

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
THE EAST KERN AIRPORT DISTRICT
May 18, 2010**

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, May 18, 2010.

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, Rutan and Walker. Also present were the District's Director of Business Operations and Finance, Erika Westawski and Deputy Counsel, Scott Nave.

President Balentine presented the Agenda and requested that item 4A under General Manager's Report be removed and placed under Closed Session as item 9.1 Real Property Negotiations.

RESOLVED: That the agenda be approved
as amended.

PUBLIC COMMENTS

Bill Deaver reported that the next Mojave Chamber of Commerce meeting to be held Thursday, May 27th will host a forum for the six candidates running for the 2nd district of the Kern County Board of Supervisors.

CONSENT CALENDAR

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

3A) Minutes of May 4, 2010:

RESOLVED: That the Minutes of the
Regular Meeting of May 4, 2010 be
approved as submitted and further
reading thereof be waived.

3B) California Chamber of Commerce Membership Renewal: California Chamber membership to include HR California.com, Labor Law Helpline, HR California Extra & Alert Newsletter, Online Salary Survey, Legislative Advocacy along with a preferred member discount.

RESOLVED: That Board approve Membership with the California Chamber of Commerce in an amount not to exceed \$799.00.

NEW BUSINESS:

DIRECTOR OF BUSINESS OPERATIONS/FINANCE REPORT

4A) General Fund Check Registers 05/05/10 – 05/11/10: 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 May 5, 2010 in the amounts of \$1,422.54, \$3,717.00 and \$200.00, checks on register date May 7, 2010 in the amount of \$171,091.11 and check on register date May 11, 2010 in the amount of \$30,000.00.

4B) FAA/AIP Check Register 05/05/10: Upon motion by Director Painter, seconded by Director Walker and unanimously carried, it was:

RESOLVED: That Board approve checks on register date May 5, 2010 in the amount of \$54,337.75.

4C) Financial/Treasurer's Report: Director of Business Operations and Finance, Erika Westawski updated the Board on Financial/Treasurer's Report for the month of April. The beginning balance for April totaled \$3,302,140.87 with an ending balance of \$3,200,486.30.

4D) Update on Airport Blvd Improvements: Director of Finance Westawski updated Board on Airport Blvd Improvements and stated that cost for water system on west side of roadway will be \$18,670.00 and estimates are not yet complete for water system on east side due to limitations of where to tie into water system. Director Balentine asked if the water lines could be used for other purposes and she noted that these water lines will be used for landscaping only. She reported that staff researched several materials for the walking path and determined that a decomposed granite material which will cost \$30,000.00 is easier to walk on than ground asphalt and is about half the price. Director

Balentine raised the issue of future maintenance and wanted to limit the need for staff to spend a lot of time each year on weed control. Director of Finance stated that phase four of the project is basically the purchase and planting of trees and shrubs at a cost of approximately \$30,000.00.

GENERAL MANAGER'S REPORT

4B) RMC Proposal: General Manager reported to Board that proposal from RMC has not yet been received and item will be considered at next meeting.

4C) Union Pacific Land Lease Proposal: General Manager discussed Union Pacific Land Lease Proposal which will be for one base year and four one-year options on forty six acres of land on the southwest side of airport property. General Manager noted that Union Pacific intends to make over \$400,000.00 in improvements on District property and the right of way for the Trona Rail Line in order to utilize this area and they anticipate the first trains to arrive on August 7th. Director Rutan asked if this project and lease would interfere with the operations of Progress Rail. General Manager replied that Progress Rail is a customer of Union Pacific and they work together to make sure each can utilize their railway spurs efficiently. General Manager noted that dirt from the storm drain project in Mojave has been obtained and placed on airport property and will be used to elevate grade for the Union Pacific project and that grindings from that project have been spread on airport property for dust control. Upon motion by Director Hansen, seconded by Director Painter and unanimously carried, it was:

RESOLVED: That Board authorize
General Manager to finalize and
execute contract on behalf of the
District with Union Pacific.

4D) Building 137 Lease Options: General Manager reported that two clients are interested in leasing Building 137 but they needed additional information regarding the structural integrity of the concrete floor. Maintenance personnel took several core samples of the concrete foundation and determined that footings would need to be added in areas if heavy equipment such as lathes and machining equipment were to be placed in the building. Staff has received estimates for foundation work, roof repair and painting but will not proceed until it is determined in more detail the needs of the future tenant and what improvements they will require.

4E) Northcutt & Associates: General Manager discussed proposal from Northcutt & Associates to prepare environmental documents for FAA Grant for Runway 4-22 Rehabilitation Project to include new lighting. This grant request will be submitted to the FAA to fund the rehabilitation and widening of Runway 4-22. The existing runway pavement has deteriorated due to sub-grade failure along its length. The original runway was constructed 350 feet wide and 4,743 feet in length. In recent years, only the center 50 feet of the pavement has been maintained for air traffic. Additionally, because of safety concern regarding the existing paving condition at the east end of the runway, the airport has voluntarily displaced the runway threshold by 800 feet. This project will restore the runway to its previous length. Based on discussion with EKAD staff, the proposal indicates that the rehabilitation project would qualify for a Categorical Exemption per the requirements described in FAA Order 5050.4B and Order 1050.1E. The proposal also includes all coordination activities required to comply with the NEPA process with EKAD and FAA staff. It is anticipated that cost for preparation of this document will be approximately \$4,000.00 with a goal of producing an Administrative Draft Categorical Exemption for FAA internal review by early July. Upon motion by Director Hansen, seconded by Director Painter and unanimously carried, it was:

RESOLVED: That Board approve proposal with Northcutt & Associates to provide Environmental Consulting Services for preparation of environmental document in support of FAA grant request for Runway 4-22 Rehabilitation Project at an amount not to exceed \$4,000.00.

4F) XPrize Foundation sale of SS1 to EKAD: General Manager discussed Board request that District purchase SpaceShipOne (SS1) replica to ensure it remains at the Mojave Air & Space Port. General Manager engaged Dr. Peter Diamandis, Chairman of the XPrize Foundation and Bob Weiss and it was agreed that District would be allowed to purchase SS1 for \$150,000.00 over three years with XPrize Foundation having rights to move and use for events at their expense. It was noted that SS1 is valued at \$225,000.00. Director Balentine commented that at first he had mixed feelings about this and how the public might perceive the purchase. However, after careful consideration he felt SS1 which was created here in Mojave and should be preserved as a piece of history and belonged in the enclosure that was built to house it. Directors Painter and Hansen agreed and commented that the local residents are aware of its significance and feel a sense of

pride and ownership of SS1. General Manager stated that he remains confident that an individual or company will come forward and want to sponsor the SS1 and its enclosure and enjoy the recognition of that sponsorship. Upon motion by Director Hansen, seconded by Director Walker and unanimously carried, it was:

RESOLVED: That Board approve the purchase of the replica of SS1 from the XPrize Foundation at a total amount of \$150,000.00.

BOARD COMMENTS: Director Hansen announced that the Memorial Day Ceremony will be held at Mojave Cemetery, Monday, May 31st at 11:00 a.m. She noted that U.S. Army Vietnam Veteran – Richard Valpey – 1st Cavalry Division – Air Assault, Air Mobile will be the keynote speaker for the event. This event is sponsored by the VFW, Mojave Post#7156; Mojave Chamber of Commerce; Mojave Senior Citizens who will be providing cookies and coffee, East Kern Airport District; Mojave Elks, BPOE #2059 and the East Kern Cemetery District.

Director Rutan also commented that Edwards AFB through its Civilian/Military Support Group has established the unprecedented and very significant Honorary Commander's Program. Director Rutan stated that the Honorary Commanders were invited to witness the arrival of two JSF Lockheed Martin F-35A Lightning 11 stealth fighters that were flown to Edwards AFB from their final assembly site in Forth Worth, Texas on May 17th. The arrival of the two new aircraft will mean increased employment opportunities to support the flight test program at Edwards AFB over a number of years. Lockheed Martin is developing the F-35 with its principal industrial partners, Northrop Grumman and BAE Systems. Director Rutan spoke with one of the pilots that flew the aircraft from Fort Worth, John Beasley, who noted that one of the most significant capabilities of the F-35 is that the pilot can sit in the cockpit and see virtually "through the aircraft" in all directions and the aircraft becomes invisible instead of looking at a heads up display in front of him.

CLOSED SESSION

Board adjourned to Closed Session per Government Code Section 54956.8 to discuss Real Property Negotiations.

RESOLVED: That the Board adjourn
to Closed Session.

President Balentine reconvened the meeting to open session at 3:15 p.m.

CLOSED SESSION REPORT

In Closed Session, the General Manager and Board discussed real property negotiations with Terra-Gen. 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 3:30 p.m.

RESOLVED: That the regular meeting
of May 18, 2010 be and the same is
hereby adjourned.

President

ATTEST:

Secretary

(SEAL)

