



## **Inter-Office Memo**

**Reno-Tahoe Airport Authority**

**Date:** February 4, 2015  
**To:** Chairman & Board Members **\*\*\*ATTY CLIENT PRIVILEGE\*\*\***  
**From:** Ann Morgan, Legal Counsel  
**Subject:** **February 12, 2015 CLOSED SESSION**

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There will be a Closed Session prior to the Board meeting on **Thursday, February 12, 2015 at 8:15 a.m.** in the Executive Conference Room.

AM/cj

**BOARD OF TRUSTEES**

Nat Carasali, Chair  
Andy Wirth, Vice Chair  
Rick Murdock, Secretary  
Dr. Kosta Arger, Treasurer  
Bill Eck  
Jerry Hall  
Steve Katzmann  
Bob Larkin  
Adam Mayberry

**PRESIDENT/CEO**

Marily M. Mora, A.A.E.  
**EXECUTIVE VICE-PRESIDENT/COO**  
Dean E. Schultz, A.A.E.  
**GENERAL COUNSEL**  
Ann Morgan, Fennemore Craig Jones Vargas  
**CLERK OF THE BOARD**  
Claire Johnson

**RENO-TAHOE AIRPORT AUTHORITY  
MEETING OF THE BOARD OF TRUSTEES**

**February 12, 2015**

**9:00 a.m.**

Board Room, Administrative Offices  
Second Floor, Main Terminal Building  
Reno-Tahoe International Airport  
Reno, Nevada

Items V, VI, VIII, IX and XII are action items for the Board to consider. The Board may discuss a matter when it is brought up, but no action may be taken on it unless it has been specifically included on an agenda as an action item.

Public comment at the Board meeting will be allowed on agenda items as well as non-agenda items. Persons are invited to submit comments in writing on agenda items and/or attend and make comment on that item at the Board meeting. Requests to speak on a particular item should be submitted to the Clerk of the Board before the item is called by the Chairman.

- I. PLEDGE OF ALLEGIANCE
- II. ROLL CALL
- III. PRESENTATIONS AND AWARDS
  - A. Employee, Tenant and Special Recognition
  - B. Introduction of New, Promoted and Retired Employees
  - C. Tenant Communication
- IV. PUBLIC COMMENT if any – Limited to three minutes per person
- V. APPROVAL OF MINUTES – January 8, 2015 Board Meeting Minutes
- VI. APPROVAL OF AGENDA
- VII. COMMITTEE AND LIAISON REPORTS
  - A. Finance and Business Development Committee
  - B. Planning and Construction Committee
  - C. Airport Noise Advisory Panel (ANAP)
  - D. Community Outreach Committee (COC)
  - E. Stead Liaison
  - F. RSCVA Board

- G. Business Advisory Council
- H. The Chamber Reno Sparks Northern Nevada
- I. Reno-Tahoe International Airport Users Committee

VIII. CONSENT ITEMS FOR BOARD ACTION

- A. #15(02)-03 Authorization for the President/CEO to Execute a Professional Services Agreement for Design Work and Pavement Inspections for the 2015 Airfield and Landside Pavement Management System Program at Reno-Tahoe International Airport and Reno-Stead Airport, with Stantec, in the Amount of \$238,200
- B. #15(02)-04 Authorization of Public Comment Period for an Amendment to the Adopted Reno-Tahoe International Airport Land Use Plan
- C. #15(02)-05 Authorization for the President/CEO to Enter Into an Inter-Local Agreement for a Disadvantaged Business Enterprise (DBE) Disparity Study, Related to Federally Funded Construction Projects at Reno-Tahoe International Airport and Reno-Stead Airport, in an Amount Not to Exceed \$110,608
- D. #15(02)-06 Acceptance of the Comprehensive Annual Financial Report 2013-2014

IX. ITEMS FOR BOARD INFORMATION, DISCUSSION AND POSSIBLE ACTION

- A. #15(02)-07 Recommendation to Authorize Dermody Properties to Represent the Reno-Tahoe Airport Authority in Order to Complete Phase 2 and Phase 3 of the Reno-Stead Airport Request for Qualifications for Real Estate Development
- B. #15(02)-08 Award of Bid for Two All-Wheel Drive Snow Plows Oshkosh Truck/Spreaders to Jack Doheny Supplies Ohio, Incorporated, in the Amount of \$998,000
- C. #15(02)-09 Approval to Revise the Fiscal Year 2014-2015 Reno-Tahoe Airport Authority Board of Trustees Calendar to Change the Dates of the June 2015 Committee and Board Meetings
  - June 9 and June 11 – *Current Schedule*
  - June 16 and June 18 – *Proposed Schedule*

X. ITEMS FOR BOARD INFORMATION AND DISCUSSION

- A. Presentation
  - 1. Nevada Legislative Status Update
  - 2. Fiscal Year 2014-15 Reno-Tahoe Airport Authority Mid-Year Financial Review
- B. Board Meeting Schedule
  - 1. March 10, 2015 9:00 a.m. Finance & Business Development Committee Meeting
  - 2. March 10, 2015 10:00 a.m. Planning & Construction Committee Meeting
  - 3. March 12, 2015 9:00 a.m. Board of Trustees Meeting
  - 4. April 7, 2015 9:00 a.m. Finance & Business Development Committee Meeting

- |                  |            |   |
|------------------|------------|---|
| 5. April 7, 2015 | 10:00 a.m. | Planning & Construction Committee Meeting |
| 6. April 9, 2015 | 9:00 a.m.  | Board of Trustees Meeting                 |
| 7. April 9, 2015 | TBD *      | FY 2015-2016 Budget Workshop              |

\* Immediately Following Board of Trustees Meeting

C. President/CEO's Report

D. General Board comments, questions, and items for future Board meetings

XI. PUBLIC COMMENT, if any – Limited to three minutes per person

XII. ADJOURNMENT

Items will not necessarily be considered in the sequence listed. This meeting may be continued if all of the items are not covered in the time allowed. If the meeting is to be continued, the time and place will be announced at the end of the portion of the meeting to be continued.

SUPPORTING MATERIAL: The designated contact to obtain supporting material is Claire Johnson, Clerk of the Board, P.O. Box 12490, Reno, NV, 89510 or 775-328-6410. Supporting material is also available at the Reno-Tahoe Airport (Administrative Offices) and at the scheduled meeting.

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Clerk of the Board in writing at P.O. Box 12490, Reno, Nevada 89510 or by calling (775) 328-6410 prior to the meeting date.

THIS AGENDA HAS BEEN POSTED AT THE FOLLOWING LOCATIONS:

- |  |   |
|--|---|
| 1. Airport Authority Administrative Offices – 2001 E. Plumb Lane, Reno | 3. Reno City Hall – One East First Street, Reno |
| 2. Washoe County Administrative Offices – 1001 E. 9th Street, Reno     | 4. Sparks City Hall – 431 Prater Way, Sparks    |

\*\*\* These draft minutes have not yet been approved and are subject to revision at the next regularly scheduled meeting. \*\*\*

**RENO-TAHOE AIRPORT AUTHORITY  
BRIEF OF MINUTES  
MEETING OF THE BOARD OF TRUSTEES  
January 8, 2015  
9:00 a.m.**

**MEMBERS PRESENT**

Nat Carasali, Chair  
Andy Wirth, Vice Chair  
Dr. Kosta Arger, Treasurer  
Rick Murdock, Secretary  
Bill Eck  
Jerry Hall  
Steve Katzmann  
Bob Larkin  
Adam Mayberry

**ALSO PRESENT**

Marily M. Mora, A.A.E.  
President/CEO  
Dean Schultz, A.A.E.  
Executive Vice-President/COO  
Ann Morgan  
General Counsel  
Claire Johnson  
Clerk of the Board

**MEMBERS ABSENT/EXCUSED**

None.

The Board of Trustees met in the Board Room, Airport Authority Administrative Offices, Reno-Tahoe International Airport, Reno, Nevada. Chair Nat Carasali called the meeting to order. The Pledge of Allegiance was recited. Roll was called.

**III. PRESENTATIONS AND AWARDS**

**A. Employee, Tenant and Special Recognitions**

CEO Marily Mora presented the Reno-Tahoe Airport Authority (RTAA) Quarterly First Class Award to Gary Probert, Project Manager in the Engineering & Planning Department, for his outstanding work and tireless efforts during the Federal Inspection Service (FIS) facility improvement project. Ms. Mora stressed the importance of the fast-tracked project, and indicated that Mr. Probert was completely dedicated to coordinating this landmark construction project and assuring its on time completion. In addition, Ms. Mora also recognized RTAA staff Dean Schultz, Executive Vice President/COO, Jamie McCluskie, VP of Engineering & Planning, Dave Lazo, Manager of Engineering & Construction, and Amanda Twitchell, Architectural/Engineering Technician.

Next, Ms. Mora recognized the Airport's construction partner in the FIS facility improvement project, Clark & Sullivan Construction Company, for their work and efforts to bring the project in on time, despite the schedule constraints and obstacles faced along the way. Clark and Sullivan team members present at the meeting were BJ Sullivan, Robert Foster, Pelin Eldeleklioglu, and Jarrett Rosenau. Ms. Mora stated that the project was truly a community effort to regain the Airport's international status, and pointed out that one of the Customs and Border Protection (CBP) officials commented during their

final inspection of the facility that the quality of work was the best they had ever seen. Mr. Sullivan thanked the Trustees and the Airport Authority for having faith that his team could do the job, and stated that it was really a partnership with the architect, the City of Reno and the Airport Authority.

Chair Carasali welcomed City of Reno Councilwoman Neoma Jardon as being present in the audience.

B. Introduction of New, Promoted and Retired Employees

Dean Schultz, Executive Vice President/COO, introduced two new Reno-Tahoe Airport Authority employees - Bruce Lightfoot, IT Project Manager and Bryan Adgett, Facilities Custodian.

C. Tenant Communication

Chair Carasali invited Colonel Karl Stark of the Nevada Air National Guard to speak. Colonel Stark indicated he wished to publically thank the Airport Authority for their support and for allowing the Guard's use of the RTAA River Room during deployments, as a place for families to say goodbye to their loved ones.

IV. PUBLIC COMMENT

None.

V. APPROVAL OF MINUTES

On motion by Trustee Wirth, seconded by Trustee Murdock, which motion duly carried by unanimous vote, the Board approved the minutes from the Board of Trustees meeting of December 11, 2014.

VI. APPROVAL OF AGENDA

On motion by Trustee Katzmann, seconded by Trustee Eck, which motion duly carried by unanimous vote, the Board approved the January 8, 2015 Board of Trustees meeting agenda.

VII. COMMITTEE / LIAISON REPORTS

Committee / Liaison reports were given by:

- A. Finance and Business Development Committee – Trustee Kosta Arger
- B. Planning and Construction Committee – Trustee Jerry Hall
- C. Airport Noise Advisory Panel – Trustee Bob Larkin
- D. Community Outreach Committee (COC) – Trustee Adam Mayberry
- E. Stead Liaison – Trustee Steve Katzmann
- F. RSCVA Board – Trustee Kosta Arger
- G. Business Advisory Council – Trustee Rick Murdock
- H. The Chamber Reno Sparks Northern NV – Marily Mora (RTAA)
- I. Reno-Tahoe International Airport Users Committee – Trustee Bill Eck

VIII. CONSENT ITEMS FOR BOARD ACTION

- A. #15(01)-01 Authorization for the President/CEO to Negotiate Final Terms and Execute a New 5-Year Commercial Lease Agreement Between Complete Care Carpet Cleaning and the Reno-Tahoe Airport Authority for 6,778 Square Feet of Commercial Space at the Warehouse Facility Located at 2890 Vassar Street

On motion by Trustee Wirth, seconded by Trustee Larkin, which motion was duly carried by unanimous vote, the Board approved Agenda Item #15(01)-01 as follows:

Authorized the President/CEO to Negotiate Final Terms and Execute a New 5-Year Commercial Lease Agreement Between Complete Care Carpet Cleaning and the Reno-Tahoe Airport Authority for 6,778 Square Feet of Commercial Space at the Warehouse Facility Located at 2890 Vassar Street

IX. ITEMS FOR BOARD INFORMATION, DISCUSSION AND POSSIBLE ACTION

- A. #15(01)-02 Adoption of Resolution No. 524: Amending Resolution No. 516 – A Resolution Adopting Policy No. 600-007 to Provide Financial Incentives/Inducements to Scheduled Passenger Airlines and/or Air Cargo Carriers, to Update the Policy to Allow In and Out of Market Advertising/Marketing Support

On motion by Trustee Katzmann, seconded by Trustee Arger, which motion was duly carried by unanimous vote, the Board approved Agenda Item #15(01)-02 as follows:

Adopted Resolution No. 524, amending Resolution No. 516 adopting Policy No. 600-007 providing financial incentives/inducements to Scheduled Passenger Airlines and/or Air Cargo Carriers, and updates the Policy to allow in and out of market advertising/marketing support

X. ITEMS FOR BOARD INFORMATION AND DISCUSSION

A. Presentations

None.

B. Board Meeting Schedule

Chair Carasali referred to the upcoming meetings schedule.

- |    |                   |            |  |
|----|-------------------|------------|--|
| 1. | February 10, 2015 | 9:00 a.m.  | Finance & Business Development Committee Meeting |
| 2. | February 10, 2015 | 10:00 a.m. | Planning & Construction Committee Meeting        |
| 3. | February 12, 2015 | 9:00 a.m.  | Board of Trustees Meeting                        |
| 4. | March 10, 2015    | 9:00 a.m.  | Finance & Business Development Committee Meeting |
| 5. | March 10, 2015    | 10:00 a.m. | Planning & Construction Committee Meeting        |
| 6. | March 12, 2015    | 9:00 a.m.  | Board of Trustees Meeting                        |

C. President/CEO's Report

Ms. Mora also welcomed Neoma Jardon, and announced that Ms. Jardon is the Reno City Council's new liaison to the Board of Trustees.

Ms. Mora pointed out that at the most recent Finance and Business Development Committee meeting, Trustee Hall inquired as to why the annual audit and Fiscal Year (FY) 2013-14 Annual Financial Statement presentation were not scheduled to be made at the full Board of Trustees meeting. Legal Counsel was asked to review the Nevada Revised Statute (NRS) requirement, and as a result, the determination was made that the presentation should be made at a full Board meeting. Therefore, RTAA staff and the Auditors will present the audit results and the FY 2013-14 Annual Financial Statement at the February 12, 2015 Board meeting for acceptance by the full Board.

Next, Ms. Mora brought attention to information on Senate Bill (SB) 93 contained in the Trustees' green folders, including the bill language, as well as information and talking points about the aviation tax abatement. SB 93 is the Governor's bill and will be sponsored through the Governor's Office of Economic Development.

Ms. Mora mentioned that at the last board meeting, a question was raised as to whether the Airport might consider converting the three letter nomenclature for the Airport from RNO to RTO. Research done by staff found that the three letter identifiers are considered permanent. Primarily, making a change to the identifier is about a possible impact on air safety, and therefore it was determined there is not really a potential to change the letters. Ms. Mora indicated that more details on the research conducted will be provided. Trustee Arger inquired about the motivation to make such a change. Ms. Mora stated that the suggestion to change the identifier was based on the thought that it would identify the Airport more with Lake Tahoe as opposed to just Reno. However, the Federal Aviation Administration (FAA) does not support changing the identifier based on an airport's branding needs.

Lastly, Ms. Mora asked Brian Kulpin, VP of Marketing & Public Affairs, to speak about the Operation Santa Claus event held in December. Mr. Kulpin spoke briefly and then invited Bob Meurer, President of Reno-Tahoe Aviation Group (RTAG) to the podium. Mr. Meurer began by thanking the RTAA staff, the Nevada Air National Guard, the Civil Air Patrol, FAA Controllers, Reno Printing, and Atlantic Aviation for their support and participation in making the event a total success. Mr. Meurer announced that at a recent meeting, the RTAG board unanimously voted to sponsor the event again in 2015. Trustee Eck gave heartfelt comments about how moving it was to attend the event and observe the joy of the children. Ms. Mora thanked RTAG for their partnership and support on this wonderful event. Chair Carasali ended by stating how great it is to see the ongoing and positive relationship between the RTAA and GA community.

D. General Board Comments, Questions, and Items for Future Board Meetings

None.



XI. PUBLIC COMMENT

None.

XII. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:40 am. .

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Chair Nat Carasali

ATTEST:

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Secretary Rick Murdock

\*\*\* These draft minutes have not yet been approved and are subject to revision at the next regularly scheduled meeting. \*\*\*



# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman & Board Members  
**From:** Marily M. Mora, A.A.E., President/CEO  
**Subject:** **AUTHORIZATION FOR THE PRESIDENT/CEO TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR DESIGN WORK AND PAVEMENT INSPECTIONS FOR THE 2015 AIRFIELD AND LANDSIDE PAVEMENT MANAGEMENT SYSTEM PROGRAM AT RENO-TAHOE INTERNATIONAL AIRPORT AND RENO-STEAD AIRPORT, WITH STANTEC, IN THE AMOUNT OF \$238,200**

**Memo: # 15(02)-03**  
**For:** February 12, 2015 Board Meeting

## **STAFF RECOMMENDATION**

Staff recommends that the Board authorize the President/CEO to execute a Professional Services Agreement (PSA) for design work and pavement inspections for the 2015 Airfield and Landside Pavement Management System program at Reno-Tahoe International Airport and Reno-Stead Airport, with Stantec, in the amount of \$238,200.

## **PURPOSE**

This action requests authorization for the President/CEO to execute a Professional Services Agreement for design and inspection services for the 2015 Pavement Management System Program. The services will evaluate the existing pavement conditions and establish the prioritization and timing of pavement remediation to ensure safe airfield and landside operations. This action is in support of the Reno-Tahoe Airport Authority (RTAA) Strategic Priority # 1 – Increase Air Service, Strategic Priority # 2 – Optimize General Aviation Operations and Services, Strategic Priority # 3 – Expand Cargo Development and Services, and Strategic Priority # 4 Facilitate Economic Development at Both Airports, as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan.

## **BACKGROUND**

In 1996, the Federal Aviation Administration (FAA) implemented revised eligibility requirements for sponsors receiving federal grants. Specifically, sponsors are required to have a current Pavement Management System (PMS) program in place for the ongoing evaluation and maintenance of federally funded airfield pavements. To comply with FAA requirements, a consulting firm is retained annually by the RTAA to provide for the continuity of the airfield pavement inspections and updating of the Pavement Condition Index (PCI) for this program.

The PMS program provides for annual field inspection and update of the pavement condition database for the evaluation, programming, and budgeting of pavement remediation activities. Design work for airfield and landside pavement capital projects is conducted based on the prior year assessment for construction in the current fiscal year. The pavement inspection update consists of airfield pavement areas identified on an annual basis as critical to airport operations. This rolling inspection sequence allows for areas of concern to be addressed in a logical and phased remediation program. In this manner, the pavement condition is assessed and tracked on a long-term basis, with construction and maintenance projects programmed and budgeted from this system.

Similarly, the RTAA has also implemented a Landside Pavement Management System for areas outside of the Aircraft Operations Area (AOA) which are not eligible for federal grants. This program, through annual inspections, evaluates the condition of various landside pavements, provides recommendations for reconstruction and maintenance, and generates cost estimates for a multi-year rehabilitation program. The evaluation ranks pavement areas in priority for rehabilitation for programming and budgetary purposes.

### **DISCUSSION**

The Request for Qualifications (RFQ) for design and inspection services was publically advertised and Statements of Qualifications (SOQ) were received on November 13, 2014, from the following firms:

- Applied Pavement Technology
- Michael Baker International
- NCE
- Stantec

An evaluation committee comprised of RTAA staff reviewed the submittals and determined Stantec as the most qualified firm for the project. The evaluation was based on the qualifications and experience requirements stipulated in the RFQ. The RFQ was structured for the Consultant to provide FY 2014-15 services, with options for two additional years of services (FY 2015-16 and 2016-17) at the discretion of the RTAA, for a potential total of up to three years. This proposed agreement for calendar year 2015 would exercise the first year of the solicitation.

The scope of services was generated based on the program requirements stipulated by the RTAA and the corresponding fee was negotiated with Stantec. The services consist of design work for 2015 construction contracts, pavement condition field inspections, update of the Pavement Condition Index (PCI) database, determination of the Pavement Classification Number (PCN), Aircraft Classification Number (ACN), update of the airfield and landside network mapping, generation of Pavement Management System (PMS) reports, cost estimates, exhibits, and program recommendations for future phases of pavement maintenance and rehabilitation.

The 2015 agreement consists of airfield pavement inspections (annual update), airfield pavement repairs and rehabilitation (design - phase 10), landside pavement inspections (annual update), and Reno-Tahoe International Airport (RTIA) landside pavement rehabilitation (parking lot design – phase 4). Fifteen additional airfield and landside pavement inspection areas have been incorporated into the 2015 scope of services. The new areas consist primarily of general aviation apron leaseholds that have reverted back to the RTAA for maintenance at the expiration of the lease(s) and various landside pavement areas. This resulted from a series of coordination meetings with RTAA Facilities Department to identify additional areas of concern. The scope of services and related fee were negotiated on this basis.

Program Management and Construction Management (PM/CM) services are not included and will be procured separately.

**COMPANY BACKGROUND**

Stantec has a local office in Reno and a regional office in Phoenix, Arizona. All of the work associated with this project is expected to be performed by the staff based in Reno. Stantec has performed numerous airfield and landside pavement inspection and design projects for the RTAA in the past. The local Stantec personnel have extensive experience in conducting pavement inspections, phasing construction work, and coordinating runway closures at the RNO and RTS airports.

**FISCAL IMPACT**

This agreement, in the amount of \$238,200, will allocate \$132,600 for the Pavement Management System, \$15,000 for PCN/ACN calculations, and \$90,600 for design work. The Airfield and Landside Pavement Management Programs, totaling \$1,002,700, are included in the FY 2014-15 Capital Improvement Projects budget, with \$250,000 allocated for the Pavement Management System and design services. Construction work is not included in this agreement and will be funded separately as FY 2015-16 Capital Projects.

**COMMITTEE COORDINATION**

This item is scheduled to be presented at the February 10, 2015 Planning and Construction Committee meeting.

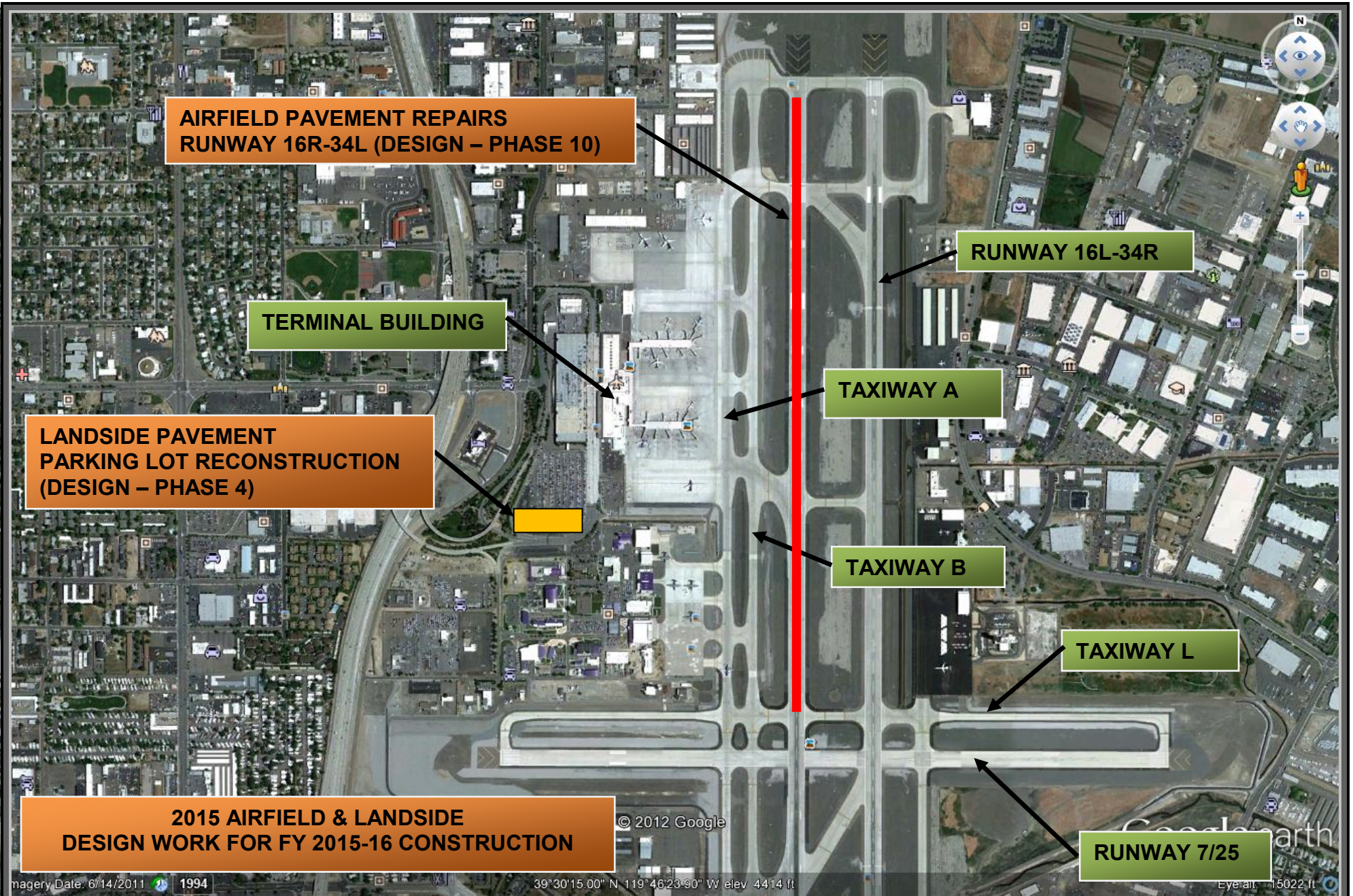
**RECOMMENDATION**

It is hereby recommended that the Board adopt the following motion:

“It is hereby moved that the Board authorize the President/CEO to execute a Professional Services Agreement for Design Work and Pavement Inspections for the 2015 Airfield and Landside Pavement Management Program at Reno-Tahoe International Airport and Reno-Stead Airport with Stantec, for \$238,200 and authorize the President/CEO, or her designee, to sign.”

MMM/dl/cj





**Reno-Tahoe  
International  
Airport**

**RENO - TAHOE INTERNATIONAL AIRPORT  
2015 AIRFIELD & LANDSIDE PAVEMENT MANAGEMENT SYSTEM**





# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman & Board Members  
**From:** Marily Mora, A.A.E, President/CEO  
**Subject:** **AUTHORIZATION OF PUBLIC COMMENT PERIOD FOR AN AMENDMENT TO THE ADOPTED RENO-TAHOE INTERNATIONAL AIRPORT LAND USE PLAN**

**Memo:** #02(15)–04  
**For:** February 12, 2015 Board Meeting

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## **STAFF RECOMMENDATION**

Staff recommends that the Reno-Tahoe Airport Authority (RTAA) Board of Trustees authorize the President/CEO to open a public comment period for an amendment to the adopted Reno-Tahoe International Airport (RNO) Land Use Plan. The amendment will reflect mandated changes from the Federal Aviation Administration (FAA) related to Runway Protection Zone (RPZ) locations.

## **PURPOSE**

This action seeks authorization from the RTAA Board of Trustees for the President/CEO to open a public comment period for an amendment to the RNO Land Use Plan which was adopted by the RTAA Board of Trustees on October 10, 2013. This action will kick off a similar public outreach process to the one utilized during the original adoption of the RNO Land Use Plan in 2013.

The amendment to the RNO Land Use Plan is required pursuant to new direction from the FAA to refine the RPZs at the ends of Runways 16L and 34R. The amendment is in support of RTAA Strategic Priority # 1 – Increase Air Service, Priority # 2 - Optimize General Aviation Operations and Services, Priority # 3 - Expand Cargo Development and Service, and Priority # 4 - Facilitate Economic Development at Both Airports, as well as the Guiding Principle of Safety and Security, as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan.

An illustration of both the existing, adopted RNO Land Use Plan and the proposed, amended RNO Land Use Plan are included with this Board Memo.

## **BACKGROUND**

The RNO Land Use Plan provides a guide for the long-term future land use and development of airport-owned property. The primary purpose of this document is to provide a plan upon which to base future development decisions while also preserving adequate land for existing and future airport operations and facilities.

The RNO Land Use Plan, adopted on October 10, 2013, must be consistent with the Airport Layout Plan (ALP). The ALP is a conditionally approved document from the FAA that meets the criteria of FAA Advisory Circular 150/5300 13A, Airport Design. The RPZ, as shown on the ALP, is defined as a trapezoidal area at ground level, located off the runway end to enhance the safety and protection of people and property on the ground. Typically, the RPZ starts 200 feet beyond the runway end. There is at least one RPZ off the end of each runway end at an airport.

As a result of changes related to the RPZ locations, related changes are also required to the RNO Land Use Plan.

### **DISCUSSION**

On November 10, 2014, the FAA informed RTAA that the current approach RPZs for Runways 16R and 34L, depicted on the FAA approved ALP, needed to be relocated 200 feet off the end of the displaced thresholds. Displaced thresholds provide additional runway safety for landing aircraft due to the mountainous terrain surrounding RNO. These thresholds are located at a point other than the physical beginning or end of the runways. The portion displaced may be used for takeoff but not for landing. At RNO, Runways 16R and 34L have landing threshold displacements of 1,000 feet. Relocating these RPZs, as directed by the FAA, amounts to a shift in the location of the approach RPZs by 1,000 feet to the south for Runway 16R and to the north for Runway 34L.

As part of the RPZ update process, staff utilized high accuracy location-based survey data which had been acquired as part of the ongoing RNO Electronic Airport Layout Plan (eALP) and Geographic Information System (GIS) project to map out the requested changes. This improved dataset, which greatly reduces spatial errors, allowed staff to refine not only the RPZs requested by the FAA, but also the RPZs off each of the other four (4) runway ends. All of the RPZ refinements are incorporated in the proposed amendment. This work was coordinated with the GIS consultant.

Staff provided the FAA with updated RPZ configurations and has received verbal approval regarding the new locations and direction to formally submit the changes later this year as the eALP and GIS project concludes. The FAA has indicated that the final changes to the RPZs will be approved with the review of the Airport's first e-ALP to be submitted near the end of calendar year 2015.

Staff has proceeded with the RNO Land Use Plan amendment effort ahead of the FAA's eALP process because there are direct impacts to land development opportunities at RNO. Currently, the adopted RNO Land Use Plan identifies areas of Airport-owned property which are available for third-party development and not necessary for future airport operations and facilities. The proposed amendment will release additional land for third-party development.

The existing Land Use Plan separates airport-owned property into seven (7) distinct airport-specific categories: Airfield Operations, Airfield Support, Air Cargo Operations, General Aviation, Military, Commercial Passenger Facilities, and Development Support. The RPZ configuration refinements have the following net impacts on the adopted RNO Land Use Plan:

- 2.86 additional acres of property designated for Airport Operations purposes
- 16.95 fewer acres of property designated for Airfield Support purposes
- 0.25 fewer acres of property designated for Air Cargo Development purposes
- 0.36 fewer acres of property for General Aviation purposes
- 14.95 additional acres of property designated for Development Support purposes

There are no impacts to the acreage identified for Military or Commercial Passenger Facilities purposes.

In accordance with the public outreach process approved by the RTAA Board in October 2013, the amended RNO Land Use Plan will be presented at the February 10, 2015 Planning and Construction Committee meeting, and pending RTAA Board of Trustees authorization, the President/CEO will open a public comment period on Thursday, February 12, 2015. The proposed amended RNO Land Use Plan and the existing adopted RNO Land Use Plan will be available on the airport website in PDF format and in hardcopy format at the RTAA administrative offices. Public notification of the proposed amendment and the opportunity to comment will include an announcement in the "Latest News" section of the RTIA website, advertisement in the *Reno Gazette-Journal*, and via an Airport e-blast. The public comment period will close at 11:59 PM on Sunday, March 1, 2015. This will allow for a 17-day public comment period. Discussion of public comments received and a formal request for approval of the proposed RNO Land Use Plan amendment will occur no earlier than the March 2015 Planning & Construction Committee and Board meetings.

#### **FISCAL IMPACT**

Staff proposes to advertise in the *Reno Gazette-Journal* using a display advertisement twice: once on Sunday, February 15 and then again on Wednesday, February 18, 2015. The total \$2,136 cost for both advertisements will be paid for out of the Planning & Environmental Services Operations & Maintenance budget.

#### **COMMITTEE COORDINATION**

The RNO Land Use Plan amendment was originally discussed at the December 9, 2014 Finance and Business Development Committee meeting. This item is scheduled to be presented at the February 10, 2015 Planning and Construction Committee meeting.

#### **RECOMMENDATION**

It is hereby recommended that the Board adopt the following motion:

"It is hereby moved that the Board authorize the President/CEO to open a public comment period for an amendment to the adopted Reno-Tahoe International Airport Land Use Plan."

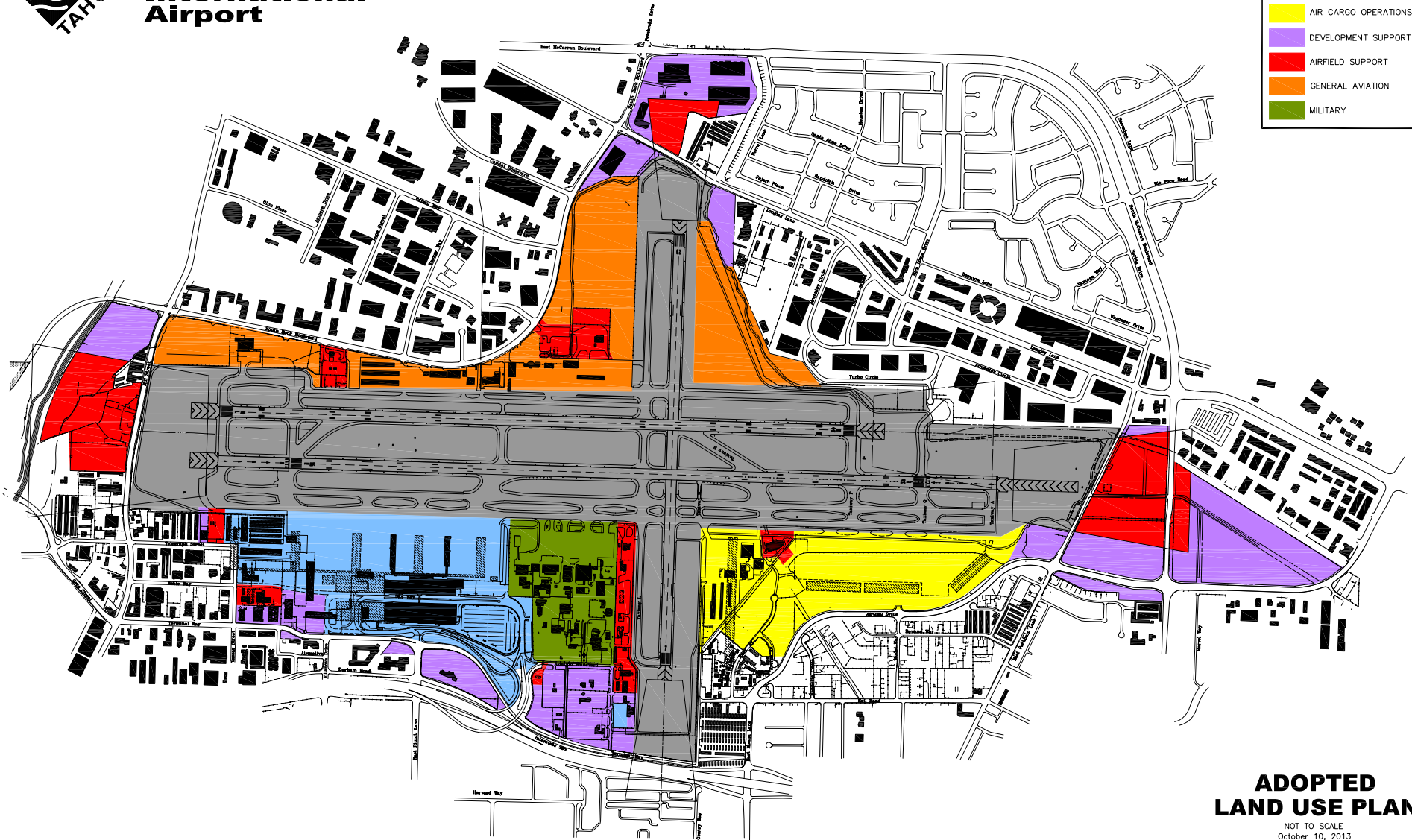
MMM/jm/lkb/cj





# Reno-Tahoe International Airport

AIRPORT LAND USE LEGEND	
	AIRFIELD OPERATIONS
	COMMERCIAL PASSENGER FACILITIES
	AIR CARGO OPERATIONS
	DEVELOPMENT SUPPORT
	AIRFIELD SUPPORT
	GENERAL AVIATION
	MILITARY



## ADOPTED LAND USE PLAN

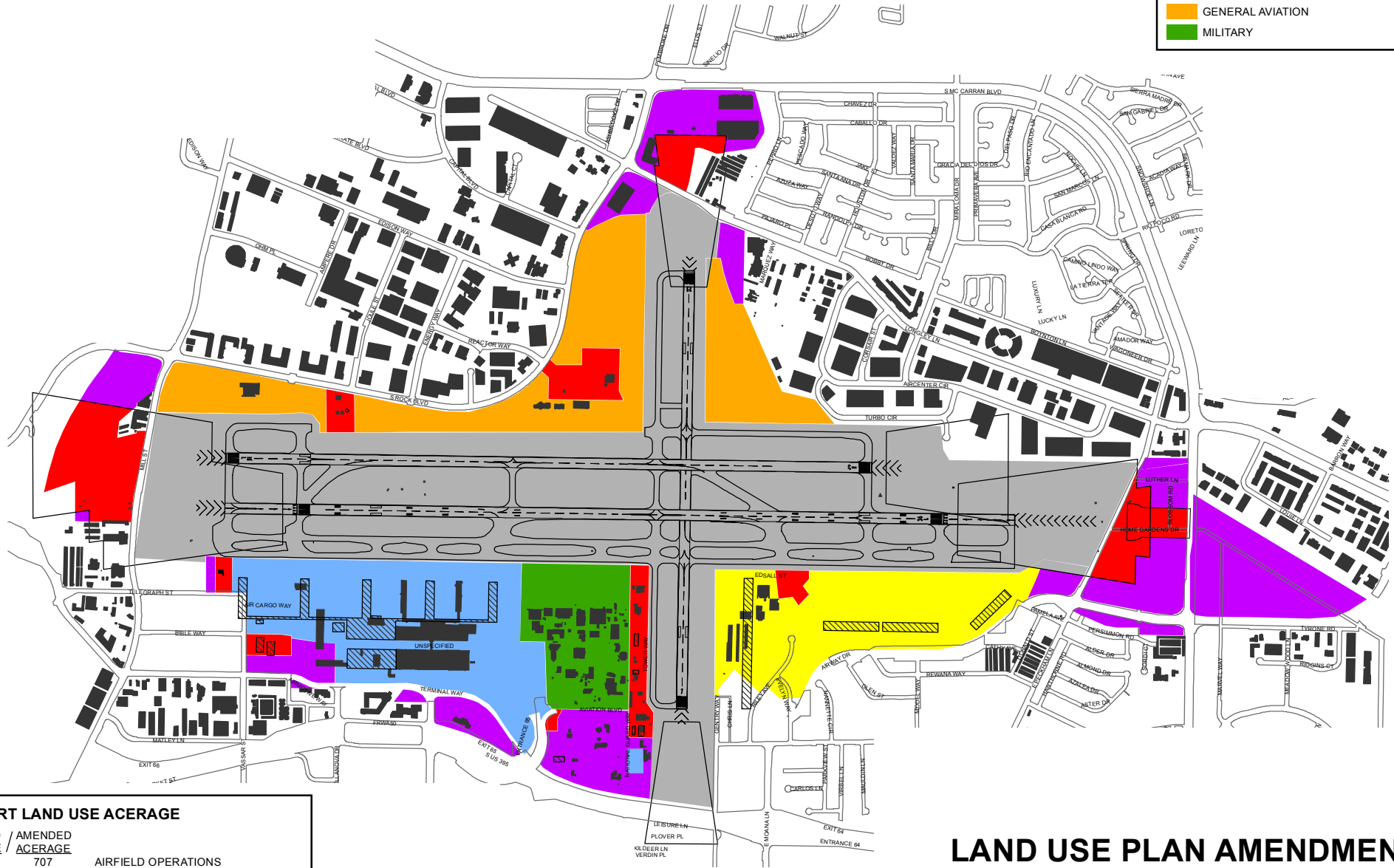
NOT TO SCALE  
October 10, 2013



# Reno-Tahoe International Airport

**AIRPORT LAND USE LEGEND**

- AIRFIELD OPERATIONS
- COMMERCIAL PASSENGER FACILITIES
- AIR CARGO OPERATIONS
- DEVELOPMENT SUPPORT
- AIRFIELD SUPPORT
- GENERAL AVIATION
- MILITARY



**AIRPORT LAND USE ACERAGE**

ADOPTED ACERAGE	AMENDED ACERAGE	
704	707	AIRFIELD OPERATIONS
154	154	COMMERCIAL PASSENGER FACILITIES
115	115	AIR CARGO OPERATIONS
194	208	DEVELOPMENT SUPPORT
129	112	AIRFIELD SUPPORT
159	159	GENERAL AVIATION
62	62	MILITARY

## LAND USE PLAN AMENDMENT

NOT TO SCALE  
February 12, 2015



# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman & Board Members  
**From:** Marily M. Mora, A.A.E., President/CEO  
**Subject:** **AUTHORIZATION FOR THE PRESIDENT/CEO TO ENTER INTO AN INTER-LOCAL AGREEMENT FOR A DISADVANTAGED BUSINESS ENTERPRISE (DBE) DISPARITY STUDY RELATED TO FEDERALLY FUNDED CONSTRUCTION PROJECTS AT RENO-TAHOE INTERNATIONAL AIRPORT AND RENO-STEAD AIRPORT, IN AN AMOUNT NOT TO EXCEED \$110,608**

**Memo: # 15(02)-05**  
**For:** February 12, 2015 Board Meeting

## **STAFF RECOMMENDATION**

Staff recommends that the Board authorize the President/CEO to enter into an Inter-Local agreement for a Disadvantaged Business Enterprise (DBE) Disparity Study, related to federally funded construction projects at Reno-Tahoe International Airport and Reno-Stead Airport, in an amount not to exceed \$110,608.

## **PURPOSE**

This action requests authorization for the President/CEO to enter into an Inter-Local agreement for a Disadvantaged Business Enterprise (DBE) Disparity Study. The Disparity Study will provide quantitative information that facilitates evaluation of DBE firm participation in federally funded construction contracts. This action is in support of the Reno-Tahoe Airport Authority (RTAA) Strategic Priority # 1 – Increase Air Service, Strategic Priority # 2 – Optimize General Aviation Operations and Services, Strategic Priority # 3 – Expand Cargo Development and Services, and Strategic Priority # 4 - Facilitate Economic Development at Both Airports, as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan.

## **BACKGROUND**

Airport Improvements Program (AIP) grants issued by the Federal Aviation Administration (FAA) are used by the RTAA (Sponsor) to fund significant airfield construction projects at the Reno-Tahoe International Airport and Reno-Stead Airport. As a condition of accepting federal grants, the Sponsor agrees to conform to various requirements (assurances) and guidelines stipulated by the DBE program and Airport Improvements Program Handbook. The setting of DBE participation goals and reporting on DBE utilization for federally funded construction projects is a standard component of grant administration by Sponsors.

DBE participation goals are established by the Sponsor in a project specific manner, based on the type of construction, specific trades, services, and materials used in the project. A database of categorized DBE firms is used to calculate the percentage of appropriate DBE's that are available in the region for individual construction projects. The aggregate of the project specific goals are then calculated to represent the overall DBE program goals for Reno-Tahoe International Airport and Reno-Stead Airport. The goals are established tri-annually based on anticipated federally funded projects and accomplishments are reported annually to the FAA. As the projects are implemented, actual utilization of DBE firms are reported monthly by the contractors, subcontractors, suppliers, and professional firms involved in the project.

DBE participation goals are established based on the current number and type of DBE firms, geographic location, qualifying certifications, and other factors. Goals are determined on a race neutral basis, given the absence of adequate evidence of discrimination or its effects. As part of the bidding requirements, construction contractors (bidders) are required to submit a list of subcontractors and suppliers expected to be utilized on the project. Additionally, contractors are responsible to submit monthly DBE utilization reports with their payment applications, as a means for the Sponsor to track DBE accomplishments.

### **DISCUSSION**

Disparity studies are used to establish DBE resource qualitative & quantitative metrics. The proposed study will quantify the availability of DBE resources and the actual utilization in contracts conducted by the agencies. The potential differential between availability and utilization (i.e. “disparity”) will be examined by agencies to evaluate participation levels in contracts subject to DBE guidelines. The study will also provide the basis for race neutral, race conscious, and gender conscious measures related to construction contracts. Contract structure, market conditions, legal aspects, DBE resources, Small Business Enterprise (SBE) elements, and availability will be examined to inform contracting practices being implemented by the agencies.

The scope and magnitude of conducting a disparity study is significant in cost and effort. To mitigate the cost of the proposed disparity study, a consortium of agencies consisting of McCarran International Airport (Clark County), Regional Transportation Commission of Southern Nevada (RTC-Southern Nevada), Regional Transportation Commission of Washoe County (RTC-Washoe County), and Reno-Tahoe Airport Authority (RTAA) intend to jointly participate in conducting a study covering the geographic regions applicable to each agency. In this manner, the cost for the study will be distributed among the agencies, reducing the cost to each participating agency.

The RTAA has set DBE goals for federally funded construction contracts on a race neutral basis since 2006. Currently, the FAA has not required the RTAA to conduct a DBE Disparity Study, however, it is beneficial for the RTAA to participate in the proposed Consortium study now to avoid the potential of being required to conduct a study at a later date, wholly at RTAA cost.

The contract for professional services to conduct the disparity study (“the work”), shall be between McCarran International Airport (Clark County) and BBC Research and Consulting (Consultant). Clark County will retain BBC based on their experience with Caltrans, 9<sup>th</sup> Circuit Court of Appeals, USDOT, and USDOJ, and will manage and administer the consulting contract with BBC. The participating agencies (Consortium) will enjoy in a separate Inter-Local agreement. This agreement stipulates the terms and conditions for engagement of the agencies within the Consortium. Conditions for review, acceptance, and payment for the work shall be contained in the Inter-Local agreement.

The cost of the proposal from the Consultant for \$689,215 shall be distributed to each agency as a pro-ratio based on the dollar value of construction contracts conducted by each agency over the past five years. The RTAA share of the fee is estimated to be \$110,608. Upon execution of the Inter-Local agreement, each agency will place their designated share in trust for the purpose of providing reimbursement to Clark County as the work proceeds. Clark County shall issue payment to the Consultant for monthly progress payment applications submitted by the Consultant. Each agency shall have the opportunity to review the payment applications and

progress of the work. Any exceptions, non-conforming, or additional work is subject to exception or withholding of payment by the agencies, jointly or severally.

The project tasks and fee allocation from the Consultants proposal are shown in Tables 1 and 2 below:

**Table 1 – Disparity Study Project Tasks**

Project Task	Description	Cost
1	Project Initiation and Management	\$41,975
2	Community Engagement	\$6,165
3	Legal Framework and Analysis	\$37,850
4	Review of Contracting and Program Measures	\$7,310
5	Utilization Analysis	\$161,890
6	Availability Analysis	\$87,890
7	Disparity Analysis	\$31,780
8	Further Explorations of Disparities	\$20,530
9	Quantitative Analysis of Marketplace Conditions	\$48,700
10	Qualitative Analysis of Marketplace Conditions	\$70,900
11	Overall DBE Goals	\$4,300
12	Recommendations	\$16,325
13	Reports and Presentations	\$153,600
		<b>Total \$689,215</b>

**Table 2 – Disparity Study Fee Allocation**

Consortium Member	Cost
McCarran International Airport (Clark County)	\$350,259
Regional Transportation Commission of Southern Nevada	\$153,623
Reno – Tahoe International Airport (RTAA)	\$110,608
Regional Transportation Commission of Washoe County	\$74,725
<b>Total \$689,215</b>	

**COMPANY BACKGROUND**

BBC Research and Consulting is based in Denver, Colorado and is a nationally recognized firm with expertise in economic, market, and policy research. The work associated with this project is expected to be performed by the firm’s professional staff in Denver. BBC has performed disparity studies since 1989 for over eighty organizations. Their services include DBE program development and disparity studies, using methodology approved by the Ninth Circuit Court of Appeals, United States Department of Transportation, and United States Department of Justice. Their clients include the Nevada Department of Transportation and Nevada Division of Housing.

**FISCAL IMPACT**

The Inter-Local Agreement, in the amount of \$689,215, will allocate \$110,608 as the RTAA share. The RTAA funding is contingent on the approval of a pending FY 2014-15 mid-year budget augmentation.

**COMMITTEE COORDINATION**

This item is scheduled to be presented at the February 10, 2015 Planning and Construction Committee meeting.

**RECOMMENDATION**

It is hereby recommended that the Board adopt the following motion:

“It is hereby moved that the Board authorize the President/CEO to execute an Inter-Local Agreement for a Disadvantaged Business Enterprise (DBE) Disparity Study related to federally funded construction projects at Reno-Tahoe International Airport and Reno-Stead Airport, in an amount not to exceed \$110,608, and authorize the President/CEO, or her designee, to sign.”

MMM/dl/cj





# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman and Board Members  
**From:** Marilyn Mora, A.A.E., President /CEO  
**Subject:** **ACCEPTANCE OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2013-14**

**Memo:** # 15(02)-06  
**For:** February 12, 2015 Board Meeting

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## **STAFF RECOMMENDATION**

Staff recommends that the Board accept the Comprehensive Annual Financial Report for Fiscal Year 2013-14.

## **PURPOSE**

This action is in support of the Reno-Tahoe Airport Authority (RTAA) Guiding Principle of Financial Integrity as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan and establishes transparency in all of RTAA financial transactions.

## **BACKGROUND**

Nevada Revised Statute (NRS) 354.624 has established that the RTAA must have an annual audit performed by an independent accounting firm, and the opinion and findings of the auditor, contained in the report of the audit, must be presented at a meeting of the governing body.

Through a competitive request for proposal process, the RTAA hired the firm of Crowe Horwath LLP (auditors) in 2014 to serve as the independent accounting firm, and they performed the audit for Fiscal Year 2013-14, which included the Independent Auditor's Report on Compliance and Internal Control over Financial Reporting.

The Annual Financial Report is comprised of the following:

1. Introductory Section
2. Management Discussion and Analysis ("MD&A")
3. Financial Statements and Accompanying Notes
4. Statistical Section
5. Compliance Section Audit Findings and Responses

In the Compliance Section, the auditors review the Authority's internal controls and report on RTAA's compliance with major federal grant programs and the Passenger Facility Program. The independent audit firm does not express an opinion on the Introductory Section or the Statistical Section.

In prior years, the previous external audit firm interpreted that a presentation to and acceptance by the Finance and Business Development Committee met the annual presentation requirement. With this interpretation in mind, the Comprehensive Annual Financial Report for FY 2013-14 was distributed to the entire Board of Trustees and a full presentation was made to the Finance and Business Development Committee on December 9, 2014. The committee formally recommended acceptance of the annual financial report.

At the January 6, 2015 meeting of the Finance and Business Development Committee, a Trustee inquired as to why the presentation was not made at the Board of Trustees' meeting, and the RTAA's Legal Counsel was asked to review the statutory requirement. Upon review, the determination was made that the presentation of audit results should also be made at a publicly noticed Board of Trustees meeting to ensure maximum transparency, and that full compliance with the NRS requirements is achieved.

### **DISCUSSION**

With this determination, this memo provides the audit findings, outlines the RTAA management response, and summarizes the financial results.

Crowe Horwath LLP has examined the RTAA's financial statements and accompanying notes, and concluded the report fairly represents the financial position. In addition, no material weaknesses or significant deficiencies were identified and reported.

The auditors did have four (4) recommendations identified as suggested Best Practices. A "Best Practice" is a recommendation to improve financial policies and procedures, which the Board of Trustees may find of interest.

1. Fraud Risk Assessment - The Authority does not have a formal documented fraud risk assessment.

Recommendation: A formal documented fraud risk assessment be performed and management document mitigation controls in place to address fraud risks.

Response: While the RTAA develops its annual audit plan based on a risk assessment, the Internal Audit Department will further refine its plan with a focus on fraud risks.

2. Conflict of Interest Statements - Members of management and key employees do not complete and sign conflict of interest forms.

Recommendation: The RTAA adopt a formal policy to obtain written conflict-of-interest statements from Senior Management and key employees on an annual basis.

Response: Each member of the Board of Trustees is currently required to provide an annual financial disclosure statement. After review with legal counsel, the RTAA will develop a written conflict-of-interest statement appropriate to senior management and key employees.

3. Purchase Card Policy - Purchase cards were used to pay for reoccurring charges in conflict with current policy.

Recommendation: All purchases should comply with the Purchase Card Policy or modify the policy to allow for reoccurring charges.

Response: The RTAA will amend the purchase card policy to include the use of "ghost" cards for the sole purpose of paying for recurring charges such as rentals, fees, subscriptions, etc. A "ghost card" is a credit card issued for a limited and designated purpose such as the payment of telecommunication charges. This card, which is administered by the Purchasing



Department and retains the same level of internal approvals, allows recurring and critical payments to continue should an employee terminate employment at the RTAA.

4. Information Technology (IT) System User Access - Management is currently not conducting a periodic review of user access rights for IT Systems.

Recommendation: The Authority develop a periodic review process for IT user access rights and the review should be documented, signed-off by the person conducting the review, and approved by management.

Response: The RTAA will develop a semi-annual review process for IT user access rights and document the review.

### **FISCAL IMPACT**

The RTAA's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB). The RTAA is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and depreciated over their useful lives. See the notes to the Authority's financial statements for a summary of the significant accounting policies.

The RTAA's Statement of Operating Revenues, Expenses, and Changes in Net Position (Income Statement) and Statement of Net Position (Balance Sheet) are attached along with a summary explanation of the significant changes.

### **COMMITTEE COORDINATION**

This item was presented at the December 9, 2014 Finance and Business Development Committee meeting.

### **RECOMMENDED MOTION**

It is hereby recommended that the Board adopt the following motion:

“It is hereby moved that the Board accepts the Comprehensive Annual Financial Report for Fiscal Year 2013-14.”

MMM/rg/cj

## Income Statement

*(In Millions)*

	2013	2014	Change	%
Landing Fees	\$7.38	\$7.44	\$0.06	0.8%
Concessions	10.48	10.30	(0.18)	-1.7%
Parking and Ground Transportation	8.91	8.98	0.07	0.8%
Rentals	11.97	13.28	1.31	11.0%
Reimbursements	2.58	2.63	0.05	2.0%
Other	0.09	0.04	(0.05)	-62.4%
<b>Total Operating Revenue</b>	<b>\$41.41</b>	<b>\$42.67</b>	<b>\$1.26</b>	<b>3.0%</b>
Employee Wages and Benefits	\$23.26	\$24.30	\$1.04	4.5%
Utilities and Communication	2.56	2.77	0.21	8.4%
Purchased Services	4.59	4.77	0.18	4.0%
Materials and Supplies	1.85	1.75	(0.10)	-5.5%
Administrative	2.27	2.56	0.29	12.7%
<b>Total Expenses</b>	<b>\$34.53</b>	<b>\$36.16</b>	<b>\$1.62</b>	<b>4.7%</b>
<b>Net Operating Revenue</b>	<b>\$6.89</b>	<b>\$6.52</b>	<b>(\$0.37)</b>	<b>-5.4%</b>

	2013	2014	Change	%
Net Operating Revenue	\$6.89	\$6.52	(\$0.37)	-5.4%
Depreciation and Amortization	-33.19	-35.82	+2.63	+7.9%
Non-Operating Rev (PFC/CFCs)	+7.92	+8.42	+0.50	+6.4%
Interest Expense	-1.46	-1.54	+0.14	+5.8%
Capital Contributions	+14.65	+12.21	(2.44)	-16.7%
Decrease in Net Position	(\$5.19)	(10.21)	(5.02)	-96.6%

**An analysis of significant changes in Net Position (Income Statement) for the year 2013-2014:**

Although enplaned passenger traffic was down 6%, as compared to the same period last year, total operating revenues of \$42.674 million for 2013-2014 increased 3% from the prior year.

Landing Fees and Rentals of \$20.723 million represent 41% of the RTAA's total revenues. Airline landing fees and terminal rental revenues of \$13.486 million represent 65% of the total revenues from these two categories, which result from calculations pursuant to cost recovery provisions of airline operating and terminal building lease agreements. The landing fee or rental revenues, therefore, are not accurate indicators of the level of activity at the Airport. Airline-derived revenue is 32% of total operating revenue.

Parking and Ground Transportation represents approximately 18% of total revenue. Parking revenue in FY 2013-14 of \$8.983 million increased slightly by \$69,896 or 1% from the prior year. Currently, the parking rates are set at \$1.00 for the first 30 minutes, \$2.00 for the first hour, and an additional \$1.00 per hour, with maximum amounts of \$24.00 per day for short-term, \$14.00 per day for the long-term garage and \$10.00 per day for long-term surface lot parking. These rates have remained unchanged since December of 2009.

Concession Revenue of \$10.301 million, which includes auto rental, gaming, food and beverage, merchandising, advertising, and other concessions, comprises 20% of the RTAA's total revenues for fiscal year 2014. Concession revenue decreased 2% this year.

Reimbursements for Services and Other Revenue make up 5% of RTAA's total revenues. Reimbursements for services of \$2.632 million represent an increase of 2% over 2013. The Baggage Handling System (BHS) Charge is the largest revenue source in this category and reflects a 100% cost recovery of the direct maintenance costs of operating the system less any reimbursement from the Transportation Security Administration (TSA) for direct costs associated with their screening equipment.

Non-Operating Revenues of \$8.424 million increased 6% over last year's \$7.918 million. This increase includes an increase in interest income and customer facility charge revenue. Interest income represents the earnings on investments and is 0.6% of total revenue. There was \$5,631 gain on sale of capital assets, which included two surplus property sales. Jet fuel revenue slightly decreased 4% or \$11,750 dollars.

Passenger Facility Charges (PFC) Revenue of \$6.601 million, which comprises 13% of total revenue, is up 2% from the prior year.

## Balance Sheet

*(In Millions)*

	2013	2014	Change	%
<b>Current Assets</b>				
<b>Cash/Investments</b>	\$ 61.33	\$ 61.90	0.57	+1%
<b>Other</b>	4.72	6.53	1.81	+38%
<b>Non-Current Assets</b>				
<b>Capital Assets</b>	453.80	437.30	(16.50)	-4%
<b>Other</b>	1.93	1.40	(0.53)	-27%
<b>Total Assets</b>	521.78	507.13	(14.65)	-3%
<b>Deferred Outflows of Resources</b>	1.48	1.37	(0.11)	-7%
<b>Total Assets and Deferred Outflows of Resources</b>	\$523.26	\$508.50	(14.76)	-3%

	2013	2014	Change	%
<b>Liabilities</b>				
Current	\$ 13.70	\$ 14.62	\$ 0.92	-1%
Revenue Debt, net	40.30	35.10	(5.20)	-10%
Other Liabilities	3.67	3.41	(0.26)	34%
<b>Net Position</b>				
Invested in Capital Assets, net of debt	412.44	395.05	(17.39)	-4%
Restricted	14.72	22.90	8.18	56%
Unrestricted	38.43	37.43	(1.00)	0%
<b>Total Liabilities and Net Position</b>	<b>\$ 523.26</b>	<b>\$ 508.51</b>	<b>\$ (14.75)</b>	<b>-3%</b>

**Discussion of Net Position (Balance Sheet) for the year ending June 30, 2014.**

Total assets and deferred outflows of resources of \$508.507 million reflect a decrease of 3% or \$14.753 million over 2013. Current Assets (unrestricted) decreased by 3% or \$1.557 million. This decrease was primarily Cash, Cash Equivalents and Investments, which decreased by \$3.378 million due to scheduled debt service payments and the additional early repayment of \$2.910 million of the 2011B note. This decrease was partially offset by an increase in Grants Receivable of \$1.748 million and Other Current Assets of approximately \$475,000, which reflect prepayments of medical insurance and advertising commissions.

Current Assets (restricted) increased by \$3.936 million or 20% as the result of the transfer of funds from unrestricted assets to restricted assets of \$4.286 million for higher debt service and the early retirement of subordinate lien debt and a \$4.220 million increase in unspent passenger facility charges for capital improvement projects. This increase was partially offset by \$4.670 million in lower subordinate note proceeds due to completion of the Consolidated Security Checkpoint project and the new Reno-Stead Terminal Building.

Capital Assets, Net of \$437.301 million decreased by \$16.497 million or 4% as compared to the prior year. This net decrease resulted from an increase in accumulated depreciation of \$33.521 million partially offset by the addition of \$17.024 million of new capital assets. Please see the Notes to Financial Statements - Item 5, Capital Assets.

With the implementation of Governmental Accounting Standard Board (GASB), Statement 63, "Reporting Deferred Outflows, Deferred Inflows and Net Position" and Statement 65, "Items Previously Recognized as Assets and Liabilities," the Authority expensed \$409,528 of bond issuance costs associated with the 2005 Senior Bond Issue and \$109,171 of bond issuance costs associated with the 2011

Subordinate Lien Notes. Under previous accounting rules, these costs were treated as Other Assets and amortized annually through 2026 for the 2005 bonds and 2017 for the 2011 notes.

Total Liabilities decreased 8% for the year ended June 30, 2014. This decrease is primarily due to principal payment on debt of \$3.710 million and decreases in Accounts and Construction Contracts Payable, Accrued Payroll, and the Reclamation Liability.

Total Net Position (Total Assets less Total Liabilities) decreased by 2% or \$10.212 million. This net decrease is comprised of a decrease in Net Investment in Capital Assets of \$17.394 million or 4%. This decrease was partially offset by higher Restricted Net Position of \$8.176 million, an increase of 56%.

The largest portion of the RTAA's total net position each year represents investment in capital assets, less the related indebtedness outstanding used to acquire those capital assets. At June 30, 2014, there was a \$395.051 million net investment in capital assets. The RTAA uses these capital assets to provide services to the airlines, passengers, visitors and service providers at the Airport; consequently, these assets are not available for future spending.

An additional portion of the RTAA's net assets of \$22.897 million, or 5% of total net position at June 30, 2014, represents resources that are subject to use restrictions. The \$8.176 million increase in restricted net position is attributed to collection of passenger facility charge (PFC) funds and an increase of funds to pay the July 1, 2014 debt payment, along with the additional \$2.910 million for early retirement of a portion of the 2011B variable rate note.

The restricted net position is not available for spending because it has already been committed as of June 30, 2014 as follows:

	<u>2014</u>
Revenue Bond Operations and Maintenance	\$ 6,197,187
Renewal and Replacement	781,027
Passenger Facility Charge Projects	5,868,897
Debt Service-Senior Lien Bonds and Subordinate Lien	
Revenue Notes	8,054,403
Flood Grant	1,987,265
Other Reserve Purposes	8,409
	<u>\$ 22,897,188</u>

The remaining unrestricted net position of \$37.432 million, or 8% of total net position at June 30, 2014, may be used to meet any of the RTAA's ongoing obligations.



# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman & Board Members  
**From:** Marily Mora, A.A.E., President/CEO  
**Subject:** **RECOMMENDATION TO AUTHORIZE DERMODY PROPERTIES TO REPRESENT THE RENO-TAHOE AIRPORT AUTHORITY IN ORDER TO COMPLETE PHASE 2 AND PHASE 3 OF THE RENO-STEAD AIRPORT REQUEST FOR QUALIFICATIONS FOR REAL ESTATE DEVELOPMENT**

**Memo:** #15(02)-07  
**For:** February 12, 2015 Board Meeting

## **STAFF RECOMMENDATION**

Staff recommends that the Board of Trustees (Board) authorize Dermody Properties (DP) to represent Reno-Tahoe Airport Authority (RTAA) in order to complete Phase 2 and Phase 3 of the Reno-Stead Airport Request for Qualifications (RFQ) for Real Estate Development.

## **PURPOSE**

This action is in support of the Reno-Tahoe Airport Authority Strategic Priority # 4 – Facilitate Economic Development at Both Airports, as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan, to ensure its financial growth and stability as a self-sustaining entity by maximizing non-airline revenue.

## **BACKGROUND**

In an effort to improve utilization of vacant land at Reno-Stead Airport (RTS), and attract aeronautical and non-aeronautical companies, staff issued an RFQ for a 3,500-acre development partner in March 2014. The solicitation was published on the RTAA's website and the legal advertisement was published in the Reno Gazette-Journal. Additionally, the RFQ was advertised on National Site Selector websites, and through the Economic Development Authority of Western Nevada (EDAWN), local Broker networks, and development firms.

On March 18, 2014 RTAA hosted a mandatory Pre-Submittal Meeting at the Reno-Stead Freedom Flight Terminal Community Room. Staff presented an overview of the RFQ and anticipated outcome of the RFQ, and Prospective Respondents were encouraged to ask questions which would be answered through an Addendum to all attendees. Approximately 20 different companies attended the meeting, many of them engineering/planning firms representing undisclosed developers or general contractors that could partner into a development team. An Addendum was provided to all attendees and published on the RTAA's website on March 25, 2014.

On April 17, 2014, the RTAA received three responses to the Stead Development Opportunity RFQ:

- 1) American Airports Corporation (AAC),
- 2) Dermody Properties (DP),
- 3) Unique Infrastructure Group/Lewis Group of Companies (UIG).

Prior to receipt of the Qualifications, a Selection Committee comprised of the CEO's Land Development Working Group FY 2013-14 (LDWG/SC) members including Trustees Carasali, Mayberry, Arger, and Larkin, CEO Mora, and RTAA staff was established. Copies of the submitted responses and evaluation criteria worksheets were provided to each member of the LDWG/SC. The LDWG/SC reviewed the responses, and a meeting was held on May 2, 2014 to discuss the Qualification packages and identify preferred Responders to be invited to participate in Phase 2, a 120-day due diligence period.

Based on submitted responses and criteria scoring, two Respondents, (1) Dermody Properties and (2) UIG/Lewis Group of Companies, were short-listed by the LDWG/SC. Staff conducted shortlist interviews of the two Respondents on May 9, 2014. The purpose of the interview was to discuss the Respondent's vision for development of the Reno-Stead Airport.

Following the May 9, 2014 interviews, the LDWG/SC conducted additional financial and reference checks on both Responders. Each Responder was notified in writing of the process and asked to provide additional information to assist with the reference checks. Following a complete investigation of each Responder's financial condition and capabilities, the LDWG/SC selected Dermody Properties to participate in Phase 2, Due Diligence.

On July 23, 2014 a Mandatory 30-day due diligence meeting was held with Dermody Properties representatives and the LDWG/SC, which was reorganized in FY 2014-15 with Trustee Wirth replacing Trustee Mayberry. The intent of the meeting was for Dermody Properties to provide a status update on the due diligence scope and schedule. Dermody Properties clearly demonstrated a strong due diligence program that would initially focus primarily on land constraints. At this meeting, Dermody Properties was advised by staff to not represent themselves to perspective tenants as the RTAA's Development Partner until recognition by the full Board of Trustees. Staff believed that although this approach modified the due diligence scope outlined in the RFQ, it would ensure control of existing relationships with perspective tenants. Additionally, this approach provided security if Dermody Properties determined the project was not viable by limiting interaction with perspective tenants that could be persuaded to develop at other Dermody Properties' projects.

Dermody Properties was advised that at the end of the land due diligence period, if they were still interested in the opportunity, in accordance with the RFQ, Dermody Properties would be invited to present findings to the LDWG/SC, which would possibly be followed by a recommendation to the CEO to authorize them to represent RTAA. This authorization would allow Dermody Properties to complete RFQ Phase 2 - Marketing and Financial Due Diligence and RFQ Phase 3 - Development Proposal. Following completion of the RFQ Phase 2 and Phase 3, the LDWG/SC would again review the findings and proposed business terms with a possible subsequent recommendation to the CEO, who could then make a recommendation to the full Board of Trustees at a future Board meeting. Dermody Properties understood the modified process and agreed to proceed with due diligence focused on the land constraints.

Dermody Properties completed the 120-day due diligence period in October 2014 and submitted a Due Diligence Report outlining land development constraints and opportunities. On January 8, 2015, the LDWG/SC convened to provide Dermody Properties an opportunity to present land



due diligence findings to date, answer questions and review proposed efforts and requirements to complete the RFQ process.

### **DISCUSSION**

After the LDWG/SC meeting on January 8, 2015, there was discussion with the CEO that this item should be brought to the full Board of Trustees to authorize Dermody Properties to represent RTAA in order to complete Phase 2 and Phase 3 of the Reno-Stead Airport RFQ.

Based on research and experience in the Reno-Sparks region, as well as national experience, Dermody Properties believes that the Reno-Stead Airport will become one of the premier economic development opportunities in northern Nevada. They envision the property developing as a high-tech business park with a mix of aeronautical and non-aeronautical tenants that coexist with Airport operations. As a national developer with Reno headquarters and local expertise, the Dermody Properties team understands the importance of working with existing tenants such as Reno Air Race Association (RARA), Aviation Classics, Nevada Army National Guard, and the Bureau of Land Management, as well as the 100+ existing GA tenants based at Stead.

By authorizing Dermody Properties to represent RTAA, it will allow them to complete Phase 2 Due Diligence and Phase 3 Development Plan by (1) actively marketing the property through brochures, site tours, prospective tenant meetings, and national recognition through conference attendance; (2) identifying and pursuing additional financial resources including debt and equity such as investment partners for all or various parts of the development; (3) refining the project concept plans based on interest expressed by potential tenants/businesses and/or through internal and/or third party market research; and (4) obtaining proposals for preliminary engineering and surveying related to development of the property.

Completion of Phases 2 and 3 as outlined in Dermody Properties Due Diligence Report will culminate with proposed business terms in the form of a Development Proposal for LDWG/SC and staff evaluation. Staff anticipates this information will be presented by Dermody Properties to the LDWG/SC in mid-2015. Pending evaluation and support by the LDWG/SC, a recommendation from the CEO of an RFQ Award may be presented to the Board of Trustees at a future meeting.

### **FISCAL IMPACT**

At this time, there is no Fiscal Impact to the RTAA as a result of this authorization. All costs associated with completion of Phase 2 and Phase 3 will be the responsibility of Dermody Properties.

### **COMMITTEE COORDINATION**

This item is scheduled to be presented at the February 10, 2015 Finance and Business Development Committee meeting.

**RECOMMENDED MOTION**

It is recommended that the Board of Trustees authorize Dermody Properties to represent Reno-Tahoe Airport Authority in order to complete Phase 2 and Phase 3 of the Reno-Stead Airport Request for Qualifications for Real Estate Development.

MMM/sh/cj



# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman & Board Members  
**From:** Marily M. Mora, A.A.E., President/CEO  
**Subject:** **AWARD OF BID FOR TWO ALL-WHEEL DRIVE SNOW PLOWS OSHKOSH TRUCK/SPREADERS TO JACK DOHENY SUPPLIES OHIO, INCORPORATED, IN THE AMOUNT OF \$998,000**

**Memo: # 15(02)-08**  
**For: February 12, 2015 Board Meeting**

## STAFF RECOMMENDATION

Staff recommends that the Board approve the award of bid for two all-wheel drive snow plows Oshkosh Truck/Spreaders to Jack Doheny Supplies Ohio, Incorporated, in the amount of \$998,000.

## PURPOSE

This action requests approval to award the Bid #14/15-06 to Jack Doheny Supplies Ohio, Incorporated, for the purchase of two all-wheel drive, all-wheel steer Oshkosh trucks equipped with Epoke sanders and snow plows. The trucks will be utilized for snow removal operations at the Reno-Tahoe International Airport (RTIA). This action is in support of the Reno-Tahoe Airport Authority (RTAA) Guiding Principles of Safety and Security, Customer Service and Environmental Responsibility, as identified in the RTAA Fiscal Year (FY) 2014-2018 Comprehensive Strategic Plan.

## BACKGROUND

In September 2005, the Federal Aviation Administration (FAA) Certification Inspector recommended that certain snow removal equipment be replaced because of age and condition. Based on actual fleet condition and the FAA's recommendation, the RTAA applied and was approved for Passenger Facility Charge (PFC) collections for snow removal equipment replacement. The equipment recommended was included for procurement in the approved PFC 10 application.

Seven pieces of snow removal equipment are scheduled to be replaced and/or added to the current snow removal fleet as part of PFC 10, approved by the FAA on May 11, 2007, for a total replacement amount of \$3,358,000.

The purchase of these all-wheel drive snow plows will be the fifth and sixth pieces of equipment to be purchased on the PFC 10 authorization. The other pieces of snow equipment previously purchased are:

- 2009 Dodge Model 5500 two-ton dump truck in the amount of \$53,335
- 2011 22-foot, self-propelled rotary runway sweeper in the amount of \$558,129
- 2012 All-wheel drive snow plow in the amount of \$525,000

- 2014 Front End Loader with box plow in the amount of \$408,901

### **DISCUSSION**

The two pieces of equipment recommended for procurement are all-wheel drive, all-wheel steer Oshkosh trucks equipped with Epoke sanders and twenty-two (22) foot Wausau snow plows. The primary function for these highly specialized pieces of equipment will be snow removal on the Airport Operations Area (AOA), specifically the runways, taxiways, and terminal ramp areas at RTIA. Snow removal on AOA surfaces is critical for safe aircraft operation, as the presence of snow, ice, slush, and standing water degrade the coefficient of friction, reduce braking and directional control, and impede aircraft acceleration.

These are very versatile, state-of-the-art pieces of airport snow removal equipment and will be a key component of airside snow removal operations. These pieces of equipment will be designated as primary response plows. In addition to the twenty-two foot snow plows, these trucks are also equipped with technologically advanced friction enhancing equipment that can apply liquid and solid deicing products separately or simultaneously.

One of the all-wheel drive Plow Truck/Spreaders will be an addition to the snow removal fleet and the other Plow Truck/Spreader will replace a 1983 International dump truck with a twelve foot snow plow. This truck has undergone an evaluation by staff and has been categorized as being in very poor condition. The 1983 International is currently out of service due to extensive hydraulic system failures.

Replacement of the International dump truck is recommended at this time based upon the following criteria:

- The equipment has long met the 10-20 year criteria for replacement being 32 years old.
- The equipment has been evaluated by both the airfield mechanics and airfield maintenance management staff who have determined and recommended that the 1983 International dump truck snow plow be replaced due to its age, condition, and lack of reliability during snow removal operations.

Upon delivery of the all-wheel drive Plow Truck/Spreaders, the 1983 International will be disposed of through the statutorily-mandated surplus property process.

As a result of significant advancements in airfield snow removal equipment technology, modern airport snow removal equipment has the capability to move more than double the quantity of snow at a much higher rate of speed. This increased capability will allow more efficient snow removal operations on the AOA. Modern airport snow plows are also much more environmentally friendly as a result of their having the latest emissions technology integrated in current diesel engines.

The Invitation to Bid was issued and advertised on November 3, 2014 in the *Reno Gazette-Journal*. To supplement legal advertising, staff posted the bid document on the RTAA's website

on November 6, 2014, as well as e-mailed the solicitation directly to three prospective bidders for this type of equipment.

Two bids were received in good order and opened on December 12, 2014 as follows:

Company	Bid Amount	Exceptions Taken
M-B Companies, Inc.	\$914,614	33
Jack Doheny Companies	\$998,000	1

Staff evaluated the bids received for conformance to terms, conditions, and specifications. Following this review, staff recommends the award of Bid #14/15-06 in the amount of \$998,000 to Jack Doheny Supplies Ohio, Inc. as the low, responsive, and responsible bidder. Although M-B Companies, Incorporated submitted a lower bid amount, they offered a conversion unit for RTAA consideration, as well as took 33 exceptions to the bid equipment specifications. The bid solicitation clearly states that no aftermarket conversions of two-wheel drive or two-wheel steer trucks shall be accepted.

A three year warranty applies to the truck and all auxiliary equipment (i.e. plows and sanders). The purchase price includes freight costs to the Reno-Tahoe International Airport. Delivery of this equipment is expected 270 calendar days after order placement.

**COMPANY BACKGROUND**

Jack Doheny Supplies Ohio, Inc. is a subsidiary of Jack Doheny Supplies, Inc. Jack Doheny Supplies was incorporated in 1973 and is a sales and distribution company for sewer cleaning, maintenance, air handling and municipal equipment based in Northville, Michigan. Jack Doheny Supplies, Inc. has various locations throughout the country including Cincinnati, Ohio and Antioch, California. The company carries the complete line of Oshkosh industrial and commercial snow equipment in North America.

**FISCAL IMPACT**

This equipment is funded by Passenger Facility Charge Program (PFC) 10 approved by the FAA on May 11, 2007. The PFC program amount budgeted for snow removal equipment is in the amount of \$3,358,000.

The equipment authorized by the FAA to be purchased is as follows:

Equipment to be replaced/added with PFC 10 Funds	Quantity	Purchase Amount
Multi-function Snow Plow Truck with sander/spreader*	1	\$ 499,000
Multi-function Snow Plow Truck with sander/spreader*	1	499,000
Multi-function Snow Plow Truck with sander/grader	1	525,000
Front End Loader with Box Snow Plow	1	408,901
High-Speed Runway Rotary Snow Blower	1	TBD
2-Ton Dump Truck	1	53,335

Self-Propelled Rotary Runway Snow Sweeper	1	558,129
Funds Expended to Date		\$2,543,365
Total PFC 10 Amount	7	\$3,358,000
Remaining PFC 10 Total After This Purchase		\$814,635

\*Recommended for procurement approval herein

If the Board of Trustees approves this purchase, the last piece of equipment to be procured under PFC #10 is the High Speed Runway Rotary Snow Blower with an estimated cost of \$800,000 to \$850,000. It is the RTAA staff's intention to complete the last purchase prior to winter weather in late 2015.

With the use of PFC funding, this purchase will have no impact on airline rates and charges.

**COMMITTEE COORDINATION**

This item is scheduled to be presented at the February 10, 2015 Finance and Business Development Committee Meeting.

**RECOMMENDATION**

It is hereby recommended that the Board adopt the following motion:

“It is hereby moved that the Board approve the award of a contract in the amount of \$998,000 for the purchase of two all-wheel drive, all-wheel steer Oshkosh trucks equipped with Epoke sanders and Wausau snow plows to Jack Doheny Supplies Ohio, Incorporated and authorize the President/CEO, or her designee, to sign.”

MMM/jah/cj



# Board Memorandum

Reno-Tahoe Airport Authority

**Date:** February 4, 2015  
**To:** Chairman and Board Members  
**From:** Marily Mora, A.A.E., President /CEO  
**Subject:** **APPROVAL TO REVISE THE FISCAL YEAR 2014-2015 RENO-TAHOE AIRPORT AUTHORITY BOARD OF TRUSTEES CALENDAR TO CHANGE THE DATES OF THE JUNE 2015 COMMITTEE AND BOARD MEETINGS**

**Memo: # 15(02)-09**  
**For: February 12, 2015 Board Meeting**

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## **STAFF RECOMMENDATION**

Staff recommends Board approval to revise the approved FY 2014-2015 Reno-Tahoe Airport Authority (RTAA) Board of Trustees calendar to change the dates of the June 2015 Committee and Board Meetings.

## **PURPOSE**

The purpose of this action is to review and approve a proposed revision to the RTAA Board of Trustees calendar in order to accommodate a change in the dates of the June 2015 Committee and Board meetings. This action is in support of the Board-directed goal of efficient airport operations.

## **DISCUSSION**

Per RTAA Bylaw 9341 of the Board of Trustees, the Board shall meet each month as determined by the Chairman, with approval of a quorum of the Board. The monthly meetings of the Board shall be on the second Thursday of each month unless such meeting date conflicts with a holiday as set forth in NRS 236.015, or such other conflict as the Chairman, with the approval of a majority of a quorum of the Board, may determine.

The June 2015 Committee and Board meetings are set to occur on June 9 and 11, respectively. These dates conflict with the dates of the 87th Annual AAAE Conference and Exposition scheduled for June 7-10, 2015. President/CEO Marily Mora and Executive Vice President/COO Dean Schultz are planning to attend the conference should the Board approve of the change in the June Board meeting dates. The dates of their absence, including travel to and from the conference, will be June 6-11, 2015.

Staff recommends changing the June 2015 Committee and Board meeting dates to June 16 and 18, respectively, to allow leadership's attendance at the annual conference. Attached is the 2014-2015 Board Meeting Calendar with the proposed changes in meeting dates highlighted.

## **FISCAL IMPACT**

None identified at this time.

## **COMMITTEE COORDINATION**

This item is not scheduled to be presented to a Committee.

## **RECOMMENDED MOTION**

It is hereby recommended that the Board adopt the following motion:

“It is hereby moved that the Board approves the revision to the Fiscal Year RTAA Board of Trustee Calendar to change the June 2015 Committee and Board Meeting dates to June 16 and 18, respectively.”

MMM/cj



# 2014-15

## BOARD MEETING CALENDAR

JULY						
S	M	T	W	T	F	S
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AUGUST						
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SEPTEMBER						
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NOVEMBER						
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DECEMBER						
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JANUARY						
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FEBRUARY						
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MARCH						
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APRIL						
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MAY						
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31						

JUNE						
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- HOLIDAY
- COMMITTEE MEETINGS
- BOARD MEETINGS
- MOVED DUE TO HOLIDAY
- BOARD RETREAT
- AAAAE CONFERENCE



# President/CEO's Report January 2015

Marilyn M. Mora, A.A.E., President/CEO

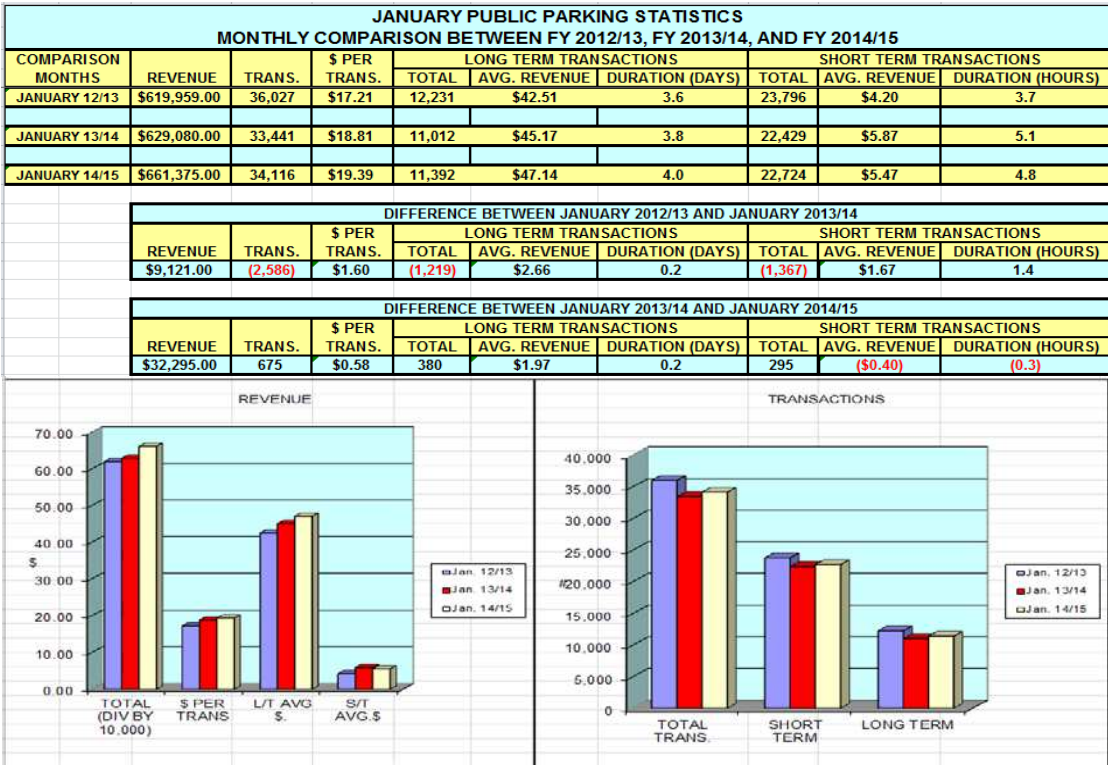
## Financial Summary

- The following table summarizes the operating statement information for the six month period ending December 31, 2014:

	FY 2014-15 Actual	FY 2014-15 Budget	Dollar Variance	Percent Change
Landing Fees	\$ 3,596,131	\$ 3,537,926	\$ 58,205	2%
Terminal Building Rentals	4,141,700	3,952,200	189,500	5%
<b>Total Airline Revenues</b>	<b>7,737,831</b>	<b>7,490,126</b>	<b>247,705</b>	<b>3%</b>
Concession Revenue	2,202,947	2,097,600	105,347	5%
Auto Rental	3,281,625	2,939,950	341,675	12%
Parking & Ground Transportation	4,714,581	4,252,450	462,131	11%
RTIA Building/Land Rents	3,064,410	2,945,750	118,660	4%
Other	2,079,322	2,138,013	(58,691)	-3%
<b>Total Non-Airline Revenues</b>	<b>15,342,886</b>	<b>14,373,763</b>	<b>969,123</b>	<b>7%</b>
<b>Total Operating Revenue</b>	<b>\$ 23,080,717</b>	<b>\$ 21,863,889</b>	<b>\$ 1,216,828</b>	<b>6%</b>

Due to operating expenses being 6.1% below budget and a higher than anticipated revenue sharing credit, the airline cost per enplaned passenger is estimated to be \$6.90 as compared to budgeted cost per enplaned passenger of \$8.15.

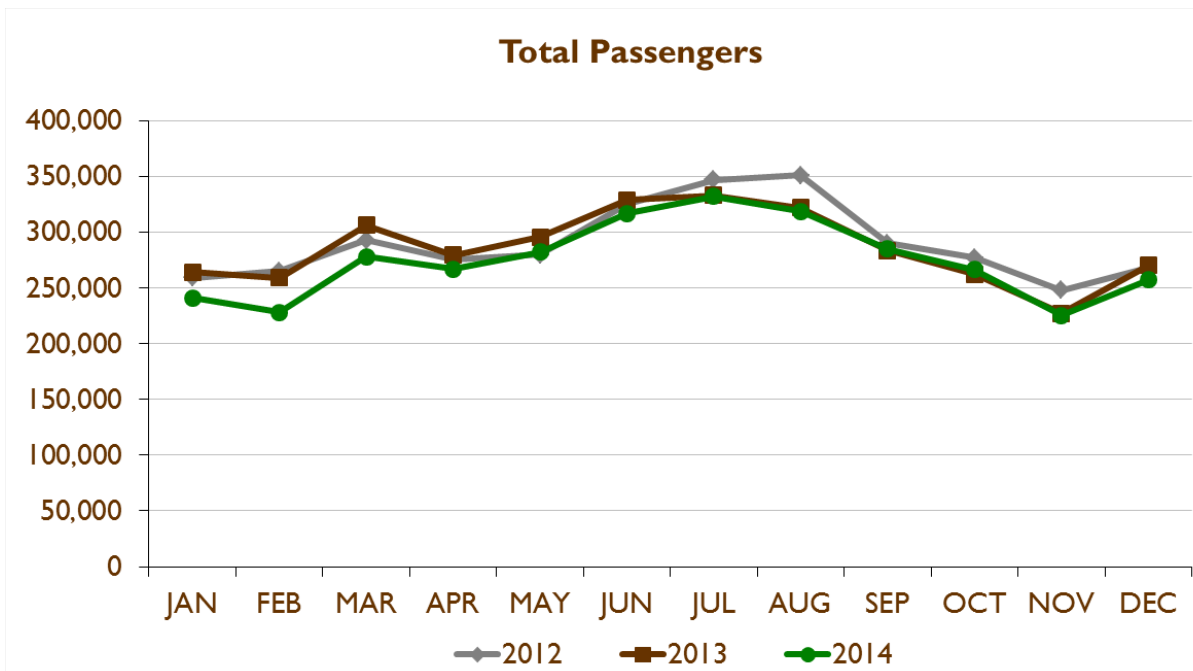
## Parking Comparison



## Air Service

- Reno-Tahoe International Airport (RNO) served 257,507 passengers in December 2014, down (4.6%) versus December 2013. The primary reason for the year-over-year passenger decline at RNO is the lack of early-season ski traffic caused by dry weather conditions at Lake Tahoe. During calendar year 2014, RNO served 3,298,915 passengers, a decrease of (3.9%) when compared to

calendar year 2013.



Month	2012	2013	2014	YOY Change
JAN	259,012	264,265	241,181	-8.7%
FEB	265,017	259,299	228,035	-12.1%
MAR	292,939	306,139	278,172	-9.1%
APR	275,926	279,418	266,800	-4.5%
MAY	279,857	295,494	282,277	-4.5%
JUN	325,260	328,755	316,720	-3.7%
JUL	347,060	333,321	332,242	-0.3%
AUG	350,934	322,083	318,965	-1.0%
SEP	290,333	283,800	284,931	0.4%
OCT	277,030	262,480	266,701	1.6%
NOV	248,067	227,213	225,384	-0.8%
DEC	267,855	270,051	257,507	-4.6%
<b>TOTAL</b>	<b>3,479,290</b>	<b>3,432,318</b>	<b>3,298,915</b>	
YTD		3,432,318	3,298,915	-3.9%

- In December 2014, RNO was served by seven airlines providing 57 peak daily departures to 15 non-stop destinations. Total departures at RNO were down (3.7%), and the seat capacity was down (2.3%) when compared to the same period last year.
- JetBlue Airways will begin non-stop daily flights between Reno and JFK International Airport in New York City on May 28, 2015.

- Thomas Cook Airlines begins twice weekly non-stop seasonal flights between Reno and London's Gatwick Airport beginning December 19, 2015.

- **Recent and Upcoming Schedule Changes**

- ➔ **Allegiant Air**

- ➔ Allegiant Air currently operates two weekly flights between Reno and Las Vegas. A third weekly flight to Las Vegas will begin on Wednesday, February 11, 2015.

- ➔ **American Airlines**

- ➔ American Airlines currently operates two non-stop daily flights and one weekend non-stop flight to Dallas. The third non-stop weekend flight to Dallas will operate until February 8, 2015, and then will return as a daily flight on May 7, 2015.

American Airlines currently operates four non-stop daily flights between Reno and Los Angeles. A fifth non-stop daily flight to Los Angeles will begin on June 4, 2015.

- ➔ **Delta Air Lines**

- ➔ The non-stop flight between Reno and Minneapolis will return as a Saturday only flight on May 23, 2015.

- ➔ **Southwest Airlines**

- ➔ The non-stop Saturday only flight to Chicago-Midway will transition into daily service on March 7, 2015.

Non-stop flights to Denver and Los Angeles were reduced by one daily flight each in January 2015. The Denver flights will return to the full schedule in March 2015 and the Los Angeles flights in April 2015.

- ➔ **United Airlines**

- ➔ The non-stop daily flight to Houston on United Airlines will operate as twice a week service starting February 14, 2015.

The non-stop flights between Reno and San Francisco return to six flights a day on February 12, 2015.

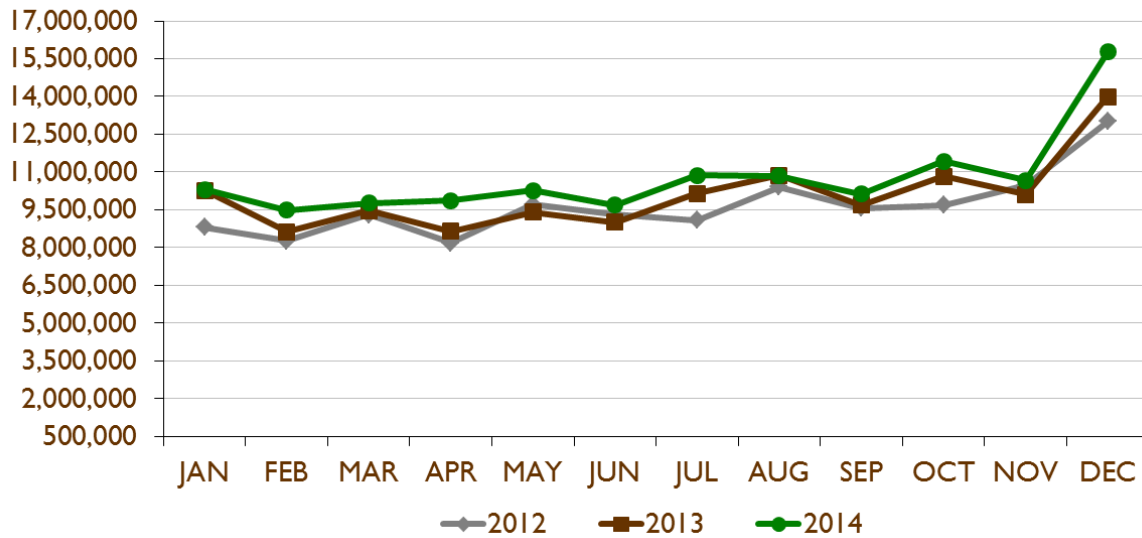
- ➔ **Volaris Airlines (Y4)**

- ➔ Volaris began twice weekly non-stop flights between Reno and Guadalajara, MX on December 16, 2014.

- With respect to air cargo, RNO handled 15,776,073 pounds of cargo in December 2014, an increase of 12.7% when compared to December 2013, representing the highest cargo tonnage recorded at RNO for the month of December.

During calendar year 2014, RNO handled 129,089,232 pounds of cargo, an increase of 6.7% when compared to calendar year 2013. This represents the highest annual cargo tonnage reported at RNO during the last eight years.

### Total Cargo



Total Cargo				
Month	2012	2013	2014	YOY Change
JAN	8,813,491	10,269,546	10,303,380	0.3%
FEB	8,274,037	8,635,807	9,486,697	9.9%
MAR	9,304,722	9,457,376	9,758,391	3.2%
APR	8,175,766	8,639,172	9,876,465	14.3%
MAY	9,706,074	9,398,212	10,269,963	9.3%
JUN	9,302,777	9,001,339	9,679,744	7.5%
JUL	9,096,013	10,149,807	10,863,843	7.0%
AUG	10,398,754	10,859,694	10,853,726	-0.1%
SEP	9,573,812	9,689,115	10,127,014	4.5%
OCT	9,677,334	10,834,930	11,429,538	5.5%
NOV	10,469,628	10,099,499	10,664,398	5.6%
DEC	13,007,942	13,998,438	15,776,073	12.7%
<b>TOTAL</b>	<b>115,800,350</b>	<b>121,032,935</b>	<b>129,089,232</b>	
YTD		121,032,935	129,089,232	6.7%

- A notice to proceed was issued on December 8, 2014 for Campbell-Hill Aviation Group to conduct an air cargo study for the Reno-Tahoe International Airport (RNO). This study will provide a baseline analysis of the status of air cargo demand and supply patterns for the regional market that is currently served via RNO. Analysis of secondary data sources covering cargo flows, airport activity and cargo services will be supplemented with a detailed interview program of local service providers and users. The interview program will be conducted in February 2015.

## **Business Development**

### **Aviation Tax Abatement Initiative**

- **Senate Bill No. 93 (SB 93)**

Staff continues to work with the Governor's Office of Economic Development (GOED) and RTAA Lobbyists to finalize the bill's fiscal note, brief legislators, engage stakeholders, obtain letters and resolutions of support, and coordinate session testimony, including the testimony of Dr. Mike Tretheway, InterVISTAS' Chief Economist and Chief Strategy Officer, on the InterVISTAS research regarding the estimated effects of a partial tax abatement of the aviation industry in Nevada.

On February 18, 2015, the Nevada Business Aviation Association (NVBAA) will convene a stakeholder luncheon at the Reno-Tahoe International Airport. Luncheon speakers include Lt. Governor Mark Hutchison and the Director of GOED, Steve Hill. NVBAA will also host a cocktail reception for legislators that same evening at the Legislative Building in Carson City.

### **Reno-Stead Airport Economic Development (AED)**

- **UAS**

The RTAA continues to work with the Nevada Institute of Autonomous Systems (NIAS) to bring UAS testing to Reno-Stead Airport (RTS). The FAA issued two Certificates of Authorization (COAs), with a third anticipated soon, all of which were initially part of the American Society for Photogrammetry and Remote Sensing (ASPRS) Symposium held in October 2014. The three companies receiving COAs at RTS include Trimble, Precision Hawk, and Altavian. Although testing associated with the ASPRS Symposium was the original intent for the COAs, staff is now working with these companies to identify other testing opportunities at RTS.

Staff has also had recent conversations regarding testing at RTS with Yamaha, two local engineering firms, and a company from the Bay area that works closely with NASA's Ames Research Center. Additional staff business development activities include making a presentation on April 1, 2015 to the Silicon Valley Chapter of the Association for Unmanned Vehicle Systems International (AUVSI), and working with NIAS on the exhibit hall booth arrangements for the annual AUVSI Conference (8,000+ attendees) in May, 2015.

- **Real Estate Development Opportunity Request for Qualifications (RFQ)**

Dermody Properties presented due diligence findings, answered questions, and reviewed proposed efforts and requirements to complete the RFQ process to the CEO's Land Development Working/RFQ Selection Committee (LDWG/SC) on January 8, 2015.

Following review and feedback by the LDWG/SC, staff will ask the Board of Trustees at the February 12, 2015 meeting to authorize Dermody Properties to represent the Reno-Tahoe Airport Authority in order to complete Phase 2 and Phase 3 of the Reno-Stead Airport RFQ. Completion of Phase 2 and Phase 3 will allow Dermody Properties to identify market opportunities and the financing strategies necessary to prepare a business plan and final agreement terms.

### **Reno-Tahoe International Airport (RNO) General Aviation**

- **T-Hangars**

As of January 1, 2015, the seven additional T-Hangars were released at GA West and made available for lease. Of the seven T-Hangars, one is leased to a new tenant who relocated his aircraft from the

Reno-Stead Airport, and three are occupied by existing tenants who relocated from other RNO T-Hangars (2 from GA West and 1 from GA East).

One existing tenant at GA East has sold their aircraft to an out-of-state buyer and will be vacating their T-Hangar (E52). Of the 88 T-Hangars owned by the RTAA, 64 are leased and 16 are vacant. One T-Hangar at GA East (E09) is un-leasable pending repair of a legacy door issue. There are eight T-Hangars at GA West pending Board- approved release. The occupancy rate of the available T-Hangar inventory is 71%.

- **T-Hangar Management Request for Qualifications (RFQ)**

Staff negotiations with the Most Qualified Responder were reported to the RFQ Selection Committee on January 28, 2015. The RFQ Selection Committee reviewed the current status of the negotiated business terms. The RFQ Selection Committee recommended continued negotiations with the Most Qualified Responder. Staff will continue negotiations as recommended.

- **Box Hangars**

- ➔ Hangar 7 (10,000 sq. ft.) located at GA West became vacant on January 3, 2015. Staff is preparing the Hangar for lease and will be advertising its availability.

- ➔ Charles Chi, who currently leases Hangar 8 at GA West, has requested an extension of his existing lease. Staff is working with Mr. Chi to complete the amendment for an additional one-year term.

- ➔ Reno Flying Service has an option to extend its current lease for Hangar E located at GA East. Staff is working with Reno Flying Service to complete the amendment request for an additional one-year term.

- ➔ Sierra Nevada Holdings' lease of Hangar E3 at GA East expired at the end of November 2014 and is currently in a holdover status. They have informed the RTAA that they wish to enter into an agreement for a new three-year lease. Staff is currently negotiating the terms of a three-year lease with Sierra Nevada Holdings.

### **Outside Commercial Properties**

- **Complete Care Carpet Cleaning**

A new five-year commercial lease agreement was approved by the Board of Trustees at the January 8, 2015 meeting, and the agreement was subsequently executed with Complete Care Carpet Cleaning for 6,778 square feet of commercial space at 2890 Vassar Street. Complete Care Carpet Cleaning is a current RTAA tenant who needed a larger space for their expanding business. They are expanding from 1,000 square feet to the larger 6,778 square foot space. The total contract value for their original twelve-month Lease Agreement was \$5,160.00. The total contract value of the new five-year lease agreement is \$137,881.71.

- **Oscar Delgado, City of Reno Council Member**

A new twelve-month lease agreement was executed with Oscar Delgado, City of Reno Council Member, for 244 square feet of office space at 1280 Terminal Way effective February 2, 2015. Mr. Delgado was in need of a space where his interns can work on projects, as well as a space that is more accessible than City Hall, in which to hold meetings. The total contract value is \$2,342.40.

### **RNO Land Development**

- **Home Gardens Land Lease**

Dermody Properties (DP) provided an update to the CEO's Land Development Working Group on January 8, 2015. At that meeting, DP confirmed that they continue to look at site plan alternatives based on target tenants. They also briefed the Land Development Working Group on tenants they are considering for the site. Additionally, DP confirmed that they are still in the process of securing tenants, which will determine building type(s) and site utilization. Once the final tenant site plans are confirmed, staff will verify business terms as previously approved by the Board of Trustees, and execute a lease.

- **Home Gardens North**

Conor Commercial expressed interest in development of the Home Gardens North property for warehouse use. Following discussions with Conor regarding development requirements, RTAA staff submitted a Runway Protection Zone (RPZ) application to the FAA in October 2014. Following submittal, the FAA responded with a new interpretation that shifted the RPZ to the north. As a result of the shift, the RPZ impact on the Home Gardens North property increased, reducing the developable acreage of the property.

Based on the increased RPZ constraints, as well as the One Engine Inoperative (OEI) height restrictions, Conor Commercial has declined the opportunity to develop this site.

- **Airport South**

Longley Corners, LLC executed a Right of Entry & Hold Harmless Agreement providing a 90-day Due Diligence period beginning November 17, 2014. As part of the due diligence period, staff obtained an Appraisal on the property that will be used to determine the monthly rental rate.

Longley Corners, LLC was briefed on the results of the Appraisal, and have agreed to proceed with development of the property. Completion of the due diligence period will culminate with proposed business terms which will be presented to the Board of Trustees at a future meeting.

### **RNO Concessions**

- **Mountain House Cantina**

The Cantina closed its operation in Baggage Claim on January 19, 2015 due to poor sales performance. Select Service Partners (SSP) requested the shut down after reporting a total loss of approximately \$1,600 over the course of its five weeks in operation. Staff believes the number of individuals and families projected to be awaiting the arrivals of the Guadalajara flights were over-estimated by Volaris. The closure of the Cantina opens up this space for possible use by jetBlue for its Baggage Service Office.

- **Paradies/Squaw Valley Merchandise**

Paradies will begin carrying a variety of Squaw Valley merchandise in its Adventure News Store beginning January 28, 2015. This merchandise will also be available in the C-Concourse Travel Mart store by the beginning of February 2015. Staff met with Michael DeGroff, Vice-President of Resort Services for Squaw Valley, to identify potential locations for a future stand-alone Squaw Valley merchandise kiosk or retail space.

## **Project Status**

### **In Progress**



### **Reno-Stead Airport**

- **Taxiway 'C' Reconstruction Project**

The project consists of reconstruction of approximately 25,000 square yards of Asphaltic Concrete (AC) pavement of the existing taxiway between Runways 8-26 and 14-32. The work consists of demolition, excavation, stabilizing fill and base material placement, utility relocation, asphalt pavement, drainage, and taxiway edge lighting system installation.

The Airport Improvement Program (AIP) grant offer for design services was issued by the Federal Aviation Administration (FAA) on August 8, 2013. The Professional Services Agreement (PSA) for design services with Wood Rodgers, Inc. for \$345,500 was approved at the February 2014 Board meeting. The design kick off meeting was conducted on April 23, 2014. A Basis of Design (BOD) review meeting was conducted May 28, 2014 to validate design criteria. The 60% design review was conducted on June 27, 2014, and the final review was conducted on July 18, 2014.

The construction documents (plans and specifications) were issued for bids on July 24, 2014, with the bid opening conducted on August 13, 2014. The FAA grant for Phase 1 construction was accepted by the Reno-Tahoe Airport Authority (RTAA) on August 22, 2014. The Phase 1 construction contract with Granite Construction Company, in the amount of \$1,402,235 was approved at the September 2014 Board meeting. The remaining Phase 2 work may be added to the contract at a later date, if additional funding is provided by the FAA. Due to the Phase 1 grant offer being received late in the year, the contract will be awarded with construction scheduled to start in Spring 2015. This will avoid having excavation areas open during inclement winter weather.

### **Reno-Tahoe International Airport**

- **Taxiway 'C' Reconstruction Project**

The project consists of providing design services for the reconstruction of approximately 11,300 square yards of existing Asphaltic Concrete (AC) taxiway pavement. Taxiway C is east of Runway 16L-34R and serves the GA East Fixed Based Operator (FBO) facilities and aircraft parking aprons. The work consists of demolition and reconstruction of the existing taxiway between Taxiway D and Taxiway L. The project includes excavation, stabilizing fill, base, asphalt or concrete pavement, drainage, utilities, signage, and pavement markings.

The Basis of Design (BOD) report will evaluate a cost comparison between asphalt and concrete pavement. Specific project requirements and design features for the project will be developed in collaboration with project stakeholders as part of the design process. The design services shall include construction phasing plans, an operational plan accommodating runway and taxiway closures, and contingency plans for aircraft operations during construction.

The AIP grant offer for design services was issued by the FAA on July 30, 2014. A Request For Qualifications (RFQ) was solicited in September 2014 and the Statements of Qualifications (SOQ) were evaluated by the Selection Committee on October 15, 2014. The Professional Services Agreement (PSA) for the design work, with Wood Rodgers, Inc. in the amount of \$595,800 was approved at the November 2014 Board meeting. Stakeholder coordination meetings will be conducted with tenants and airport users throughout the taxiway design effort.

Upon completion of the design work, the construction contract will be issued for bids and separate Board approval in Summer 2015, contingent upon FAA construction funding. Programming of construction funding was discussed with FAA Airports District Office (ADO) Program Managers

during their visit to Reno-Tahoe International Airport (RTIA) on December 1, 2014. This project is the highest priority for grant funding on the RTAA Airport Capital Improvement Plan (ACIP).

- **Central Disposal Facility (CDF) Upgrade**

The project consists of improvements to the existing Central Disposal Facility (CDF) including structural modifications, roof refurbishment, overhead door retrofit, upgrade of the sand / water separator, plumbing modifications, electrical modifications, water service modifications, equipment replacement and site improvements. The facility consists of three separate bays for waste water and glycol disposal, vehicle wash down, high pressure water and steam cleaning equipment. The facility provides disposal services for most of the airline Ground Service Equipment (GSE) and aircraft deicing glycol.

A Request For Qualifications (RFQ) was solicited in August 2013 for the selection of a Consultant for design services. Statements of Qualifications (SOQ) were received from submitting firms on September 12, 2013. The Professional Services Agreement for an initial Program Study with H+K Architects was issued by administrative award in November 2013. Specific project requirements and design features for the facility upgrade were discussed with project stakeholders, as part of the Program Study during coordination meetings on January 16 (RTAA Facilities) and January 21, 2014 (Airline Station Managers). Alternate locations for the facility were also evaluated prior to initiation of the design phase. The estimated budget for this program including soft costs is \$1,500,000.

The design options and recommendations from the Program Study were presented at the June 2014 Planning and Construction Committee meeting. In agreement with the findings of the Program Study, Alternate 1 was determined to be the preferred design option. On this basis, the design fee proposal was subsequently negotiated with H+K Architects and was approved at the August 2014 Board meeting. The 30% design package was submitted for review on October 29, 2014. Upon completion of the design, the contract documents (plans and specifications) will be issued for bids in the second quarter of 2015, allowing for construction in the summer and fall of 2015.

- **Pavement Management System Program**

The Professional Services Agreement (PSA) with Stantec Consulting for the 2015 Airfield and Landside Pavement Management System (PMS) Program, in the amount of \$238,200, will be presented for approval at the February 12, 2015 Board meeting. The services consist of airfield pavement inspections (annual update), airfield pavement repairs and rehabilitation (design work - Phase 10), landside pavement inspections (annual update), and RTIA landside pavement rehabilitation (design work - Parking Lot Reconstruction Phase 4). The program is funded from the Fiscal Year (FY) 2014-15 Capital Improvements Budget.

2015 Airfield Pavement Maintenance – Upon approval of the PSA for design services with Stantec, the contract documents (plans and specifications) will be generated and issued for bids in the Summer of 2015. The Pre-Bid meeting, bid date, and start of construction will be determined during the design phase of the project. The bid opening will be coordinated with the subsequent presentation for a separate construction contract approval at the appropriate Board meeting. The construction schedule will also be developed during the design phase to establish duration and project milestone dates. This work will require closures of Runway 16R-34L and Taxiway B. The project will be scheduled around the proposed Taxiway “C” Reconstruction project, and potentially after the National Championship Air Races to be held in mid-September 2015. The Runway closure will be coordinated with RTAA Airside Operations, Airline Station Managers, and FAA Air Traffic Control.

2015 Landside Pavement Maintenance – Upon approval of the PSA for design services with Stantec, the contract documents (plans and specifications) will be generated and issued for bids in the Summer of 2015. The Pre-Bid meeting, bid date, and start of construction will be determined during the design phase of the project. The bid opening will be coordinated with the subsequent presentation for a separate construction contract approval at the appropriate Board meeting. The construction schedule will also be developed during the design phase to establish duration and project milestone dates. This work will require closure of the south portion of the public parking lot. The parking lot closure will be coordinated with RTAA Landside Operations and Marketing and Public Affairs.

- **Sound Insulation Program**

There is currently one active phase (Phase 21) in the sound insulation program. The 2014 construction season included 59 residences located in Reno, Sparks and Washoe County, as shown in the table below. This group of homes is currently in the post-construction phase of the program.

Phase	City of Sparks Single/Multi	City of Reno Single/Multi	Washoe County Single/Multi	Total
21.5	30	14	15	59
Total	30	14	15	59

**Phase 21: Group 21.5** consists of a total of 59 single, multi-family and condominium residences in Reno, Sparks and Washoe County. Construction, including all punch-list items, has been completed. Project close-out activities continue and include the FAA's approval of the final change order document and subsequently, the Airport Authority's release of final retention.

- **Geographic Information System Project**

Arora Engineers and Airport staff continue to work on the Federal Aviation Administration (FAA) approved electronic Airport Layout Plan (eALP) and Geographic Information System (GIS) business systems integration for Reno-Tahoe International Airport. The Arora team has delivered the draft **Prioritized Needs & Recommended Next Steps for GIS Development** report, which staff will present to senior management in February, 2015. Staff expects to receive, for their review, new aerial photography and limited draft eALP data by the end of this month. A project update is planned for the March 2015 Planning & Construction Committee meeting.

## Organizational Issues

- **THRIVE: An Update on the New Values**

It's a great time to THRIVE! There has been a lot going on since the RTAA launched a new values initiative in November 2014.

### **THRIVE Boards**

As of January 12, 2015, the THRIVE posters have been installed at the RTAA in the administration area just outside of the Human Resources office, and at Reno-Stead Airport upstairs in the administrative offices. The boards look absolutely terrific! Each letter depicts employees engaged in "living the value" which is what it is going to take from everyone to truly allow us to THRIVE. Staff heard loud and clear from employees that they don't want THRIVE to just be a plaque on the wall. These boards are more than just words on the wall. The boards represent the concept that it's our people who bring the words to life. These will be evolving displays, and new photos will be added as new THRIVE-worthy events take place.



Display outside HR at RTAA Administration



Display at Reno-Stead Airport

**THRIVE Logo**

All RTAA employees were invited to submit their artistic vision of THRIVE for the logo contest so that the Authority could have a recognizable symbol of our values to use in print and electronic communications, and seven entries were received by the selection committee. The submissions were anonymously reviewed and the winning design was selected. Congratulations to Renee McCoy, Facilities Custodian, for her winning entry. Ms. McCoy will be putting a few finishing touches on her artwork, after which it will be sent out to all employees and the Board.

**More THRIVE to Come**

In the THRIVE rollout meetings, it was announced that in the New Year there would be activities surrounding each of the new values. With that promise in mind, each of the values has been assigned two “executive champions” who, along with one of the book club participants and the Most VALUE-able Player (the employee who was selected in December and announced at the Holiday Party as one who exhibited the respective value in this past calendar year), will bring activities to the organization that highlights that particular value. This concept is depicted below. Over the next year, each value will be highlighted for two months, in order to define it, remember it, and realize what it means in the day-to-day work.

<b>T</b>	<b>H</b>	<b>R</b>	<b>I</b>	<b>V</b>	<b>E</b>
Marilyn Mora Marty Mueller Ken Moen Renea’ Ghassedi	Dave Pittman Brian Moore Gary Probert Keith Bopko	Mike Dikun Quentin Koch Trish Tucker TBD	Tina Iftiger Jamie McCluskie Carrie Guedea Maggie McGrew	Mike Scott Rick Gorman Scott Gordon Lissa Butterfield	Dean Schultz Brian Kulpin Faith Allen Diana Vega
<b>Teamwork for Results</b>	<b>Honesty &amp; Integrity</b>	<b>Respect &amp; Recognition</b>	<b>Inspire &amp; Innovate</b>	<b>Versatility</b>	<b>Enthusiasm for Excellence</b>

**Key:** Executive Champion  
Book Club Participant  
Most VALUE-able Player

To kick-off the 2-month value rotation, the **T**eamwork for Results group introduced two initiatives in February to bring that particular value alive within the organization.

1. *Signature Book 2015* – The objective is for employees to get out there and meet other members of the RTAA and Reno-Stead team by collecting as many signatures as possible while meeting employees face to face. Employees will work as a team within their own divisions to coordinate how to collect the most signatures. The division with the most signatures collected during the initiative period, which ends February 26, will be recognized with a pizza party.

2. *THRIVE Secret Shopper* – The primary task of this initiative is to “catch” employees wearing the green THRIVE bracelet. When an employee is caught wearing the bracelet, they are given a raffle ticket by the “secret shopper”. If the employee can name each of the six THRIVE values in order, they will receive two more raffle tickets. The secret shoppers will be out trying to “catch” employees wearing the THRIVE bracelet on three designated days during February. This initiative will culminate with a raffle drawing of several gift cards to be held on February 27<sup>th</sup>.

These initiatives are a great first step aimed at getting all employees to know what it means to THRIVE at the RTAA. Thank you for being a part of this culture revolution!

- The Leadership Development Book Club met recently to discuss Chapter 8 of The Leadership Challenge: Foster Collaboration. This chapter review was led by a team of three of the participants.
- During January, Human Resources staff offered a series of computer training classes on Beginning Microsoft Word as well as Microsoft Publisher.
- It's always a good idea to have an up-to-date resume, and as part of our succession planning efforts, we want our staff to be fully prepared when a promotional opportunity comes along. With this in mind, members of the Human Resources team presented a class called “Strength Training for Resume Writers”, in which participants learned what takes a resume from good to great to excellent.
- Custodial staff received training on Bloodborne Pathogens. Taught by the Airport Firefighters, this important annual refresher course is required by the Occupational Safety and Health Administrative (OSHA).

## Misc. Information

- Reno's Grand Sierra Resort and Casino will play host to the Commission on Accreditation for Law Enforcement Agencies (CALEA) 2015 Spring Conference from March 18 through March 21, 2015. CALEA is a nationally recognized accrediting body for law enforcement and public safety agencies throughout the United States, Canada, Mexico and the Barbados. The RTAA Police Department is one of the few CALEA certified agencies in Nevada, and they will join other local area agencies in welcoming approximately 500 conference attendees, many of whom will be arriving through the RTIA. On March 16 and 17, the RTAA River Room has been reserved as a welcome area for CALEA Commissioners and Conference VIPS.
- On February 5, 2015, RTAA staff joined the Washoe County Health District, Carson City Emergency Management, and other community partners in a Family Assistance Center (FAC) Exercise based on a community-level incident scenario. The table-top, discussion-based exercise was held at the Regional Emergency Operations Center. The purpose of the exercise was to work through the regional FAC plans to find successes and gaps for further development.
- On January 14, 2015, the RTAA Emergency Management Planning Team hosted a Quarterly Tabletop Emergency Plan Exercise with RTAA first responders and tenants. The purpose of the exercise was to discuss how to recover operations and return to normal business operations after a significant event such as an active shooter forcing the Airport to cease operations and evacuate the terminal area. Discussions held during the exercise yielded a number of points that will be helpful in refining operational plans and requirements to respond to an active threat. This tabletop exercise built upon the October 2014 annual Security exercise required by the TSA, and is continuing our

training and preparations for the annual FAA Part 139-required mass casualty tabletop/functional exercise the team is planning for May 2015.

- On January 21, 2015, the RTAA Airport Safety Committee kicked off 2015 with a meeting held to develop initiatives for 2015. The RTAA Safety Plan was recently updated and has been sent to the Nevada Safety Consultation and Training Section (SCATS) for review and comment. The Safety Committee welcomed new members, and for the 2015 work plan, it was decided to reorganize into sub-committees aligned with the Safety Management System (SMS) model. The sub-committees are: Safety Policy, Safety Promotion, Safety Assurance, and Safety Risk Management. Although the Airport is not yet subject to FAA SMS regulations, we are tracking the rule-making procedure, as well as the air traffic, Airports District Office (ADO), and airline implementations, in anticipation of an FAA requirement to implement SMS at airports within the next 18 months.
- Social media interactions continue to increase with 8,087 Facebook Likes and 4,021 Twitter Followers. Key social media topics this month included: Best Startup City story, employment opportunities, FAA UAS tips, celebrating Martin Luther King Day, Top 10 Budget Destination list, Volaris customer service updates, JetBlue flight announcement, fare sales, and more.
- The Regional Air Service Committee (RASC) recently voted on two key initiatives that will impact regional marketing of air service in the future. The first was voting to incorporate as a non-profit organization, and the second was to replace the project management firm for the committee. The committee chose the Abbi Agency as the new project manager.
- Staff coordinated activities to coincide with National Go Red Day on February 6, 2015, in order to show support for women's heart health. Signage was placed in the terminal to promote the day, and staff was encouraged to wear red and participate in a group photo near the ski statue. The activities were also promoted through both Facebook and Twitter.
- As in previous years, staff welcomed a couple unique conventions this month. The Annual Pole Vault Summit brought 1,000 athletes and their equipment through the terminal which required significant coordination between the airlines and TSA. The airport also welcomed 5,000 attendees from the Wild Sheep Foundation, and placed signage, and had the Paws for Passengers therapy dogs in the terminal to greet the group.
- On January 20-22, 2015, the Airport helped the Reno-Sparks Convention and Visitor's Authority (RSCVA) welcome the Association of Chief Executives for Sport (ACES) to the Reno-Tahoe region for their Winter Conference. Signage was placed in the terminal to help welcome and direct attendees for the group that brought CEO's of U.S. National Sport Governing Bodies to the area (including all 47 U.S. Olympic Committee National Governing Bodies).
- Staff continues to work with U.S. Customs and Border Protection (CBP) as well as Volaris Airlines with customer service on both the arriving and departing flights out of Reno-Tahoe International Airport. A team of three customer service volunteers helps to facilitate the use of the automated passport control kiosks for about 2.5 hours during each arrival. In addition, there is a team of customer service volunteers assisting with the check-in/ticketing of departing passengers for each flight. Staff is working on a long-term plan to provide the customer service assistance in CBP going forward.
- On Tuesday, January 13<sup>th</sup>, staff coordinated a media announcement with representatives from JetBlue Airlines to announce new non-stop service to John F. Kennedy (JFK) International Airport

beginning May 28, 2015. The event included dancers performing to *New York, New York*, JetBlue branded top hats for guests, and New York themed refreshments including bagels and apples. Staff is currently working with the Marketing and PR teams from JetBlue on inaugural flight events and marketing strategies.

- On January 27 – 29, 2015, the Reno-Tahoe International Airport hosted the Airports Council International-North America (ACI-NA) Customer Service Seminar. Over 100 airport customer service and public affairs professionals attended the conference that was held at the Peppermill Hotel Casino. During the conference, the Airport hosted an airport welcome for participants, a welcome reception on opening night, a welcome presentation and video from RTAA President/CEO, a presentation regarding best practices for volunteer programs, and hosted an Airport tour showcasing customer service initiatives at RTIA. Nearly fifty percent of the conference participants attended the Airport tour, the highest level of participation in the history of the conference. In addition to hosting activities, social media activities during the conference garnered national media attention for the Airport with a writer from [Airport Improvement Magazine](#).
- On February 2<sup>nd</sup>, the depARTures Gallery said good-bye to the current exhibit, “The Power of a High Five”. This exhibit has been extremely popular with Airport passengers, tenants, and staff, and The High Fives Foundation has received tremendous feedback from the traveling public. High Fives is extremely grateful for their time in the depARTures Gallery.

Staff will soon open a new Quilt & Fiber Art Exhibit, presented by Carson Valley Quilt Guild. The Guild includes 150 members from Minden, Gardnerville, Dayton, Carson City, Lake Tahoe, and Reno. They will be showcasing 50 quilts of different techniques and talents by their members. In addition to working on their exhibit in the depARTures Gallery, the Guild is extremely involved in their communities by providing scholarships and donating over 100 quilts per year to local charities. The Quilt & Fiber Art Exhibit will be on display in the gallery through April 19, 2015.

- On Tuesday, January 27, 2015, staff worked with Volaris Airlines on hosting the Latino Chamber of Business event at the Atlantis Hotel Casino. The event brought together 70 Hispanic business and political leaders, and provided Volaris Airlines an opportunity to promote the new non-stop service to Guadalajara, as well as their business program. In attendance were representatives from Senator Dean Heller's office, Congressman Mark Amodei's office, City of Reno Councilmember Oscar Delgado, and representatives from local Hispanic media outlets.
- On Wednesday, February 18, 2015, staff will be working with the Nevada Business Aviation Association (NBAA) to host an aviation luncheon at the Reno-Tahoe International Airport. The focus of the luncheon will be to build awareness for legislative initiative SB93 to support aviation tax abatement. In attendance at the lunch will be the Nevada Lieutenant Governor Mark Hutchison.
- Staff worked with local media on multiple stories this month including:
  - ➔ Extensive media coverage regarding the announcement of the JetBlue non-stop service to JFK on January 14, 2015 including a front page story in the Reno Gazette-Journal (RGJ)
  - ➔ Coverage on January 30, 2015 regarding Senate Bill 93 (SB93) for tax abatements for aviation related businesses which was also covered as a front page story in the RGJ
  - ➔ Interviews regarding local flight impacts from Winter Storm Juno that hit the Northeast in late January 2015.
- As requested by the State of Nevada Division of Environmental Protection (NDEP), staff completed abandonment of the former National Car Rental remediation site system and restoration activities



associated with the former National Car Rental Facility, Leaky Underground Storage Tank (LUST) case. RTAA's incurred expenses, associated with the NDEP's requested work activities, will be reimbursed pursuant to the State of Nevada Petroleum Fund. Final closure of the open LUST case and NDEP's issuance of a No Further Action letter on January 23, 2015 documents the RTAA's liability endpoint, and removes any property development and/or lease restrictions at 1675 National Guard Way.

- Pending authorization by the RTAA Board of Trustees at the February 12, 2015 meeting, a public comment period will be opened related to an amendment to the adopted Reno-Tahoe International Airport Land Use Plan. The proposed amendment is a result of FAA required changes to the Runway Protection Zones (RPZ) located off the ends of the runways. RPZs are trapezoidal areas at ground level of the runway ends which enhance the safety and protection of people and property on the ground. The net impacts of these changes include additional Airport owned property available for Airport Operations and Development Support purposes, and less Airport owned property available for Airfield Support, Air Cargo Development and General Aviation purposes.
- The 135-kilowatt solar system installed at the Reno-Tahoe Airport Authority's Aircraft Rescue and Firefighting Facility (ARFF) has been fully operational since March 2011. Solar power generation results are provided below. Banked credits have been used during those months when not enough power is generated to cover the monthly use.

Power Generation	Current Month	FY 2014-2015
Energy Offset from Monthly Bill	\$3,751	\$20,653
Energy Credits Banked	\$0	\$301
Banked Credits Applied	(\$2,006)	(\$3,370)
<b>Total Earned</b>	<b>\$3,751</b>	<b>\$20,954</b>
<b>Banked Credits Remaining</b>	<b>N/A</b>	<b>\$8,767</b>

- Beginning July 2014, staff has successfully collected approximately 32.68 tons of recyclable material. These recyclables equate to a 7.34 percent diversion rate of the airport's total waste volume. The RTAA's customary beverage container (plastic bottles and cans) recycler is no longer capable of collecting and recycling the beverage containers generated at RTIA. Therefore, beverage container recycling has been temporarily discontinued until staff can determine a cost effective recycling method.

Material	December 2014 (Tons)	FY14-15 (Total Tons)
<b>Cardboard</b>	1.53	22.83
Mixed Paper	0	9.62
Glass	0	0
Batteries	0.03	0.23
Beverage Containers	0	0
<b>Total</b>	<b>1.56</b>	<b>32.68</b>

## Quarterly Strategic Plan Update

- On two occasions since the last report, staff has met with OnStrategy to customize their online progress tracking and reporting tool to best fit the RTAA's needs for monitoring Strategic Plan Priorities and Guiding Principles activity accomplishment. This tool, once established, will allow



staff to quickly update progress on significant initiatives related to Priorities and Guiding Principles, which in turn, can then be reported in a variety of formats.

Staff is also in the process of preparing the proposed FY 2015-16 annual budget. As part of that process, staff are linking their major initiative expenditures to specific strategic priorities that will be identified in the final budget document and ultimately incorporated into the OnStrategy's tracking tool.

### **Legislative/Government Affairs Update**

- In lieu of a written report, an update on the Nevada Legislative Session will be presented by McDonald Carano Wilson at the February 12, 2015 Board of Trustees meeting. In addition, an update is slated to be presented by MCW at each monthly Board meeting throughout the legislative session.

### **Presentations**

- None