

Morehead-Rowan County Airport Board Special Meeting Agenda

Thursday, 28 April 2022 – 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 March 2022 Meeting
- E. Receive Financial Report for March 2022
- F. Public Comment

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

 - b. Garver Report: Mr. Sisemore
 - 1. Runway Lighting Project: Bulbs & Static interference
 - 2. Phase II Mill and Overlay Project
 - 3. Apron project renderings

 - 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 Scheduled Meeting – 6:00 pm 26 May 2022

Morehead-Rowan County Airport Board Meeting
Meeting Minutes
March 31, 2022

Chairman Bruce Mattingly called the meeting to order at 6:00pm in the Airport Conference Room with board members Charles Derrickson, Tom Fossett, David Perkins, Aaron Roberts, Mike Gray and Tim James. Members present via Zoom were Wes Holland and Ron Oliver. Member absent was Porter Dailey. Guest present via Zoom was Ryan Sisemore – PE, Garver. Guests present included Brandon Hamilton – Attorney/Pilot-Hangar Tenant; Lee Lipps – EAA Chapter President/Pilot-Hangar Tenant; Earl Rogers – Attorney, Campbell & Rogers PLLC; Jack Holley – FBO, Holley Aviation LLC, and Barbara Marsh – Assistant Secretary-Treasurer.

Dr. Mattingly presented the Minutes of the February meeting. The motion to approve the February 24, 2022, Meeting Minutes was made by Mr. Gray, seconded by Mr. Oliver, and approved unanimously.

Dr. Mattingly presented the February 2022 financial reports consisting of Statements of Activity and Financial Position. The motion to approve the February 2022 financial reports was made by Mr. Oliver, seconded by Dr. Fossett, and approved unanimously.

Public Comment

Experimental Aviation Association Chapter 1525. Mr. Lipps invited everyone to the first Saturday of the month (April 2) Pancake Breakfast in the Community Hangar from 8:00-11:00am. There will be a Young Eagles Flight opportunity on April 23 for youth from ages 8 to 17 years old. The EAA chapter is hoping to add another scholarship following the success of last year.

Brandon Hamilton. Mr. Hamilton spoke in support of adding corporate hangars to the airport grounds and is willing to write a letter as part of the justification for the FAA for additional facilities. Mr. Hamilton is willing to build a hangar to the specifications identified by the airport to house two airplanes. He mentioned common terms; for example; he will pay for the lease of land and build a 60x60' or 60x70' hangar with utilities. A typical land lease is 20 or 30 years. At that time, the lease could be extended, or it would revert back to the airport. He also mentioned he would be interested in a seat of the board if that opportunity presents itself.

Reports

a. **FBO Report.** Mr. Holley reported on airport activities, maintenance, and fuel.

1. Fuel Report February. 628 gallons AvGas101LL; 2285 gallons JETA.

2. Community Hangar/Tie Downs. Matt Oldham-Eagle Upholstery, Wings of Grace, Zane McGlade, Brandon Hamilton, Brandon Siljander. Tie Downs: Charlie Hamilton, Johnnie Broughton, Kevin Mays.

3. Airfield Electrical Edge Light Burnouts. Mr. Sisemore was provided with the list of edge light burnouts/remaining inventory, and reported locations of radio interference. He agrees that the burnout rate is excessive and is taking steps to identify and rectify the root problems of each.

4. Plow Truck 1993 International Replacement. The proposal for a replacement snow plow truck has not been completed, but Mr. Holley has found many suitable listings in the region within a 12 to 25K price range. Mr. Holley will continue collaborating with Mr. Perkins. Mr. James mentioned that we are authorized as an entity to obtain state surplus property.

5. Boulder Against West Fence. Mr. Sisemore is advising Walker Construction of the boulder which is against the west fence downslope of the drainage project spoil disposal area when they return to address areas.

6. HVAC. Mr. Steve Perkins with Service of Morehead stopped by this week for a preliminary assessment of the HVAC system. Board member Perkins accompanied him and reported that the conditioned part of the Terminal Building is 2000 sq ft (10'x200'). There are questions as to the design and installation so Steve Perkins will return with his employees to perform a more thorough assessment of the HVAC system and report back.

7. Elevated Fuel Tank. We would like to flush and clean out the elevated fuel tank that sits by the beacon (near DWMH) to store gasoline for the mowing season. We are not sure of the capacity but looks to be maybe 100 gallons. Mr. James reported that Mr. C. W. Cornett, Fire Marshall, made a courtesy visit to inspect and authorize the fuel tank several years ago. Although gravity flow, it was mentioned that a method of control needs to be established. The unit would lock but would not count. Would the airport board secure an account with the bulk plant for delivery?

8. Water Tank. We would like to purchase a pickup style truck water tank from Tractor Supply to provide water for pressure washing the THangar's skirting. We don't feel that a water hose could deliver enough volume for the washer at such long distances. Mr. James commented that he might have one available for that use.

Other:

City Surplus Vehicle as Courtesy Vehicle. Dr. Mattingly asked Mr. Perkins about a City of Morehead vehicle, Ford Crown Victoria, which is sitting near the impoundment area. Mr. Perkins reported that the vehicle is not pristine, around 160,000 miles, and the fuel tank leaking. The city would need to put the former detective's vehicle on the auction site. There is an old radio console which would need to be removed and possibly install new carpet. The city mechanic said he would install a new fuel tank which would be the responsibility of the airport.

Commissioner to Visit April 14. Mr. Mark Carter, Commissioner, Kentucky Department of Aviation, will visit the airport on April 14. It was mentioned that a rental car may need to be obtained for his use.

b. Garver Report. Mr. Sisemore.

1. Runway Lighting Project: Bulbs & Static Interference. There are five areas of interference as identified by a screenshot on the parallel taxiway. Mr. Sisemore will bring an electrical engineer to assist with the investigation of the issue. Step 1: station someone at each location and Step 2: start shutting down circuits one by one. One person would be in the vault to operate the circuits. This may identify which lighting circuits are causing interference. Mr. Oliver questioned if this would be a safety risk? Possible issue could be at duct bank crossings. In addition to the interference issues, there have been 20 light burnouts since June 2021. There was an issue with one manufacturer, but our bulbs are manufactured by ADB which have not exhibited burnout issues. Mr. Sisemore



questioned whether the contractor borrowed spares. There are currently 17 replacement bulbs on hand.

2. Runway Rehab Phase I & II – Construction & Mill and Overlay Project.

Contractors are Phase I – Walker & Phase II – Hinkle. Erosion and bare spots will be addressed as well as the waste area which wasn't finalized under Phase I. There is a boulder which has rolled down against the fence. The area stays wet which necessitates dryer conditions for the work to commence. In addition, under Phase II final markings will be completed once adequate temperatures are present. It may be May or June until the work will be finalized.

3. Apron Project Rendering. Garver has prepared graphics depicting different size corporate hangars in justification for FAA requirements. It is important to have a list of commitments from companies or individuals who would build hangars. The graphic was shown to the board via Zoom during the meeting but will also be forwarded to board members by email. The graphic included 80x80' and 100x100' corporate hangars with optional door capabilities. Mr. Sisemore asked for input on sizes and any other comments. Dr. Mattingly asked if a rendering could be made showing the apron hangar facility zoomed out in relation to the airport terminal building and T-Hangars and set to scale with width and depth of apron. Mr. Sisemore can also add information about ground leases, bringing in utilities, access road, slab, and colors/accents as part of the minimum standards. Final approval of any plans must be granted by the FAA.

CARES Grant Filing. Dr. Mattingly reported that the last CARES grant invoice is ready for processing and will forward the invoice to Mr. Sisemore for Garver's assistance in preparing the paperwork. Dr. Mattingly reported that he had received information about a new identifier number which will replace our DUNS number.

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

City Public Works Assists with Trench Clean Out. Mr. Perkins reported that the City of Morehead public works department came back out to work on the center green space to make a well-defined trench for erosion control and mowing. They recleaned sedimentation. Dr. Mattingly will send a thank you letter to the public works department for their assistance.

Hay Contract. Mr. James reported that Dr. Derrickson, Mr. Michael Joe Dement, Clinician in Agricultural Sciences and Instructor, and Mr. James met last Thursday to discuss the MSU-Airport Hay Contract. Mr. Dement was actually the person in the past doing most of the work at the airport on the cutting, baling, and bush hogging, etc. Mr. Dement also knows the condition of the soil, but soil samples have been ordered. In the past we have added soil amendments including lime and fertilizer. Dr. Derrickson reported that most soil is low in limestone. Horse manure has been applied in the past, but Mr. Dement has suggested that dried pond muck be considered as a new additive. It is said to be 15-20 times more effective than common manure/organic matter. We can have the muck if we can arrange to haul it to the airport. Mr. James said an appointment has been set for tomorrow morning with Mr. Harry Clark, Rowan County Judge- Executive, to request assistance in hauling, dumping and spreading. If spreading cannot be obtained, the MSU farm may be able to help. The last time we spread organic matter, we were assisted with government support free hauling, but we also used commercial trucks at our own expense. It will be much higher since gas is higher now. It is recommended that the operation begin ASAP this spring. Dr. Derrickson reported

that the production the first year was not much. Last year there were 345 round bales of hay. There is an additional 20-30 acres of airport property which we would like to put into production and would help with erosion control. The appearance of airport will be enhanced with the soil improvements.

d. Legal Report. Mr. Rogers

None

e. Communication & Security. Mr. Roberts

AWOS License. Mr. Roberts reported that our second license, an AWOS license, is due for renewal on September 23, 2023. Mr. Roberts reported that the AWOS has not been reporting since March 21, 2022, as “data not current.” He was made aware through a student pilot. The AWOS reports current weather conditions through a weather nexus service. It is reached through anyAWOS.com/KYSM.

f. Chair Report. Dr. Mattingly

Budget Requests. Dr. Mattingly reported that our new budget will begin in July. For the past three years we have not requested increasing funds from the City of Morehead or Rowan County Fiscal Court. Our Strategic Plan for Economic Development includes developing the apron with corporate hangars with a five-year timeline. Mr. Sisemore has been discussing this with the FAA. With our current FAA entitlement funds of \$150,000/year and an additional allocation of \$159,000/year for the next five years (total \$309,000) from the recently passed federal infrastructure bill, we should be able to nearly pay off the \$1.5M Apron Expansion project in 3 years. We would need to apply for a loan to help pay for the debt service, interest, and local match. At a minimum, the cost would be \$30,000 a year. Dr. Mattingly will write letters to request additional funding to Mayor Laura White-Brown and Judge Executive Harry Clark. Mr. Perkins reported that he is on the City of Morehead budget committee and demands on the coming budget are extremely heavy and there may not be any funds available for our project.

H. Old Business

None

I. New Business

None

E. Adjournment

The meeting was adjourned at 7:30pm.

Morehead-Rowan County Airport Board

Budget vs. Actuals: 21-22 Budget - FY22 P&L

July 2021 - March 2022

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue				
43400 Direct Public Support				
43420 County Operating Support	25,333.36	28,500.03	-3,166.67	88.89 %
43440 City Operating Support	26,249.99	26,250.03	-0.04	100.00 %
Total 43400 Direct Public Support	51,583.35	54,750.06	-3,166.71	94.22 %
44500 Government Grants				
44520 Federal Grants	1,053,596.00	970,868.97	82,727.03	108.52 %
44540 State Grants	182,105.04	172,227.78	9,877.26	105.74 %
44550 Federal CARES Act	64,000.00	32,249.97	31,750.03	198.45 %
Total 44500 Government Grants	1,299,701.04	1,175,346.72	124,354.32	110.58 %
45000 Investments				
45030 Interest-Savings, Short-term CD	364.45	524.97	-160.52	69.42 %
45031 Interest, checking account	55.26		55.26	
45040 Interest Income, savings account	6.21		6.21	
Total 45000 Investments	425.92	524.97	-99.05	81.13 %
47500 Rentals				
47520 T-Hangars	40,970.00	37,125.00	3,845.00	110.36 %
47550 Late Fee	120.50		120.50	
47570 Residence	4,000.00	4,500.00	-500.00	88.89 %
Total 47500 Rentals	45,090.50	41,625.00	3,465.50	108.33 %
Total Revenue	\$1,396,800.81	\$1,272,246.75	\$124,554.06	109.79 %
GROSS PROFIT	\$1,396,800.81	\$1,272,246.75	\$124,554.06	109.79 %
Expenditures				
60900 Business Expenses				
60920 Business Registration Fees	250.00		250.00	
Total 60900 Business Expenses	250.00		250.00	
62100 Contract Services				
62111 Attestation/Audit		4,500.00	-4,500.00	
62112 AWOS Maintenance	3,021.00	2,700.00	321.00	111.89 %
62120 Web Fees	500.00	375.03	124.97	133.32 %
62140 Legal Fees	500.00	1,125.00	-625.00	44.44 %
62150 FBO	27,000.00	27,000.00	0.00	100.00 %
62170 Administrative	6,396.03	6,396.03	0.00	100.00 %
62175 Consulting - Airport Strategic Planning	34,700.00	26,025.03	8,674.97	133.33 %
Total 62100 Contract Services	72,117.03	68,121.09	3,995.94	105.87 %
62800 Grounds and Facility Support				
62830 Facility Repair and Maintenance	3,974.06	8,331.75	-4,357.69	47.70 %
62831 Facility Repair & Maintenance Reserve		4,583.97	-4,583.97	
62840 Equipment, Repair, and Maintenance	1,415.81	18,749.97	-17,334.16	7.55 %
62870 Vehicle Registration/Repair/Mainte	1,162.98	749.97	413.01	155.07 %

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total 62800 Grounds and Facility Support	6,552.85	32,415.66	-25,862.81	20.22 %
63000 Insurance				
63010 Insurance - Property, Er/Omis	8,623.91	10,500.03	-1,876.12	82.13 %
63040 Surety Bond	153.72	150.03	3.69	102.46 %
63050 Liability Insurance	4,127.00		4,127.00	
Total 63000 Insurance	12,904.63	10,650.06	2,254.57	121.17 %
64400 Utilities				
64410 Electric	9,098.41	6,225.03	2,873.38	146.16 %
64420 Telecommunications	1,764.40	2,999.97	-1,235.57	58.81 %
64430 Waste Disposal	157.84	375.03	-217.19	42.09 %
64440 Water and Sewer	911.61	749.97	161.64	121.55 %
64450 TV	424.13		424.13	
Total 64400 Utilities	12,356.39	10,350.00	2,006.39	119.39 %
65000 General Administration				
65010 Bookkeeping Software and Subscriptions	719.40	749.97	-30.57	95.92 %
65020 Postage, Mailing Service	129.36	262.53	-133.17	49.27 %
65030 Printing and Copying		74.97	-74.97	
65040 Material & Supplies	385.47	375.03	10.44	102.78 %
65110 Promotions and Advertising Expenses	16.00	150.03	-134.03	10.66 %
65130 Business Registration Fee	25.75		25.75	
65140 Bank Fees	64.94	74.97	-10.03	86.62 %
65150 Memberships and Dues	335.00	524.97	-189.97	63.81 %
65890 Events, Ceremonies, & Meetings	520.00		520.00	
65895 Travel		2,700.00	-2,700.00	
Total 65000 General Administration	2,195.92	4,912.47	-2,716.55	44.70 %
65200 Fuel Expenses		2,700.00	-2,700.00	
80100 Capital Purchases				
80101 Capital Purchase 2020 Airfield Lighting				
80150 Professional Engineering - 2020 Airfield Electrical	3,638.10		3,638.10	
80156 Construction - 2020 Airfield Electrical	33,599.10	63,577.53	-29,978.43	52.85 %
Total 80101 Capital Purchase 2020 Airfield Lighting	37,237.20	63,577.53	-26,340.33	58.57 %
80130 Capital Purchase Equipment	7,999.00		7,999.00	
80194 Capital Purchase 2021 Runway Rehab - Phase II - Mill & Overlay				
65114 Legal & Professional - Runway Rehab - Phase II - Mill & Overlay	902.46		902.46	
65118 Professional Engineering - Runway Rehab Phase II Mill & Overlay	61,363.54		61,363.54	
80158 Construction Runway Rehab - Phase II - Mill & Overlay	991,330.13	970,868.97	20,461.16	102.11 %
Total 80194 Capital Purchase 2021 Runway Rehab - Phase II - Mill & Overlay	1,053,596.13	970,868.97	82,727.16	108.52 %
80197 2019 Runway Rehab Phase II CONSTRUCTION ONLY				
80157 CONSTRUCTION Runway Rehab Phase II		108,650.97	-108,650.97	
Total 80197 2019 Runway Rehab Phase II CONSTRUCTION ONLY		108,650.97	-108,650.97	
Total 80100 Capital Purchases	1,098,832.33	1,143,097.47	-44,265.14	96.13 %
Total Expenditures	\$1,205,209.15	\$1,272,246.75	\$ -67,037.60	94.73 %
NET OPERATING REVENUE	\$191,591.66	\$0.00	\$191,591.66	0.00%
NET REVENUE	\$191,591.66	\$0.00	\$191,591.66	0.00%

Morehead-Rowan County Airport Board

Statement of Activity

July 2021 - March 2022

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	25,333.36
43440 City Operating Support	26,249.99
Total 43400 Direct Public Support	51,583.35
44500 Government Grants	
44520 Federal Grants	1,053,596.00
44540 State Grants	182,105.04
44550 Federal CARES Act	64,000.00
Total 44500 Government Grants	1,299,701.04
45000 Investments	
45030 Interest-Savings, Short-term CD	364.45
45031 Interest, checking account	55.26
45040 Interest Income, savings account	6.21
Total 45000 Investments	425.92
47500 Rentals	
47520 T-Hangars	40,970.00
47550 Late Fee	120.50
47570 Residence	4,000.00
Total 47500 Rentals	45,090.50
Total Revenue	\$1,396,800.81
GROSS PROFIT	\$1,396,800.81
Expenditures	
60900 Business Expenses	
60920 Business Registration Fees	250.00
Total 60900 Business Expenses	250.00
62100 Contract Services	
62112 AWOS Maintenance	3,021.00
62120 Web Fees	500.00
62140 Legal Fees	500.00
62150 FBO	27,000.00
62170 Administrative	6,396.03
62175 Consulting - Airport Strategic Planning	34,700.00
Total 62100 Contract Services	72,117.03
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	3,974.06
62840 Equipment, Repair, and Maintenance	1,415.81
62870 Vehicle Registration/Repair/Mainte	1,162.98
Total 62800 Grounds and Facility Support	6,552.85

	TOTAL
63000 Insurance	
63010 Insurance - Property, Er/Omis	8,623.91
63040 Surety Bond	153.72
63050 Liability Insurance	4,127.00
Total 63000 Insurance	12,904.63
64400 Utilities	
64410 Electric	9,098.41
64420 Telecommunications	1,764.40
64430 Waste Disposal	157.84
64440 Water and Sewer	911.61
64450 TV	424.13
Total 64400 Utilities	12,356.39
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	719.40
65020 Postage, Mailing Service	129.36
65040 Material & Supplies	385.47
65110 Promotions and Advertising Expenses	16.00
65130 Business Registration Fee	25.75
65140 Bank Fees	64.94
65150 Memberships and Dues	335.00
65890 Events, Ceremonies, & Meetings	520.00
Total 65000 General Administration	2,195.92
80100 Capital Purchases	
80101 Capital Purchase 2020 Airfield Lighting	
80150 Professional Engineering - 2020 Airfield Electrical	3,638.10
80156 Construction - 2020 Airfield Electrical	33,599.10
Total 80101 Capital Purchase 2020 Airfield Lighting	37,237.20
80130 Capital Purchase Equipment	7,999.00
80194 Capital Purchase 2021 Runway Rehab - Phase II - Mill & Overlay	
65114 Legal & Professional - Runway Rehab - Phase II - Mill & Overlay	902.46
65118 Professional Engineering - Runway Rehab Phase II Mill & Overlay	61,363.54
80158 Construction Runway Rehab - Phase II - Mill & Overlay	991,330.13
Total 80194 Capital Purchase 2021 Runway Rehab - Phase II - Mill & Overlay	1,053,596.13
Total 80100 Capital Purchases	1,098,832.33
Total Expenditures	\$1,205,209.15
NET OPERATING REVENUE	\$191,591.66
NET REVENUE	\$191,591.66

Morehead-Rowan County Airport Board

Statement of Activity

March 2022

	TOTAL
Revenue	
43400 Direct Public Support	
43440 City Operating Support	2,916.67
Total 43400 Direct Public Support	2,916.67
45000 Investments	
45030 Interest-Savings, Short-term CD	66.04
45031 Interest, checking account	7.50
45040 Interest Income, savings account	0.66
Total 45000 Investments	74.20
47500 Rentals	
47520 T-Hangars	3,315.00
Total 47500 Rentals	3,315.00
Total Revenue	\$6,305.87
GROSS PROFIT	\$6,305.87
Expenditures	
62100 Contract Services	
62112 AWOS Maintenance	600.00
62150 FBO	3,000.00
62170 Administrative	710.67
Total 62100 Contract Services	4,310.67
62800 Grounds and Facility Support	
62870 Vehicle Registration/Repair/Mainte	482.91
Total 62800 Grounds and Facility Support	482.91
64400 Utilities	
64410 Electric	1,373.03
64420 Telecommunications	203.02
64430 Waste Disposal	41.88
64440 Water and Sewer	172.28
64450 TV	49.97
Total 64400 Utilities	1,840.18
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	223.41
65040 Material & Supplies	246.95
Total 65000 General Administration	470.36
Total Expenditures	\$7,104.12
NET OPERATING REVENUE	\$ -798.25
NET REVENUE	\$ -798.25

Morehead-Rowan County Airport Board

Statement of Financial Position Comparison

As of March 31, 2022

	TOTAL	
	AS OF MAR 31, 2022	AS OF MAR 31, 2021 (PY)
ASSETS		
Current Assets		
Bank Accounts		
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .03%	26,068.12	34,058.37
Citizens Bank CD 12.21.21 Fuel Reserves .20% Matures 12.21.22	54,164.80	
Citizens Bank CD Fuel Reserves .20% 13mo matures 11.14.22	0.00	48,198.23
Citizens Bank Construction Account NOW .03%	149,933.04	5,037.76
Citizens Bank Fuel Account NOW .00% (deleted)	0.00	53.94
Citizens Bank Operating Account NOW .03%	141,578.91	82,941.20
Whitaker Bank CD 12.21.20 Fuel Res 12 mo .30%	0.00	5,655.81
Whitaker Bank CD Renewed Bldgs/Grds Res 12.21.21 -12 mo .25%	63,856.25	63,672.88
Total Bank Accounts	\$435,601.12	\$239,618.19
Total Current Assets	\$435,601.12	\$239,618.19
Fixed Assets		
15000 Furniture and Equipment	643.94	643.94
Total Fixed Assets	\$643.94	\$643.94
TOTAL ASSETS	\$436,245.06	\$240,262.13
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	191,591.66	40,880.04
Total Equity	\$436,245.06	\$240,262.13
TOTAL LIABILITIES AND EQUITY	\$436,245.06	\$240,262.13