

**SAN BERNARDINO COUNTY AIRPORTS COMMISSION MEETING
February 28, 2008**

The meeting of the San Bernardino County Airports Commission was called to order at 10:00 a.m. by Chairman Al Yankey; meeting location: Apple Valley Airport, 21600 Corwin Road, Apple Valley, CA 92307

Commission Members Present:

- Jim Bagley
- Roy Cox
- Gary Hart
- Bill McGurty
- Bill Smith
- Steven Stewart
- Al Yankey, Chair

Commission Members Absent:

None

Staff Present:

- | | |
|---|-----------------------------------|
| James E. Jenkins, Interim Director | Department of Airports |
| Terry Stover, Airport Manager | Department of Airports |
| Brett Godown, Interim CNO Airport Manager | Department of Airports |
| Suzanne Pekar, Staff Analyst II | Department of Airports |
| Natalie Read, Executive Secretary | Department of Airports |
| Jackie Washington, Secretary | Department of Airports |
| Mitch Kinser, MW II | Department of Airports |
| Keith Lee, Associate Administrative Officer | County Administrative Office-PSSG |
| Steve Mintle, Real Estate Agent | Real Estate Services Department |

Visitors Present:

- Wendy Bechtel, Encore Jet Center
- J.W. Monroe, HDP A
- Patty Saady, Town of Apple Valley

PLEDGE OF ALLEGIANCE: Led by Commissioner Cox

APPROVAL OF MINUTES: Commissioner Smith moved (seconded by Commissioner Hart) to approve the minutes of the January 24, 2008, meeting. Motion carried. Chairman Yankey and Commissioner Stewart abstained from approving the minutes since they were not in attendance at the January 24, 2008, meeting.

PUBLIC COMMENTS: Mr. Keith Lee, Associate Administrative Officer, County Administrative Office-PSSG, briefed the Commission on the selection of the Airport Director. He stated the interview panel consisted of the Chief of Staff from the Fourth District, the CAO, Assistant CAO, and himself. He stated they selected Mike Williams for the position. He stated that Mr. Williams was currently the Deputy Director at the Williams Gateway Airport in Arizona, and was previously the Airports Assistant Manager at the Palm Springs Airport. He stated Mr. Williams will be coming to San Bernardino to meet with the Board of Supervisors and have a tour of the Airports on Monday, March 3rd and Tuesday, March 4th. Mr. Lee extended a

lunch invitation to the Commission to meet with Mr. Williams on Monday. He stated Mr. Williams will be in attendance at the Airports Commission meeting on April 24, 2008. Mr. Lee, along with Fourth District-BOS and the County Administrative Officer, commended Mr. Jenkins for his magnificent and outstanding job he performed as the Interim Director.

Mr. Jenkins stated that Sharon McVickers is the new Office Assistant at the Barstow/Daggett Airport, and introduced Denay Morgan and Jackie Washington, job share secretaries in the Apple Valley Airport. He introduced Natalie Read as the Executive Secretary for the department.

COMMISSIONERS' REPORTS: Commissioner Cox commended Natalie Read on the Commission minutes, and Mr. Jenkins agreed.

DIRECTOR OF AIRPORTS' REPORT – JAMES E. JENKINS, INTERIM DIRECTOR:

Board of Supervisor Activity: Mr. Jenkins discussed Board of Supervisors approval on January 29, 2008, for the monthly report of real property short-term leasing and solicitation of proposals activity for December 2007; approval of the January 29, 2008 Chino Airport Entrance Rehabilitation Project, and approval of the February 12, 2008 Sunland Fire Protection – Apple Valley Hangar Complex – Phase II. He stated the Chino Airport Entrance Rehabilitation Project will go out to bid on March 11, 2008, and will be completed prior to the Chino Air Show.

Property Leasing Activity: Reported by James E. Jenkins

- American Auto Truck, Building 310 – being relocated resultant of the closure of Building A-305 at Chino Airport. American Auto Truck will relocate east of the location.
- Ronald LaBrucherie and Samuel P. Lewis, these are modifications to add language to the lease agreements to define how the well sites are maintained. Mr. Jenkins further discussed the reduction of acreage on the two leaseholds. He stated they have reduced the usable acreage to Mr. LaBrucherie's property based on the field survey by approximately 85 acres, which reduced the amount that Mr. LaBrucherie compensated the County. He further discussed the recommendation the department will be making to the Assessor regarding the excess of taxes Mr. LuBrucherie has made on the property he has not been utilizing.

Commissioner Bagley requested to see square footage numbers and costs on the leases. Mr. Jenkins stated columns will be added to the property leasing activity memo to reflect square footage and costs.

Chairman Yankey questioned the fuel lease below the tower.

Mr. Jenkins discussed ground leases, the CB Richard Ellis study undertaken by the Board of Supervisors and the City of Chino, and the result thereof. He discussed Corona Air Ventures and San Bernardino Aviation Development Group, and the principal Mike Thayer. He discussed the fact that Mr. Thayer was Executive Vice President for the regional operations of Silver State Helicopters. He discussed San Bernardino Aviation Development Groups venture for a self-serve island fueling station at Chino Airport. He discussed the fueling station, above ground tanks, restrooms, and the fact that the tanks can be relocated if needed. Mr. Jenkins stated the time frame for the fueling station to be operational would be from 3-6 months.

Mr. Jenkins discussed the CB Nando proposed project, adding it may be beneficial to redevelop the south quarter of the airport.

Construction Activity:

Mr. James E. Jenkins, Interim Director, provided a briefing on the following:

Chino Airport

- **PCE/TCE Environmental Mitigation:** Mr. Jenkins stated that mitigation efforts could cost from 6 to 21 million dollars, adding the Department of Airports does not have that kind of revenue stream or money available. Tetra Tech briefed CAO staff on January 7, 2008. A secondary briefing and overview session was conducted with County Risk Management, 4th Supervisorial District staff, County Counsel and Tetra Tech on February 7, 2008. He stated that John Eisel, Risk Assessment Officer, Department of Risk Management, has been aware of this problem for a year. He stated they were able to recover entire costs for the radium cleanup. He felt there will be a solution within the next six months to get the groundwater contamination issue resolved.
- **Taxiway E Extension:** This item is stalled based on pavement failure with Griffith Associates and Associated Engineers. The pavement will have to be reinstalled, adding Griffith Associates or Associated Engineers will be responsible for the removal and replacement of the pavement.
- **Runway 8R/26L Runway Preservation:** Brett Godown stated the department submitted the information, square footages and costs, to County Architecture and Engineering Department.

Apple Valley Airport

- **Hangar Complex Phase II Update:** Mr. Jenkins stated that the project is moving forward.

Barstow/Daggett Airport

- **Taxiway B Extension and Electrical Upgrades:** Mr. Jenkins stated that on February 25, 2008, Associated Engineers, Terry Stover, Bob Marlin, Tom Dodson Associates, and himself, field reviewed the full length of the proposed Taxiway B Extension to review the design and environmental mitigation issues. The project will most likely be broken up into two phases. He discussed the removal of the concrete ramp, and the building foundations that can be used as base material for the taxiway.

Needles Airport

- **Needles Shade Port Construction:** Mr. Jenkins stated the department has insurance coverage on rebuilding the facility. Architecture and Engineering Department and Risk Management are working together regarding the rebuilding of the facility and the costs associated.

Mr. Jenkins discussed his memo of January 31, 2008, regarding the Silver State Helicopter incident.

Mr. Jenkins discussed the aircraft that was lost in the San Gorgonio pass. He stated the aircraft took off from Chino Airport on Saturday, February 16, 2008. There were no survivors in the

crash, four people were lost. Two of the people were tenants of the Chino Airport. He discussed the airports basic knowledge of missing aircraft and procedures.

Mr. Jenkins referenced the Clerk of the Board's request for Boards, Commissions, and Committees 2007 "Sunset" Review regarding the recommendation to continue or dissolve the Airports Commission, adding he recommended that the Airport Commission continue to function.

Mr. Jenkins discussed the Airport Commission Meeting schedule for 2008 and the proposed dark days were discussed. Commissioner Hart motioned to approve the month of August to be dark. Commissioner McGurty seconded the motion. Chairman Yankey stated the month of August will be dark.

CHINO AIRPORT – BRETT GODOWN, CHINO AIRPORT INTERIM MANAGER

- **Truck Parking:** Mr. Godown discussed the truck parking issues on the corner of Merrill. They have completed the truck parking fence lining. There will no longer be semi-trucks parking overnight and they will be parking in the appropriate spaces during business hours.
- **Tree Trimming Project along Walker & Comet:** The Desert Staff in the Barstow/Daggett Airport came and assisted in the tree trimming project along the fence line.
- **Taxiway E Update:** He discussed the pavement failing and is awaiting a solution from Associated Engineers and Griffith Associates.
- **Airport Markings:** Old markings will be removed and repainting new markings inside the B-200 hangars, east of Cal Aero Drive. There will be fresh markings with reflective feet on the ground and Flo's parking lot has been repainted. Mr. Godown stated they will be continuing with the cleanup of the Airport.

Chairman Yankey commented that the Airport looks clean.

APPLE VALLEY AIRPORT – TERRY STOVER, DESERT AIRPORTS MANAGER

Mr. Stover stated that the Apple Valley Maintenance staff is preparing lunch for the Commission and staff after the meeting.

- **Terminal Remodel:** Mr. Stover stated the terminal remodel is complete with the exception of new furniture. He added they will be giving a tour of the airport for the Commissioners and staff.
- **Runway Project Update (Main Runway 18-36):** Currently is in a standstill. Lighting and signage are installed and a portion of Taxi-way Alpha. The project will be continuing the week of March 3rd.
- **"T" Hangar Update:** Already discussed.
- **Aerobatic Competition:** Mr. Stover stated the aerobatic competition will be held on April 30 – May 4, 2008. He discussed the process of this event. There is no charge for this event and this event is not advertised.

Commissioner Cox asked about Leonard's Café Restaurant at the Apple Valley Airport. Mr. Jenkins stated Leonard Rosenthal and David Rosenski are the proprietors of Leonard's Café. He discussed the proprietors request to assign their recent agreement to another party, adding the department is exploring other outside interests in leasing the facility. Mr. Jenkins stated he is

working with Economic Development to develop an RFQ and anticipate having it published by the mid-part of April. Mr. Jenkins commented that the First District Board office inquired about the decision to go forward with the circulation of the RFQ for the Café and the department provided the background information to the First District.

Commissioner Bagley asked Mr. Jenkins if there were complaints about the Café in the past. Mr. Jenkins discussed the past complaints with Leonard's Café, and discussed the infrastructure and facilities on the site.

Mr. Jenkins presented Mitch Kinser, WWII at Chino Airport, with his 10-year pin and a letter from Norm Kanold, Assistant County Administrator.

Chairman Yankey commended Mr. Kinser on his remarkable job he is doing with the Chino Airport.

BARSTOW/DAGGETT AIRPORT-TERRY STOVER, DESERT AIRPORTS MANAGER:

Wind Damage: Mr. Stover stated that on February 3, 2008, there was some wind damage to the airport, a tree and power pole lines were blown over, and roof cover damage on the nose docks 1 and 2.

Modular Office: Suzanne Pekar stated the modular office is being inspected and the flooring will be installed next week. She stated that the offices should be ready for the April Commission meeting.

TWENTYNINE PALMS AIRPORT-TERRY STOVER, DESERT AIRPORTS MANAGER:

Security Gate Code Change: Mr. Stover stated they had to change the code for the security gate due to an incident where a tenant gave the code to a person who then entered the airport and filled up their boat with airport fuel at the fueling station. He stated changing the code was for security purposes at the airport. Mr. Stover stated he informed the tenants of the code change by letter and telephone, adding he might change the code once a month for security reasons.

Mr. Jenkins stated that the Apple Valley Airport will be getting a new gate system, the old system will be relocated to the Twentynine Palms Airport, and gate cards can then be utilized with this system.

Discussion ensued regarding the use of aviation fuel. Mr. Jenkins stated it is against State Law to use aviation fuel on vehicles other than aircraft.

Discussion ensued regarding the road taxes paid for vehicle fuel.

BAKER AIRPORT – TERRY STOVER, DESERT AIRPORTS MANAGER:

Beacon Installation Update: Mr. Stover did not have any updates. He submitted the paperwork to the FAA and is awaiting their reply.

Runway Reconstruction Project: Mr. Stover stated that a firm is doing core sampling on the existing asphalt and he is awaiting their reports. This asphalt will be recycled, ground up and used as base.

Mr. Jenkins stated the Department of Aeronautics will be funding this project. Mr. Jenkins commented that they are not sure if they have enough asphalt above ground for this project to occur.

Mr. Jenkins discussed increasing leaseholds from Bureau of Land Management (BLM) and potentially having the airport take over ownership of some of the BLM property.

Underground Storage Tanks: Mr. Stover discussed the underground storage tanks documentation filed with the County Fire Hazardous Materials Division, adding the Baker Airport is in compliance.

DEPARTMENT OF AIRPORTS FISCAL REPORT – SUZANNE PEKAR, STAFF ANALYST II:

Suzanne Pekar stated budget season has started. She discussed interoffice memo dated February 14, 2008, to the Commissioners regarding Revenue Projects for FY 08/09. She stated there will be an anticipated \$100,000 a year in revenue loss. She discussed the February 2008 Delinquency Report, the Delinquency Trend Report and graphs for FY 07/08.

Mr. Jenkins commented that the report allows staff to advise the tenants that they may be in default of their lease.

Ms. Pekar discussed the Appropriation/Revenue Trend Report 07/08, and the individual reports for each airport.

Mr. Jenkins discussed the added insurance increased costs from Risk Management Department, adding it would be potentially a 200% increase in insurance costs. He stated there will be a meeting held tomorrow, February 29, 2008, with the CAO Staff, Risk Management and the Department of Airports to determine how this issue can be resolved. He discussed the factors related to the increase, one being Risk Management was not charging for all the square footage on the airports, and since Risk Management have updated their records. Mr. Jenkins discussed the revenue projects. He stated there is a waiting list for the Silver State facility and they are confident that there will be a leaseholder.

Mr. Jenkins stated the department was in the process of relocating the Chino Administrative Office to Dome Hangar 4 and renovating the Dome Hangar 4, but ceased the project with the Silver State bankruptcy. The Chino Admin office will now relocate to the old Admin offices where Silver State had occupied, and Dome Hangar 4 can be a leased facility. He stated they are in a holding pattern until the release of the Silver State building and Chapter 7 closure.

Discussion ensued regarding the delay in leasing the facility due to the bankruptcy issues. Mr. Jenkins discussed the Silver State assets on the airport. He discussed with the Commission issues relating to the Silver State business and bankruptcy.

Chairman Yankey asked about paying insurance on airport buildings that are worthless. Mr. Keith Lee stated the meeting with Risk Management is to determine exactly what facilities Risk Management is charging insurance on and discussion on the amount being charged.

Chairman Yankey stated he had an obligation to the Fourth District and would like to be informed of the outcome of the meeting.

Commissioner Stewart commented on the uninsurable properties on which the County is paying insurance.

Mr. Jenkins discussed the demolition of facilities at Needles Airport.

Mr. Lee stated that Mike Williams, the new Airport Director, had passed the background check. He stated that Monday, March 3, 2008, the lunch meeting with Mr. Williams will be at Flo's Café at 12:30 p.m.

Chairman Yankey stated the March meeting will be held at the Department of Airports, Administration, at 825 E. Third Street, San Bernardino.

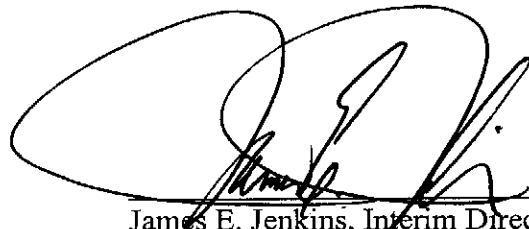
ADJOURNMENT: Commissioner Gary Hart moved (seconded by Commission Roy Cox) to adjourn the meeting. Chairman Yankey adjourned the meeting at 11:40 a.m. for lunch at the Apple Valley Airport.

TIME AND PLACE OF NEXT MEETING: 9:00 a.m., Department of Airports, 825 East Third Street, Conference Room 200, San Bernardino, California.

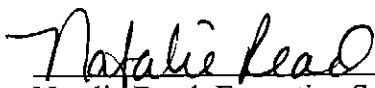
Respectfully submitted,



Al Yankey, Chairman
Airports Commission



James E. Jenkins, Interim Director
Department of Airports



Natalie Read, Executive Secretary II
Department of Airports