

**BIG BEAR AIRPORT DISTRICT  
REGULAR BOARD MEETING MINUTES  
December 2, 2009**

1. **CALL TO ORDER:** President Waymire called to order the Regular Meeting of the Big Bear Airport Board of Directors on December 2, 2009 at 2:30 p.m. Roll Call was followed by the Pledge of Allegiance.

**DIRECTORS PRESENT:** Thorne Waymire, Jay Obernolte, Julia Smith, Gloria Greene, Chuck Knight

**DIRECTORS ABSENT:** None

**OTHERS PRESENT:** James C. Gwaltney, General Manager  
Nancy Jones, Board Secretary

2. **AGENDA APPROVAL:** Vice-president Obernolte suggested moving the reorganization of the Board to January, as there had been a change in the policy manual changing the months from December to January. Motion to approve the agenda as amended, by Vice-President Obernolte. The motion was seconded by Director Greene and passed as follows:

AYES: Waymire, Obernolte, Smith, Greene, Knight

NOES: None

ABSENT: None

ABSTAIN: None

3. **MINUTES APPROVAL:**

- a. Manager Gwaltney stated it came to our attention the agenda for the October 16, 2009 was not worded correctly to reflect Director Smith would be teleconferencing from Costa Rica. On advice of counsel her vote will not count, however, it does not affect the outcome of the vote. Instead of 5-0 it is 4-0. He said the Minutes will be amended to reflect the vote was 4-0 and that Director Smith's vote will not count and will show as an abstention. Motion to approve the Minutes of the October 16, 2009 Special Board meeting with the change reported by Manager Gwaltney by Director Smith. The motion was seconded by Vice-President Obernolte and passed as follows:

Ayes: Waymire, Obernolte, Smith, Knight

Noes: None

Absent: None

Abstains: Greene

- b. Special Board Meeting Minutes of November 6, 2009: Director Greene would like to change in item 5, "should have" should read "should not have",

she meant to say “constructed” not “contracted.” Motion to approve the Minutes from the meeting with changes by Director Smith. The motion was seconded by Director Knight and passed as follows:

Ayes: Smith, Greene, Knight  
Noes: None  
Absent: None  
Abstains: Obernolte, Waymire

c. Special Board Meeting Minutes of November 7, 2009: Manager Gwaltney stated the Minutes of the November 7, 2009 were transcribed verbatim because there was some concern that perhaps general thoughts were not being captured correctly. He would like to withdraw the Minutes for the time being until the Board can give direction whether they would like verbatim minutes or transcribed as they have been done in the past. He provided the Board with two examples of minutes from other Districts for their consideration. The Directors were in agreement not to have minutes typed verbatim, agreed to withdraw the Minutes and asked for which style of Minutes to be adopted as policy put on the January agenda for discussion. Vice-President Obernolte suggested re-writing the Minutes and bring it back to the Board in January for approval. Comments can then be made at that time.

4. **PRESENTATION:** Shawn Washington of Shawn Washington Accountancy presented an outline of the 2008-2009 financial audit to the Board. He stated the Airport is in a strong financial position and the independent auditor’s report showed they did not find anything they felt required disclosure. Our organization is very transparent from our Minutes to bank reconciliations and that our financial statements conform to generally accepted accounting principals and practices in the United States of America. He stated the Airport is subject to governmental auditing standards because we receive federal funds from the U.S. Dept. of Transportation. This was followed by an explanation of the statement of revenue and expense.

Mr. Washington again recommended the Airport perform a depreciation schedule. He contacted the County of Riverside for a recommendation on a company who provides this service but has not heard back. He stated we could begin making equipment lists of original costs over \$600, in the office, restaurant equipment, equipment outside, but the infrastructure would need to be professionally done. Vice-President Obernolte informed Mr. Washington he would put this item on January’s Finance Committee agenda and come back to the Board with a recommendation. Mr. Washington recommended doing the depreciation in phases. He said they do not like to issue financial statements that have over-stated balances on them. If peer review selects our audit for review they would want to know that steps were being taken to figure out what our fixed equipment inventory is.

He discussed the new governmental accounting standards principles, GASB 43 and 45. They are effective for governments that have \$10,000,000 or less in revenue effective after December 15, 2008. Next year we will be required to implement GASB 45. He explained that our Airport pays the health insurance for some of our employees when they retire. Historically, governments have not recorded what that cost is on the books. They are supposed to be accruing the cost of those employees that are currently working, showing that this liability is going to be due at some point in the future. CalPers calculates and determines our what our potential health care liability would be for our employees. We would need to hire a consulting firm to do this work and then would then interface with his accountancy firm about how to record it on the books. They can take the prior service cost for an employee and add it to our expenses over a three-year period of time. An actuary will be doing the calculations with mortality tables and the employee's age and project what the estimated health insurance costs will be based on the historical trend and some other inflationary adjustments. This needs to be done by June 30, 2010 or he will have to give us a qualified opinion on our audit next year. Mr. Gwaltney has been in contact with the person who is assigned to our account from PERS who will be requesting census data on all the Airport employees. Once they receive this data, which costs approximately \$2500, they will send an agreement to Mr. Gwaltney, then compute the calculations. This information will then be presented to Mr. Gwaltney, Mr. Washington, and possibly the Board. Mr. Washington will then explain how this information will be recorded so we can ultimately get the total liability on the Airport books.

He then discussed his proposal for the next three years. President Waymire said the Board would discuss Mr. Washington's proposal and report back to him.

- 5. PUBLIC COMMENTS:** Bob Hartunian thanked Tom Hoover for giving up some of his vacation time to plow snow off the runway and felt he deserves a commendation.

Bill Douglas requested an accounting of the \$10,220 spent on grading and utility plans with McHugh Engineering for the hangar project. President Waymire requested Manager Gwaltney add this to the agenda for the January meeting.

Leonard Chaidez requested the Airport follow the Ralph M. Brown Act notification process more closely.

Pat Miller expressed her displeasure with the notification of the Special Meeting of November 7, 2009.

## **6. MANAGER'S REPORT:**

- a.** Jet A fuel tank hose/pump: Manager Gwaltney reported to refuel the fuel truck takes two hours and with a new pump would bring this down to 25 minutes. He would like authorization to purchase additional hoses and pumps that would cost approximately \$13,000. He would like to place this on the January agenda for a motion to approve the purchase. The Board would like Mr. Gwaltney to request another bid before deciding.
- b.** CAP paving: No report
- c.** Maintenance Worker III: Manager Gwaltney requested continuation of the Maintenance Worker III position as he would like to discuss this issue with the Personnel Committee before going forward and adding this position to the policy manual.
- d.** PA System: Manager Gwaltney reported we received only one bid on the P.A. system which is \$1118.95. It will include seven microphones and speakers in the ceiling that would project sound. He would also like approval to purchase a recorder that goes with the system, allowing us to provide instantaneous CDs of the meeting. The recorder/CD burner would cost an additional \$900.00 The Board said this purchase is within the manager's discretionary spending limit and agreed the new system would be an advantageous purchase for the Airport.
- e.** AQMD Report: Ryan Goss reported when the fuel tanks were installed in the early 80's the fuel permit filled out at that time stated the Airport was only supposed to sell 5,200 gallons a month. We currently sell approximately 20,000 per month. On a recent inspection, which is the first one we have seen in approximately 14 years, the inspector found our application was different than what we were pumping. Mr. Goss filled out a new application, which he sent to the AQMD. In January he will have to apply for another permit because there is a moratorium on fuel credits or how many pounds of pollutants fuel puts off. The moratorium will end in January because of a bill the governor recently signed. He reported this is for Avgas only.

President Waymire called for a five-minute recess at 3:55 p.m.

After the recess, Ryan Goss added we did receive a notice of violation, which is something AQMD is required to do when someone is not in compliance with what is on the permit. At this point we have filled out a new permit, repaired a gasket and complied with what corrections were on the list. He stated that the Airport was not aware we had a limit of 5,200 a month nor do we have a copy of the original inspection.

## **7. OLD BUSINESS:**

- a.** Update on sub-meters for X-ray hangars: Director Greene stated the newly-established payment plan for the electrical fees appears to be working with no complaints. She said it was suggested by former interim manager, Dick Lightner, with concurrence from Mr. Gwaltney to suspend the consideration for the purchase of the 27 sub-meters. The necessity for the sub-meters will be

reviewed again at a later time. President Waymire explained we have added onto to all the x-ray tenant's bills an electrical surcharge dividing the electrical bill evenly for each tenant.

## **8. NEW BUSINESS:**

**a.** Authorization to extend the contract with Shawn Washington Accountancy: Deferred to the January meeting. President Waymire requested Mr. Gwaltney request bids from other accounting agencies for a comparison.

**b.** Authorize change in banking representatives: Motion to remove Rembert L. Lightner from the First Mountain Visa card and add James C. Gwaltney by Director Knight. The motion was seconded by Director Smith and passed as follows:

Ayes: Waymire, Obernolte, Smith, Greene, Knight  
Noes: None  
Absent: None  
Abstains: None

LAIF: Motion to add James C. Gwaltney to the LAIF account by Director Smith. The motion was seconded by Director Knight and passed as follows:

Ayes: Waymire, Obernolte, Smith, Greene, Knight  
Noes: None  
Absent: None  
Abstains: None

**c.** The Board would like Mr. Gwaltney to send a letter to the security companies for another bid with specific requirements, and bring his report back to the Board at the January meeting. Mr. Gwaltney reported the reason that there is no closed session at this time is that the security system vendors were not able to attend this meeting. He had asked this to be agendized as a closed session because security is high on his priority list. He felt security at the Airport was not a public discussion and according to the Brown Act it is not. He stated he is in the process of compiling a requirements document to resubmit to the vendors so they will have a comparable request.

**d.** Removed

## **9. STANDING COMMITTEE REPORTS**

**a.** Finance Committee: Vice-President Obernolte reported meeting with Director Smith to review the Airport financials. The Finance Committee decided not to recommend the budget revisions. They would prefer to wait until the new budget is passed next year and include the information at that time.

Consider purchase of snow plow for work truck: Motion to purchase a Boss 9'2" Power V-Blade articulated snow plow for the work truck to be installed by Bear City Saw Works not to exceed \$7300.00 by Director Knight. The motion was seconded by Director Greene and passed as follows:

Ayes: Waymire, Obernolte, Smith, Greene, Knight  
Noes: None  
Absent: None  
Abstains: None

Manager Gwaltney would like to defer the consideration for purchase of a new office copy machine on the January agenda as he is still in negotiations with the vendors.

**b. Lease Committee:** President Waymire reported the Lease Committee met on November 30, 2009 to consider rent reduction for Vonesh Aircraft. The Committee recommends reducing the rent by 10% starting November 1, 2009, ending June 30, 2010. The lease will then be up for renewal and will be reconsidered at the annual rent review by the Lease Committee. Motion by Director Smith to reduce Vonesh Aircraft's rent effective November 1, 2009 through his anniversary date in 2010. The motion was seconded by Vice-President Obernolte and passed as follows:

Ayes: Waymire, Obernolte, Smith, Greene  
Noes: None  
Absent: None  
Abstains: Knight

Director Greene reported the annual hangar inspections have been completed for 2009 with only five that are out of compliance. She thanked Tom Hoover and Ryan Goss for the great job they did completing 167 fire extinguisher inspections. She stated we have a few tenants who are not in compliance with current insurance coverage and that Manager Gwaltney will be determining insurance compliance methods. She reported the electrical sub-meter has been installed for KBHR and is working well and that Manager Gwaltney will be discussing improvements to the KBHR premises and will report back to the Board in January.

**c. Personnel Committee:** No report

**d. Airport Development Committee:** The Committee did not meet this month, but Manager Gwaltney reported the County has approved the site plan for the snow removal equipment storage building. The next step is to put a requirement document together for bids. The County had requested an additional \$2000 to continue with planning and also that the Airport remove a fence. Since that was not possible due to FAA and Homeland Security regulations, they requested a letter stating the above which Manager Gwaltney has complied with. This will be added to the 2011 AIP.

**e. Safety and Security Committee:** Director Greene reported we have received two complaints in regards to noise abatement and says the Airport realizes this is a concern to the community. The Airport installed signs at each end of the runways to remind pilots of the 10 degree banking procedures. We also have

airport hand-outs available to educate visiting pilots about the terrain, weather, etc., along with information on our web site. She stated the Airport will continue to monitor the problem and hopefully come up with solutions for the community. We have requested cooperation from pilots who depart early in the morning and/or return late at night to conform to the noise abatement issues.

**10. AD HOC COMMITTEE REPORTS:**

**a.** Terminal Building Committee: No Report

**b.** Air Fair Committee: Nancy Jones reported the Airport spent \$52,721.00 on the Air Fair and received \$6,952.00 in revenues. The total cost for the Air Fair is \$45,769.41, which is \$22,081.00 below budget. One of the main reasons for the Fair being below budget is several show planes that were unable to attend, thus their cost was not incurred. We also received a limited survey from the Big Bear Lake Resort Association and it contained excellent reviews on the show from those who participated in the survey.

**11. BIG BEAR AIRPORT PILOTS ASSOCIATION:** No Report

**12. CIVIL AIR PATROL:** Steve Baker reported on the grand opening of the CAP building on November 19, 2009 and were very encouraged by the turnout, including Airport personnel. He thanked the Airport for all the help they have given them and also to Carol Diller for helping to push things through. The CAP looks forward to servicing the community, not only with Mountain Mutual Aid emergency services operations, Civil Air patrol functions but also to the Airport in helping them in any way they can.

**13. FUTURE AGENDA ITEMS:** Grading and utility plan update as requested by Bill Douglas; Minutes policy; reorganization of the Board; bids for account companies; bids for security systems, AQMD update; authorization to purchase pump/hose; Shawn Washington proposal; new copy machine; insurance compliance methods; KBHR improvements.

**14. NEXT MEETING DATE:** January 6, 2010

**15. PUBLIC COMMENTS:** None

**16. DIRECTORS COMMENTS:**

Director Greene gave a report on the Special District Finance Seminar she attended on October 22 and 23, 2009 in San Diego. She found it a rewarding and interesting experience.

Director Knight thanked and commended Diane Cartwright for the wonderful job she did compiling the agenda of the Special and General Meetings in the absence of the Board Secretary.

Director Smith requested Manager Gwaltney look into and bring back to the Board in January the possibility of a Board Workshop to work on goals and direction and how to work together effectively.

President Waymire feels the Young Eagles is a great program but doesn't feel the Airport benefits from the tax monies spent on the ten gallons of fuel given to pilots who fly the Eagles. He doesn't feel the program is working and that there might be a better way to promote aviation through scholarships or cheaper rent to a flight school. He would like the Board to come up with some ideas. He also asked the Board to consider what Committees they would like to be on when the Board reorganizes in January.

Vice-President Obernolte commended staff for the great job they do every year with snow removal. He stated it is an amazing amount of work and they do the work without complaining.

Director Greene thanked the staff and welcomed Pete Gwaltney. She also thanked the audience for their attendance and comments.

Manager Gwaltney stated that the Christmas party is December 18, 2009 from 12:00 to 3:00. He also mentioned that according to the Brown Act, January 1, 2010 is when requests for agendas notification and minutes for the next calendar year are due.

**16. ADJOURNED:** 5:00 p.m.

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Thorne Waymire, President  
Board of Directors

ATTEST:

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Nancy Jones  
Board Secretary