

**COMMITTEE MEMBERS**

**Trustees**

Lisa Gianoli, Chair  
Jennifer Cunningham, Vice Chair  
Richard Jay, Member  
Jennifer Rose, Member  
Art Sperber, Alternate  
Shaun Carey, Alternate

**Staff Liaison**

Randy Carlton, Chief Finance & Administration Officer

**PRESIDENT/CEO**

Daren Griffin, A.A.E.

**CHIEF LEGAL COUNSEL**

Ian Whitlock

**CLERK OF THE BOARD**

Lori Kolacek

**MINUTES  
FINANCE & BUSINESS DEVELOPMENT COMMITTEE**

**Date:** Tuesday, April 11, 2023

**Time:** 9:00 a.m.

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

**1. CALL TO ORDER**

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

**2. ROLL CALL**

Roll was taken by the Clerk of the Board. All members were present.

**3. PUBLIC COMMENT**

None.

**4. APPROVAL OF MINUTES**

**4.1 February 7, 2023, Finance and Business Development Committee Meeting**

**Motion:** Move to approve the February 7, 2023, minutes as presented

**Moved by:** Jennifer Cunningham

**Seconded by:** Jennifer Rose

**Aye:** Trustees Gianoli, Cunningham, Jay, Rose

**Vote:** Motion passed

**5. INFORMATION, DISCUSSION AND/OR POSSIBLE ACTION ITEMS**

None.

**6. ITEMS RECOMMENDED FOR APPROVAL BY THE FULL BOARD**

- 6.1 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 (*for possible action*)

This item was presented by Tracy Caster, Manager of Accounting. After discussion and comments, the Committee took the following action:

**Motion:** Move to recommend that this item be presented to the full Board on March 9, 2023, for consideration and approval of the proposed motion: *“Authorize the President/CEO to execute a five-year Professional Services Agreement with two two-year extensions for professional auditing services with Crowe LLP in an amount not to exceed \$612,410 and designate Crowe LLP as the independent auditor for the Reno-Tahoe Airport Authority”*

**Moved by:** Jenifer Rose

**Seconded by:** Richard Jay

**Aye:** Trustees Gianoli, Cunningham, Jay, Rose

**Vote:** Motion passed

- 6.2 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. (*for possible action*)

This item was presented by Randy Carlton, Chief Financial Officer, and Tina Iftiger, Chief Commercial Officer.

A letter by Rick James, Southwest Sr. Regional Manager, was read into the record and is attached to these minutes.

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

**Motion:** Move to recommend that this item be presented to the full Board on March 9, 2023, for consideration and approval of the proposed motion: *“Authorize 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.”*

**Moved by:** Jenifer Rose

**Seconded by:** Jennifer Cunningham

**Aye:** Trustees Gianoli, Cunningham, Jay, Rose

**Vote:** Motion passed

**7. INFORMATIONAL ITEMS *(provided for reference only)***

- 7.1 Administrative Award of Contracts - Expenditures**
- 7.2 Administrative Award of Contracts - Revenues**
- 7.3 Financial Reporting Package**
- 7.4 Budget Transfers**

There was no discussion on these items.

**8. MEMBER COMMENTS, QUESTIONS AND REQUESTS FOR AGENDA ITEMS**

None.

**9. PUBLIC COMMENT**

None.

**10. ADJOURNMENT**

The meeting was adjourned at 9:47 a.m.

**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