

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
MOJAVE AIR AND SPACE PORT
October 21, 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, October 21, 2014.

The Clerk called the roll and the following Directors were present: Balentine, Deaver, Evans, Peterson and Painter. Also present were the District's Chief Operations Officer, Kevin Wojtkiewicz and District's Counsel, Scott Nave.

President Painter presented the Agenda. Upon motion by Director Balentine, seconded by Director Peterson and unanimously carried, it was:

RESOLVED: That the Agenda be approved
as submitted.

CONSENT AGENDA

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

3A) Minutes of October 7, 2014

RESOLVED: That the Minutes
of the Regular Meeting of
October 7, 2014 be approved
as submitted and further reading
thereof be waived.

BUSINESS ITEMS

4A) Check Register 10/17/14

President Painter presented the General Fund Check Register for October 17, 2014

with the schedule of electronic fund transfers delineated below.

SCHEDULED ELECTRONIC FUND TRANSFERS

AV Fuel	10/23/14	\$ 25,216.51
AV Fuel	10/23/14	\$ 25,434.75
AV Fuel	10/22/14	\$ 26,638.87
AV Fuel	10/30/14	\$ 24,913.18
CalPers	10/15/14	\$ 39,847.20

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

RESOLVED: That Board approve check numbers 052656 through 052707 on register date October 17, 2014 in the amount of \$179,088.15 and Electronic Fund Transfer payments in the amount of \$142,050.51 for a total of \$321,138.66.

4B) Financial Reports

Interim Chief Financial Officer Michael Brouse presented the Financial Reports for September 2014. CFO noted that the Treasurer’s Report is a “cash basis report” and changes were made to make it easier to track cash flows. The report shows receipts, expenditures and transfers which are the three aspects of cash movement for each of the various funds. He reported that staff is waiting for all activity to clear from the payroll and petty cash funds which will be closed next month and will no longer be included on the treasurer’s report. CFO noted that the beginning balance for the General Fund for the

month totaled \$641,497.55 with an ending balance of \$3,763,050.80 for all accounts. Staff presented the Revenue and Expense Summary Report for the month and for year to date and noted this is an “accrual basis report” which reflects when revenues are earned and when expenses are incurred without respect to when they are actually collected or paid. Chart highlighted Revenue – Fuel Sales (\$189,464) Rents and Leases (\$372,122) and other Revenue (\$116,281) for total revenue of \$677,867.00. Chart highlighted Expenses – Personnel (\$191,911) Fuel (\$129,624) and Operating (\$128,977) for total expenses of \$450,512.00. The Year to Date Summary for Revenue: Fuel (\$630,603) Rents and Leases (\$1,168,656) and other Revenue (\$906,618) for total revenue of \$2,705,877.00. Year to Date Summary for Expenses: Personnel (\$827,533) Fuel (\$487,009) and Operating (\$595,854) for total expenses of \$1,910,396.00. Percentages of Revenue for the month were Rents and Leases at 55%, Fuel Sales at 28% and other Revenue at 17%. Percentages of Expenses for the month were Operating at 29%, Personnel at 42% and Fuel at 29%. FY 14-15 Revenue was Rents and Leases at 43%, Fuel Sales at 23% and other Revenue at 34%. FY 14-15 Expenses were Operating at 31%, Personnel at 43% and Fuel at 26%. Director Peterson requested the graphs for total revenue and total expenses to have \$0 starting points on the scale to better depict totals relative to each other. Mr. Brouse concurred with that recommendation. The Fuel Inventory showed a balance for the month of \$233,913.46 and the total gallons sold was 40,022 and gallons sold year to date was 133,262. Mr. Brouse reviewed the Accounts Receivable Customers over 90 Days Past Due Report and noted that customers who have made new payment arrangements and are current with the terms of their new contract will no longer appear as 90 days past due. The total for 90 plus days past due is now \$76,118.57 as a result of the payment arrangements that were made with customers. Mr. Brouse stated the remaining accounts that are 90 days past due may have to be written off and turned over to collections and the Audit and Finance Committee will be developing a policy for Board consideration regarding how to handle bad debts in the future. Upon motion by Director Peterson, seconded by Director Deaver and unanimously carried, it was:

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

4C) Mojave Chamber of Commerce Ballot

Director Peterson suggested that since MASP is a public agency Board should abstain from casting a ballot for Chamber of Commerce election of officers. Director Deaver stated that he would have a conflict of interest as he is currently the vice president of the Chamber and he concurred with the recommendation that Board should abstain from voting. It was consensus of Board that no action should be taken on this item.

4D) Shaw, Moses, Mendenhall & Associates Insurance Renewal

Insurance renewal was presented for District's rail spur. Director Balentine asked if UP or Progress Rail contribute towards the cost of providing the insurance and COO Wojtkiewicz responded that they do not and since it is the District's railroad spur the cost of the insurance is part of the service provided and is basically liability insurance to protect the District. Costs for the insurance are incorporated in the rental fees charged to the tenant using the District's rail facility. Upon motion by Director Peterson, seconded by Director Balentine and unanimously carried, it was:

RESOLVED: That Board approve renewal of coverage for Railroad in the amount of \$27,202.00 for policy number RGL001846307 for the annual term of 10/17/14 – 10/17/15.

4E) Kern EDC Membership

Director Peterson asked if Board had already taken a position not to renew membership with KEDC but it was determined that the GAVEA membership renewal was recently declined by the Board. Director Deaver recommended approval to renew membership with KEDC as they are actively engaged in promoting MASP. It was consensus of Board to table this item until next meeting to obtain input and recommendation from CEO Witt.

Reports/Announcements

5A) Board Committees

Director Peterson requested that committee recommendations be finalized prior to

December in the event current committee members are not re-elected. Director Evans stated that there are two pending items from the Audit and Finance Committee to come before the Board for consideration, one is relative to changes to the Administrative Code relating to compensation and the other is in reference to the bad debt policy.

5C) Board of Directors

Director Deaver discussed ongoing problem with Belshaw Street in Mojave and would like to see it addressed. He sent an email today to the County Roads Department, Supervisor Scrivner, Ryan Rush and CEO Witt stating that the road needs to be completely rebuilt and not just patched from “K” Street to the airport entrance. He commented that since this is the primary access road to MASP it should be in better condition than its current state. He requested CEO write a letter to Supervisor Scrivner and Craig Pope of the Kern County Roads Department requesting they rebuild that section of Belshaw Street. Mr. Deaver also reported on the Plane Crazy event held on Saturday, October 18th honoring our Emergency Services Personnel. Kern County Fire Department, Mercy Air, Kern County Sheriff Citizen Service Unit, California Highway Patrol, Mojave Salvation Army and Hall Ambulance all had exciting displays along the flightline and it was a successful event. Mojave Transportation Museum extended special thanks to the Tehachapi Civil Air Patrol Squadron 45 for providing ground safety and crowd control at the event.

CEO/GM

1. MurCal, Inc. Proposal

COO Wojtkiewicz reported that CEO Witt approved expenditure in the amount of \$73,822.32 to MurCal as part of the ongoing Pump House Project. The approved invoice is for five engine controllers which does not include installation charges at this time. Director Peterson asked what additional costs are pending and staff responded that Control Technologies will complete their work after MurCal completes installation of hardware and approximately \$175,000.00 has been spent to date and an additional cost of \$85,000.00 is anticipated prior to completion. He also noted that an AST grant will cover fifty percent of the cost of the project up to \$250,000.00.

2. Robin Snelson Proposal ISPCS

COO Wojtkiewicz reported that CEO Witt approved proposal from Robin Snelson for speech writing assistance in the amount of \$2,000.00 for the International Symposium for Personal and Commercial Spaceflight Symposium. Director Peterson asked that item be placed on the next agenda for further discussion.

ADJOURNMENT

There being no further business to come before the Board, the chair adjourned the meeting at 4:20 p.m.

RESOLVED: That the regular meeting of October 21, 2014 be and the same is hereby adjourned.

President

ATTEST:

Secretary

(SEAL)