

BOARD OF TRUSTEES

Adam Kramer, Chair
Richard Jay, Vice Chair
Jenifer Rose, Secretary
Lisa Gianoli, Treasurer
Shaun Carey, Trustee
Carol Chaplin, Trustee
Jennifer Cunningham, Trustee
Jessica Sferrazza, Trustee
Art Sperber, Trustee

PRESIDENT/CEO
Daren Griffin, A.A.E.

CHIEF LEGAL COUNSEL
Ian Whitlock

CLERK OF THE BOARD
Lori Kolacek

MINUTES
REGULAR MEETING OF THE BOARD OF TRUSTEES

Date: Thursday, April 13, 2023

Time: 9:00 a.m.

Location: Reno-Tahoe International Airport, 2001 E. Plumb Lane, Reno
Admin Offices, Main Terminal Building, Second Floor

1. INTRODUCTORY ITEMS

1.1 Call to Order

The meeting was called to order at 9:00 a.m.

1.2 Pledge of Allegiance

Police Chief, Ricardo Chief Duarte, led the Pledge of Allegiance.

1.3 Roll Call

Roll was taken by the Clerk of the Board.

PRESENT: Adam Kramer, Richard Jay, Jenifer Rose, Lisa Gianoli, Shaun Carey, Jennifer Cunningham, Carol Chaplin, Jessica Sferrazza, Art Sperber

ABSENT: None

2. PUBLIC COMMENT

None

3. APPROVAL OF AGENDA

Trustee Cunningham requested that item 9.6 (Art Master Plan) be moved to item 9.1.

Motion: Motion to approve the agenda with the requested amendment

Moved by: Richard Jay

Seconded by: Jennifer Cunningham

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

4. APPROVAL OF MINUTES

4.1 March 9, 2023, Regular Board Meeting

Motion: Motion to approve the Minutes of the March 9, 2023 Regular Board Meeting

Moved by: Jenifer Rose

Seconded by: Richard Jay

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Abstain: Trusees Kramer and Cunningham

Vote: Motion passed

5. PRESIDENT/CEO REPORT

CEO Griffin updated the Board on how strong business has been at the airport. He also thanked Senator Rosen for her visit to the airport. Lastly, he welcomed back Tina Iftiger from her medical leave.

6. BOARD MEMBER REPORTS AND UPDATES

None

7. ITEMS OF SPECIAL INTEREST

7.1 Plane Awesome Award Presentation: Siaosi Afu

This presentation was presented by Amanda Twitchell, Sr. Project Manager.

8. CONSENT ITEMS FOR CONSOLIDATED BOARD ACTION

Motion: Approve items 8.1 and 8.2 as presented

Moved by: Art Sperber

Seconded by: Shaun Carey

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

- 8.1 Board Memo # 04/2023-12: Authorization for the President/CEO to execute a Professional Services Agreement for consultant services for design of the Airfield Signage Replacement & Taxiway Renaming Project at Reno-Tahoe International Airport, with Wood Rodgers Inc., in the amount of \$248,000**
- 8.2 Board Memo # 04/2023-13: Designation of Independent Auditor and authorization for the President/CEO to execute a five-year professional services agreement with two two-year extensions for auditing services with Crowe LLP in an amount not to exceed \$612,410**

9. INFORMATION / POSSIBLE ACTION ITEMS

Prior to hearing items 9.2 through 9.7, Trustee Sferrezza requested that the consent motion be reconsidered. She is requesting that item 8.1 be pulled for presentation and comment and requests that staff state on the record why they chose the consultant that they have.

Motion: Reconsider the previous consent motion to pull item 8.1 for presentation and comment and approve item 8.2.

Moved by: Art Sperber

Seconded by: Richard Jay

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrezza, Sperber

No: None

Vote: Motion passed

Chair Kramer stated that item 8.1 will be heard after item 9.6.

9.6 Board Memo # 04/2023-18: Adoption of the Reno-Tahoe Airport Authority Public Art Master Plan by Consultant Forecast Public Art

This item was presented by Annie Turner, Relations & Cultural Engagement Manager. David Walker, CEO of the Nevada Museum of Art, gave a brief presentation depicting the long-standing and wide reputation the museum has for public art.

After discussion and comments, the Board took the following action:

Motion: Adopt the Reno-Tahoe Airport Authority Public Art Master Plan which provides strategic direction for the successful integration of the RTAA's current art program with Resolution No. 552

Moved by: Jennifer Cunningham

Seconded by: Jenifer Rose

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrezza, Sperber

No: None

Vote: Motion passed

Chair Kramer called for the presentation on item 8.1.

8.1 Board Memo # 04/2023-12: Authorization for the President/CEO to execute a Professional Services Agreement for consultant services for design of the Airfield Signage Replacement & Taxiway Renaming Project at Reno-Tahoe International Airport, with Wood Rodgers Inc., in the amount of \$248,000

This item was presented by Jon Lau, Project Manager, and was first heard by the Planning & Construction Committee on April 11, 2023. After discussion and comments, the Board took the following action:

Motion: Authorize the President/CEO to execute the Professional Services Agreement for consultant services for design of the Airfield Signage Replacement & Taxiway Renaming Project at Reno-Tahoe International Airport, with Wood Rodgers inc., in the amount of \$248,000, and authorizes the President/CEO, or her designee, to sign

Moved by: Jessica Sferrazza

Seconded by: Jenifer Rose

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

9.1 Board Memo # 04/2023-14: Authorization for the President/CEO to execute Airline-Airport Use and Lease Agreements for a term of ten years with Alaska Airlines, Inc., American Airlines, Inc., Delta Air Lines, Inc., Federal Express Corporation, Southwest Airlines Co., United Airlines, Inc., and United Parcel Service Co.

This item was presented by Randy Carlton, Chief Financial Officer, and Tina Iftiger, Chief Commercial Officer and was first heard by the Finance & Business Development Committee on April 11, 2023.

Ms. Iftiger read a letter from Nick James, Southwest Sr. Regional Manager, into the record. That letter is attached to these minutes for reference.

Trustee Sferrazza moved to authorize this item as presented. The motion was seconded by Trustee Jay. Trustee Carey initiated a discussion concerning approval of this agreement based solely on an outline of the terms. After discussion, Trustee Sferrazza offered to amend her motion to include clarifying language. Trustee Jay seconded the amended motion.

Motion: Authorize the President/CEO to execute Airline-Airport Use and Lease Agreements for a Term of Ten Years in conformance with the terms presented to the Board in Attachment A with Alaska Airlines, Inc., American Airlines, Inc., Delta Air Lines, Inc., Federal Express Corporation, Southwest Airlines Co., United Airlines, Inc., and United Parcel Service Co.

Moved by: Jessica Sferrazza

Seconded by: Richard Jay

Aye: Trustees Kramer, Jay, Rose, Gianoli, Chaplin, Cunningham, Sferrazza, Sperber

No: Trustee Carey

Vote: Motion passed

9.2 Board Memo # 04/2023-15: Authorization for the President/CEO to execute a Professional Services Agreement for Executive Program Management and Support Services (EPMSS) for five (5) years with Red Brick Consulting, including a \$7,362,882 allocation for April 2023 to June 30, 2024

This item was presented by Gary Probert, Chief Planning & Construction Officer. This item was first heard by the Planning & Construction Committee on April 11, 2023. After discussion and comments, the Board took the following action:

Motion: Authorize the President/CEO to execute a Professional Services Agreement for Executive Program Management and Support Services for Five (5) Years with Red Brick Consulting, including a \$7,362,882 allocation for April 2023 to June 30, 2024

Moved by: Art Sperber

Seconded by: Jenifer Rose

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

9.3 Board Memo # 04/2023-16: Acceptance of the RNO Workspace Study Phase 2 recommendations for a replacement joint-use administrative headquarters and police station to be located in an existing overflow public parking surface lot, also known as the Yellow Lot, at the Reno-Tahoe International Airport

This item having been heard by the Planning & Construction Committee on April 11, 2023, and being recommended for approval by that Committee, no presentation was requested by the Board. Chief Duarte spoke a few words to the Board.

Motion: Accept the RNO Workspace Study Phase 2 Recommendations for a Replacement Joint-Use Administrative Headquarters and Police Station to be Located in an Existing Overflow Public Parking Surface Lot, also Known as the Yellow Lot, at the Reno-Tahoe International Airport

Moved by: Art Sperber

Seconded by: Jennifer Cunningham

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

9.4 Board Memo # 04/2023-17: Authorization for the President/CEO to execute a Construction Contract for the Terminal Loop Road Reconstruction, ADA, Safety/Security Improvements, and Canopy project at Reno-Tahoe International Airport, with Q&D Construction, LLC, for the Base Bid in the Amount of \$9,683,268.00, and authorize an Owner's Contingency in the amount of \$900,000

This item having been heard by the Planning & Construction Committee on April 11, 2023, and being recommended for approval by that Committee, no presentation was requested by the Board and there was no further discussion on this item.

Trustee Rose disclosed that Q&D Construction is a customer of a business she owns, Community Office Solutions, and represents less than 5% of their overall business. With that disclosure, she will participate in this vote.

Motion: Authorizes the President/CEO to execute a Construction Contract for the Terminal Loop Road Reconstruction, ADA, Safety/Security Improvements, and Canopy project at Reno-Tahoe International Airport, with Q&D Construction, LLC, for the Base Bid in the Amount of \$9,683,268.00, and authorize an Owner's Contingency in the amount of \$900,000.00

Moved by: Art Sperber

Seconded by: Richard Jay

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

9.5 Ground Transportation Center update (*informational*)

This update was presented by Brad Erger, Properties Manager. Board discussion and comments followed the presentation.

9.7 Board Memo # 04/2023-19: Authorization for the President/CEO to execute a Construction Contract for the Taxiway A & Aircraft Apron Reconstruction Project - Phase 4 at Reno-Stead Airport, with Granite Construction Inc., accepting the Base Bids and Bid Alternates 1 through 10 in the amount of \$4,476,476 and authorize adjustment of Airport Improvement Program cost allocation line items to maximize awarded Airport Improvement Program Grant on the project, as well as an Owner's Contingency in the amount of \$300,000, pending acceptance of a Federal Aviation Administration's Airport Improvement Program Grant

This item was presented by Bryce Juzek, Project Manager. After discussion and comments, the Board took the following action:

Motion: Authorize the President/CEO to execute a Construction Contract for the Taxiway A & Aircraft Apron Reconstruction Project - Phase 4 at Reno-Stead Airport, with Granite Construction Inc., accepting the Base Bids and Bid Alternates 1 through 10 in the amount of \$4,476,476 and authorize adjustment of Airport Improvement Program cost allocation line items to maximize awarded Airport Improvement Program grant on the project, as well as an Owner's Contingency in the amount of \$300,000, pending acceptance of a Federal Aviation Administration's Airport Improvement Program grant.

Moved by: Art Sperber

Seconded by: Shaun Carey

Aye: Trustees Kramer, Jay, Rose, Gianoli, Carey, Chaplin, Cunningham, Sferrazza, Sperber

No: None

Vote: Motion passed

10. TRUSTEE COMMENTS, QUESTIONS AND REQUESTS FOR AGENDA ITEMS

Trustee Carey asked for an update on what Granite is doing to repair the runway so Board members can answer questions if they're asked by the public. CEO Griffin replied that he would confer with legal counsel and get back to the Board with a response to Trustee Carey's request.

11. UPCOMING RTAA MEETINGS

DATE	MEETING
04/19/2023	Budget Workshop
05/16/2023	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
05/18/2023	Board of Trustees Regular Meeting
06/06/2023	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
06/08/2023	Board of Trustees Regular Meeting
07/11/2023	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
07/13/2023	Board of Trustees Regular Meeting
08/08/2023	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
08/10/2023	Board of Trustees Regular Meeting

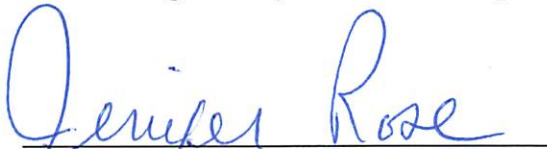
There was no discussion on this item.

12. PUBLIC COMMENT

None

13. ADJOURNMENT

The meeting was adjourned at 12:44 p.m.



 Jenifer Rose, Secretary

Southwest Airlines Co.
Nick James
Sr. Regional Manager – Airport Affairs
2702 Love Field Drive, HDQ-4PF
Dallas, TX 75235
214-792-6470
Nick.James@wnco.com



April 6, 2023

Dear Members of the Reno-Tahoe Airport Authority Board:

Any time an airport undertakes the lease negotiation process, it is an important endeavor for all involved. When you add in a \$570M Concourse Redevelopment Project and a ten-year term, the stakes are even higher. I am pleased to report that, following a year and a half of thorough conversations with the Reno-Tahoe Airport Authority (RTAA) staff and consultants, we've arrived at the terms being presented to you today. Throughout the process, we've represented our respective interests, but always kept the spirit of our long-time partnership at the forefront of these negotiations.

In any deal of this magnitude, the key is to find a financial structure that enables the agreed upon capital program, while simultaneously keeping airline costs reasonably low to incentivize continued growth in air service, which ultimately benefits the greater Reno-Tahoe community. Thanks to some creative work by both negotiating teams, I believe we have arrived at an agreement that will provide the RTAA the cash flow it needs to obtain favorable financing for the capital program. The new revenue sharing structure we developed will be paramount in maintaining the financial balance between both parties as the airport takes on a large sum of debt to finance the new concourses.

In addition to the rates and charges methodology, embarking on a journey like the Concourse Redevelopment Project has numerous risks – both financial and operational. As we navigate this multi-year project together, there will be a myriad of decision points that will require continued consultation and partnership between airport staff and the airlines. The Use & Lease agreement includes robust project governance that provides for an agile decision-making structure which escalates issues to various steering committees for resolution. This governance is the keystone of this agreement, providing airlines with a seat at the table which allows us to work together with executive leadership to mitigate risks as they arise in real time.

There were many valuable contributions to these discussions from all members of both the airline and RTAA teams. I would be remiss if I did not take this opportunity to recognize the lead negotiators from the RTAA: Tina Iftiger and Randy Carlton. Without the leadership of these two, we would not be where we are today.

In conclusion, I am appreciative of the strong relationship with the RTAA. I believe these extensive, good-faith negotiations have resulted in a balanced business deal that sets the stage for a bright future at the Reno-Tahoe International Airport.

We appreciate your partnership.

Sincerely,

Nick James
Sr. Regional Manager – Airport Affairs
Southwest Airlines