

Morehead-Rowan County Airport Board Special Meeting Agenda
Thursday, 28 January 2021– 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 10 December 2020 Special Meeting
- E. Receive Financial Report for December 2020
- F. Public Comment

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

 - b. Garver Report: Mr. Upchurch
 - 1. Runway/Taxiway Lighting Project
 - 2. Runway Rehabilitation Project Phase I and II

 - 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

- I. New Business

- J. Adjournment

Next Regularly Scheduled Meeting – 6:00 pm 22 February 2021

**Morehead-Rowan County Airport Board Meeting
Special Meeting Minutes
December 10, 2020**

Chairman Bruce Mattingly called the meeting to order via Zoom at 6:04pm. Other members present were Tim James, Ron Oliver, Wes Holland, Tom Fossett, Aaron Roberts, David Perkins, and Porter Dailey. Absent were Charles Derrickson and Mike Gray. Guests present via Zoom included Jack Holley Jr. – FBO, Holley Aviation LLC; Lee Lipps – EAA President/Pilot/Hangar Tenant; Earl Rogers – Attorney, Campbell and Rogers PLLC; Jason Slone – Interim Director, Morehead-Rowan County Economic Development Council & President/CEO – Morehead-Rowan County Chamber of Commerce; and Barbara Marsh – Assistant Secretary-Treasurer.

Dr. Mattingly presented the Minutes of the October 2020 Meeting. The motion to approve the October 29, 2020 Meeting Minutes was made by Mr. Roberts, seconded by Mr. Holland, and approved unanimously.

Mr. Oliver presented the October and November financials which included the Statements of Financial Position and Activity. The motion to approve the October and November financials was made Mr. Perkins, seconded by Mr. Dailey, and approved unanimously.

Public Comment: Mr. Slone expressed appreciation for the opportunity to attend this evening's meeting. He is helping as Interim Director of MRCEDC after Mr. Bob Helton resigned. Mr. Slone and Mr. Helton were both involved in many of the same projects which the EDC is now administering/under review. If anyone needs anything, please contact Mr. Slone.

Mr. Lipps reported that the Experimental Aircraft Association Chapter 1525 (EAA) had applied for a \$10,000 flight training scholarship to be used toward a private pilot's certificate. In addition, the EAA Chapter received a \$1,000 private donation for the fund. The EAA supports the Airport Board and if anyone needs anything, please contact Mr. Lipps.

REPORTS

- a. **FBO Activity Report.** Mr. Holley reported on fuel sales, maintenance, and airport activity.
1. Fuel Sales. For November: AvGas was 1003 gallons and JETA was 1115 gallons. For November 2019: AvGas 730 gallons and JETA 2123 gallons.
 2. AWOS. I was notified by Jackson Weather Service that the FAA had disabled our AWOS reporting due to erroneous date reporting. The system was reporting future dates, causing the FAA to accuse it of weather forecasting. A system reset cleared the problem. Our AWOS tech said he had never encountered that before. We will keep an eye on it going forward.
 3. AWOS Battery Backup. The new battery backup with uninterruptable power supply (UPS) for the AWOS has been installed for about one month. The event counter feature on the unit has recorded no events (power interruptions) to date.
 4. FAA Flight Check. Mr. Upchurch has advised that we are set to schedule the FAA flight check to verify the proper operation of the new Airfield Lighting System, namely the REIL and PAPI groups.

5. FOD (Foreign Object Debris). A couple of weeks ago we began to notice an alarming amount of debris cluttering the runway, taxiways and ramps which was attributable to contractor activity. We advised Mr. Upchurch of the problem and he had Walker Construction and Material LLC police the FOD on the facility. No problems since.

6. Electrical. Mr. Danny Brewer was called back to replace 4 wall packs which had water in them.

7. QTPod. The QT Pod encountered another outage last month. I reported it to service and was overnighted a replacement modem. We have initiated a daily check on the system and haven't seen any additional outages so far.

8. Tie Down and Community Hangar. Current Tie Down tenants are John Broughton, Kevin Mays, and Charlie Hamilton. Community hangar tenants are Ron Beller and Tyler Overly. As is our responsibility to the agencies and the Board, we recently checked the occupancy of the T-Hangars and found the following:

A1 – Fluty/Phillips - 172
A2 – Stinson - 172 sold
A3 – Lipps – Project
A4 – Stevens – Aircoupe
A5 – Crouse – Empty (couple vehicles & sport toys)
A6 – Bailey – Empty (partial month 150)
A7 – Pope-Lewis – 150(partial month Grumman)
A8 – Osborne – K. Brown's A36 until last week
A9 – Bozarth – 172 J. Clark
A10 – Clark – 150 Bozarth
A11 – Mabry – Mooney
A12 – James – 172
B End 1 (half hangar) – Collins Helio
B1 – Mattingly - 172
B2 – Roberts – 150 Rebecca Riley
B3 – Maxey – 172
B4 – Holbrook – May have partial airplane
B5 – Owen – Citabria
B6 – Owen-Holley – Grumman
B7 – Brown – Empty
B8 – Hamilton – Piper Aztec
B9 – Roberts – G36 Lee Gen Management
B10 – LeQuire – Powered Parachutes
B11 – James – SportStar
B12 – Holley – BE 35
B End 2 (half hangar) – Holley – Upholstery materials

b. Garver Report. Mr. Upchurch

1. Airfield Electrical Project. The project is nearing completion as Appalachian Foothills Contracting (AFC) is continuing to address punch list items and address the poor megger readings. The runway lighting system is ready for flight check; however, Mr. Upchurch is wanting to complete the flight check after the regulators have passed the megger test. AFC will be on-site to address the poor megger readings. Mr. Upchurch described the steps in how to improve the megger readings. The Contractor will need to troubleshoot the system and find out where the insulation is poor and address the issue. Mr. Upchurch highlighted

the FOD issues resulting from post-construction activities and stated those FOD issues had been addressed. Similarly, several lights (5-7 in total) have already failed. Mr. Upchurch will work with AFC to address the issues in hopes of determining the reason for the failures.

Additionally, AFC has installed the Runway End Identifier Light system (REILs) to the north end of the runway. The REILs on the south end have been removed and shipped off for manufacturing repairs. (note: original REILs installed in 2017.) Mr. Hunter Davis will advise Mr. Upchurch when the 2nd set of REILs are received. A question was raised regarding the need for the flight check to include the REILs. Mr. Upchurch did not have an answer at the time but will provide a follow up. The contractor will provide training for 4-8 employees. Retainage is being held. Mr. Holley reported that a NOTAM is in place regarding the PAPIs until flight checked.

2. Runway Rehab Project. The runway project is substantially complete, and any punch list items will be addressed in the spring. Mr. Upchurch discussed the underruns with Kentucky Department of Aviation Chief Engineer Mr. Jake Dahl, and it was agreed to by Mr. Dahl that any underruns could be used to address drainage issues. We will complete drainage improvements west of the runway (far side of the runway) and in the area in front of the terminal apron (islands) and along the parallel taxiway in the spring of 2021, the weather not being conducive at this time. Mr. Upchurch was on-site with representatives from Walker Construction to take additional survey shots. Mr. Upchurch completed preliminary drainage grades and discussed those with Walker Construction. The work will require additional cut material to improve drainage. Mr. Upchurch recommended to the Airport Board to use Class II Channel Lining, commonly referred to as “rip-rap” in the ditches to promote drainage. The Airport Board concurred with Mr. Upchurch’s recommendation to use the underruns to address the drainage issues on the west side of the runway and other areas as found.

3. New Business Airport Capital Improvement Plan (ACIP). Mr. Upchurch presented the ACIP to the Airport Board which was distributed via email by Chairman Mattingly prior to the Airport Board meeting on December 10, 2020. Mr. Upchurch proceeded to review the planned projects at the Airport for next five years. Mr. Upchurch mentioned the ACIP is pending the successful funding and completion of the FY21 Runway Rehabilitation Project (FAA Mill and Overlay) as the FY21 project will require state apportionment. Mr. Upchurch had recent conversations with the FAA and State regarding the need for state apportionment to complete the FY21 project. No official announcement has been made for FY21, but Mr. Upchurch has high confidence the project will take place in FY21.

Mr. Holland asked if a corporation/entity wanted to build a hangar, would there be revenue? The answer is there would be a lease, usually 20-30 years, and at the end of the lease, the building would revert to the Airport.

Mr. Slone commented that lengthening the 5500’ runway would be desirable for air freight distribution and logistics, not only for corporate but also for trends in the community using commercial freight. Mr. Dailey responded that we have submitted and speculated on a 7000’ runway. We are not exactly sure how long we can make the runway on the north end. There is quite a bit of land if purchased to further expand. We have talked to airport planners and

the cost at some point was a \$50,000-\$70,000 feasibility study. We have considered and talked about soliciting a quote. Mr. Slone reported that the issue had been discussed during recent Morehead-Rowan County Strategic Planning Sessions. Mr. Slone added that with the possibility of the addition of an aviation mechanics class at Rowan Campus-Maysville Community & Technical College (distance @ one mile), the ability to get noticed and generate funding and workforce is greatly increased.

The motion to approve the Airport Capital Improvement Plan as submitted was made by Mr. Oliver, seconded by Dr. Fossett/Mr. Perkins, and approved unanimously.

c. Buildings and Grounds Report. Mr. Oliver, Chairman, and Dr. Derrickson
FOD. Mr. Holley contacted Mr. Upchurch about FOD issues. Mr. Upchurch contacted the contractor who addressed the issues.

d. Legal. Mr. Rogers
None

e. Communications and Security. Mr. Roberts
None

f. Chair Report. Dr. Mattingly
Hangar Lease Agreements Violations. An email was sent to the Board and hangar tenants in June 2019 regarding tenant & commercial activities. We have allowed one year to have deficiencies addressed. The email detailed parts of the lease agreement including exclusive storage of leased aircraft; only routine maintenance in hangars; no commercial activities; and no subletting with prior approval. A result was a lease modification to allow approval by the board or FBO. Addendums to the lease were given to: Mr. Clark for aircraft rentals; Mr. LeQuire for powered parachutes; and Ms. Bozarth for plane parts business, but she declined saying she was not in this business any further. For the most part, we did not receive any response, but violations continued to occur. Some leased hangars were allowing non-owned aircraft, which is subletting. We have had complaints, including that this jumps the waiting list for hangars. This has also created a situation where those who should be using the community hangar are in non-owned hangars. We are to the point where enforcement of the lease needs to occur. There are hangars in which there are no aircraft, but the hangar lease continues to be paid. In this situation, an empty hangar lease owner needs to be contacted and if there are no plans to purchase an aircraft, then the hangar should be vacated. Subletting without the permission of the board or FBO needs to stop. At this time, we are directing Mr. Holley to enforce the rules and terminate the leases if needed. Comments included: Mr. Perkins agreed to enforcing the rules and terminate the lease if necessary. Mr. Dailey said it is fair considering the June 2019 correspondence which had clear expectations and we need to enforce our own rules.

Mr. Oliver attempted to evict a hangar lessee that had junk aircraft but reversed that order once he met with the lease and another Board member, however he does not think the agreements regarding continuing the lease is being upheld by the lessee. A meeting with the lessee needs to occur once again to access the situation.

There are people on the waiting list with airplanes. This situation is making it difficult for the FBO. We are required to give reports on aircraft on the field – jets, helicopters, planes – we

have no idea how many at this point. The intent of the lease agreement is storage of aircraft owned by tenant. It is also designed to protect the commercial activity of the FBO. We have not denied any commercial activity. Mr. Rogers suggested sending personalized emails about compliance with a targeted due date.

Gateway Area Development District Presentation. Dr. Mattingly was invited to present an Airport update to the Council for their Transportation Planning Program. A PowerPoint presentation was developed with input from Mr. James, Mr. Dailey, and Mr. Oliver. It contained our capital projects and several on the ACIP. We appreciate the invitation. This is the first time the Airport has been considered as part of transportation with the Council.

H. Old Business

FBO Contract Extension. Dr. Mattingly forwarded the FBO Contract Extension draft to the board along with other meeting materials to review. The motion to offer the FBO a one-year extension to Holly Aviation LLC was made by Mr. Perkins, seconded by Dr. Fossett, and approved unanimously.

I. New Business

a. 2022-26 Airport Capital Improvement Plan. See page 3, #3 and approval page 4.

b. Broadband Needs. Mr. Perkins as part of the Morehead-Rowan County Broadband Committee solicited input on Airport future needs. Future needs may include broadband capacity for the airport and corporate hangars. The concern is that Windstream is an unreliable partner and Spectrum would be a better business partner. There have been many Windstream outages in the past. Mr. Dailey reported that Spectrum would be willing to install their service if others would help pay for it. Mr. Perkins reported that in the near future, 3-5 years (immediate), or 5-10-20 (long term), we will need increased broadband capacity to attract customers. The Airport Board would like to have better capacity and reliable service. Mr. Perkins will take the Airport's interest back to Morehead-Rowan County Broadband Committee.

J. Adjournment

The meeting was adjourned at 7:30pm.

Morehead-Rowan County Airport Board

STATEMENT OF ACTIVITY

December 2020

| | TOTAL |
|---|-------------------|
| Revenue | |
| 43400 Direct Public Support | |
| 43420 County Operating Support | 3,166.67 |
| Total 43400 Direct Public Support | 3,166.67 |
| 45000 Investments | |
| 45030 Interest-Savings, Short-term CD | 72.08 |
| 45031 Interest, checking account | 1.58 |
| 45040 Interest Income, savings account | 1.13 |
| Total 45000 Investments | 74.79 |
| 47500 Rentals | |
| 47520 T-Hangars | 4,080.00 |
| 47570 Residence | 500.00 |
| Total 47500 Rentals | 4,580.00 |
| Total Revenue | \$7,821.46 |
| GROSS PROFIT | \$7,821.46 |
| Expenditures | |
| 62100 Contract Services | |
| 62140 Legal Fees | 100.00 |
| 62150 FBO | 3,000.00 |
| 62170 Administrative | 687.67 |
| Total 62100 Contract Services | 3,787.67 |
| 62800 Grounds and Facility Support | |
| 62830 Facility Repair and Maintenance | 1,043.12 |
| 62870 Vehicle Registration/Repair/Mainte | 167.85 |
| Total 62800 Grounds and Facility Support | 1,210.97 |
| 64400 Utilities | |
| 64410 Electric | 672.72 |
| 64420 Telecommunications | 183.36 |
| 64440 Water and Sewer | 140.37 |
| 64450 TV | 39.77 |
| Total 64400 Utilities | 1,036.22 |
| 65000 General Administration | |
| 65010 Bookkeeping Software and Subscriptions | 40.00 |
| Total 65000 General Administration | 40.00 |
| Total Expenditures | \$6,074.86 |
| NET OPERATING REVENUE | \$1,746.60 |
| NET REVENUE | \$1,746.60 |

Morehead-Rowan County Airport Board

STATEMENT OF ACTIVITY

December 2020

| | TOTAL |
|---|-------------------|
| Revenue | |
| 43400 Direct Public Support | |
| 43420 County Operating Support | 3,166.67 |
| Total 43400 Direct Public Support | 3,166.67 |
| 45000 Investments | |
| 45030 Interest-Savings, Short-term CD | 72.08 |
| 45031 Interest, checking account | 1.58 |
| 45040 Interest Income, savings account | 1.13 |
| Total 45000 Investments | 74.79 |
| 47500 Rentals | |
| 47520 T-Hangars | 4,080.00 |
| 47570 Residence | 500.00 |
| Total 47500 Rentals | 4,580.00 |
| Total Revenue | \$7,821.46 |
| GROSS PROFIT | \$7,821.46 |
| Expenditures | |
| 62100 Contract Services | |
| 62140 Legal Fees | 100.00 |
| 62150 FBO | 3,000.00 |
| 62170 Administrative | 687.67 |
| Total 62100 Contract Services | 3,787.67 |
| 62800 Grounds and Facility Support | |
| 62830 Facility Repair and Maintenance | 1,043.12 |
| 62870 Vehicle Registration/Repair/Mainte | 167.85 |
| Total 62800 Grounds and Facility Support | 1,210.97 |
| 64400 Utilities | |
| 64410 Electric | 672.72 |
| 64420 Telecommunications | 183.36 |
| 64440 Water and Sewer | 140.37 |
| 64450 TV | 39.77 |
| Total 64400 Utilities | 1,036.22 |
| 65000 General Administration | |
| 65010 Bookkeeping Software and Subscriptions | 40.00 |
| Total 65000 General Administration | 40.00 |
| Total Expenditures | \$6,074.86 |
| NET OPERATING REVENUE | \$1,746.60 |
| NET REVENUE | \$1,746.60 |