

Morehead-Rowan County Airport Board Meeting Agenda

Thursday, 27 August 2020 – 6:00 PM

This will be by video teleconference

The primary location where all members can be seen and heard and the public may attend is at:

Morehead-Rowan County Clyde A. Thomas Regional Airport

1800 Rodney Hitch Blvd., Morehead, Kentucky

- A. Call to Order
- B. Confirmation of a Quorum
- C. Recognition of Guests
- D. Approval of Minutes from the 30 July 2020 Meeting
- E. Receive Financial Report for July 2020
- F. Public Comment

- G. Reports
 - a. FBO Activity Report: Ms. Holley

 - b. Garver Report: Mr. Upchurch
 - 1. Fuel Farm Rehabilitation Project
 - 2. Runway/Taxiway Lighting Project
 - 3. Runway Rehabilitation Project

 - c. Building and Grounds: Mr. Oliver/Dr. Derrickson

 - d. Legal Report: Mr. Rogers

 - e. Communications and Security: Mr. Roberts

 - f. Chair Report: Dr. Mattingly

- H. Old Business
 - a. FBO Search Committee Update – Mr. James

- I. New Business
 - a. Managing Open Records 2020 revised
 - b. 2020 KDA Airport Inspection report

- J. Adjournment

Next Scheduled Meeting – 6:00 pm 24 September 2020

Morehead-Rowan County Airport Board
Meeting Minutes
July 30, 2020

Chairman Bruce Mattingly called the meeting to order via Zoom at 6:03pm from the Airport Conference Room. Dr. Charles Derrickson also attended in person. Other members present via Zoom included Aaron Roberts, Porter Dailey, Tom Fossett, Tim James, Ron Oliver, Wes Holland, Mike Gray and David Perkins. Guests present via Zoom included Jack Holley Jr. – FBO, Holly Aviation LLC; Bob Helton – Executive Director, Morehead-Rowan County Economic Development Council; Mark Upchurch – PE, Garver; and Barbara Marsh - Assistant Secretary-Treasurer.

Dr. Mattingly presented the Minutes of the June 2020 Meeting. Corrections include The FBO Screening Committee's name to FBO Search Committee, and in the Communication and Security report, FRN replaces Unicom. The motion to approve the June 25, 2020 Meeting Minutes as corrected was made by Mr. James, seconded by Dr. Fossett, and approved unanimously.

Mr. Oliver presented the June financials which included the statements of financial position and activity. The motion to approve the June financials was made by Dr. Derrickson, seconded by Mr. Holland, and approved unanimously.

Public Comment: Mr. Helton reported Monday, June 22 was a big day for AppHarvest as several VIPs and investors visited the greenhouse, arriving in jets. He is expecting more visits soon. Mr. Helton spoke with the Flemingsburg Transportation Department about the Rt. 801 road construction. The project is being fast tracked and skipped the study phase. The construction will include widening all the way to the Rt. 158-Sharkey Road intersection.

REPORTS

a. **FBO Activity Report.** Mr. Holley reported on fuel sales, maintenance, and airport activity.

1. **Fuel Sales.** Air traffic is down due to the COVID19 pandemic and runway closure. Helicopter traffic has picked up.

2. **KDA Annual Visit.** Mr. Terry Hancock and Mr. Joe Carter visited the airport for the annual inspection on July 21.

3. **AWOS (Automated Weather Observing System).** The mother board failed. Another is being sent.

4. **Terminal Building Water Infiltration.** On June 20, we had an extremely heavy rain event accompanied with very high winds. The water runoff from the south ramp overwhelmed the trench drain, allowing an estimated 2 inches of water to contact the base of the terminal building. We believe that due to the deteriorated condition of the base caulking, a substantial amount of water infiltrated the board room. We moved the furniture to shop vac up the water and found deteriorated base trim and drywall at the base, which indicates an ongoing leak. Mr. Oliver secured Barkers Drain Service to send a camera through the storm drainage system to check for possible drain obstructions, none were found.

We had another unusually heavy rain/wind event July 27, causing the room to flood again.

We have since, dried and cleaned the room, replaced the damaged trim, and re-grouted the base of the outer wall from the hangar man door to the SW corner of the building.

5. **Tenants: Community Hangar:** Kevin Mays – Commache and Darrin Neuling – Cessna 172, Tim James, and Ron Beller. **Tie Downs** are Charlie Hamilton, John Broughton, and Cova Cornett.

6. **Hangar B6.** Dr. Ryan Hubbard is keeping his hangar for another month until the end of August.

7. Hangar A12. Mr. Gray will vacate his hangar by July 31. The next person on the waiting list is Mr. James, who has given up his place several times so that others would have the opportunity.

b. **Garver Report**. Mr. Upchurch, PE

1. Runway Rehab Project. Mr. Upchurch shared with the Airport Board how Garver's Resident Project Representative and Engineer, Mr. Daniel Deegan, was able to save money on the project by altering the underdrain system. This request was approved by Mr. Upchurch during construction. Mr. Upchurch further explained the design changes and impacts to the overall integrity of the job. In lieu of bucking grade (original design) and crossing underneath the runway pavement with utility cuts, the reconfigured underdrain system follows the natural longitudinal fall of the runway grade. The west side of the runway underdrain system falls to the existing ditch line. The east side of the underdrain system is tied into the existing drop inlets. This eliminated the crossings underneath the runway which saved quantities on the project. Mr. Upchurch stated the existing runway has a good crown and so any subsurface water will flow into the underdrain system. Estimated savings: \$67,000. Despite running longitudinal to the pavement, the general term is called "underdrains" as it drains any water within the subgrade and rock underneath the pavement.

Mr. Upchurch took over observation duties for Mr. Daniel Deegan who had to leave the site for medical conditions. The proposed pavement design includes full depth reconstruction, undercutting of the existing subgrade, and installing an in-pavement drainage layer consisting of KYTC No. 2 Stone. Any subsurface water that percolates up through the subgrade or from surface cracks will make its way into the free flowing drainage layer and into the underdrain system. This project is currently only addressing the areas that have noticeable heaving.

While on-site Mr. Upchurch noted the existing pavement section did not seem to jive with the geotechnical report nor the as-built drawings. Mr. Upchurch report the standard pavement section shown on the as-built drawings was supposed to be 6-inch asphalt, 12-inch dense grade aggregate, and 12-inch lime treated subgrade. During the excavation process, Mr. Upchurch and Mr. Buddy Richardson, Walker Construction, noted there was no more than 4.5-6 inches of asphalt followed by 6 inches of crushed stone base. Mr. Upchurch stated he would continue to evaluate the subgrade as we move along in the job and note any differences between the geotechnical report and what is being observed in the field. Mr. Upchurch referred to Terracon's report which showed 6 inches of asphalt over 12 inches of dense grade aggregate. Mr. Upchurch did report at the time of the Airport Board meeting we have not completed excavation in the direct vicinity of a previous boring. Mr. Upchurch reported a visitor from Walker Construction came to the site. Mr. Arthur Walker III came to the site while Mr. Upchurch was completing field work. Mr. Walker III believes the heaving is due to poor initial construction.

Mr. Upchurch summarized past projects at the airport which included the original patch in the runway in 2016, which was directly over a culvert. Mr. Upchurch noticed two additional depressions in the pavement directly over culverts on the taxiway. The first patch is directly north of the FBO terminal taxiway connection and the second is just south of the access road to the millings and stone storage area. Mr. Upchurch described the depression as an immediate "boom boom" and said has concerns as it could cause a prop strike to an aircraft. Mr. Upchurch will be getting a price from Walker Construction and investigate the need to complete removal and replacement of the substrate at the depressed areas similar to what was completed by Garver when Wes Mittlesteadt, PE was SYM's engineering representative.

Mr. Upchurch recalled past problems over the culverts were most likely attributed to poor compaction or improper backfill. Mr. Mittlesteadt (previous Garver Project Manager) sent a video camera down to inspect the pipes which showed infiltration of the fill material which caused voids

in the substrate. The previous repairs did not excavate, remove and reinstall materials all the way down to the culvert. It was asked if the two previous repairs were to address dips over culverts. The answer was yes. Mr. Upchurch tried to recall the depth over the excavations. It was most likely somewhere 3' to 4' down in undercut. This current project is to fix heaving in the runway. To prevent depressions, Garver also specifies the contractor to backfill with CLSM (controlled low strength material). Mr. Upchurch will call Mr. Mittlesteadt in order to discuss how the original project went. To date, there have been no noticeable dips over the previous patches. Mr. Upchurch noted the previous repairs had on-site inspection completed by L.E. Gregg (sub-consultant).

Verify: do exploratory excavation to see if the sample borings reported conditions correctly.
Liability: The construction company who completed the original construction of the airport went out of business. Mr. Upchurch will continue to complete exploratory excavation and make note of the subgrade and report all findings to KDA and FAA.

Mr. Perkins asked: What are we attributing the heaving to? Mr. Upchurch reminded the Airport Board the original Geotech report was deemed inconclusive. We did check for pyrite, and traces of pyrite were found in the subgrade material, but levels were not high enough to be the problem for the heaving. Additionally, the subgrade is clay material that is interacting with water due to the clogged edge drains. Mr. Upchurch recommended to the Airport Board to check headwalls and remove any silt built up when mowing. Once the current project is completed, Garver will flag the outlets in order that the Airport staff will be aware of the underdrains to check when mowing. It was noted during field observation the existing taxiway outlet pipes were flowing, but barely anything was coming out. Most likely due to pipes being silted up.

2. Fuel Farm Rehabilitation Project. Rebel Services finished their punch list. Mr. Jake Dahl was scheduled to review the project completion today but got rained out. The final invoice can be prepared, but everyone must sign off on project completion before processing the payment. Mr. Oliver questioned the contractor coating over old labels. Photos were taken of the issue. Mr. Holley and Mr. Upchurch will review tomorrow. If this item was on the punch list and not addressed, they will be directed to repair.

3. Airfield Electrical Project. The project is on schedule with no problems with Appalachian Foothills Contracting (AFC). Mr. Upchurch worked with them in Cynthiana. Mr. Upchurch noted one light has already been knocked out of alignment. Mr. Upchurch talked with Barry Irvin (AFC). Mr. Irvin told Mr. Upchurch a skid steer had backed up and knocked the light out of alignment. It will be corrected by AFC. Mr. Deegan mentioned to Mr. Upchurch that Big Sandy Regional Airport would like some of the left-over lighting equipment. Mr. Upchurch reminded the Airport Board that the Airport Board does have first right of refusal on the electrical equipment. Mr. Upchurch will take photos and share with Mr. Cox at Big Sandy. The question was asked if the Airport Board wants to keep the equipment. The Executive Committee agreed (Mr. James, Dr. Mattingly, Mr. Oliver, Mr. Gray) to let Big Sandy have any equipment they need for their airport lighting system.

4. Other. Mr. Todd Bloch is still Commissioner of the Kentucky Department of Aviation. The KDA budget was slashed to 20% of what it was last year. The slashing was COVID19 related and fuel revenues down to approximately \$170,000 for July compared to \$920,000 for the same time in 2019.

The Kentucky Aviation Conference has been cancelled for this year.

c. **Buildings and Grounds.** Mr. Oliver, Chairman, and Dr. Derrickson

1. Stored Stockpile. During the construction projects this summer, we opted to keep the excess stone and the asphalt millings on property for future use and are storing stone and millings east of the taxiway near our construction entrance gate.

2. Water Damage – Conference Room. Mr. Holley is investigating whether there is weatherproofing behind the Terminal Building rock wall in relation to recent water damage. There may be a need to re-caulk. The markings on the wall indicate 2” of water was encountered. Initial indications are that the drain that carries all the water off the roof overwhelmed the main drain line. Mr. Holley cleaned up the area in the conference room. The file cabinet will need to be replaced.

d. **Legal Report.** Mr. Rogers

None.

e. **Communications and Security.** Mr. Roberts

None.

f. **Chair Report:** Dr. Mattingly

OLD BUSINESS

FBO Search Committee. Mr. James reported that ads began being placed on June 24 with six or seven persons interested. Mr. Roberts has placed ads in major publications. No one has followed through. Tomorrow is the end of the first round. The plans for the next few weeks are for the Search Committee to come up with a plan on how we should proceed.

Movie Filmed At Airport. Mr. James reported that our airport will receive publicity tomorrow with the release of a movie filmed partially at the airport during the summer of 2019. It was originally called “London Calling” but the title has been changed to “The Big Ugly.” It will be available on OnDemand prime video to buy or it can be rented for \$6.99. It has opened in Europe. The trailer shows a jet landing at the airport and the following tagline is with the trailer: “Anglo-American relations go bad when London mob bosses invest in a West Virginia oil deal in hope of laundering dirty money.”

NEW BUSINESS

Approval of 2019-2020 Final Budget. Mr. Oliver presented the final budget for FY20. An adjustment was made due to an FAA final payment not being received until July (Runway Rehab DESIGN ONLY). The motion to approve the FY20 final budget was made by Mr. Dailey, seconded by Dr. Derrickson, and approved unanimously.

Approval of Amended Financial Manual. Mr. Oliver presented the Procurement and Financial Manual reviewed in July 2020 for discussion and approval. The Committee members included Mr. Oliver, Mr. Dailey, and Mr. Perkins. Major changes include:

- Auditor suggestion to raise the capitalizing depreciable amount from \$2,000 to \$2,500.
- Threshold for bidding from \$20,000 to \$30,000.
- Board approval for any expenditure over \$2,000.

The motion to approve the Amended Procurement and Financial Manual was made by Dr. Fossett, seconded by Mr. Holland, and approved unanimously.

ADJOURNMENT

The meeting was adjourned at 7:28pm.

Morehead-Rowan County Airport Board

STATEMENT OF ACTIVITY

July 2020

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	3,166.67
Total 43400 Direct Public Support	3,166.67
44500 Government Grants	
44520 Federal Grants	12,499.00
Total 44500 Government Grants	12,499.00
45000 Investments	
45030 Interest-Savings, Short-term CD	93.02
45031 Interest, checking account	2.71
45040 Interest Income, savings account	318.65
Total 45000 Investments	414.38
47500 Rentals	
47520 T-Hangars	6,720.00
47550 Late Fee	8.50
47570 Residence	500.00
Total 47500 Rentals	7,228.50
Total Revenue	\$23,308.55
GROSS PROFIT	\$23,308.55
Expenditures	
62100 Contract Services	
62112 AWOS Maintenance	807.00
62140 Legal Fees	150.00
62150 FBO	3,000.00
62170 Administrative	687.67
Total 62100 Contract Services	4,644.67
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	146.58
62840 Equipment, Repair, and Maintenance	29.97
Total 62800 Grounds and Facility Support	176.55
63000 Insurance	
63010 Insurance - Property, Er/Omis	7,055.73
63040 Surety Bond	153.72
Total 63000 Insurance	7,209.45
64400 Utilities	
64410 Electric	644.18
64420 Telecommunications	117.57
64430 Waste Disposal	35.03
64440 Water and Sewer	86.89
64450 TV	39.77

Morehead-Rowan County Airport Board

STATEMENT OF ACTIVITY

July 2020

	TOTAL
64460 Extermination	100.00
Total 64400 Utilities	1,023.44
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	40.00
65040 Material & Supplies	90.32
65110 Promotions and Advertising Expenses	208.00
65130 Business Registration Fee	250.00
65150 Memberships and Dues	110.00
Total 65000 General Administration	698.32
80100 Capital Purchases	
80196 Capital Purchase 2019 Runway Rehab DESIGN \$77,777	
80151 Professional Engineering DESIGN ONLY	13,887.00
Total 80196 Capital Purchase 2019 Runway Rehab DESIGN \$77,777	13,887.00
Total 80100 Capital Purchases	13,887.00
Total Expenditures	\$27,639.43
NET OPERATING REVENUE	\$ -4,330.88
NET REVENUE	\$ -4,330.88

Morehead-Rowan County Airport Board

STATEMENT OF FINANCIAL POSITION

As of July 31, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .05%	34,049.03
Citizens Bank Construction Account NOW .03%	5,037.60
Citizens Bank Fuel Account NOW .00% (53.94
Citizens Bank Fuel Reserves 4.3.18 - CD 30 Mo. 2.68%	47,789.98
Citizens Bank Operating Account NOW .05%	38,909.27
KY Bank CD Bldgs & Grds Dep Reserve 12.20.20 - 1 Yr 1.9%	63,163.85
KY Bank CD Fuel Reserves 12.20.19 - 1 Yr 1.9%	5,610.60
Total Bank Accounts	\$194,614.27
Total Current Assets	\$194,614.27
Fixed Assets	
15000 Furniture and Equipment	643.94
Total Fixed Assets	\$643.94
TOTAL ASSETS	\$195,258.21
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
30000 Opening Balance Equity	321,613.58
32000 Unrestricted Net Assets	-122,024.49
Net Revenue	-4,330.88
Total Equity	\$195,258.21
TOTAL LIABILITIES AND EQUITY	\$195,258.21