

MOJAVE AIR AND SPACE PORT AT RUTAN FIELD

NOTICE OF A REGUALR MEETING OF THE BOARD OF DIRECTORS

Date: January 16, 2024
Location: Board Room
1434 Flightline, Mojave, California
Time: 2:00 p.m.

Attending remotely:
Director Balentine, 16301 Koch St., Mojave, CA 93501
Director Barney, 52 N. Tommy Thompson Road, Salt Lake City, UT 84116

Zoom Video Conference

<https://us02web.zoom.us/j/81169957579?pwd=S24vNSStCMm8yQkZ0UFZBeEgzQ2UxZz09>

Phone: 669 444 9171
Meeting ID: 811 6995 7579
Passcode: 146447

AGENDA

1. Call to Order

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

2. Community Announcements and Public Comments on Items not on the Agenda

3. Consent Agenda (*Staff recommends approval of consent items by one motion.*)

- A. Minutes of the Special Board Meeting of January 3, 2024
- B. Check Register dated January 16, 2024; \$208,261.87.

4. Action Items

- A. Election of Officers (Counsel)
- B. BHK Accountancy Corp. – FYE 2023 Audit Report (Director of Administration)
- C. Letter of Agreement (LOA) for Large sUAS (Director of Operations)
- D. Award of Contract for Taxiway A Electrical Rehabilitation Project and Finding the Project is Exempt under CEQA and NEPA (Director of Facilities)
- E. Approval of Mead & Hunt Taxiway A Project Construction Administration Work Order (Director of Facilities)

5. Reports

- A. Chief Executive Officer
 - i. Taxiway A Rehabilitation
 - ii. Inland Port Update (CEO)
 - iii. Water System Update (CEO)

iv. Hangar Development Update (CEO)
B. Board Committees

6. Director Comments on Items Not on the Agenda

7. Closed Session

- A. Existing Litigation (Govt Code 54956.9): Welton v. MASP
- B. Potential Litigation (Govt Code 54956.9): MASP v. Grote
- C. Potential Litigation (Govt Code 54956.9): Unnamed Case
- D. Personnel Evaluation: CEO

8. Closed Session Report

Adjournment

This Agenda was posted on January 12, 2024, by Jason Buck.

This meeting will be conducted in person and via zoom video conference. If you participate via zoom, please:

- **KEEP YOUR MIC MUTED** at all times that you are not making a comment in order to minimize noise during the meeting. Unmute only to make a comment on an agenda item.
- The general rules regarding public comment apply to those using zoom.
- Comments may also be made in the zoom chat function or via email to the Board Clerk at Lynn@mojaveairport.com prior to the start of the meeting.

ADA Notice: Persons desiring disability-related accommodation 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 Lynn@mojaveairport.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

BOARD OF DIRECTORS

MINUTES OF THE SPECIAL MEETING ON JANUARY 3, 2024.

1. CALL TO ORDER

The meeting was called to order on Wednesday, January 3, 2024, at 2:00 p.m. by Director Barney.

A. **Pledge of Allegiance:** CEO Reid led those assembled in the Pledge of Allegiance.

B. **Roll Call:**

Directors present: Allred, Balentine, Barney (via Zoom), Coleman, Morgan.

Directors absent:

Staff: DOO Sewell, DOA Rawlings, DOF VanWey, DO Fuels Smith, Counsel Nave, Contracts Manager Johansen,

Others present via Zoom: DPSS Spandorf, Joyce Media, C. Panko, A. Diaz, Eric Schwartz, Jenna Edwards, and one other unidentified participant.

C. **Approval of Agenda:** Upon motion by Director Balentine, seconded by Director Coleman, the Board unanimously approved the agenda.

2. Community Announcements/ Public Comments not on the Agenda

- Dean Soest made a comment regarding being able to stay in Hangar 948 and made comments about the item not being put on the agenda, he directed a question to Counsel Nave, upon direction by Director Barney she permitted Counsel to answer the question.
- Michelle Egbert commented on behalf of Dean Soest.
- Contracts Manager Johansen wanted to provide an update for the Board on the AES Food Giveaway as well as the Toy Drive and Tree Give Away.

3. Consent Agenda

Upon Motion by Director Balentine, seconded by Director Allred, the Board unanimously approved the Consent Agenda.

A. Minutes of the Regular Board Meeting of December 19, 2023

4. Action Items

A. Award for Engineering Contract

CEO Reid briefed the Board on the previous contracts, upon motion by Director Balentine, seconded by Director Allred, the board unanimously voted for Mead & Hunt to be awarded the Engineering Contract. Michelle Egbert suggested that the District consider using avionic engineering students to perform engineering work on District projects.

5. Reports

A. Director of Administration

DOA Rawlings presented her report to the Board.

B. Director of Operations

DOO Sewell presented her report to the Board.

- C. Chief Executive Officer
CEO Reid presented his report to the Board.
- D. Taxiway A Electrical Rehabilitation
CEO Reid updated the Board on the Taxiway A Electrical Rehabilitation. CEO Reid informed the board that he is waiting to sign the notice to proceed until the contractor has the electrical fixtures.
- E. Inland Port Update (CEO)
No Update
- F. Water System Update (CEO)
CEO Reid and Mead & Hunt updated the Board on the Water System.
- G. Hangar Development Update (CEO)
CEO Reid provided updates will be available February of 2024.
- H. Highlights (CEO)
CEO Reid briefed the board on the highlights of the last two weeks.
- I. Board Committees
No Board Committees

6. Director Comments on Items not on the Agenda

- Director Morgan addressed Dean Soest and the community members that spoke on Dean's Behalf.
- Director Balentine gave everyone a Happy New Year.
- Director Barney commented on the New Year Elections for the Board Members.

7. Closed Session

- A. Existing Litigation (Govt Code 54956.9): Welton v. MASP
- B. Potential Litigation (Govt Code 54956.9): MASP v. Grote, unnamed case
- C. Personnel Evaluation: CEO

8. Closed Session Report

In closed session, Counsel and the Board discussed Welton v. MASP, counsel and the Board discussed one unnamed case of potential litigation, the Board discussed the CEO's performance evaluation, no action was taken, and no other items were discussed.

ADJOURNMENT

There being no further business to come before the Board, the chair adjourned the meeting at 5:08 p.m.

Diane Barney, President

ATTEST

Jimmy R. Balentine, Secretary

Date: Thursday, January 11, 2024
 Time: 09:26AM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 07-24 As of: 1/11/2024

Page: 1 of 1
 Report: 03630.rpt
 Company: MASP

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
Company: MASP										
Acct / Sub:	101000		1200							
064520	CK	1/16/2024	0775 Granite Construction	07-24	055406	VO	RW1230/PRQ 10	12/15/2023	0.00	102,922.54
064520	CK	1/16/2024	0775 Granite Construction	07-24	055407	VO	RW 1230/PRQ 11	12/15/2023	0.00	22,946.07
064520	CK	1/16/2024	0775 Granite Construction	07-24	055421	VO	RW 1230/PRQ 12	1/3/2024	0.00	47,362.41
Check Total										173,231.02
064521	CK	1/16/2024	1314 Mead & Hunt	07-24	055271	VO	359521	12/16/2023	0.00	10,218.85
064522	CK	1/16/2024	1314 Mead & Hunt	07-24	055272	VO	359522	12/16/2023	0.00	10,935.50
064523	CK	1/16/2024	1314 Mead & Hunt	07-24	055343	VO	360074/1123	12/21/2023	0.00	12,634.00
064524	CK	1/16/2024	1314 Mead & Hunt	07-24	055422	VO	344938	3/2/2023	0.00	1,242.50

Check Count: 5

Acct Sub Total: 208,261.87

Check Type	Count	Amount Paid
Regular	5	208,261.87
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:	5	208,261.87

Company Disc Total 0.00 Company Total 208,261.87



January 10, 2024

To the Board of Directors
Mojave Air and Space Port

We have audited the financial statements of Mojave Air and Space Port (the District) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 19, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements was:

Management's estimate of the net pension liability and deferred outflows and inflows is based on CalPERS's valuation report, with a measurement date of June 30, 2022. We evaluated the key factors and assumptions used in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net liability for the District's Other Post Employment Benefits (OPEB) is based on an actuarial valuation with a measurement date of June 30, 2022 with disclosures prepared for June 30, 2023. We evaluated the key factors and assumptions used in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the lease receivable and lease deferred inflows of resources are based on the terms of the lease agreements along with estimates made by management including relevant duration of the lease and applicable interest (discount) rate. We evaluated the key factors and assumptions used in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements was were:

The disclosure regarding the pension plans' funding policies, costs and actuarial methods and assumptions.

The disclosure regarding the OPEB Plan's funding policies, costs and actuarial methods and assumptions.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. A list of corrected misstatements is attached to this letter.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 10, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis, the Schedule of District's Proportionate Share of The Net Pension Liability, Schedule of Pension Contributions, and Schedule of Changes in the District's Total OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method

of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Mojave Air and Space Port and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

BARBICH HOOPER KING
DILL HOFFMAN
Accountancy Corporation

A handwritten signature in black ink that reads "Barbich Hooper King". The signature is written in a cursive style with a large, stylized initial "K" at the end.

Bakersfield, California
January 10, 2024

Mojave Air and Space Port
Audit for the Year Ended June 30, 2023
Schedule of Corrected Misstatements

<u>Listing Corrected Misstatements:</u>	<u>Debit</u>	<u>Credit</u>
1) Lease Receivable	3,194,923	
Deferred Inflow of Resources - Leases		3,194,923
<i>To adjust lease receivable and deferred inflows in accordance with GASB 87</i>		
2) Deferred Outflow of Resources	555,509	
Deferred Inflow of Resources	224,468	
Pension Expense		333,902
Other income		446,075
<i>to adjust pension deferred outflows and inflows for the current year</i>		
3) Deferred Outflow of Resources	84,634	
OPEB Expense	373,100	
Deferred Inflow of Resources		334,634
OPEB Liability		123,100
<i>to adjust OPEB liability and deferred accounts for the current year</i>		
4) Other Income	626,700	
OPEB Liability		626,700
<i>to adjust OPEB liability for double recording of Trust Asset</i>		

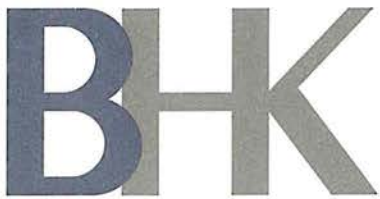
Mojave Air and Space Port

Financial Statements

June 30, 2023

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BARBICH HOOPER KING
DILL HOFFMAN, LLP

Independent Auditors' Report

Board of Directors
Mojave Air and Space Port
Mojave, California

Opinions

We have audited the accompanying financial statements of Mojave Air and Space Port (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the

aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the schedules related to the District's defined benefit plan and OPEB as listed on the table of contents on pages 29 through 33 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The schedule of expenditures of federal awards presented on page 39, as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 10, 2024, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District’s internal control over financial reporting and compliance.

**BARBICH HOOPER KING
DILL HOFFMAN
Accountancy Corporation**



Bakersfield, California
January 10, 2024

Mojave Air and Space Port

Management's Discussion and Analysis

The following discussion and analysis of Mojave Air and Space Port financial performance provides an overview of the financial activities for the fiscal year ended June 30, 2023. This information is presented in conjunction with the basic audited financial statements and accompanying notes, which follow this section.

Financial Highlights

The District's total net position increased \$10.5 million or 24% over the course of the year's operations.

The District's total revenues experienced a net increase of \$7.6 million or 55% during the year ended June 30, 2023.

The District's total expenses decreased \$1.8 million, or 14% during the year ended June 30, 2023.

The District's net capital assets increased \$8.0 million, or 18%, during the year ended June 30, 2023.

Overview of the Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditors' report, the basic financial statements of the District and selected additional information. The financial statements also include notes that explain in more detail some of the information contained in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. The financial statements conform to accounting principles which are generally accepted in the United States of America and utilize the accrual basis of accounting.

The statements of net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities), with the difference between the two reported as net position. This statement will indicate which assets are restricted due to contractual, Board action, or other commitments. This statement also provides the basis for assessing the liquidity, capital structure and financial flexibility of the District.

Revenues and expenses for each of the last two fiscal years are accounted for in the statements of revenues and expenses and changes in net position. These statements measure the success of the District's operations and can be used to determine profitability, credit worthiness, and whether the District has successfully recovered all its costs through user fees and other charges.

The statement of cash flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. From this statement, information related to sources and uses of cash, and the change in cash balances can be compared for each of the last two fiscal years.

Mojave Air and Space Port

Management's Discussion and Analysis

Financial Analysis of the District

The required financial statements, discussed above, assist the reader in making an assessment of whether its financial health is improving or deteriorating. However, one will need to consider other non-financial factors such as changes in economic conditions, hydrology, population growth, and new or changed government legislation.

To begin our analysis, a summary of the District's statements of net position is presented in Table A.

Table A
Condensed Statements of Net Position
June 30, 2023 and 2022
(000's)

	2023	2022	Dollar Change	Percentage Change
Current assets	\$ 19,829	\$ 11,516	\$ 8,313	72%
Capital assets	53,280	45,311	7,969	18%
Lease receivables	54,828	51,352	3,476	7%
Total assets	127,937	108,179	19,758	18%
Deferred outflow of resources	2,922	849	2,073	244%
	\$ 130,859	\$ 109,028	\$ 21,831	20%
Current liabilities	\$ 6,836	\$ 1,181	\$ 5,655	479%
Long-term liabilities	8,214	6,381	1,833	29%
Total liabilities	15,050	7,562	7,488	99%
Deferred inflow of resources	60,883	57,048	3,835	7%
Invested in capital assets, net of related debt	53,280	45,311	7,969	18%
Unrestricted	1,646	(893)	2,539	-284%
Total net position	54,926	44,418	10,508	24%
	\$ 130,859	\$ 109,028	\$ 21,831	20%

As the net position table above indicates, total assets increased by \$19.8 million to \$127.9 million at June 30, 2023, from \$108.2 million at June 30, 2022. The increase in the total assets of the District was primarily due to an increase in capital assets of \$7.9 million, due to acquisitions of capital assets to include construction in progress of \$10.4 million, which was offset by depreciation of \$2.5 million, and an increase in current assets of \$8.3 million, due to increases in cash of \$1 million, accounts receivables of \$5 million and an increase in lease receivables.

Mojave Air and Space Port

Management's Discussion and Analysis

Total liabilities increased by \$7.4 million during the year ended June 30, 2023. The increase in current liabilities of \$5.6 million is primarily accounts payable that included invoices owed to the vendors for FAA projects and long-term liabilities increase of \$1.8 million from recording of pension and post-employment benefits related liabilities.

Table B
Condensed Statements of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2023 and 2022
(000's)

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Operating revenue	\$ 11,160	\$ 10,933	\$ 227	2%
Nonoperating revenue, net	10,315	2,954	7,361	249%
Total revenues	<u>21,475</u>	<u>13,887</u>	<u>7,588</u>	55%
Operating expenses	8,455	10,249	(1,794)	-18%
Depreciation expense	2,512	2,556	(44)	-2%
Total expenses	<u>10,967</u>	<u>12,805</u>	<u>(1,838)</u>	-14%
Change in net position	10,508	1,082	9,426	871%
Net position, beginning of year	<u>44,418</u>	<u>43,336</u>	<u>1,082</u>	2%
Net position, end of year	<u>\$ 54,926</u>	<u>\$ 44,418</u>	<u>\$ 10,508</u>	24%

While the Statement of Net Position shows the change in financial position of the District, the Statements of Revenues and Expenses and Changes in Net Position provides answers as to the nature and source of these changes.

The District's total revenues increased by \$7.5 million to \$21.4 million during the year ended June 30, 2023, from \$13.8 million during the year ended June 30, 2022. Operating revenues increased by \$.2 million. Nonoperating revenues increased by \$7.3 million due to grant reimbursements from the FAA on current projects.

Total expenses decreased \$1.8 million to \$10.9 million during the year ended June 30, 2023 from \$12.8 million during the year ended June 30, 2022. The primary reason for the decrease was due to lower fuel sales and costs for fuel.

Mojave Air and Space Port

Management's Discussion and Analysis

*Table C
Capital Assets
June 30, 2023 and 2022
(000's)*

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Land	\$ 6,500	\$ 6,500	\$ -	0%
Buildings and structures	14,718	14,012	706	5%
Furniture and equipment	6,458	5,617	841	15%
Infrastructure	50,982	50,796	186	0%
Construction in progress	<u>18,949</u>	<u>10,201</u>	<u>8,748</u>	86%
Total capital assets	97,607	87,126	10,481	12%
Less accumulated depreciation	<u>44,327</u>	<u>41,815</u>	<u>2,512</u>	6%
Total net capital assets	<u>\$ 53,280</u>	<u>\$ 45,311</u>	<u>\$ 7,969</u>	18%

As of June 30, 2023, the District had invested \$97.6 million in capital assets. As can be seen from the table above, capital assets increased \$10.4 million to \$97.6 million at June 30, 2023, from \$87.1 million at June 30, 2022 due to \$8.7 million of construction projects in progress were added during the year ended June 30, 2023, specifically, \$7.8 million for a 12/30 Rehab, \$0.5 million for Taxiway C and, \$0.2 million for the Taxiway A lighting project.

Mojave Air and Space Port

Management's Discussion and Analysis

Budgetary Comparison

The following table is a comparison of the Board approved budget for 2023 against actual.

Table D
Budget vs. Actual Comparison
For the Year Ended June 30, 2023
(000's)

	<u><i>Actual</i></u>	<u><i>Budget</i></u>	<u><i>Change</i></u>	<u><i>Percentage Change</i></u>
Operating revenue	\$ 11,160	\$ 12,380	\$ (1,220)	-10%
Nonoperating revenue	<u>10,315</u>	<u>13,791</u>	<u>(3,476)</u>	-25%
Total revenues	<u>21,475</u>	<u>26,171</u>	<u>(4,696)</u>	-18%
Operating expenses	8,455	12,478	(4,023)	-32%
Depreciation expense	<u>2,512</u>	<u>2,700</u>	<u>(188)</u>	-7%
Total expenses	<u>10,967</u>	<u>15,178</u>	<u>(4,211)</u>	-28%
Change in net position	<u>\$ 10,508</u>	<u>\$ 10,993</u>	<u>\$ (485)</u>	-4%

Actual operating revenues were below budgeted revenues for 2023 by \$1.22 million mainly due to lower fuel sales than anticipated.

Actual operating expenses, exclusive of depreciation, came out below budgeted operating expenses by \$4.0 million primarily due to lower than anticipated costs for tenant retention, permit fees, marketing, and aviation fuel.

Contacting the District Management

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at 1434 Flightline, Mojave, California 93501.

Mojave Air and Space Port

*Statement of Net Position
June 30, 2023*

***ASSETS AND DEFERRED OUTFLOWS
OF RESOURCES***

Current Assets

Cash and cash equivalents	\$ 10,339,540
Accounts receivable, net of allowance of \$166,787	5,551,029
Other receivables	49,492
Current portion of lease receivables	3,464,793
Fuel inventory	248,156
Prepaid expenses	175,997
	<u>19,829,007</u>

<i>Capital Assets</i> , net of accumulated depreciation	<u>53,279,751</u>
--	-------------------

<i>Lease Receivables</i> , less current portion	<u>54,827,525</u>
--	-------------------

<i>Total Assets</i>	<u>127,936,283</u>
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Deferred Outflows of Resources

Deferred outflows - OPEB	507,070
Deferred outflows - CalPERS pension plan	2,415,381
	<u>2,922,451</u>

\$ 130,858,734

See Notes to Financial Statements.

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES AND NET POSITION**

Current Liabilities

Accounts payable	\$ 6,470,189
Customer deposits	178,275
Accrued liabilities	187,673
	6,836,137

Long-Term Liabilities

Net OPEB liability	2,727,000
Net pension liability	5,487,031
	8,214,031

Total Liabilities

15,050,168

Deferred Inflows of Resources

Deferred inflows - leases	58,292,318
Deferred inflows - OPEB	1,661,263
Deferred inflows - CalPERS pension plan	929,540
	60,883,121

Net Position

Invested in capital assets, net of related debt	53,279,751
Unrestricted	1,645,694
	54,925,445

\$ 130,858,734

Mojave Air and Space Port

*Statements of Revenues, Expenses and
Changes in Net Position
For the Year Ended June 30, 2023*

Operating revenue:

Rents and leases	\$ 6,722,149
Landing area	3,812,776
Non-aviation activities	552,774
Other buildings and areas	71,907
	<u>11,159,606</u>

Operating expenses:

Cost of fuel sold	2,946,127
General and administrative	5,509,152
Depreciation expense	2,511,749
	<u>10,967,028</u>

Operating income	<u>192,578</u>
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Nonoperating income (expense):

Interest income	1,461,140
Property taxes	889,126
Grant revenue	8,144,448
Other expense	(179,775)
	<u>10,314,939</u>

Change in net position	10,507,517
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<i>Net position, beginning of year</i>	<u>44,417,928</u>
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<i>Net position, end of year</i>	<u><u>\$ 54,925,445</u></u>
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See Notes to Financial Statements.

Mojave Air and Space Port

*Statements of Cash Flows
For the Year Ended June 30, 2023*

Cash flows from operating activities:

Receipts from customers	\$ 11,629,718
Payments to suppliers for goods and services	(9,264,019)
Payments to employees for salaries and benefits	(2,141,802)
Net cash provided by operating activities	<u>223,897</u>

Cash flows from capital and related financing activities:

Proceeds from grants	2,823,824
Payments for acquisition and construction of capital assets	(5,146,671)
Net cash used in capital and related financing activities	<u>(2,322,847)</u>

Cash flows from noncapital financing activities:

Receipts of property tax revenues	<u>889,126</u>
Net cash provided by noncapital financing activities	<u>889,126</u>

Cash flows from investing activities:

Interest income	<u>1,461,140</u>
Net cash provided by investing activities	<u>1,461,140</u>

Net increase in cash and cash equivalents

251,316

Cash and cash equivalents at beginning of the year

10,088,224

Cash and cash equivalents at end of the year

\$ 10,339,540

See Notes to Financial Statements.

Reconciliation of operating loss to net cash provided by operating activities:

Operating income \$ 192,578

Adjustments to reconcile operating income to net cash provided by operating activities:

Depreciation 2,511,749
Other expense (179,775)

Changes in operating assets and liabilities

Accounts receivable 649,887
Fuel inventory 158,214
Prepaid expenses (83,856)
Accounts payable 277,015
Customer deposits 28,792
Accrued liabilities 14,769
Net OPEB liability (1,098,813)
Net pension liability (2,246,663)
Net cash provided by operating activities \$ 223,897

Supplemental disclosure of noncash capital and related financing activities:

Grant income included in accounts receivable \$ 5,320,624
Acquisition and construction of capital assets through accounts payable \$ 5,334,065

Mojave Air and Space Port

Notes to Financial Statements

Note 1. Nature of Activities and Summary of Significant Accounting Policies

Nature of District's activities:

Mojave Air and Space Port (the District) was incorporated on February 24, 1972, under the provisions of the Public Utilities Code, Division 9, Part 2, beginning with Section 22002. The first organization meeting was held on February 28, 1972. On November 15, 1972, Kern County Airport No. 7 was transferred from the County of Kern to the District and the Airport name was changed to the Mojave Airport. On November 1, 1974, the District's name was changed to East Kern Airport District. On November 20, 2012, the District's name was changed to Mojave Air and Space Port.

The District's mission is to foster and maintain a recognized aerospace presence with a principal focus as the world's premier civilian aerospace test center while seeking compatible diverse business and industry.

Significant accounting policies are as follows:

Basis of accounting and financial reporting:

The accompanying financial statements have been prepared on the accrual basis of accounting, in conformity with the uniform system of accounts prescribed for water districts by the Controller of the State of California. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred regardless of the timing of cash payments or receipts.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Revenues and expenses not meeting this definition are reported as nonoperating.

When the District has both unrestricted and restricted resources available for District purposes, it is the District's practice to first expend restricted resources, subsequently utilizing unrestricted resources as needed.

The District utilizes a net position presentation in accordance with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB No. 63, *Financial Reporting of Deferred Outflows or Resources, Deferred Inflows of Resources, and Net Position*. Net position is categorized as invested in capital assets, net of related debt, restricted components of net position and unrestricted components of net position. These categories are defined as follows:

Invested in capital assets, net of related debt - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and the deferred outflow of advanced refunding of bonds, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Notes to Financial Statements

Restricted components of net position - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted components of net position - This component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Deferred outflows/inflows of resources:

The District reports increases/decreases in net assets that relate to future periods as deferred outflows/inflows of resources in a separate section of the statement of net position. Deferred outflow and inflow of resources reported in the statement of net position include the results of employer contributions made to the pension and other postretirement benefit plans (OPEB) after the measurement date and will be recognized as a reduction of the net pension liability in the following year. In addition, actuarially determined amounts corresponding to the net pension liability and OPEB are amortized over an estimated life as part of pension and OPEB expense. Further, deferred inflow of resources includes leases where the District is the lessor. The deferred inflow is recognized in revenue in a systemic manner over the term of the leases.

Fund accounting:

The District utilizes accounting for enterprise entities that account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or, (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue recognition:

The District recognizes lease revenue monthly over the life of the lease at the agreed upon lease rates adjusted for CPI changes or as otherwise agreed per the lease terms.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied, providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon

Notes to Financial Statements

thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Kern collects property taxes for the District.

Grants are recognized as revenue in the accounting period when they become susceptible to accrual (i.e. both measurable and available).

Accounts receivable:

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Management provides for uncollectable accounts through a charge to earnings and a credit to an allowance for doubtful accounts based on its assessment of the current status of individual accounts. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. Based on management's assessment of the credit history with customers having outstanding balances and current relationships with them, the District has accrued an allowance of \$166,787 against accounts receivable at June 30, 2023.

Fuel inventory:

Fuel inventory is carried at cost on a first-in, first-out (FIFO) basis on a moving average basis. Physical inventories are taken on a monthly basis.

Capital assets:

Capital assets are defined by the District as assets with an individual cost of more than \$5,000 and an estimated life greater than two years. The District's capital assets are recorded at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u><i>Years</i></u>
Buildings and structures	5-40
Furniture and equipment	5-30
Infrastructure	5-40

Maintenance and repairs of capital assets are charged to operations and major improvements are capitalized. Upon retirement, sale or other disposition of capital assets, the cost and accumulated depreciation are eliminated from the accounts and the gain or loss is included in operations.

Compensated absences:

The District's established vacation policy states that each employee may carry over unused vacation hours on a calendar year basis up to 240 hours. Employees with more than 200 hours of accrued vacation pay may cash-out up to two weeks of vacation pay in one-week increments. The District's policy provides employees with up to 160 hours of sick leave accruals. Upon retirement, employees who have been with the District from 5 to 10 years are entitled to 50% payment of unused sick leave accrual and employees who have been with the District over 10 years are entitled to 100% payment of unused sick leave accruals.

Notes to Financial Statements

Cash and cash equivalents:

For purposes of reporting cash flows, the District considers cash equivalents to be all highly liquid debt instruments purchased with a maturity of three months or less. Cash and cash equivalents included the following at June 30, 2023:

Cash deposits with financial institutions	\$ 3,349,765
Deposits with Kern County Treasurer	2,728,701
Deposits with Local Agency Investment Fund	4,260,879
Cash on hand	195
	<hr/>
	\$ 10,339,540
	<hr/>

The District invests any excess funds not needed for immediate needs into the State of California managed Local Agency Investment Fund (LAIF), which is a permitted investment by both State law and the District's investment policy. Created by state statute, the LAIF is a component of a pooled money program that is administered by the State Treasurer's Office. The fund has regulatory oversight from the Local Investment Advisory Board, which is comprised of the State Treasurer as chair, the State Controller, and the Director of Finance. As the LAIF does not make share-value adjustments due to immaterial differences between fair value and cost, the District's cost basis in the fund is reflected in cash and cash equivalents on the statements of net position.

Cash funds deposited with the State Treasurer's office are in a pooled money fund. Funds are pooled with other agencies throughout California. Investments are made in accordance with Government Code Sections 16430 and 16480. Cash funds are also deposited with the County of Kern and are appropriately collateralized by cash, investments and securities.

Custodial credit risk:

Custodial credit risk of deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits and investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2023, the District had no risk associated with custodial assets.

Notes to Financial Statements

Disclosures relating to interest rate risk and credit risk:

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Both the deposits with Kern County and the LAIF have no maturity.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Kern and LAIF do not have a rating provided by a nationally recognized statistical rating organization.

Cash flows:

GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, states for purposes of preparing the statements of cash flows, all transactions that are not classified as capital and related financing activities, noncapital financing activities or investing activities are classified as operating activities. The adjustments to reconcile operating income to net cash provided by operating activities include tax revenues and other income.

Operating leases:

For long-term operating leases in which the District is the lessor, the District records a lease receivable and deferred inflow of resources related to the leased assets at the present value of the lease. The lease receivable and deferred inflow of resources are amortized over the life of the lease with the difference between the undiscounted amortized lease payment and the discounted lease amortization being recognized as interest income in the year it was received.

Pensions:

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Post employment benefits other than pension (OPEB):

For purposes of measuring the net OPEB liability, deferred outflows/inflows related to OPEB, and OPEB expense, information about the fiduciary net position of the Mojave Air and Space Port post employment welfare benefit plan and additions to/deductions from the Plan's fiduciary net position have been determined by an actuary. For this purpose, the Plan recognized benefit payments when due and payable in accordance with the benefit terms.

Notes to Financial Statements

Note 2. Capital Assets

The following is a summary of changes in the District’s capital assets for the year ended June 30, 2023.

Capital Assets-At Cost

	<i>Balance</i> <i>6/30/22</i>	<i>Acquisitions</i>	<i>Retirements</i>	<i>Transfers</i>	<i>Balance</i> <i>6/30/23</i>
<i>Capital Assets not being depreciated:</i>					
Land	\$ 6,500,090	\$ -	\$ -	\$ -	\$ 6,500,090
Construction in progress	10,200,331	10,472,455	-	(1,724,468)	18,948,318
<i>Capital Assets being depreciated:</i>					
Buildings and structures	14,011,857	-	-	706,408	14,718,265
Furniture and equipment	5,617,153	8,281	-	832,442	6,457,876
Infrastructure	50,796,238	-	-	185,618	50,981,856
	<u>\$ 87,125,669</u>	<u>\$ 10,480,736</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,606,405</u>

Accumulated Depreciation

	<i>Balance</i> <i>6/30/22</i>	<i>Depreciation</i> <i>Expense</i>	<i>Retirements</i>	<i>Transfers</i>	<i>Balance</i> <i>6/30/23</i>
Buildings and structures	\$ 9,549,715	\$ 460,518	\$ -	\$ -	\$ 10,010,233
Furniture and equipment	4,291,212	352,029	-	-	4,643,241
Infrastructure	27,973,978	1,699,202	-	-	29,673,180
	<u>\$ 41,814,905</u>	<u>\$ 2,511,749</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,326,654</u>

Note 3. Rents and Leases

Lease Receivable in Accordance with GASB 87

The District receives income from the rental of land, buildings, and hangars. Leases under these arrangements can be month-to-month or be fixed terms from 1 to 55 years before optional lease extensions and could include increases based on CPI or fixed increases. The District records a lease receivable and deferred inflow of resources for non-regulated leases, as outlined in GASB Statement No. 87 using an estimated discount rate based on the District’s most recent debt financing.

As part of the GASB 87 lease accounting, the District recognized \$4,789,163 in rent and leases and \$1,226,980 in interest income for the year ended June 30, 2023.

Notes to Financial Statements

Future minimum rental receipts as of June 30, 2023 is the following:

<u>Years Ending June 30,</u>	<u>Lease receivables</u>	<u>Lease interest</u>	<u>Total Lease payments</u>
2024	\$ 3,464,793	\$ 1,263,899	\$ 4,728,692
2025	3,466,219	1,198,789	4,665,008
2026	3,503,747	1,132,631	4,636,378
2027	3,527,845	1,065,999	4,593,844
2028	3,365,748	999,598	4,365,346
2029 - 2033	9,927,931	4,242,493	14,170,424
2034 - 2038	7,082,725	3,360,042	10,442,767
2039 - 2043	6,727,739	2,550,087	9,277,826
2044 - 2048	5,260,390	1,888,221	7,148,611
2049 - 2053	5,529,807	1,236,991	6,766,798
2054 - 2058	3,102,649	662,960	3,765,609
2059 - 2063	2,379,489	280,137	2,659,626
2064 - 2068	705,387	51,080	756,467
2069 - 2073	227,724	15,093	242,817
2074	20,125	110	20,235
Total	<u>\$ 58,292,318</u>	<u>\$ 19,948,130</u>	<u>\$ 78,240,448</u>

Leases Excluded from GASB 87

A significant portion of the District’s revenue comes from month-to-month leases of which the District is lessor and are excluded from the accounting requirements of GASB 87. The District leases buildings, land, and hangars with month-to-month terms. Rent and lease revenues from month-to-month leases totaled \$2,023,720 for the year ended June 30, 2023.

Note 4. Retirement Plans

CalPERS

Plan description:

The District participates in the Public Agency portion of the California Public Employees’ Retirement System, which acts as a common investment and administrative agent for participating public employers within the State of California. The District’s offers two defined benefit pension plans, the Miscellaneous Plan of the Mojave Air and Space Port (“Miscellaneous”), and the Safety Plan of the Mojave Air and Space Port (“Safety”). All employees hired after January 1, 2013 are placed in the respective PEPPA Plan Miscellaneous or Safety Plan of the Mojave Air and Space Port. All plans are cost-sharing multiple-employer defined benefit plans. All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous and Safety Plans. Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Notes to Financial Statements

Benefits provided:

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<u><i>Miscellaneous</i></u>	<u><i>Safety</i></u>	<u><i>Miscellaneous PEPRA</i></u>	<u><i>Safety PEPRA</i></u>
Benefit formula	2.7% @ 55	2% @ 50	2% @ 62	2.7% @ 57
Benefit vesting schedule	5 yrs service	5 yrs service	5 yrs service	5 yrs service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50	52 - 62	50 - 57
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	3.0%	1.0% to 2.5%	2%
Required employee contribution rates	8% *	9% *	7.25%	15.25%
Required employer contribution rates	16.62%	26.86%	7.99%	15.43%

* The District pays the required employee contributions on behalf of the employees.

Contributions:

Section 20814(c) of the California Public Employees' Retirement Law required that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for all Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2023, the contributions recognized as part of pension expense for each Plan were as follows:

	<u><i>Miscellaneous</i></u>	<u><i>Safety</i></u>
Contributions - employer	\$ 620,676	\$ 55,495
Contributions - employee	142,989	-
	<u>\$ 763,665</u>	<u>\$ 55,495</u>

Notes to Financial Statements

Pension liabilities, pension expense and pension deferred outflows/inflows of resources:

As of June 30, 2023, the District reported net pension liabilities for its proportionate share of the net pension liability of each Plan as follows:

Miscellaneous	\$	4,803,652
Safety		683,379
		\$ 5,487,031

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022 for the District's year ended June 30, 2023, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for each Plan as of June 30, 2022 is as follows:

	<i>Miscellaneous</i>	<i>Safety</i>
Proportion - June 30, 2021	0.1566%	0.0135%
Proportion - June 30, 2022	0.1027%	0.0099%
Change - Increase (Decrease)	-0.0539%	-0.0035%

For the year ended June 30, 2023, the District recognized a pension benefit of \$837,612. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Pension contributions subsequent to measurement date	\$ 676,171	\$ -
Difference between expected and actual experience	124,749	(72,030)
Change in assumptions	561,140	-
Net difference between projected and actual earnings on plan investments	987,816	-
Change in employer's proportion	-	(857,510)
Difference between employer's contributions and the proportionate share of contributions	65,505	-
	\$ 2,415,381	\$ (929,540)

Notes to Financial Statements

The \$676,171 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized as pension expense as follows:

<i>Years ended</i>	
<u>June 30,</u>	
2024	\$ 172,019
2025	57,586
2026	(23,942)
2027	604,007
	<u>\$ 809,670</u>

Actuarial Assumptions:

The total pension liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

	<u><i>Miscellaneous</i></u>	<u><i>Safety</i></u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2022
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	Varies by entry age at	Varies by entry age and service
Investment Rate of Return	6.90%	6.90%
Mortality	*	*

* Derived using CalPERS membership data for all funds

The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvements using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, refer to the 2021 experience study report on the CalPERS website.

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.9%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made as statutorily required rates, actuarially determined. Based on those assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Notes to Financial Statements

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk estimates, are used to project compound (geometric) return over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The table below reflects the long-term expected real rate of return by asset class for the Plan. The rate of the return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10</u>
Global equity - cap-weighted	30%	4.54%
Global equity non-cap-weighted	12%	3.84%
Private equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed securities	5%	0.50%
Investment grade corporates	10%	1.56%
High Yield	5%	2.27%
Emerging market debt	5%	2.48%
Private debt	5%	3.57%
Real assets	15%	3.21%
Leverage	-5%	-0.59%

Sensitivity of the District's proportionate share of the net pension liability:

The following presents the District's proportionate share of the net pension liability using the discount rate of 6.9%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.9%) or 1-percentage-point higher (7.9%) than the current rate:

	<u>Discount Rate -1%</u> <u>5.90%</u>	<u>Discount Rate</u> <u>6.90%</u>	<u>Discount Rate +1%</u> <u>7.90%</u>
Net Pension Liability - Miscellaneous	\$ 7,805,412	\$ 4,803,652	\$ 2,333,949
Net Pension Liability - Safety	1,068,973	683,379	368,243
	<u>\$ 8,874,385</u>	<u>\$ 5,487,031</u>	<u>\$ 2,702,192</u>

Notes to Financial Statements

OPEB

Plan description:

The District provides certain post-employment health care benefits in accordance with District policy to retired employees age 50 or older who were active members of CalPERS for at least five years, their dependents, and retired directors who were first elected before January 1, 1995, who served the District for at least 12 years, and their dependents. The benefits are available until death for both the participants and their spouse.

Employees hired after October 1, 2017, will be eligible for health benefits based on the resolution with CalPERS vesting schedule. Based on their years of CalPERS service with the District, annuitants would be eligible to receive a percentage of the 100/90 formula amounts from the employer starting at 50% after 10 years of credited CalPERS service and increasing by 5% each year.

Plan membership:

At June 30, 2022, the Plan measurement date, the Plan membership is as follows:

Inactive employees currently receiving benefits	20
Inactive employees entitled to but not yet receiving benefits	-
Active employees	23
	<u>43</u>

Funding policy:

The contribution requirements of plan members and the District are established and may be amended by the District's Board of Directors. Currently, contributions are not required from plan members. The District pays for post-employment health insurance on a pay-as-you go basis.

Asset allocation:

The District's assets are held in trust by the California Employers' Retiree Benefit Trust (CERBT) which is managed by CalPERS. The District is invested in the CERBT Strategy 1 portfolio whose assets are allocated according to the following target allocations.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Target Range</u>
Global Equity	49%	± 5%
Fixed Income	23%	± 5%
Treasury Inflation-Protected Securities ("TIPS")	5%	± 3%
Real Estate Investment Trusts ("REITs")	20%	± 5%
Commodities	3%	± 3%
Cash	0%	± 2%

Notes to Financial Statements

Actuarial assumptions and inputs:

The net OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Reporting Date	June 30, 2023
Measurement Date	June 30, 2022
Valuation Date	June 30, 2021
Actuarial cost method:	Entry age normal cost method
Inflation:	2.80%
Salary increases:	2.80%
Healthcare cost trend rates:	Various initial rates grading to ultimate 4.0% for medical, flat 2.0% for dental/vision, & flat 1.0% for PPO deductibles
Discount Rate:	7.59%
Return on Assets:	7.59%
Mortality:	Rates are from the CalPERS study of Miscellaneous Public Agency experience for the year ended June 30, 2019

The actuarial assumptions used in the June 30, 2021 valuation were based on the CalPERS study of non-industrial Miscellaneous Public Agency experience for the twenty years ending June 30, 2019.

Changes in the Net OPEB liability:

	<i>Total OPEB Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net OPEB Liability</i>
<i>Balance at June 30, 2022</i>	\$ 3,561,500	\$ 626,700	\$ 2,934,800
Changes for the year:			
Service cost	83,000	-	83,000
Interest	260,600	-	260,600
Effect of change in actuarial assumptions *	(113,300)	-	(113,300)
Other liability experience (gain) loss	29,400	-	29,400
Contributions		594,400	(594,400)
Benefit payments	(344,400)	(344,400)	-
Non-benefit-related administrative expense			-
from Plan trusts	-	(360)	360
Expected investment return	-	57,040	(57,040)
Investment experience gain (loss)	-	(183,580)	183,580
Net change	<u>(84,700)</u>	<u>123,100</u>	<u>(207,800)</u>
<i>Balance at June 30, 2023</i>	<u>\$ 3,476,800</u>	<u>\$ 749,800</u>	<u>\$ 2,727,000</u>

* Changes in actuarial assumptions consisted of updating the demographic rates to those used in the latest CalPERS pension valuation.

Notes to Financial Statements

OPEB expense and deferred outflows and inflows of resources related to OPEB:

For the year ended June 30, 2023, the District recognized an OPEB benefit of \$641,079. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Contributions subsequent to the measurement date	\$ 334,634	\$ -
Changes in assumptions	-	(795,871)
Other liability experience (gain) loss	25,572	(818,742)
Investment experience (gain) loss	146,864	(46,650)
	\$ 507,070	\$ (1,661,263)

The \$334,634 reported as deferred outflow of resources related to contributions subsequent to the measurement date will be reported as a decrease in the net OPEB liability for the measurement date ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the measurement period ending as follows:

<u><i>Years ending June 30,</i></u>		
2023	\$	(705,627)
2024		(454,417)
2025		(89,995)
2026		(77,879)
2027		(113,829)
Thereafter		(47,080)
	\$	(1,488,827)

Notes to Financial Statements

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates:

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using a discount rate 1 percentage point lower and 1 percentage point higher than the current discount rate and a healthcare cost trend rate 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rate.

	<i>Discount Rate -1%</i> 6.59%	<i>Current Discount Rate</i> 7.59%	<i>Discount Rate +1%</i> 8.59%
Net OPEB Liability - June 30, 2023	\$ 7,805,412	\$ 4,803,652	\$ 2,333,949
	<i>Trend Rate -1% *</i>	<i>Current Rate **</i>	<i>Trend Rate +1% ***</i>
Net OPEB Liability - June 30, 2023	\$ 2,412,100	\$ 2,727,000	\$ 3,097,400

* 3% for medical, 1% for dental/vision, 0% for PPO deductibles

** 4% for medical, 2% for dental/vision, 1% for PPO deductibles

*** 5% for medical, 3% for dental/vision, 2% for PPO deductibles

Note 6. Commitments and Contingencies

The District is exposed to various risks of loss related to torts, theft, damage of destruction of assets, errors and omissions, injuries to employees and natural disasters. During the year ended June 30, 2023, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage nor significant settlements in the past fiscal year.

Required Supplementary Information

Mojave Air and Space Port

***Schedule of the District's Proportionate Share of the
Net Pension Liability (CalPERS)***

June 30, 2023

See Independent Auditors' Report

	<i>Miscellaneous</i>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.10266%	0.15655%	0.10349%	0.10421%	0.10515%
District's proportionate share of the net pension liability	\$ 4,803,652	\$ 2,972,655	\$ 4,365,253	\$ 4,173,216	\$ 3,962,906
District's covered-employee payroll	\$ 1,942,019	\$ 1,453,560	\$ 1,196,615	\$ 1,132,471	\$ 1,052,239
District's proportion of the net pension liability as a percentage of its covered-employee payroll	247.35%	204.51%	364.80%	368.51%	376.62%
Plan fiduciary net position as a percentage of the total pension liability	66.30%	90.49%	77.71%	77.73%	77.69%
	<i>Safety</i>				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.00995%	0.01348%	0.00933%	0.00944%	0.00949%
District's proportionate share of the net pension liability	\$ 683,379	\$ 472,913	\$ 621,607	\$ 589,177	\$ 556,991
District's covered-employee payroll	\$ -	\$ 178,038	\$ 196,974	\$ 127,407	\$ 123,907
District's proportion of the net pension liability as a percentage of its covered-employee payroll	N/A	265.62%	315.58%	462.44%	449.52%
Plan fiduciary net position as a percentage of the total pension liability	58.11%	86.61%	73.12%	73.37%	73.39%

Note 1: Governmental Accounting Standards Board (GASB) Statement No. 68 requires governments to include information from the most recent actuarial valuation and nine separate preceding valuations. As of June 30, 2023, the District had only performed nine valuations

	<i>Miscellaneous</i>			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.10327%	0.10439%	0.12934%	0.10849%
District's proportionate share of the net pension liability	\$ 4,070,987	\$ 3,626,498	\$ 3,096,680	\$ 2,686,987
District's covered-employee payroll	\$ 1,149,742	\$ 1,149,742	\$ 1,158,405	\$ 1,363,242
District's proportion of the net pension liability as a percentage of its covered-employee payroll	354.08%	315.42%	267.32%	197.10%
Plan fiduciary net position as a percentage of the total pension liability	75.39%	75.87%	71.17%	74.52%
	<i>Safety</i>			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.00923%	0.00960%	0.01001%	0.01027%
District's proportionate share of the net pension liability	\$ 551,801	\$ 497,021	\$ 412,508	\$ 384,077
District's covered-employee payroll	\$ 122,463	\$ 122,463	\$ 122,168	\$ 121,970
District's proportion of the net pension liability as a percentage of its covered-employee payroll	450.59%	405.85%	337.66%	314.89%
Plan fiduciary net position as a percentage of the total pension liability	71.74%	72.69%	71.82%	76.20%

Mojave Air and Space Port

Schedule of Contributions (CalPERS)

June 30, 2023

See Independent Auditors' Report

	<i>Miscellaneous</i>				
	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
Contractually required contribution	\$ 620,676	\$ 597,532	\$ 534,539	\$ 490,206	\$ 432,401
Contributions in relation to the contractually required contribution	(620,676)	(597,532)	(534,539)	(490,206)	(432,401)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,942,019	\$ 1,453,560	\$ 1,196,615	\$ 1,132,471	\$ 1,052,239
Contributions as a percentage of covered-employee payroll	31.96%	41.11%	44.67%	43.29%	41.09%
	<i>Safety</i>				
	<i>2023</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
Contractually required contribution	\$ 55,495	\$ 98,159	\$ 103,088	\$ 76,329	\$ 68,094
Contributions in relation to the contractually required contribution	(55,495)	(98,159)	(103,088)	(76,329)	(68,094)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ -	\$ 178,038	\$ 196,974	\$ 127,407	\$ 123,907
Contributions as a percentage of covered-employee payroll	N/A	55.13%	52.34%	59.91%	54.96%

Note 1: Governmental Accounting Standards Board (GASB) Statement No. 68 requires governments to include information from the most recent actuarial valuation and nine separate preceding valuations. As of June 30, 2023, the District had only performed nine valuations

	<i>Miscellaneous</i>			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 425,432	\$ 418,237	\$ 350,505	\$ 315,247
Contributions in relation to the contractually required contribution	<u>(425,432)</u>	<u>(418,237)</u>	<u>(350,505)</u>	<u>(315,247)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,149,742	\$ 1,149,742	\$ 1,158,405	\$ 1,363,242
Contributions as a percentage of covered-employee payroll	37.00%	36.38%	30.26%	23.12%

	<i>Safety</i>			
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 60,786	\$ 55,735	\$ 50,341	\$ 42,668
Contributions in relation to the contractually required contribution	<u>(60,786)</u>	<u>(55,735)</u>	<u>(50,341)</u>	<u>(42,668)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 122,463	\$ 122,463	\$ 122,168	\$ 121,970
Contributions as a percentage of covered-employee payroll	49.64%	45.51%	41.21%	34.98%

Mojave Air and Space Port

**Schedules of Changes in the District's
Total OPEB Liability, Fiduciary Net Position, and Related Ratios
June 30, 2023
See Independent Auditors' Report**

Total OPEB liability	2023	2022	2021	2020	2019
Service cost	\$ 83,000	\$ 91,600	\$ 95,400	\$ 187,100	\$ 196,900
Interest	260,600	313,000	307,900	257,600	252,400
Effect of change in actuarial assumptions	(113,300)	-	-	(2,451,600)	-
Other liability experience (gain) loss	29,400	(747,000)	(7,700)	(952,400)	(14,600)
Benefit payments	(344,400)	(344,300)	(309,200)	(288,900)	(281,800)
Net change in total OPEB Liability	(84,700)	(686,700)	86,400	(3,248,200)	152,900
Total OPEB liability, beginning	3,561,500	4,248,200	4,161,800	7,410,000	7,257,100
Total OPEB liability, ending	\$ 3,476,800	\$ 3,561,500	\$ 4,248,200	\$ 4,161,800	\$ 7,410,000
Fiduciary net position					
Contributions	\$ 594,400	\$ 594,300	\$ 559,200	\$ 288,900	\$ -
Benefit payments	(344,400)	(344,300)	(309,200)	(288,900)	-
Non-benefit-related administrative expense					-
from Plan trusts	(360)	(208)	(33)	-	-
Expected investment return	57,040	31,126	9,486	-	-
Investment experience gain (loss)	(183,580)	60,582	25,747	-	-
Net change in fiduciary net position	123,100	341,500	285,200	-	-
Fiduciary net position, beginning	626,700	285,200	-	-	-
Fiduciary net position, ending	\$ 749,800	\$ 626,700	\$ 285,200	\$ -	\$ -
Net OPEB Liability	\$ 2,727,000	\$ 2,934,800	\$ 3,963,000	\$ 4,161,800	\$ 7,410,000
Plans fiduciary net position as a percentage of total OPEB liability	21.57%	17.60%	6.71%	0.00%	0.00%
Actuarially determined contribution	\$ 292,700	\$ 368,100	\$ 379,500	\$ 583,100	\$ -
Contributions in relation to the actuarially determined contribution	(594,400)	(594,300)	(559,200)	(288,900)	-
Contribution deficiency (excess)	\$ (301,700)	\$ (226,200)	\$ (179,700)	\$ 294,200	\$ -

Note 1. GASB Statement No. 75 requires governments to include information from the most recent actuarial valuation and nine separate preceding valuations. As of June 30, 2023, the District has only performed five valuations.

Note 2. The total OPEB liability amount was determined by an actuarial valuation as of June 30, 2022, the measurement date. The following actuarial assumptions applied to all periods in the measurement, unless otherwise specified.

Actuarial cost method:	Entry age normal cost method
Inflation:	2.80%
Salary increases:	2.80%
Healthcare cost trend rates:	Various initial rates grading to ultimate 4.0% for medical, flat 2.0% for dental/vision, & flat 1.0% for PPO deductibles
Discount Rate:	7.59%
Mortality:	Rates are from the CalPERS study of Miscellaneous Public Agency experience for the year ended June 30, 2019



**Independent Auditors' Report on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards**

Board of Directors
Mojave Air and Space Port
Mojave, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Mojave Air and Space Port (the District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 10, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BARBICH HOOPER KING
DILL HOFFMAN
Accountancy Corporation



Bakersfield, California
January 10, 2024



BARBICH HOOPER KING
DILL HOFFMAN, LLP

**Independent Auditors' Report on Compliance for Each Major Program
and on Internal Control over Compliance Required by the Uniform Guidance**

Board of Directors
Mojave Air and Space Port
Mojave, California

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mojave Air and Space Port's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable

user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BARBICH HOOPER KING
DILL HOFFMAN
Accountancy Corporation



Bakersfield, California
January 10, 2024

Mojave Air and Space Port

*Schedule of Expenditures of Federal Awards
June 30, 2023*

<i><u>Federal Grantor</u></i>	<i><u>Federal CFDA Number</u></i>	<i><u>Grant Identification Number</u></i>	<i><u>Federal Expenditures</u></i>
Department of Transportation			
Airport Improvement Program	20.106	AIP 33-3-06-0154-033-2020	\$ 211,050
Airport Improvement Program	20.106	AIP 36-3-06-0154-033-2022	2,723,741
Airport Improvement Program	20.106	AIP 37-3-06-0154-033-2022	<u>5,199,657</u>
<i>Total</i>			<u><u>\$ 8,134,448</u></u>

See Notes to Schedule of Expenditures of Federal Awards.

Mojave Air and Space Port

Notes to Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Mojave Air and Space Port under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Mojave Air and Space Port, it is not intended to and does not present the financial position, changes in net position, or cash flows of Mojave Air and Space Port.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3. Indirect Cost Rate

Mojave Air and Space Port has elected not to use the 10% de minimis indirect cost rate, as the District has no indirect costs.

Mojave Air and Space Port

*Schedule of Findings and Questioned Costs
Year Ended June 30, 2023*

A. Summary of Auditors' Results

1. The independent auditors' report expresses an unmodified opinion on whether the financial statements of Mojave Air and Space Port were prepared in accordance with GAAP.
2. No instances of material weakness relating to the audit of the financial statements were reported.
3. No instance of noncompliance material to the financial statements of Mojave Air and Space Port, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal control over major federal award programs were disclosed during the audit.
5. The independent auditors' report on compliance for the major federal award programs for Mojave Air and Space Port expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR Section 200.516(a) in this schedule.
7. The program tested as a major program was: Department of Transportation Airport Improvement Program assistance listings number 20.106.
8. The dollar threshold used to distinguish between Type A and B programs was \$750,000.
9. Mojave Air and Space Port was determined to be not a low-risk auditee.

B. Findings Related to the Financial Statements Which are Required to be Reported in Accordance with Government Auditing Standards

There are no findings required to be reported in accordance with *Government Auditing Standards*.

C. Findings and Questioned Costs for Federal Awards

There are no findings to be reported under 2 CFR 200, paragraph .516 of the Uniform Guidance and no costs questioned as of June 30, 2023.



STAFF MEMORANDUM

TO: Board of Directors

FROM: Arielle Sewell, DOO

SUBJECT: Large UAS Letter of Agreement

MEETING DATE: January 16, 2024

Background:

The current letter of agreement for UAS/UAV operations is only for vehicles under 55 pounds and does not support the needs of our tenants, or those looking to test larger UAS/UAV at Mojave. The Large UAS LOA was adopted from MASP's existing sUAS LOA and updated with applicable regulatory requirements, as well as changes to the contact list to reflect current personnel, positions, and phone numbers.

Impacts:

Fiscal: None
Environmental: None
Legal: None

Recommended Action:

Approve the new Large UAS LOA template and assign the CEO to execute the agreement.

OPERATIONS LETTER OF AGREEMENT

BETWEEN

MOJAVE AIR AND SPACE PORT

AND

INSERT COMPANY or PILOT NAMES (“Operator”)

Effective: **INSERT DATE**

SUBJECT: Operator’s Unmanned Aircraft Systems (UAS) operations within the Mojave Air and Space Port (MASP) Class D Airspace during the period of (**INSERT DATE; 1 YR PERIOD OR SINGLE OCCURRENCE**) (the “Operation”). This LOA may be terminated by either party at any time. Revisions must be approved in writing by all parties.

ARTICLE 1.0 PURPOSE AND SCOPE

1.1 PURPOSE: This Letter of Agreement (LOA) establishes the basic operating procedures to conduct UAS operations in MASP’s Class D depicted in Attachment 1, within the areas defined on Attachments 1 and 2. The Operator is responsible for complying with all applicable Federal Aviation Administration (FAA) requirements for conducting UAS operations within the National Airspace System (NAS).

1.2 SCOPE: MASP Class D airspace extends in a 4.3 nautical mile radius from the Airport and from the surface up to 4,800 feet MSL (see Attachment 1). The specific UAS flying areas, grounding orbits, and exclusion zones covered in this LOA are as shown in Attachment 2. Operations above 4,800 feet, or outside the Class D airspace will require coordination with Joshua Control Facility (JCF).

ARTICLE 2.0 RESPONSIBILITIES

2.1 The Remote Pilots shall:

2.1.1 Provide MASP Director of Operations with the following documents

2.1.1.1 Proof of application for registration under the 14 CFR Part 47 process, as applicable.

2.1.1.2 FAA Exemption under 49 U.S.C. §44807, as applicable.

2.1.1.3 Certificate of Waiver or Authorization (COA), with applicable exemption and registration numbers.

2.1.1.4 Schedule of Events. Daily timeline to include start and stop times for each flight period (if more than one), and site set up and tear down times.

2.1.1.5 Personnel Roster/Access Control List/Contact Numbers.

- 2.1.1.6 Operations Area Map to include area dimensions and/or waypoint coordinates.
- 2.1.1.7 Personnel responsible for filing applicable Notices to Air Mission (NOTAMs) prior to start of the Operation.
- 2.1.2 Operate within FAA Part 91 guidelines and any special provisions as detailed in the COA. This LOA may be more restrictive but cannot be less restrictive than applicable FAA guidance.
- 2.1.3 Report all deviations to MASP Air Traffic Control Tower (ATCT) and Director of Operations immediately.
- 2.1.4 The Operator is responsible for all Operation mishaps. Assistance may be provided by MASP Director of Operations or other MASP officials as required.
- 2.1.5 Submit Notices To Air Missions (NOTAM) no earlier than 72 hours prior, no later than 24 hours prior to, start of operation, or request submission assistance from MASP Operations Department.
- 2.1.6 Sign applicable MASP contracts and/or Forms (Access License, Film Restriction, Driver Release, Insurance, etc.) and pay applicable, if any, deposit/usage fees.
- 2.1.7 The Operator shall not take videos, photos, or surveil personnel or property belonging to non-participating parties.

2.2 MASP ATCT shall:

- 2.2.1 If required, issue a local NOTAM.
- 2.2.2 Ensure the requested UAS operating sector within the MASP Class D Surface Area is sterile of all known non-participating air traffic prior to Operations.
- 2.2.3 Assist with any mishap as required, including, if applicable, MASP Fire Department and MASP Security response.
- 2.2.4 Provide MASP contact numbers (see Attachment 3).

ARTICLE 3.0 OPERATIONS PROCEDURES

3.1 The Operator will adhere to all MASP ATCT instructions and will operate on a “not to interfere” basis. Airport aviation traffic and testing has priority unless closure of airfield surfaces has been previously coordinated with the Director of Operations.

3.2 The Operator will operate at or below 400 feet AGL or in accordance with FAA waiver, and remain within the Line of Sight (LOS) of the UAS Pilot in Command (PIC) and/or Visual Observer (VO) at all times.

3.3 UAS overflight of non-participating personnel or structures is prohibited.

3.4 The Operator will coordinate with MASP ATCT prior to start of a UAS flight operation.

3.4.1 Operations will be conducted within the approved flight sectors depicted in Attachment 2. The UAS will not move from one operating sector or grounding spot in Attachment 2 to another without MASP ATCT authorization.

3.4.2 All Operations that extend beyond MASP Class D must be coordinated with JCF prior to and during all operations outside of the Class D.

3.4.3 Operations are not permissible within any designated rocket motor test areas unless previously coordinated with the Director of Operations.

3.4.4 UAS that departs the approved operating sector(s) will immediately return, if able, and immediately ground at a pre-determined grounding spot in Attachment 2, or ground immediately as directed by MASP ATCT. In all instances, immediate notification to MASP ATCT is required.

3.5 The Operations may be conducted in support of local tenant flight operations (e.g. **(INSERT COMPANY NAME)**) flights. All such activity must be pre-coordinated with the supported flight agency as well as with MASP.

ARTICLE 4.0 COMMUNICATIONS

4.1 The Operation mission director must establish and maintain two-way communication with MASP ATCT on 127.6 MHz or stipulated mission frequency.

4.2 The Operator must provide a communications plan outlining tower communication and individual UAS pilot communication methods to include mission director(s), Pilot(s) in Command, and Observer(s) cell phone contact information.

4.3 The Operation mission director must contact MASP ATCT and report operations start, operations complete, and each takeoff and landing.

4.4 All Operator vehicles that must enter the airfield in direct support of the UAS operation must have radio contact with MASP ATCT on 127.6 prior to entering the Aircraft Operations Area and during the duration of the Operation. Vehicles must be operated by personnel that have completed an Airfield Drivers Training through MASP, or similar program that has been approved by the Director of Operations.

ARTICLE 5.0 SECURITY

5.1 The Operations mission director must provide MASP Director of Operations, MASP ATCT, and MASP Director of Public Safety and Security with Pilot in Command and Observer locations prior to operations.

5.2 For Operators that do not have a current lease with MASP, the mission director must check out with MASP Operations office at the end of each day, accounting for all personnel and equipment.

5.3 The Operations mission director will coordinate all non-ATC support requests through MASP Operations Department.

ARTICLE 6.0 EMERGENCY PROCEDURES

6.1 The Operations mission director must immediately declare an emergency or advise of any unusual situation and intentions (i.e. Loss of Visual Sight, Fly Away, injury).

6.2 In all cases dealing with the potential for personal injury or property damage first DIAL 911 and then immediately after notify MASP ATCT. Notifying MASP ATCT of an injury-related emergency may aid the emergency response process.

6.3 Lost Link, Lost Visual Line of Sight (VLOS), Out of Boundary plan

6.3.1 PIC shall immediately notify MASP ATCT of any deviation from flight plan, planned course or operation.

6.3.2 In all cases, PIC shall immediately initiate the ground plan to nearest ground spot in Attachment 2 and notify MASP ATCT of location and grounding.

6.3.3 If link is re-established, PIC shall notify MASP ATCT of intent and await MASP ATCT airspace de-confliction verification or “remain grounded” call.

6.3.4 If unable to re-establish link, UAS (retrieval) ground crews must have two-way communications with ATCT and permission to enter controlled movement areas.

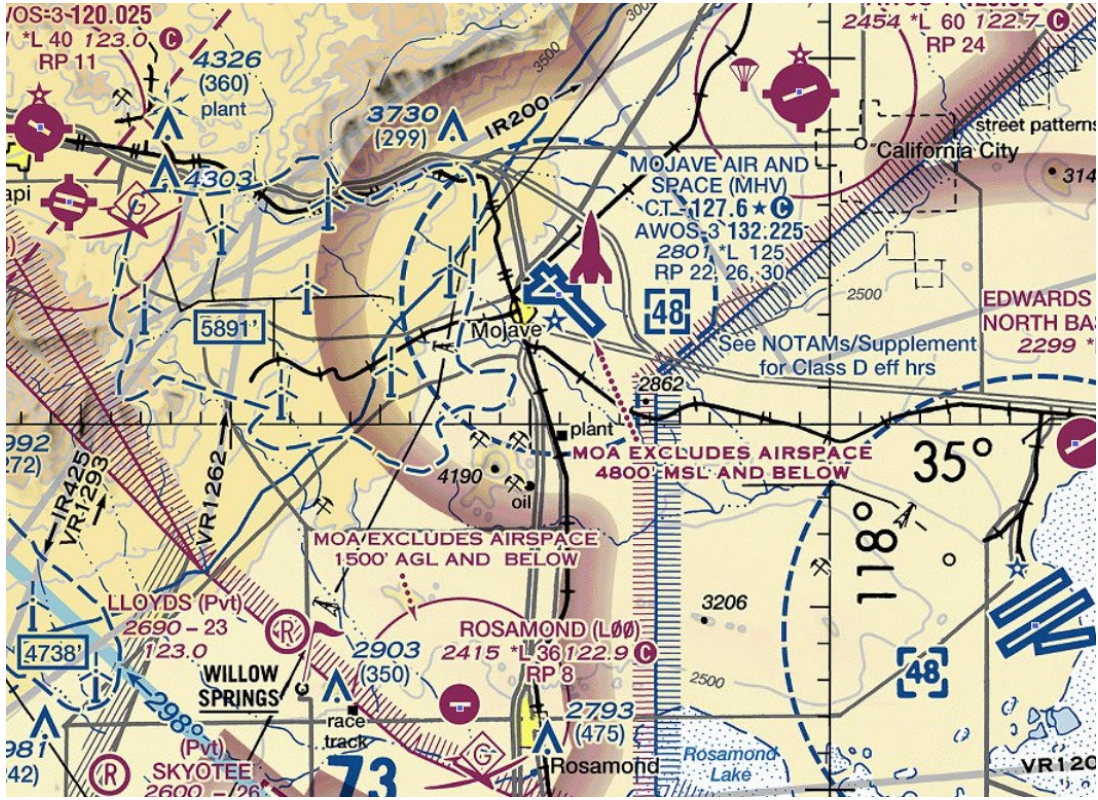
Name
Title

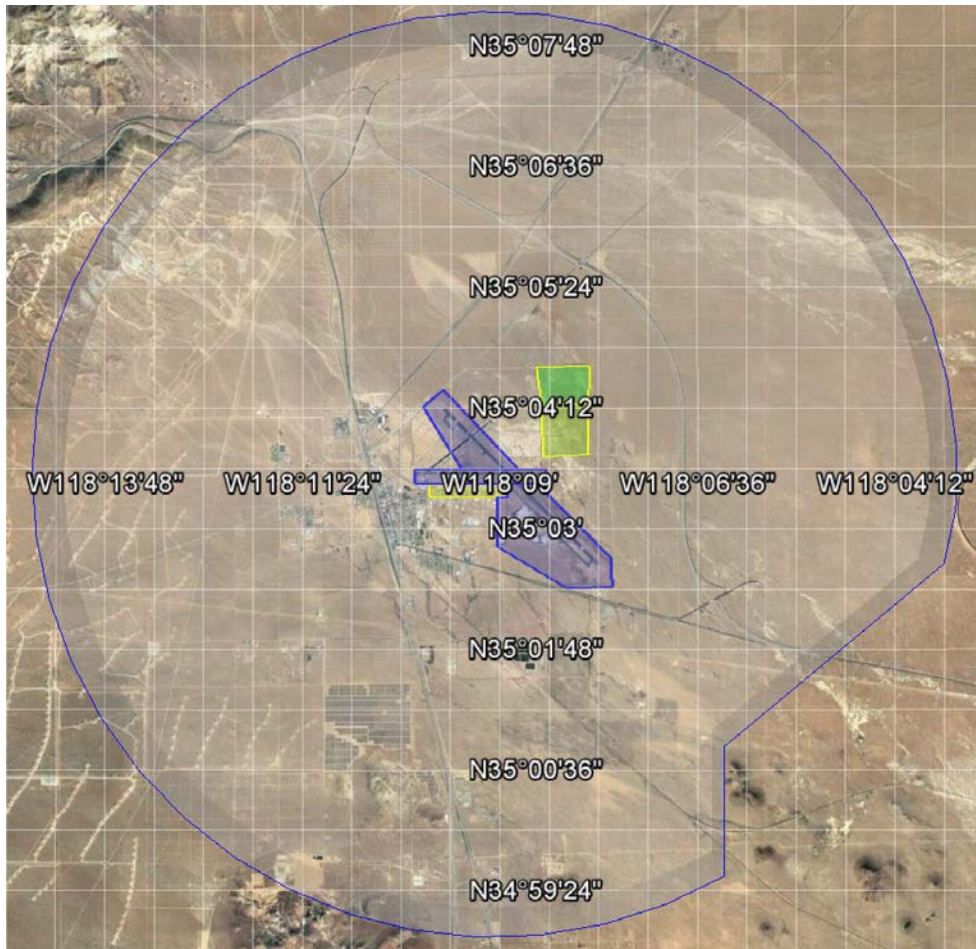
Timothy Reid
CEO/General Manager

Attachments (3)

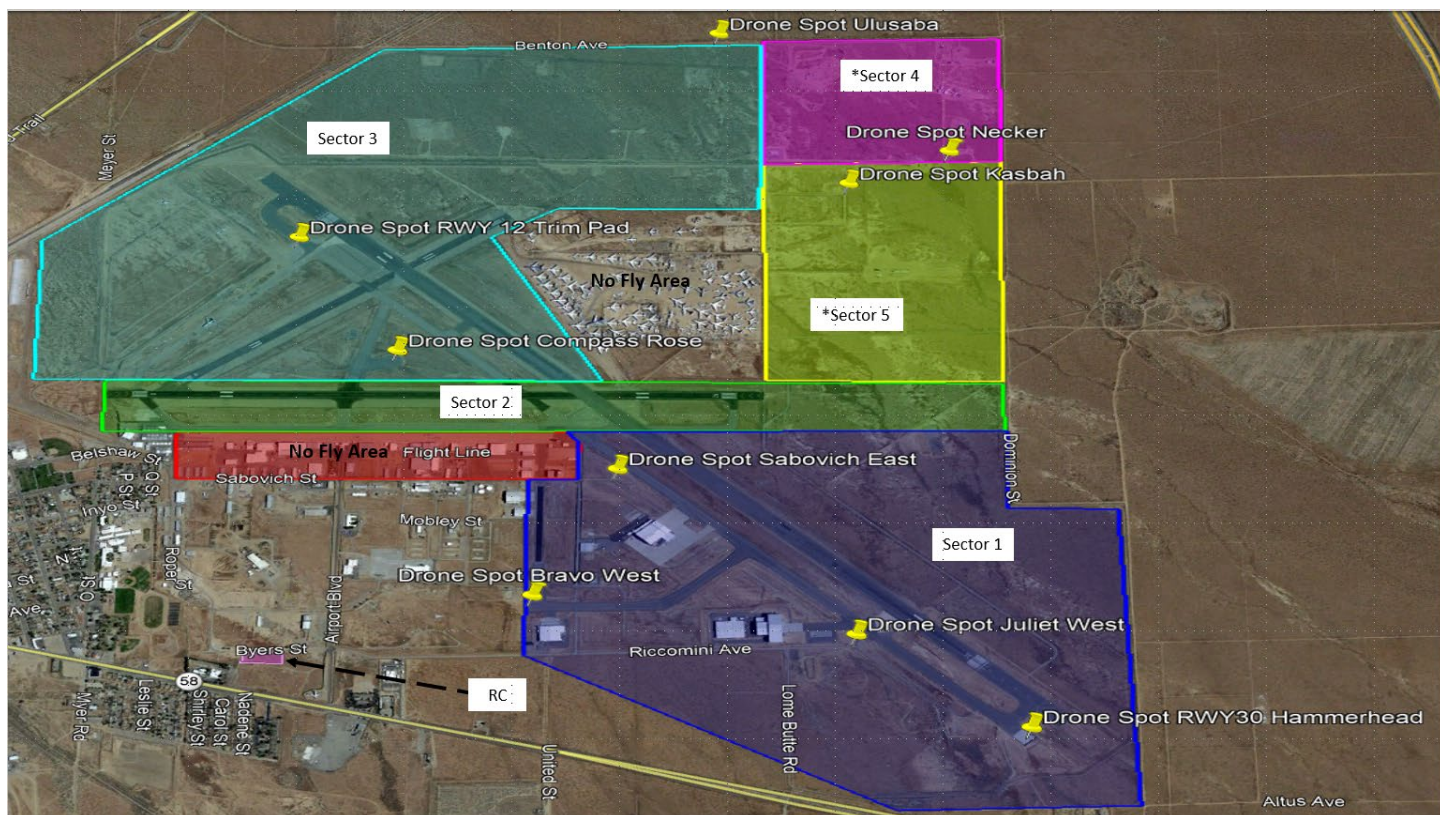
1. Airfield Reference Point
2. UAS Operating Sectors and Grounding/Landing Spots
3. Local and MASP Contact Numbers

Attachment 1
Airfield Reference Point (35-03-32.1919N 118-09-02.1902W)





Attachment 2
Drone Operating Sectors and Main Landing Spots



Sector 1: Generally, south of Twy C and East of Twy BB following MASP property line.

Sector 2: Generally, north of Twy C, encompasses Rwy 08-26 eastward as an extended centerline to eastern property line.

Sector 3: Generally, area bounded by Rwy 08-26, turbine laydown yard, south of northern perimeter road, moving eastward to toward Virgin Orbit Test Site area. Excludes overflight of Boneyard and Virgin Orbit areas

*Sector 4 and 5: Encompasses Innovative Engineering, TSC, Virgin Orbit, Whittinghill, and TSC, and test sites.

Test site coordination and/or notification required to operate in these sectors.

*Drone Spot Ulusaba: 35 4' 36.22N 118 8' 36.55W

*Drone Spot Necker: 35 4' 14.60N 118 8' 3.11W

*Done Spot Kasbah: 35 4' 8.70N 118 8' 17.70W

Drone Spot Runway 12 Trim Pad: 35 3' 58.84N 118 9' 36.36W

Drone Spot Compass Rose: 35 3' 38.88N 118 9' 21.64W

Drone Spot Sabovich East: 35 3' 18.52N 118 8' 50.25W

Drone Sport Bravo West: 35 2' 57.33N 118 9' 1.67W

Drone Spot Juliet West: 35 2' 50.94N 118 8' 17.13W

Drone Spot Rwy 30 Hammerhead: 35 2' 35.85N 118 7' 53.47W

RC Area: CP: 35 2' 49N 118 9' 38W

Attachment 3
Local and MASP Contact Numbers

- Hall Ambulance (Local) 661-824-0410
Regional Dispatch 800-924-4882
- Kern County Medical Center 661-326-2667
- Mojave Medical Center 661-824-4511
- Kern County Sheriff 661-824-7130
- Mojave CHP 661-823-5500
After Hours 661-824-9059
- MASP Chief Executive Officer (Timothy Reid) 661-824-2433
Cell 661-754-4206
- MASP Director of Operations (Arielle Sewell) 661-824-2433
Cell 661-221-2192
- MASP Air Traffic Control Tower 661-824-4324
- MASP Air Traffic Control (M-F, 0700-1700)
AWOS 661-824-5218
Tower 127.6 (VHF)
CTAF (M-F, 1700-0700; weekends 24 hours) 127.6 (VHF)
- MASP Fire Department 661-824-5240
- MASP Operations Department 661-824-2434
- MASP Director of Public Safety and Security (Chris Spandorf) Cell 661-221-1749



STAFF MEMORANDUM

TO: Board of Directors

FROM: Floyd VanWey, Director of Facilities

SUBJECT: Contract Award, Taxiway “A” Electrical Rehabilitation Project

MEETING DATE: January 16, 2024

Background:

On September 11, 2023, the District executed AIP Grant Agreement MHV-WPG-3-06-0154-038-2023 in the amount of \$1,154,730.00 for the Taxiway A Electrical Rehabilitation Project.

The Taxiway A Electrical Rehabilitation Projects includes removal and replacement of taxiway edge light fixtures, re-cabling of airfield lighting and signage circuits, trenching of new electrical duct bank, directional boring for new electrical duct bank, installation of new electrical handholes, and installation of a new Constant Current Regulator (CCR).

On June 7, 2023, sealed bids were opened for the above-referenced project, a single bid was received from Vellutini Corporation (Royal Electric). The final amounts for the Basis of Award of the Contract are:

- Schedule 1: Base Bid - \$1,722,496.00
- Schedule 2: Bid Alternate 1 - \$214,440.00

Sum Total: Basis of Award - \$1,936,936.00

Impacts:

Fiscal: \$782,206.00 Budgeted Dollars.

Environmental: NEPA CatEX approved by the FAA. CEQA NOE.

Legal: None

Recommended Action:

Staff recommend the board award the Taxiway A Electrical Project to Vellutini Corporation and authorize the CEO to finalize negotiations and execute the contract.



January 5, 2024

Sent via email

Timothy J. Reid, C.M.
CEO and General Manager
Mojave Air and Space Port
1434 Flightline, Building 58
Mojave, CA 93501
Email: tim@mojaveairport.com

Project: Taxiway A Electrical and Signage Rehabilitation Project
Subject: Bid Review and Recommendation of Award

Mr. Reid:

The bid opening for the above-referenced project was held on June 7, 2023, with a single bid received from Vellutini Corporation (Royal Electric). The final amounts for the Basis of Award of the Contract are listed below:

Schedule 1: Base Bid	\$ 1,722,496.00
Schedule 2: Bid Alternate 1	\$ 214,440.00
Sum Total: Basis of Award	\$ 1,936,936.00

Mead & Hunt, Inc., in consultation with MASP staff, has reviewed Vellutini Corporation's Proposal for the Project and have determined that the submitted Proposal is within the intent of the Project Bidding Documents. Vellutini Corporation's proposal exceeded the DBE goal of 5.17%, and they submitted a Good Faith Effort package that meets the requirements of the specifications.

Contingent on the available funds for the project, we recommend awarding Vellutini Corporation the Construction Contract for this project.

Respectfully Submitted,
MEAD & HUNT, Inc.

Rafael Gonzalez, P.E.
Senior Engineer

SCHEDULE 1: BASE BID, AIP WORK			Bid Quantity		Contract Award		Royal Electric Company (Original Bid)		Royal Electric Company (Contract)	
Item	Spec No.	Description	Unit	Qty	Unit	Qty	Unit Price	Total Price	Unit Price	Total Price
1	C-105-6.1	Mobilization - Base Bid	LS	1	LS	1	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00
2	A-105-2.1	Airfield Safety and Traffic Control - Base Bid	LS	1	LS	1	\$ 95,769.00	\$ 95,769.00	\$ 95,769.00	\$ 95,769.00
3	C-105-6.2	Unforeseen Conditions (Allowance)	LS	1	LS	1	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
4	A-126-3.1	Remove Existing Elevated Taxiway Edge Light, Protect Base Can In-Place	EA	342	EA	342	\$ 136.00	\$ 46,512.00	\$ 136.00	\$ 46,512.00
5	A-126-3.2	Remove Existing In-Pavement Taxiway Edge Light, Protect Base Can In-Place	EA	21	EA	21	\$ 180.00	\$ 3,780.00	\$ 180.00	\$ 3,780.00
6	A-126-3.3	Remove Existing Elevated Obstruction Light, Protect Base Can In-Place	EA	5	EA	5	\$ 137.00	\$ 685.00	\$ 137.00	\$ 685.00
7	A-126-3.5	Remove Existing Cables, Protect Conduit In-Place	LF	44,100	LF	44,100	\$ 1.00	\$ 44,100.00	\$ 1.00	\$ 44,100.00
8	A-126-3.6	Remove Existing Electrical Vault Equipment	LS	1	LS	1	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
9	L-108-5.1	No. 8 AWG, 5 kV, L-824 Type C Cable Installed in Existing Duct Bank or Conduit	LF	63,800	LF	63,800	\$ 5.00	\$ 319,000.00	\$ 5.00	\$ 319,000.00
10	L-108-5.2	No. 8 AWG, 5 kV, L-824 Type C Cable in New Duct Bank or Conduit	LF	2,000	LF	2,000	\$ 5.00	\$ 10,000.00	\$ 5.00	\$ 10,000.00
11	L-108-5.3	No. 6 AWG, Solid, Bare Copper Counterpoise Wire, Above All New Duct Bank or Conduit, Including Ground Rods and Connections/Terminations	LF	1,500	LF	1,500	\$ 4.00	\$ 6,000.00	\$ 4.00	\$ 6,000.00
12	L-108-5.4	Misc. Temporary Jumpers No. 8 AWG, 5kV, L-824 Type C Cable	LS	1	LS	1	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
13	L-108-5.5	Copperclad Ground Rod and Grounding Wire Connection To Existing Base Can	EA	356	EA	356	\$ 650.00	\$ 231,400.00	\$ 650.00	\$ 231,400.00
14	L-109-7.1	L829 20 kW CCR Ferroresonant Type with S-1 Internal Cut Out	LS	1	LS	1	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00
15	L-110-5.1	Electrical Conduit - 2W-2" Type III, HDPE, Directional Bored, Flowable Backfill	LF	180	LF	180	\$ 116.00	\$ 20,880.00	\$ 116.00	\$ 20,880.00
16	L-110-5.2	Electrical Conduit - 6W-4" Type III, HDPE, Directional Bored, Flowable Backfill	LF	440	LF	440	\$ 250.00	\$ 110,000.00	\$ 250.00	\$ 110,000.00
17	L-110-5.3	Electrical Conduit - 1W-2" Schedule 40 PVC, Trenched, Native Backfill	LF	350	LF	350	\$ 50.00	\$ 17,500.00	\$ 50.00	\$ 17,500.00
18	L-110-5.4	Electrical Conduit - 6W-4" Schedule 40 PVC, Trenched, Native Backfill	LF	220	LF	220	\$ 230.00	\$ 50,600.00	\$ 230.00	\$ 50,600.00
19	L-110-5.5	Electrical Conduit - 6W-4" Schedule 40 PVC, Trenched, Native Backfill, Cut and Patch Asphalt Pavement	LF	240	LF	240	\$ 343.00	\$ 82,320.00	\$ 343.00	\$ 82,320.00
20	L-115-5.1	H20 Rated 4'x4'x30" Electrical Handhole	EA	1	EA	1	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00
21	L-115-5.2	Aircraft Rated Electrical Handhole	EA	1	EA	1	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00	\$ 28,000.00
22	L-125-5.1	Install New L-852T (L) In-Pavement Taxiway Edge Light Fixture and Transformer, On Existing Base Can	EA	20	EA	20	\$ 1,900.00	\$ 38,000.00	\$ 1,900.00	\$ 38,000.00
23	L-125-5.2	Install New L-861T (L) Elevated Taxiway Edge Light Fixture and Transformer, On Existing Base Can	EA	331	EA	331	\$ 800.00	\$ 264,800.00	\$ 800.00	\$ 264,800.00
24	L-125-5.3	Install New L-810 (L) Elevated Obstruction Light Fixture and Transformer	EA	5	EA	5	\$ 1,450.00	\$ 7,250.00	\$ 1,450.00	\$ 7,250.00
25	L-125-5.5	Install L-867, Size E Junction Can	EA	1	EA	1	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00	\$ 4,600.00
26	L-125-5.6	Install New Galvanized Steel Blank Cover Plate	EA	11	EA	11	\$ 300.00	\$ 3,300.00	\$ 300.00	\$ 3,300.00
							SubTotal	\$ 1,722,496.00	SubTotal	\$ 1,722,496.00

SCHEDULE 2: BID ALTERNATE 1, AIP WORK			Bid Quantity		Contract Award		Royal Electric Company (Original Bid)		Royal Electric Company (Contract)	
Item	Spec No.	Description	Unit	Qty	Unit	Qty	Unit Price	Total Price	Unit Price	Total Price
A1	A-126-3.4	Remove and Dispose Existing Airfield Guidance Sign, Protect Concrete Pad In-Place	EA	42	EA	0	\$ 570.00	\$ 23,940.00	\$ 570.00	\$ -
A2	L-125-5.2	Install New L-852T (L) In-Pavement Taxiway Edge Light Fixture and Transformer, On Existing Base Can	EA	40	EA	0	\$ 650.00	\$ 26,000.00	\$ 650.00	\$ -
A3	L-125-5.4.1	S-01 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A4	L-125-5.4.2	S-02 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A5	L-125-5.4.3	S-03 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A6	L-125-5.4.4	S-04 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A7	L-125-5.4.5	S-09 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A8	L-125-5.4.6	S-10 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A9	L-125-5.4.7	S-11 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A10	L-125-5.4.8	S-12 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A11	L-125-5.4.9	S-13 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A12	L-125-5.4.10	S-14 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A13	L-125-5.4.11	S-15 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A14	L-125-5.4.12	S-16 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A15	L-125-5.4.13	S-17 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A16	L-125-5.4.14	S-18 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A17	L-125-5.4.15	S-19 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A18	L-125-5.4.16	S-20 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A19	L-125-5.4.17	S-21 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A20	L-125-5.4.18	S-43 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A21	L-125-5.4.19	S-44 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A22	L-125-5.4.20	S-45 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A23	L-125-5.4.21	S-58 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A24	L-125-5.4.22	S-59 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A25	L-125-5.4.23	S-60 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A26	L-125-5.4.24	S-61 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A27	L-125-5.4.25	S-62 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A28	L-125-5.4.26	S-73 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A29	L-125-5.4.27	S-74 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A30	L-125-5.4.28	S-75 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A31	L-125-5.4.29	S-76 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A32	L-125-5.4.30	S-77 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A33	L-125-5.4.31	S-78 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 3, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A34	L-125-5.4.32	S-79 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A35	L-125-5.4.33	S-82 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 2 Module, On Existing Base Can	EA	1	EA	0	\$ 3,800.00	\$ 3,800.00	\$ 3,800.00	\$ -
A36	L-125-5.4.34	S-83 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A37	L-125-5.4.35	S-84 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A38	L-125-5.4.36	S-85 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 3 Module, On Existing Base Can	EA	1	EA	0	\$ 4,900.00	\$ 4,900.00	\$ 4,900.00	\$ -
A39	L-125-5.4.37	S-X1 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A40	L-125-5.4.38	S-X2 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A41	L-125-5.4.39	S-X3 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
A42	L-125-5.4.40	S-X4 - LED L-858(L) Airfield Guidance Sign, Size 1, Style 2, Class 2, 1 Module, On Existing Base Can	EA	1	EA	0	\$ 3,100.00	\$ 3,100.00	\$ 3,100.00	\$ -
							SubTotal	\$ 214,440.00	SubTotal	\$ -
							BID TOTAL	\$ 1,936,936.00	CONTRACT TOTAL	\$ 1,722,496.00

Denotes Unawarded Bid Item
Denotes Item Added/Modified to Contract



STAFF MEMORANDUM

TO: Board of Directors

FROM: Floyd VanWey, Director of Facilities

SUBJECT: Construction Administration, Taxiway "A" Electrical Rehabilitation Project

MEETING DATE: January 16, 2024

Background:

Our engineering firm, Mead & Hunt, has submitted their budget estimate for the construction administration of the Taxiway "A" Electrical rehabilitation project. Their estimate is \$247,568.00. Mead & Hunt is our designated engineering services firm for FAA projects and an Independent Fee Estimate was performed on their scope.

Impacts:

Fiscal: Up to \$247,568.00 Budgeted Dollars.

Environmental: NEPA CatEX approved by FAA. CEQA NOE.

Legal: None

Recommended Action:

Staff recommend the board award the Taxiway "A" Electrical Project Construction Administration contract to Mead & Hunt.

Mojave Air & Space Port at Rutan Field
Taxiway A Electrical and Signage Rehabilitation
Construction Administration Scope of Services

AIP No. 3-06-0154-038-2023

October 23, 2023

PROJECT DESCRIPTION

This Scope of Services details the construction administration (CA) services to be provided by Mead & Hunt, Inc. (Consultant) for the Taxiway A Electrical and Signage Rehabilitation Project (Project) at the Mojave Air & Space Port at Rutan Field (Airport) for the Mojave Air & Space Port District (Sponsor).

BACKGROUND

This Project is the rehabilitation of the electrical and lighting systems for Taxiway A which includes replacement of Taxiway A electrical cable, light fixtures, and airfield guidance signs. The Project is programmed as a fixture / sign and cabling replacement project. The intent is for the existing cans, counterpoise, conduits, and sign bases to be reused, and for lights and signs to be reconstructed in the same location. The Consultant submitted the final bid documents to the Sponsor May 17, 2023. Bid opening occurred on June 7, 2023, and the Sponsor submitted a final grant application to the Federal Aviation Administration (FAA) to receive federal funding for construction of the Project. It is anticipated that the FAA will award the construction grant in the fall of 2023, in advance of the Sponsor issuing the Notice to Proceed (NTP) for this scope of work.

PROJECT ELEMENTS

The Project will consist of the following elements:

1. Isolation of Taxiway A and B from other taxiway circuits to create a new independent circuit. The existing Taxiway A and B circuit layout is comprised of two (2) separate circuit systems and includes elements of Taxiway B, BB, C, and E.
2. Replacement of all conductors for Taxiway A and B circuits and reuse of existing conduit.
3. Splicing, rerouting, and replacement of the conductors along Taxiway C and E to be on a standalone circuit.
4. Replacement of Taxiway A and B edge light fixtures and transformers with new LED fixtures. Existing base cans will be protected in place and reused.
5. Provision of existing base cans with new grounding protection.
6. Replacement of runway and taxiway guidance signs with new LED signs. Protect in place and reuse existing concrete pads.
7. Installation of new Constant Current Regulator (CCR) for Taxiway A and B.
8. Construction of new directionally bored home run under the main apron to the airfield electrical vault building.
9. Construction of new electrical handholes.

PROJECT DURATION

The Project has been divided into two Elements: 1) Mobilization and 2) Construction. The Sponsor will issue separate NTPs to the Contractor for the Mobilization Element and Construction Element. The NTP for the Construction Element will not be issued until the Mobilization Element is complete and the Contractor-provided Safety Plan Compliance Document (SPCD) is approved by the Sponsor. The anticipated Project duration is as follows:

PROJECT ELEMENT	DURATION
Mobilization	30 Working Days
Construction Phase 1	10 Working Days
Construction Phase 2	3 Working Days
Construction Phase 3	10 Working Days
Construction Phase 4	4 Working Days
Construction Phase 5	3 Working Days
Construction Phase 6	2 Working Days
TOTAL	62 Working Days

The Construction Safety and Phasing Plan (CSPP) is included in the Project specifications and contains additional details on the time limitations as well as specific phasing requirements for the Project.

PROJECT TEAM

The Consultant will assign a Project Manager (PM) to monitor continuity through the phases of work, as described in this Scope of Services. The PM will be responsible for the overall administration and review of the construction progress, as well as coordination of the Consultant's team and subconsultant staff. Specific Project management tasks are detailed within each phase of work, as described in this Scope of Services.

The Consultant will also assign a Resident Project Representative (RPR) to oversee the day-to-day construction activities. The RPR will be on the job site with the Contractor, document work performed, and monitor conformance with the Project plans and specifications. RPR responsibilities are detailed in Phase 3 of this Scope of Services.

The Consultant team will also consist of civil engineers, designers, and administrative staff, as needed, to perform the tasks in this Scope of Services.

SCOPE OF SERVICES

The Consultant's Scope of Services for the Project will be phased as follows (and so referenced):

- 1) Phase 1 Preconstruction Services
- 2) Phase 2 Construction Administration Services

- 3) Phase 3 Construction Observation
- 4) Phase 4 Material Testing – Not in Contract (NIC)
- 5) Phase 5 Post-Construction Services

PHASE 1 PRECONSTRUCTION SERVICES

1.1 PROJECT MANAGEMENT AND COORDINATION

Project management tasks during Phase 1 will consist of the following:

1.1.1 Prepare Contract and Project Setup

The PM and administrative staff will prepare the contract between the Consultant and Sponsor. Administrative staff will also set up the internal Project database for finance tracking and the internal Project directory for saving CA files.

1.1.2 Prepare Schedule

The PM will prepare a coordination schedule upon receiving the NTP from the Sponsor. This schedule will only show major milestones to facilitate overall coordination of the Project. The Contractor will be responsible for submitting a detailed construction schedule with work activities.

1.1.3 Prepare Project Management Plan

The PM will prepare a Project Management Plan (PMP) that will address the following Project elements: vision and objectives; Project team roles and responsibilities; and document distribution plan, communications plan, quality control plan, and change management plan. The PM will use the PMP as a tracking tool for the various elements throughout the Project.

1.1.4 Coordinate Consultant Team

The PM will assign team members to the Project for office CA activities and assign an RPR to the Project for day-to-day field observation activities. The PM will coordinate with the RPR to plan for construction activities and identify additional team members, if needed, to support the RPR.

1.1.5 Coordinate Subconsultant – NIC

Coordination with the subconsultant is not part of the scope of work.

1.1.6 Prepare Invoices

The PM will maintain a Project budget table to track costs on a monthly basis. At the beginning of each month, the PM will review accrued costs from the previous month and work with accounting staff to prepare invoices for the Sponsor. The invoices will be submitted in accordance with the Sponsor's standard invoice requirements. The invoices will include detailed cost breakdowns referencing the items in this Scope of Services and indicate the percentage completed for each item. It is anticipated that one (1) invoice will be prepared as part of Phase 1.

1.2 PROJECT MEETINGS AND COMMUNICATION

The Consultant will participate in various meetings and calls during Phase 1. Meetings and communication items will be as follows:

1.2.1 Preconstruction Conference

The Consultant will arrange and conduct the preconstruction conference. The purpose of this conference is to review FAA and Project-specific requirements prior to commencing construction. The conference is anticipated to be conducted at the Airport and will be attended by the Consultant; Sponsor; representatives of the FAA Airport District Office (ADO), if possible; Contractor; subcontractors; and Airport tenants affected by construction. The conference will include the following subtasks:

- a. The Consultant will schedule the conference and prepare an agenda to support the meeting, as well as presentation boards to illustrate the Project work areas.
- b. The Consultant will obtain and review the Project construction schedules received from the Contractor prior to presentation at the preconstruction conference. The Sponsor will be provided with copies of the construction schedules.
- c. The Consultant will preside at the preconstruction conference, prepare a record of the conference, submit meeting minutes to the Sponsor for review and comment, and distribute the final meeting minutes to attendees. Up to two (2) members from the Consultant team will attend (anticipated to consist of the PM and RPR).

1.2.2 Quality Assurance (QA) / Quality Control (QC) Workshop – NIC

Given the nature of the work to be performed, a QA / QC workshop is not part of the scope of work.

1.2.3 General Communication with Sponsor and Contractor

The Consultant will communicate with the Sponsor and Contractor throughout construction, as needed, via phone calls or email in addition to the meetings listed herein.

1.3 PREPARE PROJECT DOCUMENTATION

The Consultant will review and prepare the following Project documentation:

- a. The Consultant will review the construction contract which will include checking that the Contractor has met the Disadvantaged Business Enterprise (DBE) goal or made a good-faith effort towards meeting the goal, and that the Contractor has provided proof of insurance and the required bonds.
- b. The Consultant will assist the Sponsor in preparing NTP letters for both the Mobilization and Construction Elements.
- c. The Consultant will set up templates for Project documentation on Consultant-standard forms or Sponsor-provided forms, as applicable. Documentation will include, but is not limited to, submittal review forms, weekly FAA reports, weekly charged working-day reports, Requests for Information (RFIs), Requests for Cost Proposal (RFCPs), field directives, Contract Change Orders (CCOs), noncompliance notices, and applications for payment.
- d. The Consultant will provide the Contractor with Computer Aided Design (CAD) files, if requested, upon receipt of Consultant-provided disclaimer form signed by the Contractor.

1.4 REVIEW MATERIAL SUBMITTALS FOR COMPLIANCE

The Consultant will review Contractor-submitted material cut sheets, mix designs, shop drawings, and certificates for compliance with plans and specifications. It is expected that up to 22 submittals will be provided by the Contractor for review. The Scope of Services assumes each submittal will require up to one (1) resubmittal due to incomplete or incorrect information by the Contractor. If more than one (1) resubmittal is required due to incomplete or incorrect information by the Contractor, the cost for the Consultant to review the resubmittal will be the responsibility of the Contractor as stated in Specification Item SP-100, *Special Provisions for Airport Construction*. The Consultant will also maintain a submittal checklist and track dates of submission and review.

1.5 PREPARE CONSTRUCTION MANAGEMENT PLAN

The Consultant will obtain the Contractor's QC Plan and will subsequently prepare the Construction Management Plan (CMP). The CMP combines data from the QC Plan with information on the Project, which are responsibilities from the Sponsor and Consultant. The CMP will outline the submittal requirements and material testing requirements as set forth in the construction documents and contained in FAA Advisory Circular (AC) 150/5370-10H, *Standard Specifications for Construction of Airports*. The CMP will summarize the types and frequency of testing required for quality acceptance in addition to the credentials of those performing the testing. A preliminary copy of the CMP will be submitted to the Sponsor and FAA for approval. After the Sponsor and FAA review, the CMP will be revised, if needed, and issued to the Contractor for use during the Project.

1.6 REVISE CONFORMED PLANS AND PREPARE ISSUED FOR CONSTRUCTION PLANS

As part of the design Scope of Services, the Consultant prepared a "Conformed Set" of plans that were used as the basis of the construction contract. These conformed documents will be updated to an "Issued for Construction" set of plans to remove construction information related to the unawarded bid alternates. This includes removal of fog seal from all Project elements resolving impacts to existing pavement markings and updating Project construction limits.

PHASE 1 DELIVERABLES

- 1) Preconstruction Conference Meeting Minutes – electronic files to Sponsor and attendees
- 2) Review of Contractor Submittals – electronic files to Sponsor and Contractor
- 3) PMP – electronic files to Sponsor and Contractor
- 4) CMP – electronic files to Sponsor, FAA, and Contractor
- 5) Issue for Construction Documents – electronic files to Sponsor and Contractor

PHASE 2 CONSTRUCTION ADMINISTRATION SERVICES

2.1 PROJECT MANAGEMENT AND COORDINATION

Project management tasks during Phase 2 will consist of the following:

2.1.1 Update Schedule

The schedule created during Phase 1 will be updated throughout construction, as necessary, based on actual milestones completed.

2.1.2 Coordinate PMP Updates

The PM will continue to coordinate and monitor the PMP during Phase 2.

2.1.3 Coordinate Consultant Team

The PM will assign responsibilities to office staff to complete the documentation efforts described herein. The PM will also communicate with the RPR on a regular basis to monitor progress in the field. As part of this effort, the PM will create and maintain a detailed construction checklist for the RPR to keep track of action items, quantities, production rates, and contractor compliance with plans and specifications. The PM will also review daily reports prepared by the RPR.

2.1.4 Coordinate Subconsultant – NIC

Coordination with the subconsultant is not part of the scope of work.

2.1.5 Prepare Invoices

The PM will continue to maintain the Project budget table and prepare invoices as defined in Phase 1. It is anticipated that two (2) invoices will be prepared as part of Phase 2.

2.2 PROJECT MEETINGS AND COMMUNICATION

The Consultant will participate in various meetings and calls during Phase 2. Meetings and communication items will be as follows:

2.2.1 Weekly Construction Progress Meetings

The Consultant will conduct weekly meetings with the Sponsor and Contractor to discuss safety, schedule, work progress, action items, documentation, and other items, as needed, to keep construction on track. Subcontractors and FAA representatives may also attend some of the meetings, if appropriate. Up to eight (8) meetings are anticipated during Phase 2. The meetings are anticipated to be held in person at a location near the job site. The RPR will attend each meeting in person as stated in Phase 3. The PM will also attend each meeting either in person or virtually, as appropriate for the work being performed that week. The Consultant will prepare an agenda and minutes to support each meeting.

2.2.2 Site Visits During Construction

The Consultant will conduct daily site visits to review Project progress and monitor construction activities through substantial completion of the Construction Element. Up to two (2) site visits are anticipated during Phase 2. Up to two (2) members from the Consultant team will attend each site visit (anticipated to consist of the PM and Project Engineer).

2.2.3 General Communication with Sponsor and Contractor

The Consultant will communicate with the Sponsor and Contractor throughout Phase 2, as needed, via phone calls or email in addition to the meetings listed herein.

2.3 WEEKLY WORKING-DAY REPORTS

The Consultant will prepare weekly working-day reports tracking contract time and submit to the Contractor for review. The reports will include days charged and documented weather, as well as

identification of days not charged due to inclement weather or other justified delays. Up to eight (8) weekly working-day reports are anticipated for the Project.

2.4 WEEKLY FAA PROGRESS REPORTS

The Consultant will prepare weekly FAA progress reports documenting the progress of the Project. The reports will be based on FAA Form 5370-1, *Construction Progress and Inspection Report*, and include days charged, weather summary, percent completion, work in progress for current week and following week, summary of material testing, and problem areas, if applicable. The Consultant will also attach photographs documenting work completed. The Consultant will sign each report and send them to the FAA. Up to eight (8) weekly FAA progress reports are anticipated for the Project.

2.5 REQUESTS FOR INFORMATION

The Consultant will prepare written responses, as necessary, to Contractor RFIs to clarify design intent. Depending on the RFI, the response may require review of documentation not included in the contract documents, as well as coordination with and review by additional Consultant staff, the Sponsor, or FAA. Up to two (2) RFIs are anticipated for the Project.

2.6 GENERAL FIELD COORDINATION

In addition to formal RFIs, the Consultant will respond to various questions and concerns that arise in the field. Depending on the issue, the response may require review of documentation not included in the contract documents, as well as coordination with and review by additional Consultant staff, the Sponsor, or FAA.

2.7 REQUESTS FOR COST PROPOSALS

The Consultant will prepare RFCPs if additional work is anticipated or desired due to unforeseen site conditions, the Sponsor requests additional work, or other reasons, as applicable. The RFCPs will include a description of change, quantity estimates, and exhibits, as needed, to illustrate the change. The Consultant will send the RFCP to the Contractor to provide a cost proposal. The Consultant and Sponsor will then review the cost proposal to determine if it is reasonable and follow up with negotiations, as necessary. The Consultant will communicate the proposed change and cost to the FAA for their concurrence prior to authorizing the work. Depending on the determination, the Consultant will prepare a field directive or CCO as described below. Up to three (3) RFCPs are anticipated for this Project.

2.8 FIELD DIRECTIVES

The Consultant will prepare field directives, as necessary, to formalize direction that is not otherwise stated in the Project plans or specifications, or in response to an RFI. Following the RFCP process above, the Consultant will prepare a field directive authorizing the Contractor to proceed with work as described. The field directive will include a description of change, quantity estimates, and the related RFCP, as applicable. If the field directive results in a change of quantities or cost, it will be followed with a CCO as described below. Up to five (5) field directives are anticipated for the Project.

2.9 CONTRACT CHANGE ORDERS

Following the RFCP and field directive processes, the Consultant will prepare CCOs to formalize the change to the contract cost. The CCO will consist of a Consultant-prepared form that follows the guidance of FAA Standard Operating Procedure (SOP) 7.00, *Airport Improvement Program Construction Project Change Orders*. The form will include a table of the bid items that changed in quantity, or new bid items that were created to capture the CCO cost. The form will also include additional pages containing the FAA-required justification items in accordance with SOP 7.00. Documentation to support the CCO will be attached to the form, including but not limited to, RFCPs, field directives, Contractor time-and-expense reports, emails, and exhibits. CCOs will be submitted to the Sponsor and Contractor for review and signature and then be submitted to the FAA by the Consultant or Sponsor. CCOs that require new design elements are not included in this Scope of Services. Up to two (2) CCOs are anticipated for the Project (one of them will be the final balancing change order).

2.10 REVIEW OF QA / QC TEST RESULTS – NIC

Review of QA / QC test results is not part of the scope of work.

2.11 CERTIFIED PAYROLL AND DAVIS-BACON ACT REQUIREMENTS

The Federal Contract Provisions require that payroll and basic records relating to the Project be maintained and comply with Davis-Bacon Act Requirements (*2 CFR § 200, Appendix II(D), 29 CFR Part 5*). Such records shall contain the name and last four digits of the social security number of each such worker, his or her correct work classification, hourly wage rates paid (including fringe benefit rates or cash equivalents), daily and weekly number of hours worked, worker authorized payroll deductions, and actual gross and net wages paid. The Consultant will arrange and conduct the preconstruction meeting with the contractor to go over the specific certified payroll and Davis-Bacon Act requirements. Up to two (2) members from the Consultant team will attend this meeting virtually (anticipated to consist of the PM and Engineer I).

The Contractor is responsible for submission of payroll copies for all workers (laborers and / or mechanics) working on the Project site as well as payroll copies for all subcontractors with workers (laborers and / or mechanics) working on the Project site. The Contractor will submit these documents to the Consultant. Documents to be provided include:

- a. Fringe Benefits Statements (FBS)
- b. Certified Payroll (CPR) reports for all weeks worked.
- c. Non-performance Week(s) (NPW) reports
- d. Signed Statements of Compliance (SOC)
- e. Wage Deduction Authorization (WDA) forms
- f. California Department of Industrial Relations (DIR) electronic Certified Payroll Records (eCPR) for all weeks on site (worked and nonperformance)

The Consultant will review Contractor-submitted payroll reports and monitor Contractor and subcontractor compliance with paying workers per the Davis-Bacon Act requirements. Up to eight (8) weeks of payroll reports are anticipated.

The Consultant will review up to two (2) submittals of the Contractor's and each subcontractors' weekly certified payroll. If more than two (2) reviews of each certified payroll submittal are required

due to lack of information or incorrect information, the Contractor shall be responsible for additional costs incurred. Certified payroll must be submitted, reviewed, and accepted as being in compliance prior to payment to the Contractor each month.

2.12 MONTHLY APPLICATIONS FOR PAYMENT

The Consultant will track quantities on a weekly basis, based on RPR daily reports, and share with the Contractor for concurrence. At the beginning of each month, the Consultant will review progress billings submitted by the Contractor, prepare applications for payment using Consultant-standard forms, and submit to the Sponsor for processing. The Consultant will maintain a tracking spreadsheet with the bid items showing work completed for previous periods, the current period, and total to date. This spreadsheet will be attached to the application for payment each month. An explanation of variation between the contract and pay quantities, if any, will be provided. Up to three (3) applications for payment are anticipated for the Project.

2.13 SUBSTANTIAL COMPLETION WALK-THROUGH AND DOCUMENTATION

2.13.1 Substantial Completion Walk-through

The Consultant will schedule and conduct a walk-through with the Sponsor and Contractor to determine whether the Project has reached substantial completion and verify that the work is in accordance with plans and specifications. The Consultant will document items found to be deficient and will provide the Contractor with a list of those items. The walk-through will be scheduled to occur near the end of construction when the Contractor is still on site and can easily mobilize to complete punch list items. The PM and RPR will attend the walk-through (RPR attendance as described in Phase 3). It is likely a follow-up walk-through will not be needed after punch list items are complete. The RPR and Sponsor will observe the completed Project during final marking application, and the Sponsor will continue to monitor punch list items, if needed, after final marking application.

2.13.2 Punch List and Substantial Completion Letter

The Consultant will prepare and maintain a punch list to include the deficient items discovered prior to, during, and after the substantial completion walk-through. The PM will coordinate with the RPR to identify punch list items in advance of the walk-through and continue to add and update items as they are identified and completed. The Consultant will send each punch list update to the Sponsor and Contractor. Upon completion of the walk-through, the Consultant will prepare a substantial completion letter summarizing the findings of the walk-through and outstanding items remaining for Project closeout. The letter will include the current version of the punch list items. The Consultant will submit this letter to the Sponsor and Contractor.

PHASE 2 DELIVERABLES

- 1) Weekly Construction Progress Meeting Minutes – electronic files to attendees
- 2) Weekly FAA Progress Reports – electronic files to the Sponsor and FAA
- 3) RFI Responses – electronic files to the Sponsor and Contractor
- 4) RFCPs – electronic files to the Sponsor and Contractor
- 5) Field Directives – electronic files to the Sponsor and Contractor

- 6) CCOs – electronic files to the Sponsor, Contractor, and FAA
- 7) Monthly Applications for Payment – electronic files to the Sponsor
- 8) Punch List and Substantial Completion Letter – electronic files to Sponsor and Contractor

PHASE 3 CONSTRUCTION OBSERVATION

3.1 DAILY CONSTRUCTION OBSERVATION

This task will include construction observation and on-site construction administration for the duration of the Project. A full-time RPR will be assigned to this Project. The RPR will have experience with civil improvement projects as required for this Project. The RPR will work with the PM to oversee the construction progress throughout the Project. The duration for the Construction Element is anticipated to be thirty-four (34) contractual working days (split into six (6) phases as shown under Project duration). The budget for construction observation has been developed based upon the Contractor working thirty-two (32) shifts with a ten and one half (10.5) hour workday and two (2) additional days allotted for the RPR: one at the beginning and one at the end of construction for set-up and clean-up for a total of thirty-six (36) shifts.

It is anticipated that the RPR will need support during key work activities. The PM will designate a supporting Construction Manager (CM), as necessary, to support the RPR in the field. Up to six (6) shifts are anticipated for the supporting CM, in addition to thirty-four (34) shifts for the RPR. It is anticipated that the PM will be providing 16 hours of miscellaneous support during the construction observation phase.

The RPR and supporting CM will perform construction observation services including, as applicable but not limited to, the following:

- a. Prepare daily reports to record the construction history of the Project. The reports will be made available to the Sponsor upon request for review during inspections or visits. The daily reports will include, but not be limited to, the following information: weather conditions, number of Contractor / subcontractor personnel and major equipment on site, general location of work, description of work items, estimated quantities, safety items, materials delivered, delays / issues (if applicable), instructions to Contractors, record of visitors to Project and verbal or written instructions given, record of telephone conversations and any verbal instructions received or authorizations granted, engineering field force activity and hours worked, and detailed log of work completed throughout the day.
- b. Review and check that layout and surveys conducted by the Contractor are in accordance with plans and specifications.
- c. Check construction activities for compliance with plans and specifications.
- d. Respond to Contractor questions that arise in the field and communicate with PM to coordinate direction.
- e. Evaluate and determine the acceptability of substitute materials and equipment proposed by the Contractor.
- f. Evaluate the Contractor's suggestions on modifications to plans or specifications and report those suggestions to the Sponsor and PM.
- g. Acquire field measurements.

- h. Monitor the Contractor's compliance with the CSPP and immediately bring any noncompliance issues to the attention of the Contractor and Sponsor.
- i. Monitor Contractor's compliance with the Contractor's QC program.
- j. Attend weekly construction progress meetings as stated in Phase 2.
- k. Provide field information for office staff to prepare weekly FAA progress reports as stated in Phase 2.
- l. Conduct labor interviews to monitor Contractor's compliance with paying employees, in accordance with Davis-Bacon Act requirements, and provide to office staff for certified payroll review as stated in Phase 2.
- m. Provide field information for office staff to prepare RFCPs, field directives, and CCOs as stated in Phase 2.
- n. Assist in preparing applications for payment as described in Phase 2. Throughout construction, the RPR and CM will check quantities as work is performed and communicate with the Contractor to establish quantities that will be included in monthly progress billings.
- o. Work with the Contractor to markup construction plans with field changes, if applicable, and provide to office staff to prepare record drawings as described in Phase 5.
- p. Receive from the Contractor and review the required maintenance and operating instructions, schedules, guarantees, bonds, inspection certificates, tests, approvals, and other relevant documents.
- q. Identify punch list items in advance of the substantial completion walk-through to support preparation of punch list as stated in Phase 2.
- r. Attend the substantial completion walk-through as stated in Phase 2.

PHASE 4 MATERIAL TESTING – NIC

4.1 MATERIAL TESTING – NIC

Given the nature of the work to be performed, material testing is not part of the scope of work.

PHASE 5 POST-CONSTRUCTION SERVICES

5.1 PROJECT MANAGEMENT AND COORDINATION

Project management tasks during Phase 5 will consist of the following:

5.1.1 Update Schedule

The schedule created during Phase 1 will be updated to show Project closeout milestones.

5.1.2 Coordinate PMP Updates

The PM will continue to coordinate and monitor PMP during Phase 5.

5.1.3 Coordinate Consultant Team

The PM will assign responsibilities to office staff to complete the documentation efforts described herein. The PM will also coordinate with the RPR for providing field data to complete the documentation efforts described herein.

5.1.4 Coordinate with Subconsultant – NIC

Coordination with the subconsultant is not part of the scope of work.

5.1.5 Prepare Invoices

The PM will continue to maintain the Project budget table and prepare invoices as defined in Phase 1. It is anticipated that one (1) invoice will be prepared during Phase 5.

5.2 COMMUNICATION

The Consultant will communicate with the Sponsor and Contractor throughout Phase 5, as needed, via phone call or email.

5.3 RECORD DRAWINGS

The RPR and Contractor will coordinate throughout construction to document field constructed conditions and markup the construction plans as stated in Phase 3. Upon completion of construction, the Consultant will prepare record drawings using AutoCAD Civil 3D 2022 by updating the drawing files created during design. The drawings will become record information. The Consultant will provide the Sponsor with a set of reproducible record drawings in both digital and hard copy format, as requested.

5.4 FINAL CONSTRUCTION REPORT

Upon completion of construction, the Consultant will prepare and assemble the Final Construction Report (FCR) in conformance with FAA standards and requirements. The contents of the FCR will include, but are not limited to, the following:

- a. Project Description and Overview
- b. Project Personnel
- c. Contract Award and NTP (including Bid Tabulation, Contract, and NTP Letters as Appendices)
- d. Project Timeline
- e. Summary of Work Accomplished (including Table of Work Activities and Weeks Performed, as well as Weekly FAA Progress Reports, as Appendix)
- f. Contract Time
- g. Labor Provisions
- h. Sponsor Administrative Costs
- i. Consultant Costs
- j. Force Account (if applicable)
- k. Construction Costs (including Final Application for Payment and CCOs as Appendices)
- l. Summary of DBE Utilization (including Contractor's DBE Utilization Form as Appendix)
- m. Buy American Provisions (including Submittal Checklist as Appendix)
- n. Contactor's Statement of Completion (including Contractor's Letter of Completion and Warranty as Appendix)
- o. Record of Completion (including Substantial Completion Letter and Sponsor Notice of Completion as Appendices)

- p. FAA-required Sponsor Certification of Final Construction Acceptance as Appendix. This certification will be signed by the Sponsor.
- q. Recommendations

The Consultant will coordinate with the Contractor, Sponsor, and FAA to complete Project closeout activities and assemble the documents to be included in the FCR. The Consultant will submit a draft version of the FCR to the Sponsor for review. Upon receipt of the Sponsor review and comments, the Consultant will finalize the FCR and submit to the Sponsor and FAA.

5.5 AIRPORT LAYOUT PLAN RECORD DRAWING UPDATE – NIC

The Project does not include any elements that would apply to an Airport Layout Plan (ALP) record drawing update; therefore, this section is not part of the scope of work.

5.6 UPDATE AIRFIELD PAVEMENT MANAGEMENT SYSTEM (APMS) – NIC

The Project does not include any elements that would impact the APMS; therefore, this section is not part of the scope of work.

5.7 UPDATE AIRFIELD SIGNAGE AND MARKING PLAN

The existing airfield signage and marking plan, recently updated by the Consultant, will be updated to reflect revised standardized markings constructed in this Project.

5.8 AGIS AS-BUILT SURVEY – NIC

Due to the nature of Project improvements, an AGIS survey will not be performed as part of this Project.

PHASE 5 DELIVERABLES

- 1) Record Drawings – reproducible hard copy and electronic files to Sponsor
- 2) FCR – three (3) bound hard copies and electronic file to Sponsor and FAA

SCHEDULE OF COMPLETION

PHASES 1 – 4

The Consultant will complete the work called for under Phase 1 through Phase 4 on a schedule submitted by the Contractor and approved by the Sponsor.

PHASE 5

The Consultant will complete the work called for under Phase 5 within thirty (30) working days of the receipt of a copy of the Notice of Completion filed by the Sponsor.

SERVICES TO BE PROVIDED BY THE SPONSOR AND EXCLUDED SERVICES

The Sponsor and Consultant agree that the following items will be provided by the Sponsor or excluded from this Scope of Services. If such items are added to the Consultant's work, they will be considered as extra services, a negotiated fee will be established, and an Amendment prepared.

- 1) Issuance of Notices to Air Missions (NOTAMs) and announcements regarding the impact of the Project on aviation activities.
- 2) Guaranteed access to and make provisions for the Consultant to enter the Airport as required for the Consultant to perform work under this Agreement.
- 3) Examination of documents requested by the Sponsor and presented by the Consultant, and render in writing decisions pertaining thereto within a reasonable time so as not to delay the work of the Consultant.
- 4) Issuance of CCOs that require new design elements beyond the Scope of Services of the awarded contract.
- 5) Extensions of construction time beyond the awarded contract time frames.
- 6) Submission of FAA grant reimbursement.
- 7) Filing of Notice of Completion to the FAA.

COMPENSATION FOR SERVICES

- 1) The **total** amount for the Consultant's services described in this Scope of Services is **Two Hundred Forty-seven Thousand Five Hundred Sixty-eight Dollars (\$247,568.00)**. This fee includes labor, materials, expenses, and incidentals necessary to complete the work as described herein. Cost and payment are broken out as follows:
 - a. **Lump Sum:** Payment for work outlined in **Phase 5** of this Scope of Services shall be made on a lump sum basis in the amount of **Sixteen Thousand Five Hundred Ninety-three Dollars (\$16,593.00)**. Payments will be made monthly based on the percentage of work complete.
 - b. **Time-and-Expense:** Payment for work outlined in **Phases 1, 2, 3, and 4** of this Scope of Services shall be made on a time-and-expense basis not to exceed **Two Hundred Thirty Thousand Nine Hundred Seventy-five Dollars (\$230,975.00)**. Payments will be made monthly based on the hours of work complete in conformance with the *Mead & Hunt, Inc. Standard Billing Rate Schedule*, effective January 2024, included as *Attachment 2*.

These amounts shall not be exceeded without written authorization from the Sponsor. The cost breakdown is included as *Attachment 1* to this Scope of Services.

Payment for any additional services requested by the Sponsor will be performed on a time-and-expense basis in conformance with the *Mead & Hunt, Inc. Standard Billing Rate Schedule*, effective January 2024, included as *Attachment 2*. The Consultant will establish the budget for additional services prior to the start of work and may not exceed the budget without written authorization from the Sponsor. Any additional services must be authorized in writing by the Sponsor.

End of Scope of Services

Respectfully submitted by,

MEAD & HUNT, Inc.



Rafael Gonzalez
Project Manager

Attachments

Attachment 1 – Construction Administration Cost Estimate

Attachment 2 - Mead & Hunt, Inc. Standard Billing Rate Schedule (2024)

Mojave Air & Space Port at Rutan Field
 Taxiway A Electrical and Signage Rehabilitation
 Construction Administration Cost Estimate

Date: 10/23/2023

PHASES and TASKS	Mead & Hunt (labor hours and rates)									Expenses						Total Combined Cost	
	Senior Associate	Senior Project Engineer	Project Engineer	Senior Engineer / Construction Manager	Construction Resident Project Representative	Engineer II	Engineer I	Administrative Assistant	Total Mead & Hunt Labor Cost	Mileage (Per Mile)	Rental Car + Fuel (Per Day)	Lodging (Per Day)	Airfare (Per Trip)	Meals (Per Day)	Print and Ship (LS)		Total Expenses Cost
Mead & Hunt, Inc. Standard Billing Rates 2024	\$355	\$287	\$248	\$232	\$189	\$167	\$150	\$128		\$0.655	\$100	\$187	\$550	\$64	\$1		
PHASE 1 - PRECONSTRUCTION SERVICES (Time-and-Expense)																	
1.1	Project Management and Coordination																
1.1.1		2	1				2	4	\$ 1,634.00						\$ 10.00	\$ 10.00	\$ 1,644.00
1.1.2				1			4		\$ 832.00						\$ 10.00	\$ 10.00	\$ 842.00
1.1.3			1			6	1		\$ 1,378.00						\$ 20.00	\$ 20.00	\$ 1,398.00
1.1.4			2	2	2				\$ 1,338.00						\$ -	\$ -	\$ 1,338.00
1.1.5									\$ -						\$ -	\$ -	\$ -
1.1.6		1	1					2	\$ 791.00						\$ 20.00	\$ 20.00	\$ 811.00
1.2	Project Meetings and Communication																
1.2.1			8	8	12		8	4	\$ 7,820.00	500	1	2	1	5	\$ 20.00	\$ 1,691.50	\$ 9,511.50
1.2.2									\$ -						\$ -	\$ -	\$ -
1.2.3			6	12	8		4	2	\$ 6,640.00						\$ -	\$ -	\$ 6,640.00
1.3			2	2			4	6	\$ 2,328.00						\$ 40.00	\$ 40.00	\$ 2,368.00
1.4			6	8	11		11	6	\$ 7,841.00						\$ 20.00	\$ 20.00	\$ 7,861.00
1.5			2	2		6		4	\$ 2,474.00						\$ 20.00	\$ 20.00	\$ 2,494.00
1.6			1	1		8		2	\$ 2,072.00						\$ 40.00	\$ 40.00	\$ 2,112.00
	Phase 1 Subtotal	0	3	30	36	33	20	33	\$ 35,148.00	500	1	2	1	5	\$ 200.00	\$ 1,831.50	\$ 37,019.50
PHASE 2 - CONSTRUCTION ADMINISTRATION SERVICES (Time-and-Expense)																	
2.1	Project Management and Coordination																
2.1.1				2		4		1	\$ 1,260.00						\$ -	\$ -	\$ 1,260.00
2.1.2			3					1	\$ 872.00						\$ 10.00	\$ 10.00	\$ 882.00
2.1.3			3	8		6		2	\$ 3,858.00						\$ -	\$ -	\$ 3,858.00
2.1.4									\$ -						\$ -	\$ -	\$ -
2.1.5		2	2	2				4	\$ 2,046.00						\$ 20.00	\$ 20.00	\$ 2,066.00
2.2	Project Meetings and Communication																
2.2.1			8	8		8		8	\$ 6,200.00						\$ 10.00	\$ 10.00	\$ 6,210.00
2.2.2			16	24					\$ 9,536.00	2	2	2	4		\$ 1,930.00	\$ 11,466.00	
2.2.3			8	12		8			\$ 6,104.00						\$ 10.00	\$ 10.00	\$ 6,114.00
2.3				16					\$ 3,712.00						\$ 10.00	\$ 10.00	\$ 3,722.00
2.4			4	8		8		4	\$ 4,696.00						\$ 10.00	\$ 10.00	\$ 4,706.00
2.5			4	4		4		2	\$ 2,844.00						\$ 20.00	\$ 20.00	\$ 2,864.00
2.6			4	10		8	16	2	\$ 7,304.00						\$ 10.00	\$ 10.00	\$ 7,314.00
2.7			3	3		3		3	\$ 2,325.00						\$ 30.00	\$ 30.00	\$ 2,355.00
2.8			3	3		5		3	\$ 2,659.00						\$ 20.00	\$ 20.00	\$ 2,679.00
2.9			1	4		4		2	\$ 2,100.00						\$ 20.00	\$ 20.00	\$ 2,120.00
2.10									\$ -						\$ -	\$ -	\$ -
2.11				18			34	48	\$ 15,420.00						\$ 40.00	\$ 40.00	\$ 15,460.00
2.12			3	6		6		3	\$ 3,522.00						\$ 20.00	\$ 20.00	\$ 3,542.00

Mojave Air & Space Port at Rutan Field Taxiway A Electrical and Signage Rehabilitation Construction Administration Cost Estimate											Date: 10/23/2023							
PHASES and TASKS		Mead & Hunt (labor hours and rates)								Expenses							Total Combined Cost	
		Senior Associate	Senior Project Engineer	Project Engineer	Senior Engineer / Construction Manager	Construction Resident Project Representative	Engineer II	Engineer I	Administrative Assistant	Total Mead & Hunt Labor Cost	Mileage (Per Mile)	Rental Car + Fuel (Per Day)	Lodging (Per Day)	Airfare (Per Trip)	Meals (Per Day)	Print and Ship (LS)		Total Expenses Cost
Mead & Hunt, Inc. Standard Billing Rates 2024		\$355	\$287	\$248	\$232	\$189	\$167	\$150	\$128	\$0.655	\$100	\$187	\$550	\$64	\$1			
2.13	Substantial Completion Walk-through and Documentation									\$ -						\$ -	\$ -	
2.13.1	Substantial Completion Walk-through				2					\$ 464.00						\$ -	\$ 464.00	
2.13.2	Punch List and Substantial Completion Letter				2			2		\$ 720.00					\$ 9.50	\$ 9.50	\$ 729.50	
Phase 2 Subtotal		0	2	62	132	0	64	50	85	\$ 75,642.00	0	2	2	2	4	\$ 239.50	\$ 2,169.50	\$ 77,811.50
PHASE 3 - CONSTRUCTION OBSERVATION (Time-and-Expense)																		
3.1	Daily Construction Observation			16	87	400				\$ 99,752.00		42	42	3	42		\$ 16,392.00	\$ 116,144.00
Phase 3 Subtotal		0	0	16	87	400	0	0	0	\$ 99,752.00	0	42	42			\$ -	\$ 16,392.00	\$ 116,144.00
PHASE 4 - MATERIAL TESTING - NIC (Time-and-Expense)																		
4.1	Material Testing - NIC									\$ -						\$ -	\$ -	
Phase 4 Subtotal		0	0	0	0	0	0	0	0	\$ -	0	0	0			\$ -	\$ -	\$ -
PHASE 5 - POST-CONSTRUCTION SERVICES (Lump Sum)																		
5.1	Project Management and Coordination																	
5.1.1	Update Schedule			2	2				1	\$ 1,088.00					\$ 10.00	\$ 10.00	\$ 1,098.00	
5.1.2	Coordinate PMP Updates			2	4					\$ 1,424.00						\$ -	\$ 1,424.00	
5.1.3	Coordinate Consultant Team				4					\$ 928.00						\$ -	\$ 928.00	
5.1.4	Coordinate with Subconsultant - NIC									\$ -						\$ -	\$ -	
5.1.5	Prepare Invoices - Up to 1 Anticipated		1	1	1				2	\$ 1,023.00					\$ 20.00	\$ 20.00	\$ 1,043.00	
5.2	Communication			2	4				1	\$ 1,552.00						\$ -	\$ 1,552.00	
5.3	Record Drawings			1	3		8			\$ 4,360.00					\$ 40.00	\$ 40.00	\$ 4,400.00	
5.4	Final Construction Report			2	4		12		6	\$ 4,196.00					\$ 20.00	\$ 20.00	\$ 4,216.00	
5.5	Airport Layout Plan Record Drawing Update - NIC									\$ -						\$ -	\$ -	
5.6	Update Airfield Pavement Management System (APMS) - NIC									\$ -						\$ -	\$ -	
5.7	Update Airfield Signage and Marking Plan			1	2			8		\$ 1,912.00					\$ 20.00	\$ 20.00	\$ 1,932.00	
5.8	AGIS As-Built Survey - NIC									\$ -						\$ -	\$ -	
Phase 5 Subtotal		0	1	11	24	0	20	8	10	\$ 16,483.00	0	0	0		\$ 110.00	\$ 110.00	\$ 16,593.00	
Lump Sum Total										\$ 16,483.00							\$ 16,593.00	
Time-and-Expense Total										\$ 210,542.00							\$ 20,393.00	\$ 230,975.00
TOTAL PROJECT BUDGET										\$ 227,025.00							\$ 20,503.00	\$ 247,568.00

MEAD & HUNT, Inc.
Standard Billing Rate Schedule
Effective January 1, 2024

Standard Billing Rates

• Clerical	\$100.00 / hour
• Technical Editor	\$136.00 / hour
• Senior Editor	\$198.00 / hour
• Accounting, Administrative Assistant	\$128.00 / hour
• Technician I, Technical Writer	\$118.00 / hour
• Technician II, Surveyor - Instrument Person	\$137.00 / hour
• Technician III	\$159.00 / hour
• Technician IV	\$168.00 / hour
• Senior Technician	\$211.00 / hour
• Engineer I, Scientist I, Architect I, Interior Designer I, Planner I	\$150.00 / hour
• Engineer II, Scientist II, Architect II, Interior Designer II, Planner II	\$167.00 / hour
• Engineer III, Scientist III, Architect III, Interior Designer III, Planner III	\$179.00 / hour
• Construction Resident Project Representative (RPR)	\$189.00 / hour
• Senior Engineer, Senior Scientist, Senior Architect, Senior Interior Designer, Senior Planner, Construction Manager	\$232.00 / hour
• Project Engineer, Project Scientist, Project Architect, Project Interior Designer, Project Planner	\$248.00 / hour
• Senior Project Engineer, Senior Project Scientist, Senior Project Architect, Senior Project Interior Designer Senior Project Planner	\$287.00 / hour
• Senior Associate, Principal, Senior Client / Project Manager	\$355.00 / hour

Expenses

- Geographic Information or GPS Systems \$100.00 / day
- Out-Of-Pocket Direct Job Expenses cost plus 15%
Such as reproductions, sub-consultants / contractors, etc.

Travel Expense

- Company or Personal Car Mileage..... \$ IRS rate / mile*
** Rates will be charged at Current IRS rate*
- Air and Surface Transportation cost plus 15%
- Lodging and Sustenance

Billing and Payment

- Travel time is charged for work required to be performed out-of-office. A minimum of two hours will be billed for any work out-of-office.
- Invoicing is on a monthly basis for work performed. Payment for services is due within 30 days from the date of the invoice. An interest charge of 1.5% per month is made on the unpaid balance starting 30 days after the date of invoice.

This schedule of billing rates is effective January 1, 2024, and will remain in effect until December 31, 2024, unless unforeseen increases in operational costs are encountered. We reserve the right to change rates to reflect such increases.



AIR & SPACE PORT
AT RUTAN FIELD

CEO REPORT

TO: MASP Board of Directors
FROM: Tim Reid, General Manager/CEO
MEETING DATE: January 16, 2024

Updates

- **Taxiway A Electrical Rehabilitation** – Mead & Hunt provided the final set of contract documents and Issue for Construction Plans and Specifications. Start date still anticipated in March of 2024, beginning with a 30-day mobilization period followed by 34 working days for construction.
- **Inland Port Update** – Spoke with Kidder Mathews/Herb Grabell and he advised there's no changes in progress since their last report.
- **Water Main System Update** – Contract documents under review with the contractor. Once we receive the contract and bonds, anticipate the start date at the end of January, beginning with 30-day mobilization, followed by 30 working days for construction.
- **Water System Hydraulic Modeling** – Both Mead & Hunt and DOF/Floyd VanWey are working to collect the remaining water demand data from the remaining tenants. Floyd is compiling a final list so I can reach out and ask the remaining tenants to respond to the request.
- **Hangar Development Update** – Spoke with Local Equity/Dr. Keenan and he advised finalizing some of the costs associated with hangar development and will have a redlined lease to the Airport by February.



AIR & SPACE PORT
AT RUTAN FIELD

CEO AUTHORIZED ITEMS

- **CONTRACTS/AGREEMENTS– SVC/PUBLIC WORKS/CONSULTING**
 - Mead & Hunt – Engineering Services, 3 yrs.
- **Property Rented**
 - Aerospace Operations, Bldg. 1, Rm. 9, month to month

Authorized Payments

BOARD MEETING: 1/16/2024	DATE	AMOUNT	EFT'S	TOTAL
CEO CHECK REGISTER	1/11/2024	71,807.55		71,807.55
				-
EFT'S	1/8/2024		548,023.36	548,023.36
		71,807.55	548,023.36	619,830.91
BOD CHECK	064520	173,231.02		
	064521	10,218.85		
	064522	10,935.50		
	064523	12,634.00		
	064524	1,242.50		
CHECK TOTAL		208,261.87		208,261.87
VOID CHECK		064483		
TOTAL ALL CHECKS & EFT'S				828,092.78

Date: Thursday, January 11, 2024
 Time: 09:05AM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 07-24 As of: 1/11/2024

Page: 1 of 4
 Report: 03630.rpt
 Company: MASP

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
Company: MASP										
Acct / Sub:	101000		1200							
064494	CK	1/11/2024	0109 AT&T	07-24	055440	VO	29683334/0124	1/10/2024	0.00	457.39
064495	CK	1/11/2024	0216 Arrow Engineering Services, Inc.	07-24	055429	VO	206872 091123	9/11/2023	0.00	10,267.00
064496	CK	1/11/2024	0365 Consolidated Electrical Dist.	07-24	055435	VO	3978-1046231	11/9/2024	0.00	174.72
064496	CK	1/11/2024	0365 Consolidated Electrical Dist.	07-24	055438	VO	3978-1048052	1/9/2024	0.00	2,148.22
064497	CK	1/11/2024	0467 Coastline Equipment	07-24	055405	VO	1088448	12/29/2023	0.00	2,322.94 674.15
064498	CK	1/11/2024	0486 Dept. of Industrial Relations	07-24	055401	VO	E2017860SB	12/14/2023	0.00	225.00
064499	CK	1/11/2024	0557 Amazon Capital Services, Inc.	07-24	055425	VO	14YDXVYY3VL1	1/2/2024	0.00	20.15
064499	CK	1/11/2024	0557 Amazon Capital Services, Inc.	07-24	055426	VO	17TT3NRJGHNC	1/3/2024	0.00	422.18
064500	CK	1/11/2024	0732 Ferguson Enterprises LLC #1350	07-24	055439	VO	3272846	1/8/2024	0.00	442.33 230.32
064501	CK	1/11/2024	1161 Kern Auto Parts Inc	07-24	055404	VO	992369	12/28/2023	0.00	627.50
064501	CK	1/11/2024	1161 Kern Auto Parts Inc	07-24	055418	VO	992608	1/3/2024	0.00	37.88
064501	CK	1/11/2024	1161 Kern Auto Parts Inc	07-24	055419	VO	992640	1/3/2024	0.00	49.24
064502	CK	1/11/2024	1364 Karl's Hardware Mojave	07-24	055437	VO	1123	11/30/2024	0.00	714.62 2,592.73
064503	CK	1/11/2024	1372 Mojave Public Utility District	07-24	055384	VO	6072-003/1223	12/31/2023	0.00	1,023.36
064503	CK	1/11/2024	1372 Mojave Public Utility District	07-24	055385	VO	6072-000/1223	12/31/2023	0.00	102.07

Date: Thursday, January 11, 2024
 Time: 09:05AM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 07-24 As of: 1/11/2024

Page: 3 of 4
 Report: 03630.rpt
 Company: MASP

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
064509	CK	1/11/2024	1896 Speedy Car Wash	07-24	055434	VO	6011	1/6/2024	0.00	250.00
Check Total										570.00
064510	CK	1/11/2024	1909 San Joaquin Tractor Co.	07-24	055420	VO	97977B	1/3/2024	0.00	551.65
064511	CK	1/11/2024	1996 SWRCB ACCOUNTING OFC	07-24	055374	VO	SW-0272487	11/9/2023	0.00	1,551.60
064512	CK	1/11/2024	2014 Sharper Landscaping Services	07-24	055382	VO	6513/1223	1/2/2024	0.00	2,400.00
064513	CK	1/11/2024	2193 Velosio LLC	07-24	055427	VO	100RN-021344	1/2/2024	0.00	107.10
064514	CK	1/11/2024	2219 Verizon Connect Fleet USA	07-24	055383	VO	302000052084	1/2/2024	0.00	1,510.75
064515	CK	1/11/2024	2253 Waste Management Kern	07-24	055390	VO	22642148088	1/1/2024	0.00	247.50
064515	CK	1/11/2024	2253 Waste Management Kern	07-24	055391	VO	22613548084	1/1/2024	0.00	482.80
064515	CK	1/11/2024	2253 Waste Management Kern	07-24	055392	VO	22631048083	1/1/2024	0.00	958.60
064515	CK	1/11/2024	2253 Waste Management Kern	07-24	055436	VO	22669348082/B5	1/2/2024	0.00	666.21
Check Total										2,355.11
064516	CK	1/11/2024	2367 Armando Quintero Jr.	07-24	055432	VO	010524	1/5/2024	0.00	1,000.00
064517	CK	1/11/2024	2450 Xerox Corporation	07-24	055441	VO	504436727/1223	12/5/2023	0.00	279.79
064518	CK	1/11/2024	3039 Adriana Huerta	07-24	055430	VO	122023	1/4/2024	0.00	100.15
064519	CK	1/11/2024	3040 Michael Lazar	07-24	055417	VO	010824	1/8/2024	0.00	2,633.00
064519	CK	1/11/2024	3040 Michael Lazar	07-24	055433	VO	010524	1/8/2024	0.00	317.96
Check Total										2,950.96

Date: Thursday, January 11, 2024
 Time: 09:05AM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 07-24 As of: 1/11/2024

Page: 4 of 4
 Report: 03630.rpt
 Company: MASP

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
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Check Count: 26

Acct Sub Total: 71,807.55

Check Type	Count	Amount Paid
Regular	26	71,807.55
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:	26	71,807.55

Company Disc Total	0.00	Company Total	71,807.55
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AIR & SPACE PORT
AT RUTAN FIELD

Electronic Fund Transfers December 21, 2023 through January 8, 2024

Date		Debit
12/21/2023	ACH DEBIT PAYROLL PAYCHEX - RCX	\$73,941.53
12/21/2023	ACH DEBIT EFTTRANSFE AVFUEL	\$66,919.18
12/21/2023	ACH DEBIT TAXES PAYCHEX TPS	\$15,730.11
12/21/2023	ACH DEBIT INVOICE PAYCHEX	\$549.58
12/21/2023	ACH DEBIT GARNISH PAYCHEX	\$48.96
12/22/2023	ACH DEBIT EFTTRANSFE AVFUEL	\$33,335.84
12/26/2023	ACH DEBIT EFTTRANSFE AVFUEL	\$33,532.99
12/26/2023	ACCOUNT SERVICE FEE TM-ACH OR MULTIPLE SERVICES	\$75.00
12/26/2023	ACCOUNT SERVICE FEE RDC MONTHLY FEE	\$75.00
12/28/2023	ACH DEBIT EFTTRANSFE AVFUEL	\$28,812.36
12/29/2023	ACH DEBIT EFTTRANSFE AVFUEL	\$28,768.95
12/29/2023	ACH DEBIT TAXES PAYCHEX	\$475.36
1/5/2024	ACH DEBIT EFTTRANSFE AVFUEL	\$25,913.67
1/4/2024	ACH DEBIT PAYROLL PAYCHEX-RC	\$73,443.60
1/4/2024	ACH DEBIT 1800 CALPERS	\$63,028.17
1/4/2024	ACH DEBIT TAXES PAYCHEX TPS,	\$18,399.64
1/4/2024	ACH DEBIT 3100 CALPERS,	\$12,100.14
1/4/2024	ACH DEBIT 3100 CALPERS	\$12,096.48
1/4/2024	ACH DEBIT 1800 CALPERS	\$9,793.35
1/4/2024	ACH DEBIT EFTTRANSFE AVFUEL	\$8,286.54
1/4/2024	ACH DEBIT PAYABLES Mojave Air-Space,	\$6,110.00
1/4/2024	ACH DEBIT 3100 CALPERS	\$3,122.09
1/4/2024	ACH DEBIT 3100 CALPERS	\$3,122.09
1/4/2024	ACH DEBIT INVOICE PAYCHEX	\$1,093.01
1/4/2024	ACH DEBIT GARNISH PAYCHEX	\$48.96
1/4/2024	ACCOUNT SERVICE FEE OTHER CHARGES	\$5.00
1/2/2024	ACH DEBIT EFTTRANSFE AVFUEL	\$28,917.25
1/2/2024	ACH DEBIT MTOT DISC BANKCARD	\$278.51
	Total	\$548,023.36