

Morehead-Rowan County Airport Board Meeting Agenda

Thursday, 26 August 2021 – 6:00 PM

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 July meeting
- E. Receive Financial Report for July 2021
- F. Public Comment
- G. Reports
 - a. Strategic Plan Update: Ms. Scott/Ms. Peyton
 - 1. Selection of Preferred Alternatives
 - b. FBO Activity Report: Mr. Holley
 - c. Garver Report: Mr. Upchurch (email report)
 - 1. Runway Rehab Phase I
 - 2. Electrical Project
 - 3. Phase II Mill and Overlay Project
 - d. Building and Grounds: Mr. Oliver/Dr. Derrickson
 - e. Legal Report: Mr. Rogers
 - f. Communications and Security: Mr. Roberts
 - g. Chair Report: Dr. Mattingly
- H. Old Business
- I. New Business
 - a. Approval of 2020-21 Final Budget
- J. Adjournment

Next Scheduled Meeting – 6:00 pm 30 September 2021

Morehead-Rowan County Airport Board Meeting
Meeting Minutes
July 29, 2021

Chairman Bruce Mattingly called the meeting to order at 6:00pm in the Airport Conference Room. Members present were Ron Oliver, David Perkins, Tim James, Charles Derrickson, Porter Dailey, and Tom Fossett. Member present via Zoom was Mike Gray. Members absent were Aaron Roberts and Wes Holland. Guests were Mark Upchurch – PE, Garver; Earl Rogers-Attorney, Campbell & Rogers PLLC; and Barbara Marsh–Assistant Secretary-Treasurer. Guests present via Zoom included Jason Slone – CEO & President, Morehead-Rowan County Chamber of Commerce/Interim Executive Director, Morehead-Rowan County EDC; Karen Scott – PE, Inspired Strategies LLC; Suzanne Peyton – C.M., Aviation Planning Team Leader and project manager with AssetMax, a subsidiary of Garver focused on pavement management.

Dr. Mattingly presented the Minutes of previous meetings: June 24 and July 8, 2021. The motion to approve the June 24, 2021 Meeting Minutes was made by Mr. Oliver, seconded by Dr. Derrickson, and approved unanimously. The motion to approve the July 8, 2021 Special Meeting Minutes was made by Mr. Oliver, seconded by Mr. James, and approved unanimously.

Dr. Mattingly presented the June 2021 financial reports consisting of Statements of Activity July 2020-June 2021, Statement of Activity Comparison July 2020-June 2021, and Statement of Financial Position June 30, 2021. The motion to approve the June financial reports was made by Mr. Oliver, seconded by Dr. Derrickson, and approved unanimously. The final FY21 budget will be presented at the next meeting by Mr. Oliver. It is due on Special Projects Governmental Entity website by September 1, 2021.

Public Comment.

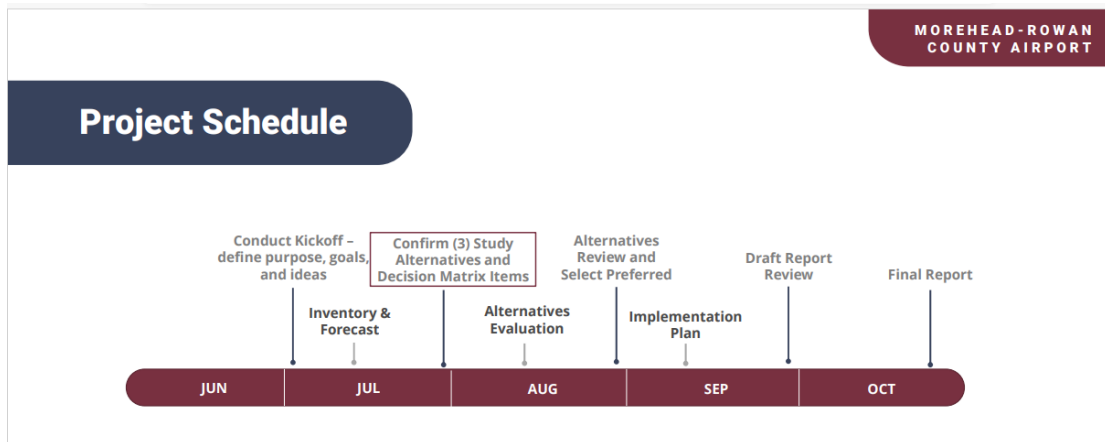
MCTC/Airport Proposal. Mr. Slone

The Gateway Add District serves nine counties. Workforce development opportunities for our counties could be enhanced with the opportunities available concerning the Maysville Community & Technical College, Rowan Campus education and training available to help establish an aviation mechanical program. An idea is to use the 8000 square feet of the community hangar as a space for the education training and possibly lease the space to MCTCS. It is not meant to be a permanent space, but a short-term bridge. Grant opportunities could be a source of funds for the project. By combining a nearby educational facility with the dire need of aviation mechanics, the value would be met. KCTCS has an aviation program available. It needs to be established at MCTC. Once paid back, you would have a permanent revenue stream and could use for infrastructure. The FBO could leverage and market full-service maintenance. Most pilots and companies would appreciate services of a smaller airport more than a large airport with a traffic controller. Time is of the essence in establishing the MCTC/airport project.

Strategic Planning Project. *Investigate Market Opportunity and Challenges-Determine Requirements for Success.* Ms. Scott, Ms. Peyton

An update was given for the project with a slide presentation: Study Alternatives and Decision Matrix Items. Help and direction was requested from the board to make decisions about the direction of the study. The inventory slide was updated from one to two each 12-

unit hangars. Additional slides addressed based aircraft and operations; common aircraft; place in the regional aviation market; airport survey map to identify possible expansion; aerial map of major business leaders including the industrial park; areas of consideration including small cargo handling, distribution, manufacturing, land leasing, recreation/tourism, corporate hangar partnership, timber industry business support, and enhanced airport services. Industrial Park leverage and enhancing airport services were key parts of the presentation as well as alternatives analysis. The next presentation will be on September 30, 2021, at the regular airport board meeting.



FBO Report. Mr. Holley

1. Fuel Sales: June: Avgas 100LL 1288 gal; JETA 6691 gal.
2. Community Hangar & Tie Down Report: Community Hangar: Matt Oldham-Eagle Upholstery; Wings of Grace Ministry project plane-Mark Weigle and Zane McGlade; Aerial Solutions MD500's helicopter with aerial saw were here periodically for scheduled maintenance while working in the area for AEP. Randy DeRaimo's pipeline patrol helicopter has been housed intermittently while working for Enbridge. Tie downs: Charlie Hamilton, Johnnie Broughton, Kevin Mays.
3. The National Guard Greensweep Units (Blackhawk and Apache) have been fueling frequently for their operations.
4. Annual KDA Airport Review. Terry Hancock and Joe Carter performed our annual safety inspection. Aside from a recommendation regarding vegetation along the fence, their findings were favorable
5. Regulator Building Leak. Roof leaks have been repaired.
6. John Deere Zero Turn 72" Deck Mower. Center blade spindle shattered. We were using Matt Oldham's Lexmark mower. Mr. Oliver asked if the JD mower had ever been evaluated. The evaluation has not been done yet. The machine is at least 9 years old (2011), the counter is over 300 hours, and is only a 3-digit counter which we assume has rolled over multiple times, and the hydraulics squeal. When the work slows down, we will send off for evaluation and repair. Dr. Derrickson commented that Ferris mowers are good on rough terrain and have 4-wheel suspension. There are 60" and 72" decks with 36hp gas engines, and a diesel engine Ferris is available also. We need to know trade-in value of John Deere mower also. Dr. Mattingly appointed Mr. Oliver as Chair, Dr. Derrickson, and requested that Mr. Holley join the committee to investigate a new mower, make recommendations, and to present at the next board meeting.
7. Airfield Electrical. Some edge lighting failed. We also discovered a possibly failed radio lighting controller. For safety reasons, we were compelled to leave runway lights on at night

until Appalachian Foothills analysis determined that the cause was due to a tech not resetting the system post maintenance, and not a system flaw

8. Young Eagle Flight. On July 10, 2021, eighteen young adults were able to take part in the EAA-sponsored flights, but activities were curtailed due to weather.

9. Royal Appalachian Fly-In October 8-9-10. Everyone is invited to help with the fly-in. The group struggled last time due to lack of volunteers. It takes a lot of help to have a weekend event such as this. Mr. Holley will send a list of volunteers needed and let the board know what help is needed.

10. Mobile Maintenance To Be Added. A friend of Mr. Holley's will be coming to establish a mobile maintenance unit in Morehead. More info later on the projected October/November date.

11. Fuel Truck JETA. We had a problem with the fuel truck PTO again but were able to make repairs ourselves that should last awhile. Not sure if the old truck will be able to be brought into regulatory compliance. Although the fuel truck/farm fueling regs in Part 139 typically do not apply to general aviation airports because they do not serve the air carrier operations specified in the authorizing statute and the revised regulation, according to Titan our fuel truck/farm may still require an upgrade. We are awaiting further guidance from Michael Mattern with Titan fuels.

D. Garver Report. Mr. Upchurch

1a. Runway Rehab Phase I. The project should wrap up within the next two weeks. The final invoice will be completed by the August board meeting.

1b. Airfield Electrical. Straw blankets have been placed around the project spaces identified as not passing the punch list. The blankets need to be watered every day or the grass will not live. Ron Oliver requested that no payment shall be made to the Contractor until the grass is growing. Mr. Upchurch confirmed this is acceptable operating procedure with the State funds. Payment can be made once all is accepted. O & M manuals are ready to be given to the airport. If Monday, August 2 is convenient, system training will be given for the operating controls. Mr. Upchurch will coordinate with the contractor and Mr. Holley to confirm meeting. Another taxiway light has gone out. Based on the contractor's test results, all light issues have been related to the manufacturer. Mr. Upchurch will confirm manufacturer's results with the contractor. The manufacturer of the edge lights, ADB, has encountered some issues in the region and at other airports in Kentucky. Mr. Perkins asked is this a driver, emitter or similar failure? Mr. Upchurch referenced the standard equipment warranty which is for 4 years. Another manufacturer, Hughey and Phillips, has not encountered as many equipment problems as ADB at this time. Mr. Upchurch will investigate if the bases are interchangeable and if so, a possible change to Hughey and Phillips equipment. Mr. Hunter Davis has set up a meeting with ADB to find a solution and to see if this is a regional problem. A teleconference is being set up between the contractor, ADB, and Garver's electrical engineer to identify the cause for the ongoing issues and how ADB plans to mitigate this moving forward. Mr. Upchurch noted Cynthiana airport used ADB as well and has had issues with REILs & PAPIs which resulted in punch list items. Mr. Oliver inquired if additional spares have been supplied. He is concerned if we have to have the original set of lighting removed and sent to manufacturer, that we will be without lighting again. Mr. Upchurch stated the spares have been placed in the vault building. The contractor has been restocking the spares with lights that have been replaced. The normal life of this kind of lighting system is 20+years. Final payment will be held until the lighting and grass issues are satisfied completely. The lighting system, REILs, and PAPIs are certified by the FAA.

2. Runway Rehab – Phase II – Mill & Overlay. The grant has been fully executed and a pre-con will be scheduled soon. An airport shut down will be scheduled after the pre-con. Consideration is being given to avoiding Labor Day weekend on September 4-5-6 and Royal Appalachian Fly In on October 8-9-10. The pre-con could be in the second week of August. The Asphalt Pavement Mix Design must be approved also prior to starting construction. Another alternative is closure after Labor Day weekend. Mr. Oliver noted his concerns relating how the contractor, Hinkle, knew that submittals were needed, but none have been submitted, possibly delaying project start date. Mr. Upchurch did note Hinkle's paint supplier is Central Seal which has easier submits to get approved. When the pre-con is scheduled, Mr. Upchurch would like to have at least one board member at the meeting.

3. Strategic Plan. Please see page 1.

Other.

- New FAA Program Manager named to Morehead-Rowan County Airport. Kristen L. Morris has been named our program manager, Memphis office. She would like an invitation to the Runway Rehab Phase II pre-con meeting to be held in August. Her contact is 901-322-8184, kristen.L.morris@faa.gov.
- Mr. Wes Mittlesteadt, PE, has been transferred to the FAA Memphis office. Mr. Mittlesteadt is a former member of Garver and airport's previous engineer.
- The Kentucky Aviation Conference will not be held this year.
- The new KDA Commissioner, Mr. Mark Carter, was at a meeting with Mr. Upchurch recently. Garver will be formally meeting with the new Commissioner in August.

Buildings & Grounds Report. Mr. Oliver, Dr. Derrickson

Grounds Appearance. Mr. Oliver was complimentary of the grounds "looking great" and thanked Mr. Holley for his work.

MSU Farm Manager. Mr. Fraley is leaving his post as MSU Agriculture Farm manager. Mr. Fraley has been taking our hay for years which saves the FBO on time, fuel, labor, and maintenance costs. His program also has benefited from good stands of clover. They have also done a good job of bush hogging at the airport. Mr. Oliver would like to extend an invitation to Mr. Fraley to attend our next board meeting and to be able to show our appreciation for his dedication to the MSU/airport partnership with a certificate of appreciation. Ms. Marsh will draw up a draft certificate for review. An invitation to attend the next board meeting will be extended to the new farm manager.

Legal Report. Mr. Rogers

None

Communication & Security. Mr. Roberts

None

Chair Report. Dr. Mattingly

None

Old Business

None

New Business

a. Approval of 2020-21 Final Budget. The final budget will be presented at the August meeting by Mr. Oliver. The SPGE final budget is due to be posted on the SPGE website by September 1, 2021.

E. Adjournment

The meeting was adjourned at 7:53pm.

Morehead-Rowan County Airport Board

Statement of Financial Position Comparison

As of July 31, 2021

	TOTAL	
	AS OF JUL 31, 2021	AS OF JUL 31, 2020 (PY)
ASSETS		
Current Assets		
Bank Accounts		
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .03%	34,061.75	34,049.03
Citizens Bank CD Fuel Reserves .65% 13mo matures 11.14.21	48,353.71	
Citizens Bank Construction Account NOW .02%	5,038.09	5,037.60
Citizens Bank Fuel Account NOW .00% (deleted)	0.00	53.94
Citizens Bank Fuel Reserves 4.3.18 - CD 30 Mo. 2.68% (deleted)	0.00	47,789.98
Citizens Bank Operating Account NOW .03%	116,562.35	38,702.27
KY Bank CD Bldgs & Grds Dep Reserve 12.20.20 - 1 Yr 1.9% (deleted)	0.00	63,163.85
KY Bank CD Fuel Reserves 12.20.19 - 1 Yr 1.9% (deleted)	0.00	5,610.60
Whitaker Bank CD 12.21.20 Fuel Res 12 mo .30%	5,660.09	
Whitaker Bank CD Bldgs/Grds Res 12.21.20 -12 mo .30%	63,721.03	
Total Bank Accounts	\$273,397.02	\$194,407.27
Total Current Assets	\$273,397.02	\$194,407.27
Fixed Assets		
15000 Furniture and Equipment	643.94	643.94
Total Fixed Assets	\$643.94	\$643.94
TOTAL ASSETS	\$274,040.96	\$195,051.21
LIABILITIES AND EQUITY		
Liabilities		
Total Liabilities		
Equity		
30000 Opening Balance Equity	321,613.58	321,613.58
32000 Unrestricted Net Assets	-76,960.18	-122,231.49
Net Revenue	29,387.56	-4,330.88
Total Equity	\$274,040.96	\$195,051.21
TOTAL LIABILITIES AND EQUITY	\$274,040.96	\$195,051.21

Morehead-Rowan County Airport Board

Statement of Financial Position

As of July 31, 2021

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ASSETS	
Current Assets	
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LIABILITIES AND EQUITY	
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Total Equity	\$274,040.96
TOTAL LIABILITIES AND EQUITY	\$274,040.96

Morehead-Rowan County Airport Board

Statement of Activity

July 2021

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	3,166.67
43440 City Operating Support	2,916.63
Total 43400 Direct Public Support	6,083.30
44500 Government Grants	
44550 Federal CARES Act	30,000.00
Total 44500 Government Grants	30,000.00
45000 Investments	
45030 Interest-Savings, Short-term CD	78.23
45031 Interest, checking account	2.57
45040 Interest Income, savings account	0.84
Total 45000 Investments	81.64
47500 Rentals	
47520 T-Hangars	7,820.00
47550 Late Fee	53.00
47570 Residence	500.00
Total 47500 Rentals	8,373.00
Total Revenue	\$44,537.94
GROSS PROFIT	\$44,537.94
Expenditures	
60900 Business Expenses	
60920 Business Registration Fees	250.00
Total 60900 Business Expenses	250.00
62100 Contract Services	
62112 AWOS Maintenance	807.00
62150 FBO	3,000.00
62170 Administrative	710.67
Total 62100 Contract Services	4,517.67
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	309.95
62831 Facility Repair & Maintenance Reserve	405.50
62840 Equipment, Repair, and Maintenance	544.45
Total 62800 Grounds and Facility Support	1,259.90
63000 Insurance	
63010 Insurance - Property, Er/Omis	7,723.98
63040 Surety Bond	153.72
Total 63000 Insurance	7,877.70

	TOTAL
64400 Utilities	
64410 Electric	708.12
64420 Telecommunications	202.78
64430 Waste Disposal	38.35
64440 Water and Sewer	72.27
64450 TV	44.85
Total 64400 Utilities	1,066.37
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	40.00
65040 Material & Supplies	3.74
65150 Memberships and Dues	135.00
Total 65000 General Administration	178.74
Total Expenditures	\$15,150.38
NET OPERATING REVENUE	\$29,387.56
NET REVENUE	\$29,387.56

MOREHEAD-ROWAN COUNTY AIRPORT BOARD					
2019-2020 ALL FUNDS OPERATING BUDGET					
	Approved	Proposed revised	Proposed Final	proposed for approval	
	2020-2021	2020-2021	2020-2021	2021-2022	
REVENUES					
UNRESTRICTED FUNDS					
Hangar Rentals	\$45,000	\$49,500	47,422	\$49,500	
Investment income	\$2,300	\$700	1,560	\$700	
Residence Rental	\$6,000	\$6,000	6,000	\$6,000	
City Contribution	\$35,000	\$35,000	35,000	\$35,000	
County Contribution	\$38,000	\$38,000	38,000	\$38,000	
Total	\$126,300	\$129,200	127,982	\$129,200	
Total Unrestricted Funds	\$126,300	\$129,200	127,982	\$129,200	
RESTRICTED FUNDS					
Fuel *	\$0	\$0	0	\$0	
Transfer FAA Grant Local Match Fund	(\$5,343)	\$0	0	\$0	
Transfers to Depreciation Reserves	(\$11,867)	(\$33,755)	-45,250	\$0	
Government Grants-FAA	\$1,080,000	\$12,499	12,499	\$1,294,492	
Government Grants-State	\$2,385,517	\$2,059,734	2,059,734	\$229,637	
Cares Act and ACRGP Grant	\$30,000	\$0	0	\$43,000	
Total Restricted Funds	\$3,478,307	\$2,038,478	2,026,983	\$1,567,129	
Total Funds	\$3,604,607	\$2,167,678	2,154,965	\$1,696,329	
EXPENSES					
Contracted Services					
Airport Development Strategic Plan (proposed 2021-2022 only)	\$0	\$0	0	\$34,700	
Web Management	\$500	\$500	500	\$500	
AWOS Maintenance	\$3,600	\$3,600	3,021	\$3,600	
Legal	\$1,500	\$1,500	735	\$1,500	
Attestation/Audit Fee	\$0	\$0	0	\$6,000	
FBO Stipend	\$36,000	\$36,000	36,000	\$36,000	
Admin	\$8,240	\$8,240	8,252	\$8,528	
	49,840	\$49,840	48,508	\$90,828	
Grounds and Facilities Support					
Facility repair and maintenance	\$10,000	\$3,400	2,814	\$11,109	
Equipment Repair and Maintenance or Purchase	\$5,000	\$3,000	2,371	\$25,000	
Vehicle Registration/Repair/Maintenance	\$1,000	\$189	189	\$1,000	
Facilities and Grounds Improvement Fund	\$5,000	\$5,000	0	\$6,112	
Subtotal	\$21,000	\$11,589	5,374	\$43,221	
Insurance					
Property/Liability	\$12,000	\$11,285	11,131	\$14,000	
Surety Bond	\$200	\$153	154	\$200	
Subtotal	\$12,200	\$11,438	11,285	\$14,200	
Utilities					
Electricity	\$10,652	\$7,541	8,949	\$8,300	
Water, Sewer and waste disposal	\$1,500	\$1,500	1,719	\$1,500	
Telecom	\$4,000	\$4,000	2,224	\$4,000	
Subtotal	\$16,152	\$13,041	12,892	\$13,800	
General Administration					
Bookkeeping Software and subscriptions	\$1,000	\$1,000	745	1000	
Postage and mailing	\$350	\$350	267	350	
Printing and Copying	\$100	\$100	0	100	
Materials and Supplies	\$500	\$500	237	500	
Promotions and advertising	\$200	\$1,400	1,043	200	
Banking Fees	\$100	\$100	85	100	
Memberships, dues and Business Registration Fees	\$700	\$400	760	700	
Travel and Meetings	\$3,600	\$1,300	0	\$3,600	
Subtotal	\$6,550	\$5,150	3,137	\$6,550	
Fuel Expenses					
Fuel Expenses	\$3,000	\$3,000	0	\$3,600	

	Capital					
	Runway Rehab Design	\$0	\$13,887	13,887	\$0	
	KDA Runway Rehabilitation	\$1,179,303	\$1,012,753	1,034,435	\$144,868	
	KDA Lighting Replacement Project	\$1,098,000	\$1,034,435	1,012,753	\$84,770	
	KDA Fuel Tank refurbishing	\$18,562	\$12,545	12,545	\$0	
	Runway Rehab Phase II	<u>\$1,200,000</u>	<u>\$0</u>	<u>150</u>	<u>\$1,294,492</u>	
	Subtotal	\$3,495,865	\$2,073,620	2,073,770	\$1,524,130	
	Total Expenses	\$3,604,607	\$2,167,678	2,154,965	\$1,696,329	
	Net Profit/Loss	\$0	\$0	0	0	