

BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING OF JUNE 21, 2016

1. CALL TO ORDER

The meeting was called to order on Tuesday, June 21, 2016, at 2:00 p.m. by President Evans in the Board Room at Mojave Air and Space Port located at 1434 Flightline, Mojave, California.

A. Pledge of Allegiance: Director Balentine led those assembled in the Pledge of Allegiance.

B. Roll Call:

Directors present: Balentine, Deaver, Evans, Parker, and Peterson

Directors absent: None

Others present: CEO Drees, Director of Planning Wojtkiewicz, Director of Administration Rawlings, Director of Maintenance Smith, COO Himes, and District Counsel Navé

C. Approval of Agenda: Upon motion by Director Parker, seconded by Director Deaver, the agenda was unanimously approved.

2. COMMUNITY ANNOUNCEMENTS

There were no community announcements.

3. CONSENT AGENDA

Director Balentine disqualified himself from participating because of a payment to his business in the check register. Upon motion by Director Deaver, seconded by Director Parker, the Consent Agenda was approved 4-0.

A. Minutes of the Regular Board Meeting on June 7, 2016

B. Check Register dated June 17, 2016

4. BUSINESS ITEMS

A. Resolution Setting 2016-2017 Budget and Establishing Appropriations Limit

CEO Drees presented the resolution. Director Peterson asked about the employee bonus plan, marketing budget, and capital improvements. After discussion, upon motion by Director Deaver, seconded by Director Balentine, the Board voted unanimously to approve the resolution.

B. Proposed Todaro-Middleton Sublease Agreement

MOJAVE AIR AND SPACE PORT

NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: July 5, 2016

Time: 2:00 p.m.

Location: Board Room
1434 Flightline, Mojave, California

AGENDA

1. Call to Order

- A. Pledge of Allegiance
- B. Roll Call
- C. Approval of Agenda

2. Community Announcements

Members of the audience may make announcements regarding community events.

3. Consent Agenda

All items on the consent agenda are considered routine and non-controversial, and will be approved by one motion unless a member of the Board, staff, or public requests to move an item to Business Items.

- A. Minutes of the Regular Board Meeting on June 21, 2016
- B. Check Register dated June 29, 2016
- C. Check Register dated June 30, 2016

4. Action Items

- A. 1st Amendment to Virgin Galactic Test Site 19 Lease
- B. Crack Sealing Expenditure from Environmental Concepts
- C. California City Aviation Grant
- D. FY16-17 Non-Operating Expenditures
- E. FY16-17 Employee Bonus Plan
- F. Purchase of T Hangar 940

5. Reports

- A. CEO/GM Report
- B. Board Committees
- C. Board of Directors: This portion of the meeting is reserved for board members to comment on items not on the agenda

6. Public Comment on Items Not on the Agenda

Members of the public may make comments to the Board on items not on the agenda.

7. Closed Session

- A. Existing Litigation (Govt Code 54956.9(a): *Soest v MASP*)
- B. Real Property Negotiations (Govt Code 54956.8)
 - Property: 2041 Belshaw, Mojave, CA
 - Negotiators: CEO
 - Parties: MASP, MCMC, Adventist Health
 - Subject: Term, Rent

8. Closed Session Report

Adjournment

This Agenda was posted on July 1, 2016 by Jason.

ADA Notice: Persons desiring disability-related accommodations should contact the District no later than forty-eight hours prior to the meeting. Persons needing an alternative format of the agenda because of a disability should notify the District no later than seventy-two hours prior to the meeting. All inquiries/requests can be made by phone at (661) 824-2433, in person at 1434 Flightline, Mojave, CA, or via email to carrie@mojaeairport.com.

Copy of Records: Copies of public records related to open session items are available at the administrative office of the District at 1434 Flightline, Mojave, CA.

Public Comments: Members of the public may comment on items on the agenda before the Board takes action on that item, or for closed session items, before the Board goes into closed session. Comments on items not on the agenda, and over which the Board has jurisdiction, may be made under "Public Comments on Items not on the Agenda," but the Board may not take action on any issues raised during this time. All comments by members of the public are limited to three minutes.

MISSION STATEMENT

**FOSTER AND MAINTAIN OUR RECOGNIZED AEROSPACE PRESENCE WITH A
PRINCIPLE FOCUS AS THE WORLD'S PREMIER CIVILIAN AEROSPACE TEST CENTER
WHILE SEEKING COMPATIBLY DIVERSE BUSINESS AND INDUSTRY**

C. Proposed Todaro-Brooks Sublease Agreement

CEO Drees presented both the Middleton and Brooks sublease agreements with Todaro. After discussion, upon motion by Director Deaver, seconded by Director Peterson, the Board voted unanimously to approve the subleases for items “4.B” and “4.C”.

5. REPORTS

A. Financial Report

CAO Rawlings presented the financial reports, and discussed the aged A/R with the Board.

B. CEO/GM Report

CEO Drees reported on the fog sealing project and weed abatement.

B. Discussion of FY 16-17 Draft Budget

CEO Drees presented the revised FY 16-17 budget and discussed employee bonuses with the Board.

C. Board Committees

No report was made.

D. Board of Directors

Director Deaver reported on GAVEA, Kern EDC meeting, and Plane Crazy Saturday. Director Balentine reported on the Kern EDC meeting. Director Peterson reported on the NTPS flight test camp.

6. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

Kane Wickham commented on fuel sales for the F-18s.

7. CLOSED SESSION

A. Existing litigation: *Soest v. MASP*

B. Real Property Negotiations: Fischer leases

C. Real Property Negotiations: Mojave Community Medical Center

8. CLOSED SESSION REPORT

In closed session, Counsel and the Board discussed the status of the Soest matters. The Board also discussed the Fischer and Mojave Community Medical Center leases. No other items were discussed.

ADJOURNMENT

There being no further business to come before the Board, the chair adjourned the meeting at 3:32 p.m.

David Evans, President

ATTEST

Jimmy R. Balentine, Secretary

Date: Wednesday, June 29, 2016
 Time: 04:04PM
 User: LCALICA

Mojave Air & Space Port

Check Register - Standard Periods: 12-16 Through 01-17 As of: 6/29/2016

Page: 1 of 6
 Report: 03630.rpt
 Company: EKAD

Check Nbr	Check Type	Check Date	Vendor ID	Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
Company: EKAD												
054510	CK	7/5/2016	1200		01-17		036143	VO	82426811250/JUN	6/20/2016	0.00	91.61
054510	CK	7/5/2016	0109	AT&T	01-17		036144	VO	82425977755/JUN	6/20/2016	0.00	92.45
054510	CK	7/5/2016	0109	AT&T	01-17		036145	VO	82423366431/JUN	6/20/2016	0.00	191.36
054510	CK	7/5/2016	0109	AT&T	01-17		036146	VO	82417429146/JUN	6/20/2016	0.00	198.62
054510	CK	7/5/2016	0109	AT&T	01-17		036147	VO	82432772660/JUN	6/20/2016	0.00	93.34
054510	CK	7/5/2016	0109	AT&T	01-17		036148	VO	82452188433/JUN	6/20/2016	0.00	89.73
054510	CK	7/5/2016	0109	AT&T	01-17		036149	VO	82433413389/JUN	6/20/2016	0.00	397.50
Check Total												
												1,154.61
054511	CK	7/5/2016	0158	Ameripride Uniform Services	01-17		036105	VO	2100530366	6/17/2016	0.00	173.17
054511	CK	7/5/2016	0158	Ameripride Uniform Services	01-17		036106	VO	2100530369	6/17/2016	0.00	59.35
054511	CK	7/5/2016	0158	Ameripride Uniform Services	01-17		036114	VO	2100531972	6/24/2016	0.00	207.67
054511	CK	7/5/2016	0158	Ameripride Uniform Services	01-17		036115	VO	2100531975	6/24/2016	0.00	308.53
Check Total												
												748.72
054512	CK	7/5/2016	0160	Antelope Valley Board of Trade	01-17		036139	VO	5058	6/21/2016	0.00	60.00
054512	CK	7/5/2016	0160	Antelope Valley Board of Trade	01-17		036140	VO	5078	6/22/2016	0.00	250.00
Check Total												
												310.00
054513	CK	7/5/2016	0173	Allied Security Holdings LLC	01-17		036142	VO	6484093	6/16/2016	0.00	5,335.75
054513	CK	7/5/2016	0173	Allied Security Holdings LLC	01-17		036174	VO	6479844/FAA029	6/9/2016	0.00	159.69
054513	CK	7/5/2016	0173	Allied Security Holdings LLC	01-17		036175	VO	6484094/FAA029	6/16/2016	0.00	57.66
Check Total												
												5,553.10
054514	CK	7/5/2016	0187	AFLAC	01-17		036141	VO	834962/06-16	6/25/2016	0.00	847.14

Date: Wednesday, June 29, 2016
 Time: 04:04PM
 User: LCALICA

Mojave Air & Space Port

Check Register - Standard Periods: 12-16 Through 01-17 As of: 6/29/2016

Page: 1 of 6
 Report: 03630.rpt

Company: EKAD

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
054515	CK	7/5/2016	0211 A V Heritage Builders, Inc.	01-17	036150	VO	38506	6/15/2016	0.00	9,255.00
054515	CK	7/5/2016	0211 A V Heritage Builders, Inc.	01-17	036151	VO	38507	6/15/2016	0.00	13,704.00
Check Total										22,959.00
054516	CK	7/5/2016	0234 Banyan	01-17	036116	VO	1544801	6/17/2016	0.00	73.86
054517	CK	7/5/2016	0294 Bushu Electric	01-17	036152	VO	9714	6/22/2016	0.00	1,000.00
054517	CK	7/5/2016	0294 Bushu Electric	01-17	036153	VO	9713	6/22/2016	0.00	1,600.00
Check Total										2,600.00
054518	CK	7/5/2016	0350 Clark's Pest Control	01-17	036117	VO	0200910258/6-16	6/21/2016	0.00	42.00
054518	CK	7/5/2016	0350 Clark's Pest Control	01-17	036118	VO	0200922714/6-16	6/21/2016	0.00	42.00
054518	CK	7/5/2016	0350 Clark's Pest Control	01-17	036119	VO	0200972309	6/21/2016	0.00	43.00
054518	CK	7/5/2016	0350 Clark's Pest Control	01-17	036120	VO	0201058810/6-16	6/21/2016	0.00	61.00
Check Total										188.00
054519	CK	7/5/2016	0410 Dynamic Science, Inc.	01-17	036121	VO	107	6/16/2016	0.00	21,505.07
054520	CK	7/5/2016	0615 Federal Express	01-17	036131	VO	5-453-52003	6/17/2016	0.00	94.29
054521	CK	7/5/2016	0727 Griffith Company	01-17	036179	VO	30667001	6/22/2016	0.00	97,812.29
054522	CK	7/5/2016	0819 Reliable A/C & Heating	01-17	036162	VO	16825	6/13/2016	0.00	1,915.00
054523	CK	7/5/2016	0897 HD Supply Waterworks	01-17	036155	AD	F65279	6/10/2016	0.00	-64.50
054523	CK	7/5/2016	0897 HD Supply Waterworks	01-17	036156	VO	F648679	6/10/2016	0.00	373.55
054524	CK	7/5/2016	1043 Jim's CB & Radios	01-17	036107	VO	10127213	6/20/2016	0.00	309.05
Check Total										10.19

Date: Wednesday, June 29, 2016
 Time: 04:04PM
 User: LCALICA

Mojave Air & Space Port

Check Register - Standard Periods: 12-16 Through 01-17 As of: 6/29/2016

Page: 1 of 6
 Report: 03630.rpt
 Company: EKAD

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
054524	CK	7/5/2016	1043 Jim's CB & Radios	01-17	036122	VO	10127296	6/27/2016	0.00	8.05
054525	CK	7/5/2016	1075 Johansen, Lenora	01-17	036124	VO	000311	6/15/2016	0.00	18.24 19.41
054526	CK	7/5/2016	1122 Kelley~Randall	01-17	036125	VO	11398	6/23/2016	0.00	35.23
054527	CK	7/5/2016	1126 Kern Co. Air Pollution Control	01-17	036126	VO	00413006/101	6/16/2016	0.00	125.00
054528	CK	7/5/2016	1180 Krazan & Associates	01-17	036157	VO	1261452-22389	6/29/2016	0.00	2,001.80
054529	CK	7/5/2016	1200 L & L Construction	01-17	036158	VO	W/E 6/12/16	6/12/2016	0.00	675.00
054530	CK	7/5/2016	1254 Lincoln Nat'l Life Ins. Co.	01-17	036110	VO	3260954475	6/10/2016	0.00	574.00
054531	CK	7/5/2016	1331 MEC, Inc.	01-17	036176	VO	FAA 029	6/1/2016	0.00	10,780.86
054532	CK	7/5/2016	1373 Mojave Public Utility District / Water Tests	01-17	036127	VO	6-16 WATER TEST	6/23/2016	0.00	157.50
054532	CK	7/5/2016	1373 Mojave Public Utility District / Water Tests	01-17	036138	VO	06-16 WATR TEST	5/26/2016	0.00	157.50
054533	CK	7/5/2016	1406 Napa Auto Parts	01-17	036128	VO	848317	6/24/2016	0.00	315.00 174.84
054534	CK	7/5/2016	1501 Office Depot	01-17	036159	VO	JUNE 2016	6/16/2016	0.00	235.84
054535	CK	7/5/2016	1670 Praxair	01-17	036160	VO	55347795 /06-16	6/20/2016	0.00	236.23
054536	CK	7/5/2016	1800 Ramos / Strong, Inc.	01-17	036163	VO	0295240	6/17/2016	0.00	1,379.99

Date: Wednesday, June 29, 2016
 Time: 04:04PM
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Mojave Air & Space Port

Check Register - Standard Periods: 12-16 Through 01-17 As of: 6/29/2016

Page: 1 of 6
 Report: 03630.rpt

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Check Nbr	Check Type	Check Date	Vendor ID	Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
054537	CK	7/5/2016	1802	RB DEVELOPMENT	01-17		036161	VO	914015-1	6/18/2016	0.00	470.00
054538	CK	7/5/2016	1880	David Russell	01-17		036129	VO	KC PD PLAN	6/24/2016	0.00	1,440.00
054538	CK	7/5/2016	1880	David Russell	01-17		036171	VO	MAY/GEN CONSUL	5/31/2016	0.00	6,714.00
054538	CK	7/5/2016	1880	David Russell	01-17		036177	VO	062016/FAA 029	6/20/2016	0.00	2,010.00
				David Russell								
054539	CK	7/5/2016	1906	Sage Staffing	01-17		036135	VO	54500	6/13/2016	0.00	10,164.00
054539	CK	7/5/2016	1906	Sage Staffing	01-17		036164	VO	54568	6/20/2016	0.00	643.20
				Sage Staffing								
054540	CK	7/5/2016	1925	Sparklets	01-17		036165	VO	13703338061616	6/16/2016	0.00	1,382.40
				Sparklets								471.52
054541	CK	7/5/2016	1952	So. Calif. Edison	01-17		036130	VO	2340063106-6-16	6/18/2016	0.00	2,135.85
054542	CK	7/5/2016	1954	So. Calif. Gas Co.	01-17		036132	VO	10289363938/JUN	6/20/2016	0.00	30.25
054542	CK	7/5/2016	1954	So. Calif. Gas Co.	01-17		036133	VO	16561545001/JUN	6/20/2016	0.00	14.79
054542	CK	7/5/2016	1954	So. Calif. Gas Co.	01-17		036134	VO	07531545767/JUN	6/20/2016	0.00	13.14
				So. Calif. Gas Co.								
054543	CK	7/5/2016	1960	Special District Risk Mgmt.	01-17		035989	VO	53318	6/2/2016	0.00	58.18
054544	CK	7/5/2016	1978	Security Benefit	01-17		036108	VO	PPE 6/12/16	6/17/2016	0.00	34,933.64
				Security Benefit								993.45
054545	CK	7/5/2016	2230	Verizon Wireless	01-17		036136	VO	9766952377	6/12/2016	0.00	628.42
054546	CK	7/5/2016	2331	White, Robert	01-17		036137	VO	940 T HANGAR	6/21/2016	0.00	50,000.00

Date: Wednesday, June 29, 2016
 Time: 04:04PM
 User: LCALICA

Mojave Air & Space Port

Check Register - Standard

Page: 1 of 6
 Report: 03630.rpt
 Company: EKAD

Check Nbr	Check Type	Check Date	Vendor ID	Vendor Name	Period To Post	Period Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
054547	CK	7/5/2016	3003	Johansen, Lennora	01-17		036123	VO	586175701045913	6/23/2016	0.00	369.60
054548	CK	7/5/2016	3012	Fauble--Richard	01-17		036170	VO	6172619/0001	6/16/2016	0.00	300.64
054549	CK	7/5/2016	3556	Sterbens, Michael	01-17		036168	VO	378900/0621	6/21/2016	0.00	82.00
054550	CK	7/5/2016	3875	Stuart O. Witt	01-17		036173	VO	814555409	4/27/2016	0.00	590.00
054551	CK	7/5/2016	4008	Jones, DDS--Michael B.	01-17		036167	VO	63418/06 14	6/14/2016	0.00	94.00
054552	CK	7/5/2016	4008	Jones, DDS--Michael B.	01-17		036172	VO	050216	5/2/2016	0.00	94.00
054553	CK	7/5/2016	4044	Michael Theurer, DDS	01-17		036166	VO	161384	6/8/2016	0.00	188.00
	CK	7/5/2016	4231	Christina Scott	01-17		036169	VO	1048602/605	6/22/2016	0.00	2,004.00
Check Count: 44												
Acct Sub Total: 277,620.27												

Check Type	Count	Amount Paid
Regular	44	277,620.27
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	44	277,620.27

Company Disc Total 0.00 Company Total 277,620.27

Date: Thursday, June 30, 2016
 Time: 08:53AM
 User: LCALICA

Mojave Air & Space Port
Check Register - Standard
 Periods: 12-16 Through 01-17 As of: 6/30/2016

Check Nbr	Check Type	Check Date	Vendor ID	Vendor Name	Period To Post	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
054554	EKAD	7/5/2016	1200	Buck, Jason	01-17	036180	VO	73011/21489	6/29/2016	0.00	955.00

Check Count: 1 Acct Sub Total: 955.00

Check Type	Count	Amount Paid
Regular	1	955.00
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	1	955.00

Company Disc Total 0.00 Company Total 955.00

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: Kevin Wojtkiewicz
SUBJECT: Virgin Galactic test site 19 amendment
MEETING DATE: July 5, 2016

Background:

During test site layout and review natural drainage issues were discovered. The site has been moved approximately 25 feet to the south, as shown in the new exhibit, which solves the drainage problem.

Impacts:

Fiscal: \$0.00

Environmental: N/A

Legal: N/A

Recommended Action:

Approve the 1st amendment to lease.

1st AMENDMENT TO LEASE

This 1st AMENDMENT TO LEASE (“1st Amendment”) dated as of July 5, 2016, (“Effective Date”) is attached to and made a part of the written Lease Agreement dated November 1, 2015, (“Lease”) entered into by and between Mojave Air & Space Port (“Landlord”) and Virgin Galactic, LLC, a Delaware limited liability company (“Tenant”) for that certain property identified as Test sites 19.

The promises, covenants, agreements, and declarations made and set forth herein are intended to and shall have the same force and effect as if set forth at length in the body of the Lease. To the extent that any terms or provisions of this Lease Amendment are inconsistent with any terms or provisions of the Lease, the terms and provisions of this Lease Amendment shall prevail and control for all purposes. All capitalized terms used in this Lease Amendment shall have the same meanings assigned to them in the Lease, if any, unless otherwise specified in the Lease Amendment.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, notwithstanding anything to the contrary contained in the Lease, Landlord and Tenant agree to amend the Lease as follows:

1. Amendment to Exhibit A.

Section 1.4 is amended as follows. The Parties agree that “Exhibit A-rev1” shall supersede and replace “Exhibit A” of the Lease, and all references in the Lease to “Exhibit A” shall be replaced with references to “Exhibit A-rev1.”

“1.4 Premises: Test site 19, as more specifically designated on Exhibit A-rev1, which is attached hereto and incorporated herein.”

**UNLESS OTHERWISE PROVIDED FOR IN THIS 1st AMENDMENT TO
LEASE, ALL OTHER TERMS AND CONDITIONS
OF THE LEASE SHALL REMAIN THE SAME,
AND IN FULL FORCE AND EFFECT.**

IN WITNESS WHEREOF, the parties hereto have executed this 1st AMENDMENT TO LEASE as of the day and year first written above.

**TENANT:
VIRGIN GALACTIC, LLC**

**LANDLORD:
Mojave Air & Space Port**

By: _____
George Whitesides, President & CEO

By _____
David Evans, BOD/President

ATTEST

By _____
Jim Balentine, BOD/Secretary



STAFF MEMORANDUM

TO: Board of Directors
FROM: Karina Drees, GM
SUBJECT: Crack sealing material
MEETING DATE: July 5, 2016

Background:

The maintenance crew has been preparing runways and taxiways for crack sealing. The material and equipment can be picked up upon Board approval and maintenance can start work immediately to preserve our infrastructure. We have done business with Environmental Concepts for several years and would like to use their supplies again this year. Material and equipment for crack sealing is included in the budget.

Recommended Action:

Approve the proposal as presented.

MAKING THE QUALITY DIFFERENCE



QUOTE SHEET

DATE: June 22, 2016 - **REVISED**

TO: MOJAVE AIRPORT
ATTN: HAROLD SMITH
CELL: 661-754-0339
EMAIL: Harold@mojaveairport.com



FROM: NANCY DAVIS
ENVIRONMENTAL CONCEPTS

P/N 34543 ROADSaver 543

1 PALLET = 2,250 LBS.
1 TRUCKLOAD = 45,000 LBS.
45,000LBS @ \$0.82/LB. = \$36,900.00

DETACK

6 EA. @ \$125/EA = \$750.00

RENTAL FOR SUPERSHOT 125DC W/ SMART TOUCH

REGULAR MONTHLY RATE @ \$5,499.00 PER MACHINE
DISCOUNT GIVEN TO CUSTOMER @ \$500.00 PER MACHINE

CUSTOMER MONTHLY RENTAL RATE @ 4,999.00 PER MACHINE

SUBTOTAL: \$42,649.00
SALES TAX (7.50%) : \$ 3,198.68
TOTAL: \$45,847.68

FOB: PRICE DELIVERED FOR ROADSaver 543 TO MOJAVE AIRPORT, CA
DETACK AND SUPERSHOT 125DC TO BE PICKED UP AT TEHACHAPI LOCATION BY CUSTOMER
CUSTOMER TO GET 3" PINTEL HITCH RECEIVER TO TOW MACHINE

:MA

ENVIRONMENTAL CONCEPTS
20432 VALLEY BLVD., STE. B-1, TEHACHAPI CA 93561
CELL: 805.839.9829 PHONE: 661.822.0472 FAX: 661.822.3218



STAFF MEMORANDUM

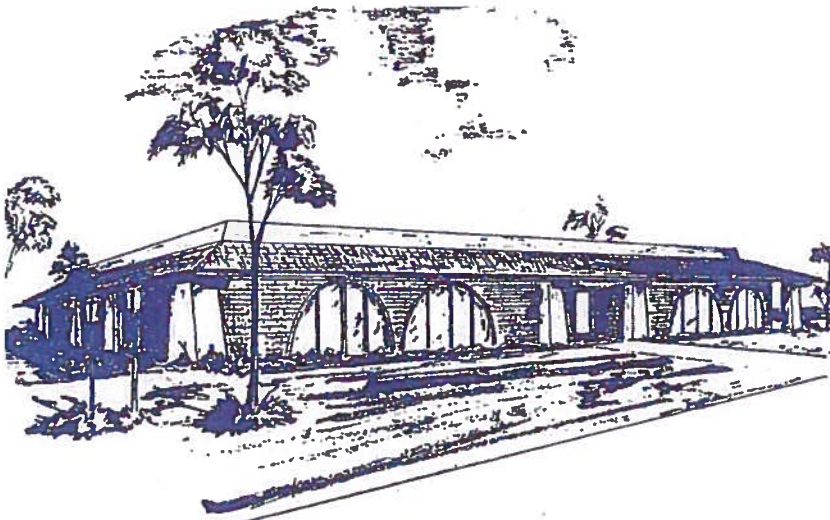
TO: Board of Directors
FROM: Karina Drees, GM
SUBJECT: California City grant
MEETING DATE: July 5, 2016

Background:

Each year the District contributes \$50,000 to the California City airport. Cal City has made their request for this fiscal year. The \$50,000 was included in other expenses in the budget.

Recommended Action:

Approve the grant request as presented.



Incorporated 1965

City of California City



City Hall

PHONE (760) 373-8661

21000 HACIENDA BLVD. - CALIFORNIA CITY, CALIFORNIA 93505

April 10th, 2016

Mojave Air and Space Port District
Attn: Ms. Karina Drees, CEO and General Manager
1434 Flightline
Mojave, CA 93505

Subject: California City Municipal Airport Aid Grant (Annual)

Dear Ms. Drees,

The City of California City is requesting the East Kern Airport District's aid with the disbursement of the \$50,000 dollar annual grant to the City's Municipal Airport which will assist with the maintenance and upkeep of our facility. The grant funds requested are the taxes that are collected from properties within California City through Fund #42950 East Kern Airport District, Tax Area Codes 011-001 thru 011-039 and passed on by the County of Kern through the property tax distribution to the District. California City properties contribute annually, depending on the economy; an average of \$55 to \$59 thousand dollars to the \$200 to \$210 thousand dollars collected in total and passed on to the District.

Please report to the District Board of Directors that this year the airport completed the rebuild of Western half of Taxiway A project under Airport Improvement Program Project No. 3-06-0341-016. I have included a couple of pictures of this \$906,580 dollar effort in which your grant contribution served as the local match. The Eastern half of Taxiway A had to be broken down into a two year project with design and engineering being accomplished in FY16/17 and the actual reconstruction in FY17/18. These efforts carry an engineering estimate of \$989,662 dollars. We will be utilizing the funding received this year as both grant match as well as operations and maintenance of the airport. Your efforts have aided in keeping the airport financially sound while allowing continuous improvements that continue to support and promote General Aviation!

Sincerely,

Tom Weil
City Manager



STAFF MEMORANDUM

TO: Board of Directors
FROM: Karina Drees, GM
SUBJECT: FY16-17 Non-operating expenditures
MEETING DATE: July 5, 2016

Background:

FY 16-17 non-operating expenditures are proposed at \$1,162,500. Infrastructure improvements, tenant retention projects and capital equipment are arranged according to priority. The Airport Layout Plan (ALP) update is a potential project using our entitlement funds. We are awaiting word from the FAA regarding potential grant funding for other projects, although we understand additional funding is unlikely this year. Staff intends to provide a mid-year budget update to the Board in January with potential changes to the non-operating expense items depending on unforeseen need.

FAA Projects

ALP Update	\$330,000
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Infrastructure Projects

Complete pressure reducing station	\$150,000
Perimeter roads Phase I	\$150,000
Solar street lights Phase I	\$25,000

Tenant Retention Projects

Major building repairs	\$200,000
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Capital Equipment

Man boom lift	\$20,000
Surveillance equipment	\$22,000
Weather indication system	\$5,000

MOJAVE

AIR AND SPACE PORT

Light gun for tower	\$6,000
Event center furniture	\$20,000
Security vehicles - used	\$25,000
IT Vehicle	\$15,000
Water truck	\$80,000
Audio recorder for tower	\$12,500
Voicemail storage system	\$10,000
FM Radios with repeater	\$14,000
AWOS Lightening detection system	\$12,000
Jaws of life rescue tool	\$16,000
Total Capital Expenditures	\$1,112,500
California City Grant	\$50,000
Total Other Expenses	\$1,162,500

Recommended Action:

Approve the non-operating expenditures for FY16-17.



STAFF MEMORANDUM

TO: Board of Directors
FROM: Karina Drees, GM
SUBJECT: FY16-17 Employee Bonus Plan
MEETING DATE: July 5, 2016

Background:

The FY16-17 budget includes \$59,966 in potential bonus payouts to staff. My request for the bonus plan is to incentivize staff to go above and beyond providing services to our customers. As such, the proposed plan would be structured as follows:

- A maximum of 5% of individual salary would be paid out to each staff member for achieving specific criteria:
 - o Individual criteria: each of four quarterly goals, predetermined by the CEO, must be met
 - o Team criteria: a rating of at least 80% in customer satisfaction surveys
 - o MASP criteria: generate an excess of operating revenue over operating expense
 - o MASP criteria: produce a clean audit
- The bonus would be paid out following receipt of the audit on or around December 2017 upon Board approval
- If the above criteria are not met the bonuses would not be paid
- If the above criteria are only partially met a partial bonus between 0% and 5% would be determined by the CEO

Recommended Action:

Approve the employee bonus plan for FY16-17.

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: Kevin Wojtkiewicz
SUBJECT: Hangar 940 purchase
MEETING DATE: July 5, 2016

Background:

Bob White owns hangar 940, which he would like to sell. MASP desires to purchase the hangar for an agreed upon price of \$50,000.00.

Impacts:

Fiscal: \$50,000.00

Environmental: CEQA class 1 exemption, 19 CCR 15301

Legal: The lease with White will terminate as of the effective date of the bill of sale.

Recommended Action:

Approve the purchase of Hangar 940 for \$50,000.00.

BILL OF SALE FOR HANGAR 940

This Agreement is made as of July, 5 2016, ("Effective Date") by and between Bob & Jean White ("Seller") and Mojave Air and Space Port ("District").

Whereas, Seller is a tenant of District pursuant to a lease agreement between the parties dated July 1, 2007 (the "Lease");

Whereas, Seller is the owner of Hangar 940, located on the premises that are the subject of the Lease (the "Hangar"), and desires to sell such Hangar; and

Whereas, Seller desires to sell and District desires to purchase the Hangar, and the parties desire to terminate the Lease;

Now, therefore, for good and valuable consideration received, the parties agree as follows:

1. Sale of Hangar.

District hereby purchases from Seller, and Seller hereby sells to District, for the sum total of Fifty Thousand Dollars (\$50,000.00) the hangar located at Mojave Air and Space Port, as described below:

Hangar #: 940

2. Title.

(a) Seller represents and warrants that it has full and good title to the described Hangar, full authority to sell and transfer the same, and that the Hangar being sold is free and clear of all liens, encumbrances, liabilities, and adverse claims, of every nature and description.

(b) Seller further warrants and represents that there are no other tenants, subtenants, or assignees in the Hangar as of the Effective Date.

(c) District understands the Hangar is being sold in its present condition "as is" and "where is," and that Seller disclaims any implied warranty of condition of function, or any responsibility thereof.

(d) Seller agrees that any items left in the Hangar as of the date of sale shall become the sole property of District, and Seller disclaims any right, title, and/or interest in or to any items, equipment, property, or thing in the Hangar as of the Effective Date.

3. Termination of Lease.

The parties consent to the termination of the Lease effective as of the Effective Date.

4. Miscellaneous.

(a) Notices given under this Agreement shall be written and delivered personally to the person to whom the notice is to be given or mailed postage prepaid, at the address stated below.

(b) This Agreement and its terms, covenants and conditions apply to and are binding upon and inure to the heirs, successors, executors, administrators, and assigns of the parties hereto.

(c) The prevailing party shall recover from the non-prevailing party reasonable attorney's fees and costs in the event a dispute arises between the parties in connection with this Agreement.

(d) No prior and contemporaneous conversations, negotiations, possible and alleged agreements concerning the subject matter hereof, other than those referred to herein, are merged herein. This is an integrated agreement. Any modification of this Agreement must be agreed upon in writing by each Party.

(e) Unless stated otherwise herein, no real estate brokers have been involved in this Lease, and no real estate broker commissions or fees are due or owed from either party.

(f) Each party ("Indemnitor") agrees to indemnify, defend, and hold harmless the other party and its directors, officers, employees, agents, and representatives ("Indemnitees") from any and all damages, claims, judgments, settlements, losses, costs, and expenses (including attorney and expert costs and fees) that may at any time be incurred, suffered, sustained by or imposed upon the Indemnitees, including without limitation Indemnitor's breach of any term, condition, representation, or obligation arising from this Agreement.

Authorizing signatures:

Seller

District

Bob White
121 N. Mason St.
Arroyo Grande, CA 93420

Karina Drees, CEO/General Manager
Mojave Air and Space Port
1434 Flightline
Mojave, CA 93501



CEO REPORT

TO: MASP Board of Directors

FROM: Karina Drees

MEETING DATE: July 5, 2016

Goals and Objectives

- The Building 1 conference room is complete
- Remaining goals from FY15-16 that are still in process include:
 - Complete pressure reducing station
 - Update 10-year strategic plan
 - Update emergency response procedures
- Goals for FY16-17 are underway

Airport Improvements

- We have engaged an outside landscaping company in the District to assist with weed control prior to crack sealing, which will begin early July.

Updates

- The National Test Pilot School has announced they have received certification from the European Aviation Safety Agency (EASA), becoming the first and only EASA certified test pilot school. Congratulations, NTPS!
- We hosted a Congressional delegation June 28. The guests consisted of legislative staff primarily working on commercial space issues representing Congressmen serving on various committees.