

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF  
MOJAVE AIR AND SPACE PORT  
December 16, 2014**

The Board of Directors of the Mojave Air and Space Port duly met for a Regular Meeting at the District Offices in the Administration Building at Mojave Airport, Mojave, California, at the hour of 2:00 o'clock p.m. on Tuesday, December 16, 2014.

The Clerk called the roll and the following Directors were present: Balentine, Deaver, Evans and Peterson. Also present were the District's Chief Executive Officer, Stuart Witt and District's Counsel, Scott Nave.

Vice President Peterson presented the Agenda. Staff requested to add Financial Reports under Business items as item 4B. Upon motion by Director Balentine, seconded by Director Evans .and unanimously carried, it was:

**RESOLVED:** That the Board find the need to take action with respect to "Financial Reports" has arisen subsequent to the posting of the agenda and that agenda be approved with the addition of "Financial Reports."

**CONSENT AGENDA**

Vice President Peterson presented the Consent Agenda. Upon motion by Director Evans, seconded by Director Balentine and unanimously carried, Consent Agenda was approved as submitted.

**3A) Minutes of December 2, 2014**

**RESOLVED:** That the Minutes of the Regular Meeting of December 2, 2014 be approved as submitted and further reading thereof be waived.

**BUSINESS ITEMS**

**4A) Check Register 12/11/14**

Vice President Peterson presented the General Fund Check Register for December 11, 2014 with the schedule of electronic fund transfers delineated below. Director Balentine disqualified himself from participating in the discussion of this item due to a potential conflict of interest pertaining to check number 052817 in the amount of \$21.26.

**SCHEDULED ELECTRONIC FUND TRANSFERS**

<b>AV Fuel</b>	<b>12/20/14</b>	<b>\$ 23,364.87</b>
<b>CalPERS Retirement</b>	<b>12/10/14</b>	<b>\$ 36,652.88</b>
<b>State Board of Equalization</b>	<b>12/15/14</b>	<b>\$ 1,643.00</b>

Upon motion by Director Evans, seconded by Director Deaver and unanimously carried, it was:

**RESOLVED:** That Board approve check numbers 052799 through 052847 on register date December 11, 2014 in the amount of \$176,485.80 and Electronic Fund Transfer payments in the amount of \$61,660.75 for a total of \$238,146.55.

**4B) Financial Reports**

Interim Chief Financial Officer Michael Brouse discussed Treasurer’s Report for the month ending November 30, 2014. CFO Brouse noted operating revenue for November was significant and the total revenue of \$1,928,973.00 included \$1,200,000 from the Rising Tree Wind Project. Normal operating revenue for the month would have been approximately \$700,000.00. CFO Brouse also noted that after month end \$1,700,000.00 was transferred to the LAIF Fund. The General Fund account had a beginning balance of \$850,154.85 and an ending balance of \$2,283,915.63. The beginning balance for the total of all accounts was \$3,904,651.72 and an

ending balance of \$5,347,072.72. The Fuel Inventory showed a balance for the month of \$193,692.83 and total gallons sold was 49,143 and year to date total sold was 231,548. On the Revenue and Expense Summary Report chart highlighted Revenue – Fuel Sales (\$221,087) Rents and leases (\$365,824) and other Revenue (\$1,342,062) for total revenue of \$1,928,973. Chart highlighted Expenses –Personnel (\$227,053) Fuel (\$125,716) and Operating (\$283,520) for total expenses of \$636,289. The Year to Date Summary for Revenue: Fuel (\$1,309,492) Rents and Leases (\$1,826,651) and other Revenue (\$2,531,063) for total revenue of \$5,667,206. Year to Date Summary for Expenses: Personnel (\$1,217,125) Fuel (\$1,007,152) and Operating (\$1,283,438) for total expenses of \$3,507,715. Percentages of Revenue for the month were Rents and Leases at 19%, Fuel Sales at 11% and other Revenue at 70%. Percentages of Expenses for the month were Operating at 44%, Personnel at 36% and Fuel at 20%. FY 14-15 Revenue was Rents and Leases at 32%, Fuel Sales at 23% and other Revenue at 45%. FY14-15 Expenses were Operating at 36%, Personnel at 35% and Fuel at 29%. The Customers over 90 Days Past Due report for November reflected eight customer accounts with a total past due of \$78,925.89. Upon motion by Director Deaver, seconded by Director Balentine and unanimously carried, it was:

**RESOLVED:** That the Financial Reports for November, 2014 be approved as submitted.

#### **4C) Antelope Valley Board of Trade Conference Sponsorship & Table**

CEO Witt discussed upcoming business outlook conference to be held on February 27, 2015 at the Antelope Valley fairgrounds in Lancaster. The theme for the event is as follows: “Made in the Antelope Valley” and will highlight one of the keynote speakers Actor John Ratzenberger, who was featured on the television comedy series “Cheers” as Cliff Clavin for the 43<sup>rd</sup> annual event. He polled the board for attendance and recommended a sponsorship in the amount of \$2,500.00 which includes prominent name or logo recognition at the event, reserved VIP seating for four (4 tickets) and invitation to speakers and sponsors reception Thursday, February 26, 2015. Directors Evans and Balentine indicated they would like to attend. Upon motion by Director Deaver, seconded by Director Evans and unanimously carried, it was:

**RESOLVED:** That Board approve the purchase of a Platinum Sponsorship

in the amount of \$2,500.00 to include (4) event tickets for the Antelope Valley Business Outlook Conference to be held on February 27, 2015 at the Antelope Valley Fairgrounds.

**4D) Ratification of Chief Operations Officer Salary**

CEO Witt reported that during a recent audit by CalPERS it was determined that a salary increase on July 1, 2012 for the position of COO needs to be ratified by the Board and documented in the Minutes. At that time the COO received a merit increase, an additional raise for completion of a college degree and a COLA all of which increased his salary from \$68,827.00 to \$77,180.74. Upon motion by Director Deaver, seconded by Director Evans and unanimously carried, it was:

**RESOLVED:** That Board ratify Chief Operations Officer annual salary of \$77,180.74.

**4E) Kern Tax Association Membership**

Kern Tax is an oversight organization of Kern County taxpayers cooperating with various government agencies to strive for economy and efficiency in governmental affairs in our County. CEO commented that the newsletter from Kern Tax Association is informative and Mike Turnipseed does a very good job of representing the interests of the Kern taxpayers in front of the Board of Supervisors and flagging current issues in the County some of which impact our District. He recommended Board approval for membership in the amount of \$500.00. Upon motion by Director Balentine, seconded by Director Evans and unanimously carried, it was:

**RESOLVED:** To approve District's membership investment with the Kern County Taxpayers Association in an amount not to exceed \$500.00.

**4F) Letter from Mojave Public Utility District regarding Airport Improvements**

CEO Witt reported that District received a letter from Bee Coy, General Manager of the MPUD. Mr. Coy requested that the MPUD be notified whenever an applicant approaches the District to

set up a new business that will require water service. The District can notify the MPUD or the applicant may use the District's precise development plan process. Any applicant requiring water service must obtain a will serve letter from MPUD before proceeding with development or construction. Staff met with Mr. Coy and reaffirmed that the notification and approval process requested by the MPUD will be followed.

**4G) Kern County Board of Trade "State of the County Dinner"**

CEO polled the Board for attendance at the State of the County Dinner which will be held on January 28, 2015 from 5:00 p.m. to 8:00 p.m. CEO Witt stated that this is a great opportunity to meet with County Supervisors, officials, department heads and staff. CEO recommended purchase of table of ten at a cost of \$600.00. It was consensus of Board that CEO can approve purchase of table for ten attendees.

**4H) Flight Test Aerospace Proposal**

CEO Witt discussed proposal from FTA to renovate Building 3 located at 1170 Barnes Street which is in disrepair. Some of the improvements listed are power washing floor and interior walls, paint interior walls, repair/replace ceiling tiles, construct interior office space with carpet, repair exterior siding on west wall, repair weather seal on roll up door and clear yard debris. FTA is requesting eleven months of rent abatement in exchange for the listed tenant improvements and to enter into a two year lease agreement beginning January 1, 2016. CEO Witt made a commitment to Kevin O'Brien of FTA that if they complete the interior items listed in their proposal the District will place the building in queue for exterior painting. Upon motion by Director Deaver, seconded by Director Evans and unanimously carried, it was:

**RESOLVED:** That Lease Agreement with Flight Test Aerospace be approved for two years commencing January 1, 2016 to include rent abatement of 11 months in exchange for tenant improvements to Building 3.

**Reports/Announcements**

**5B) Board Committees**

Audit/Finance Committee: Director Balentine reported that the Audit and Finance Committee met prior to the Board meeting. He shared a new graph created by CFO Brouse that is

a better visual representation of revenues and expenses. He noted that at the second meeting in January the committee will present a draft resolution regarding CalPERS wage schedule reporting and a policy for collections on overdue accounts.

### **5C) Board of Directors**

Director Deaver reminded everyone of the next Plane Crazy event to be held on December 20<sup>th</sup> commemorating the 28<sup>th</sup> Anniversary of the Flight of Voyager. Dick Rutan will give a presentation on the construction and testing as well as setting a new distance and endurance record during the flight from December 14<sup>th</sup> to December 23<sup>rd</sup> 1986.

Director Peterson announced that at the Board meeting of January 6<sup>th</sup> anyone wishing to be considered to fill the vacant position may address the Board at that time.

### **CEO/GM Approved Expenditures**

#### **1. California Special Districts Association**

CEO Witt reported that he approved expenditure in the amount of \$5,691.00 for 2015 membership dues for the California Special Districts Association. CSDA is a representation of all special districts to minimize the risk of political interference from outside groups that can adversely affect districts, provides education programs to special districts, offers unique services such as professional development for managers, staff and board members, promotes creation of county and regional chapters for peer networking and provides access to a range of project financing services and risk management options to give districts affordable access to critical funding, insurance and other mission-critical support.

CEO Witt thanked the Audit and Finance Committee for their work.

### **CLOSED SESSION**

Board adjourned to Closed Session per Government Code Section 54956.8 (Hangar 100)

### **CLOSED SESSION REPORT**

In closed session Counsel and the Board discussed potential litigation involving Flight

Test Associates. No other items were discussed, and no action taken.

**ADJOURNMENT**

There being no further business to come before the Board, the chair adjourned the meeting at 4:35 p.m.

**RESOLVED:** That the regular meeting of December 16, 2014 be and the same is hereby adjourned.

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President

**ATTEST:**

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Secretary

**(SEAL)**