

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF  
MOJAVE AIR AND SPACE PORT  
July 15, 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, July 15, 2014.

The Clerk called the roll and the following Directors were present: Balentine, Deaver, Evans, Painter and Peterson. Also present were the District's Chief Executive Officer, Stuart Witt, Deputy General Manager Karina Drees and Deputy Counsel, Mike Silander.

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

**RESOLVED:** That the agenda  
be approved as submitted.

**PUBLIC COMMENTS**

Cathy Hansen wanted to remind everyone of the upcoming event of "Train Crazy Saturday" July 19<sup>th</sup> which will be held from 9:00 a.m. to 1:00 p.m. Mike Masee will be giving a presentation and showcasing photos of steam locomotive preservation. On a historical note which is known to most long-term residents of the community, Mojave was actually founded by the Southern Pacific Railroad in 1876 and the Mojave Transportation Foundation deemed it appropriate to recognize the contribution that trains have made to transportation history by hosting this special event. She extended her thanks for the great articles and coverage regarding this event by acknowledging the efforts of Allison Gatlin of the Antelope Valley Press, Joyce Grant of the Mojave Desert News and John Joyce of Rosamond News as well as all the sponsors who have contributed to support this monthly event. Cathy Hansen introduced Ms. Gail Harper of the Civil Air Patrol (CAP) Public Affairs Office of Squadron 84. CAP is instrumental in providing assistance to state and local governments in performing various missions such as the Plane Crazy events here at Mojave Air and Space Port. Ms. Hansen presented her with a sun-shade canopy for her efforts in support of the events along with all the cadets

of Squadron 84 which is based at Edwards AFB. CAP is a non-profit congressionally-chartered community service organization and an auxiliary of the Air Force and is known for its three main missions which are aerospace education, cadet programs and emergency services. Ms. Hansen extended her thanks and appreciation on behalf of herself and the Mojave Transportation Museum. She noted that the cadets provide an invaluable service for security and safety at the events which is greatly appreciated and she acknowledged the mutual benefits of assisting at events at the airport which provides an opportunity for the cadets to learn about aviation and the various aircraft as well as meeting some interesting and notable pilots. Ms. Harper thanked Ms. Hansen for her comments and discussed fundraising opportunities. She stated when she addressed the Board last December she was questioned by CEO Witt regarding her budget and operating expenses. Ms. Harper presented to the Board her squadron budget which detailed the funds required to operate one squadron which costs hundreds of dollars for each cadet. She noted one major fundraising campaign “Wreaths across America” which she will spearhead again this year and she is trying to engage in several other fundraising campaigns and asked if anyone had suggestions. She noted they will continue to support plane crazy events when available. She stated that they support other events during the year as well and there may be times when they might not be able to support all the events here at the airport but stated that it is always a pleasure when they are able to work the events and thoroughly enjoy coming to Mojave Air and Space Port. Ms. Harper presented Cathy Hansen with a “Wreaths across America” patch and thanked her for her support.

### **CONSENT AGENDA**

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

### **3A) Minutes of July 1, 2014**

**RESOLVED:** That the Minutes of the Regular Meeting of July 1, 2014 be approved as submitted and further reading thereof be waived.

**BUSINESS ITEMS**

**4A) Check Register 07/11/14**

President Painter presented the General Fund Check Register for July 11, 2014 with the schedule of electronic fund transfers delineated below. Director Balentine disqualified himself due to a potential conflict of interest as it pertains only to check number 052406 in the amount of \$11.81.

**SCHEDULED ELECTRONIC FUND TRANSFERS**

<b>AV Fuel</b>	<b>07/16/14</b>	<b>\$ 28,437.75</b>
<b>AV Fuel</b>	<b>07/18/14</b>	<b>\$ 18,081.56</b>

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

**RESOLVED:** That Board approve check numbers 052387 thru 052432 on register date July 11, 2014 in the amount of \$136,089.72 and Electronic Fund Transfer payments in the amount of \$46,519.31 for a total of \$182,609.03.

**4B) Financial Reports**

Deputy General Manager Drees presented the June Financial Reports. Before proceeding she presented to the Board an updated version of the Accounts Receivable Active and Inactive Customers over 90 Days Past Due Report. DGM Drees discussed the Financial/Treasurer's Report and noted that it was being submitted in draft form at this time since the District has not closed out the fiscal year ending June 30, 2014 and there

are anticipated adjustments pending completion of audit. She reported that there is still approximately \$83,000.00 in outstanding checks that have not cleared from prior years 2010 – 2013 and the final balance will likely be increased by that amount and staff is still researching old checks that have not cleared. She noted that the beginning balance for the General Fund for the month of May totaled \$571,389.33 with an ending balance of \$2,851,893.07 for all funds. She stated there was an increase in cash on hand from May to June of \$277,000.00. DGM Drees reported that the Fuel Inventory had an ending balance of \$219,915.27 and in June District sold 42,112 gallons of Jet A and AVGas which reflected a 29% increase in fuel sold in June compared to May for total gallons sold. CEO Witt commented that it is difficult to predict fuel sales from month to month year over year because one large aircraft that takes on a large amount of fuel for an off shore destination for example can skew the fuel sales higher for that one month. DGM Drees reviewed the Revenue and Expense Summary Report and reiterated that it was also in draft form and final numbers will not be available until fiscal year is closed out. She highlighted approximately \$40,000.00 in additional fuel sales from May to June and stated that other revenues represent filming location fees, reimbursements for staff time, gift shop sales, etc. Chart highlighted Revenue – Fuel Sales (\$200,810) Rents and Leases (\$273,444) and other Revenue (\$17,358) for total revenue of \$491,612.00. Chart highlighted Expenses – Personnel (\$207,585) Fuel (\$175,078) and Operating (\$121,843) for total expenses of \$504,506.00. Percentages of Revenue for the month were Rents and Leases at 56%, Fuel Sales 41% and other Revenue at 3%. Percentages of Expenses for the month were Operating at 24%, Personnel at 41% and Fuel at 35%. Director Peterson asked what pushed expenses above revenues for June since they are generally below revenues. DGM Drees stated that expenses are roughly in line with where we were last month but the difference was in revenue due to adjustments staff has been making throughout the year that happened to hit in June and she stated that typically rents and leases are approximately \$360,000.00 that district bills every month. DGM Drees stated that some of the revenue adjustments were due to some customer accounts that were not legitimate and those had to be closed out and credited back which fell into the last month of the fiscal year and staff anticipates having to make several additional adjustments prior to final close out of fiscal year. DGM Drees reported that the accounts receivable report is now reconciled and the revised report shows all active and inactive customers that are

90 days past due for a total past due of \$428,840.62. CEO Witt stated that significant progress has been made on the accounts past due list and that by the end of the month the total past due could be down under half of what is shown on the revised report. Director Peterson asked what the normal timeline is for issuing a pay or quit notice and DGM Drees said three to four months before District gets aggressive. Upon motion by Director Peterson, seconded by Director Deaver and unanimously carried, it was:

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

**4C) SETP Annual Symposium**

The Society of Experimental Test Pilots is an international organization that seeks to promote and enhance air safety, communication and education contributing to the advancement in the aeronautical field in the design and flight test of aerospace vehicles while maintaining a sustainable and professional society for all test pilots and aerospace corporations. The society will be holding its annual event at the Grand Californian Hotel in Anaheim, California 24-27 September 2014. CEO Witt polled Board members for attendance and Director Balentine confirmed he would attend.

**4D) Resolution regarding Holiday Schedule**

CEO Witt discussed proposed resolution to modify Holiday Schedule for full time employees. He noted for example that Presidents Day is a scheduled holiday in February for all District employees however since the day is not recognized by most tenants District makes staff available at an overtime rate to support tenant operations. CEO suggested that the District holiday schedule be mapped to mirror our tenants' holiday schedules which will provide a nominal cost savings to the District. He stated that during the period between Christmas and New Year's Day many companies go dark and District has a full staff working. CEO Witt recommended transferring the Presidents Day holiday to a floating holiday on either the day after Christmas or on New Year's Eve to be taken at the employee's discretion. Board asked staff to bring back a resolution that reflected

CEO's recommendation.

**4E) Building 165: Request for designation as Surplus Property**

CEO Witt requested that Board take action to declare Building 165 as surplus to allow staff to proceed with demolition of building and salvage of structural components. Upon motion by Director Balentine, seconded by Director Deaver and unanimously carried, it was:

**RESOLVED:** That Board declare Building 165 located south of Poole Street near Taxilane BB as surplus property.

**4F) Appointment of members to the Audit/Finance Committee**

CEO Witt turned item over to Director Evans. Director Evans stated that at the last Board meeting he asked the chair if she would entertain the concept of appointing two members of the Board to serve as an Audit and Finance Committee. He requested that the chair appoint the Treasurer and himself to that committee. CEO Witt recommended that he and DGM Drees and Michael Brouse also be appointed to the committee. Director Evans asked for clarification from District Counsel that the committee is comprised only of the two Board members and that staff would provide a liaison and provide support to the committee as directed by the CEO. District Counsel concurred and CEO stated that staff would be available to provide information and support as required by the committee. Upon motion by Director Peterson, seconded by Director Deaver and unanimously carried, it was:

**RESOLVED:** That Board appoint an Audit and Finance Committee consisting of Director Evans and Director Balentine.

**4G) Request to remove District Bank Accounts from Mission Bank**

CEO Witt requested that the newly formed Audit and Finance Committee meet

to discuss and make recommendations to the Board regarding banking options that are available to the District. He commented that the District has reached a point where it is time to review the level of service being provided by Mission Bank which acquired the assets of the former Mojave Desert Bank. It was consensus of Board that committee meet as recommended by CEO.

### **Reports/Announcements**

#### **5A) Community**

CEO Witt commented that the Yakima Solar Project will be coming before the Kern County Board of Supervisors on August 19, 2014 and he recommended that the community should get together and develop a community plan and have a spokesperson designated to address the Supervisors at that meeting. CEO Witt stated that he will be representing MA&SP at that meeting and suggested Board members be involved in these community meetings regarding the proposed project. Director Deaver reiterated his concerns from a previous meeting stating that these energy projects are consuming more land which could be used for the future development of the community of Mojave.

Cathy Hansen stated that the next Plane Crazy event in August will highlight Aerospace in California as their main theme and will be having a combined event with California City in September. She reported the combined event last year attracted numerous visitors and was well received. In October the event will focus on East Kern Emergency Services at Mojave Air & Space Port. They hope to have a wide array of equipment on display such as Kern County and District Fire Trucks, helicopters, etc.

#### **5D) CEO/GM**

CEO Witt announced he has reached an agreement with Rising Tree and he will brief the Board in detail at the next meeting. The Rising Tree wind energy project will be comprised of 60 turbines located west of the LA Aqueduct and adjacent to last row of turbines of the Terra-Gen Project at the base of the mountain. One of the conditions of the agreement is for the relocation of several turbines which MA&SP will recommend to the FAA. Another condition is a requirement for a 4 degree glide path for Runway 12.

CEO Witt also commented that he will be bringing a request to the Board in the next few months to send at least three staff members to a specific 360 training workshop. He would like to send Kevin Wojtkiewicz and Carrie Rawlings to a 2 ½ day Management Action Program course. He will also be recommending Karina Drees for a leadership course for one to two weeks to be determined.

**CLOSED SESSION**

Board adjourned to Closed Session per Government Code Section 54956.9 to discuss one case of Potential Litigation, Dean Soest and Existing Litigation (Mission Bank) and per Government Code Section 54957 Personnel (CEO Evaluation).

**CLOSED SESSION REPORT**

The Board discussed one case of Potential Litigation, Dean Soest and Existing Litigation regarding Mission Bank. The Board discussed CEO evaluation pursuant to Government Code Section 54957 and by mutual agreement the Board extended the CEO's employment contract with MASP to January, 2016.

**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 July 15, 2014 be and the same is hereby adjourned.

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President

**ATTEST:**

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Secretary

**(SEAL)**



