

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
THE EAST KERN AIRPORT DISTRICT
October 20, 2009**

The Board of Directors of the East Kern Airport District 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 20, 2009.

President Balentine called the meeting to order and led those assembled in the Pledge of Allegiance.

The Clerk called the roll and the following Directors were present: Balentine, Hansen, Painter and Walker. Also present were the District's General Manager, Stuart Witt, Director of Business Operations and Finance, Erika Westawski and Deputy Counsel, Scott Nave.

President Balentine presented the Agenda and requested to add under Consent Calendar item "3F) Scaled Composites Lease Amendment" and Closed Session items "9.1 Personnel" and "9.2 Potential Litigation." Upon motion by Director Painter, seconded by Director Hansen and unanimously carried, it was:

RESOLVED: That the Board find the need to take action with respect to "Scaled Composites Lease Amendment" and "Personnel" and "Potential Litigation" has arisen subsequent to the posting of the agenda and that agenda be approved with the addition of "Scaled Composites Lease Amendment" and "Personnel" and "Potential Litigation."

CONSENT CALENDAR

President Balentine presented the Consent Calendar. Director Walker disqualified herself from voting on item 3F due to a potential conflict of interest. Upon motion by Director Painter, seconded by Director Hansen and unanimously carried, Consent Calendar was approved as amended.

3A) Minutes of October 6, 2009:

RESOLVED: That the Minutes of the Regular Meeting of October 6, 2009 be approved as submitted and further reading thereof be waived.

3B) GMM Inc. (Graphics, Marketing and Management): GMM Incorporated publishes and distributes annually the Creative Industry Handbook which serves the needs of Entertainment Industry professionals and promotes filming on behalf of the District and is also used by location scouts to determine potential sites for upcoming shoots. In consideration of an early commitment to advertise in the Creative Industry Handbook the District will receive two additional value added premiums at no additional charge. First, an ad for Mojave Air and Space Port will be placed on their studio/stage wall chart (5,000 will be printed and distributed) at a value of \$1,000.00. Second, an online ad button #1 on their airport page will link to the District's website and will average approximately 50,000 unique hits per month at a value of \$1,795.00 for a total savings between the two of \$2,795.00.

RESOLVED: That Board approve one page advertisement in the 2011 edition of the filmmakers Creative Industry Handbook at an amount not to exceed \$5,385.00.

3C) Shaw, Moses, Mendenhall & Associates Insurance Renewal:

RESOLVED: That Board approve annual renewal for District's Boiler & Machinery policy with Shaw, Moses, Mendenhall & Associates in the amount of \$3,018.75.

3D) Shaw, Moses, Mendenhall & Associates Insurance Renewal:

RESOLVED: That Board approve renewal of general liability policy for Railroad coverage in the amount of \$23,457.88 and that Board elect to decline purchase of coverage for certain certified acts of terrorism.

3E) Shaw, Moses, Mendenhall & Associates Insurance Renewal:

RESOLVED: That Board approve renewal of Buildings and Business Personal Property policy in the amount of \$72,128.00.

3F) Scaled Composites Lease Amendment: District staff has reviewed the proposed lease amendment and determined that the project is exempt under CEQA title 14CCR Section 15301 and General Manager is authorized to file a notice of exemption, as necessary.

RESOLVED: That First Amendment to Lease with Scaled Composites dated October 6, 2009 as it pertains to the term of the lease for Building #4 located at 1246 Barnes Street be approved as submitted and President and Secretary authorized to execute the same on behalf of the District.

NEW BUSINESS:

DIRECTOR OF BUSINESS OPERATIONS/FINANCE REPORT

4A) General Fund Check Registers 10/02/09 – 10/12/09: Director Balentine disqualified himself from participation due to a potential conflict of interest and turned gavel over to Vice President Painter who presided over this item. Upon motion by Director Walker, seconded by Director Hansen and unanimously carried, it was:

RESOLVED: That Board approve checks on register date October 2, 2009 in the amount of \$59,062.17, checks on register date October 7, 2009 in the amount of \$8,300.00, checks on register date October 9, 2009 in the amount of \$43,411.02 and check on register date October 12, 2009 in the amount of \$3,900.00.

4B) Financial/Treasurer's Report: Director of Business Operations and Finance, Erika Westawski updated the Board on Financial/Treasurer's Report for the month of September. The ending balance for September totaled \$3,168,980.45 with an outstanding A/R of \$7,307.45 (EDA) bringing the adjusted ending balance for September to \$3,176,287.90. Director of Business Operations and Finance also reviewed with Board capital expenditures for September 2009: Fuel Truck upgrade \$54,125.00, Bucket Truck \$17,500, Bobcat \$34,109, Roof Repair for Bldg 79 \$9,810.79. General Manager commented that this was the first time in over two years that budget was exceeded and was due to equipment upgrades. He also noted that due to the amount of excess equipment on the open market the bucket truck was purchased at a significant savings and will enhance maintenance personnel productivity. He also added that a large part of the purchase price of Bobcat which District would typically rent, will be recouped in conjunction with grants 23 and 24.

GENERAL MANAGER'S REPORT

4A) Letters of Appreciation to District: General Manager shared with Board correspondence from GE Wind Energy thanking entire team for GE's largest rail blade move. General Manager stated that Union Pacific provided hourly communications as to the status and location of trains as they traveled from the Port of Corpus Christi, Texas to Mojave to ensure crews were ready for offloading when they arrived and everything went very smoothly. Staff also noted that the District received a letter of commendation from the National Test Pilot School for tower controllers, Mr. Carl Ingram and Mr. Nick Booker for their contribution in saving a crew of two and an aircraft on October 8th. The incident involved a BE-76 Duchess which was on approach with its landing gear up. Both controllers reacted in the most professional and timely manner in observing the traffic and instructed a go around despite the nature of the approach (steep and offset descent) and the distance of the tower to the Runway 08 threshold. The controllers recognized the unsafe situation and took immediate action to avert a potential disaster.

CLOSED SESSION

Board adjourned to Closed Session per Government Code Section 54957 to discuss personnel and Government Code Section 54956.9 to discuss potential litigation:

RESOLVED: That the Board adjourn to Closed Session.

CLOSED SESSION REPORT

The General Manager and Board conducted an evaluation of the performance of the Director of Airport Operations. No other items were discussed.

The Board reconvened to open session at 3:00 and upon motion by Director Walker, seconded by Director Painter, the Board voted unanimously to increase the salary of the Director of Airport Operations by \$10,000.00.

ADJOURNMENT

There being no further business to come before the Board, the Chair adjourned the meeting at 3:10 p.m.

RESOLVED: That the regular meeting of October 20, 2009 be and the same is hereby adjourned.

President

ATTEST:

Secretary

(SEAL)