominal rent. Therefore, they went forward to the public entities to inquire if it was a public sentiment. Trustee Mayer explained that the RTIA attempts to bring commercial aircraft to RTIA and smaller aircraft to Reno-Stead. Colonel Miller disputed this statement quoting FAA statistics regarding total operations and which percentage were scheduled carriers. He stated that there was an article in the RGJ that the airport said the reduction in commercial flights would be made up for by an increase in smaller aircraft landings at RTIA.

Trustee Mayer indicated that the CAP would have to prove that they will provide a significant benefit to the RTIA and community. Colonel Miller stated this was not an FAA requirement and it clearly states that it does confer benefit not that reduced rents will be granted if there is benefit, it will be granted because there is benefit and the FAA is willing to confirm that to the Board. Trustee Mancini stated that at the bottom of the FAA policy, it states that in-kind services provided may be used to offset rents at the Fair Market Value.

Chairman Gribbin advised that a follow up meeting with staff would be scheduled.

Public Comment

Sam Dehne, Reno citizen, spoke in favor of allowing the Civil Air Patrol to occupy land at the Reno-Tahoe International Airport.

CONSENT ITEMS FOR BOARD ACTION

No items

ITEMS FOR BOARD INFORMATION, DISCUSSION AND POSSIBLE ACTION

#08(11)-77 AWARD OF PROFESSIONAL SERVICES AGREEMENT FOR ONE YEAR OF EXTENDED WARRANTY AND MAINTENANCE SERVICES FOR THE RENO-TAHOE AIRPORT AUTHORITY PARKING REVENUE CONTROL AND GROUND TRANSPORTATION MANAGEMENT SYSTEMS WITH SCHEIDT & BACHMANN, USA IN THE AMOUNT OF \$231,750

Marty Mueller, Manager of Technology and Information Systems, gave a brief explanation of the extended warranty terms with Scheidt & Bachman, USA.

On motion by Trustee Mayer, second by Trustee Atcheson, which motion duly carried by unanimous vote, the Board approved Agenda Item 08(11)-77 as follows:

Authorized the President/CEO to enter into a professional services agreement for one year of extended warranty and maintenance services for

the Parking Revenue Control and Ground Transportation Management Systems at the Reno-Tahoe International Airport with Scheidt & Bachmann USA, and approved the associated disbursement of funds in the amount of \$231,750 and exempt from competitive bidding per Nevada Revised Statute 332.115.1(a) and (c).

#08(11)-78 APPROVAL OF EMPLOYEE INSURANCE CONTRACTS WITH SAINT MARY'S FOR MEDICAL FOR \$2,395,709 AND THE STANDARD FOR LIFE/LONG TERM DISABILITY COVERAGE FOR \$200,260 FOR 18 MONTHS (JANUARY 2009-JUNE 2010); AND SELF-INSURING PRESCRIPTION, DENTAL AND VISION COVERAGE

Julie Sternberg, Benefits Coordinator, gave a presentation on the new health benefits contracts and some of the possible changes to the plans. Staff was commended for the hard work that is required to negotiate these contracts.

Trustee Mayer disclosed that he is on the Board of Governors for the Northern Nevada Medical Center and they do have a number of limited agreements with Saint Mary's but indicated this would not present an issue regarding voting on this item.

On motion by Trustee Harvey, second by Trustee Wagnon, which motion duly carried by unanimous vote, the Board approved Agenda Item 08(11)-78 as follows:

Approved the following for the 18-month period from January 2009-June 2010 and authorized the President/CEO or her designee to execute the contracts: Employee group medical coverage through Saint Mary's for \$2,395,709; group life/long term disability coverage through The Standard for \$200,260; self insuring the Airport Authority's prescription coverage utilizing CatalystRx as the Pharmacy Benefit Manager to manage claims processing; self insuring the Airport Authority's dental coverage utilizing the Diversified Dental Network and CDS Group Health to manage claims processing; and self insuring group vision coverage utilizing Vision Service Plan to manage claims processing.

ITEMS FOR BOARD INFORMATION AND DISCUSSION

President/CEO's Report

The President/CEO informed the Board that they had received the President/CEO's Report in their folders. There were no questions.

Committee Reports

Trustee Thompson gave an update on the Airport Noise Advisory Panel, Trustee Mancini presented an update on Reno-Stead Airport projects, and Trustee Atcheson announced the date for the next Community Outreach Committee and gave an update on the efforts made by the RSCVA regarding bringing new conventions to the Reno-Tahoe area. Krys Bart thanked Trustee

Acheson for her support of the Airport with the RSCVA and explained that one of the military conventions that cancelled was due to a one-carrier situation not a lack of air service to the region. Also, the Safari Club has expressed their dissatisfaction regarding lack of air service, however, this is attributed to the group not willing to pay the additional cost that the charter airlines require.

Trustee Mayer pointed out that the Board had received the minutes from the November 2008 Finance and Business Development Meeting and indicated that there would be a few minor corrections to bring forward for approval at the December 2008 meeting.

Trustee Wagon announced the next Air Service Task Force meeting date.

Chairman Gribbin stated there was nothing to report on the Planning and Construction Committee as there were no items this month.

PUBLIC COMMENT

No public comment.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:41 a.m.

Chairman Tom Gribbin

ATTEST:

Secretary, Joseph Mayer