

# **Morehead-Rowan County Airport Board Meeting Agenda**

**Thursday, 25 January 2024– 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 November Meeting
- E. Receive Financial Report for November & December 2023
- F. Public Comment
  
- G. Reports
  - a. FBO Activity Report: Mr. Holley
  
  - b. Garver Report: Mr. Adams
    - 1. Electrical Project – Radio interference
    - 2. Apron Expansion Project
    - 3. AWOS Project
  
  - c. Building and Grounds: Mr. Oliver/Dr. Derrickson
  
  - d. Legal Report: Mr. Rogers
  
  - e. Chair Report: Dr. Mattingly
  
- H. Old Business
  
- I. New Business:
  
- J. Adjournment

**Next Regularly Scheduled Meeting – 6:00 pm 29 February 2023**

**Morehead-Rowan County Airport Board Meeting**  
**Meeting Minutes**  
**November 30, 2023**

Chairman Bruce Mattingly called the meeting to order at 6:00pm in the Airport Conference Room with board members David Perkins, Tim James, Charles Derrickson, Tom Fossett, Bob Helton, and Porter Dailey. The member present via Zoom was Ron Oliver. Members absent were Shannon Murphy and Wes Holland. The guest present via Zoom was Jack Holley, Jr. – FBO, Holley Aviation LLC. The guests present were Will Adams-PE, Garver; Earl Rogers III – Attorney, Campbell Rogers & Stacy PLLC; James Taylor – Student Pilot; Aaron Roberts – Pilot/Hangar Tenant; and Josh Clark – Pilot/Hangar Tenant; Brandon Hamilton – Pilot/Hangar Tenant; Kingston Hamilton – Brandon Hamilton’s son; and Barbara Marsh – Assistant Secretary/Treasurer.

Dr. Mattingly presented the Minutes of the October 2023 meeting. The motion to approve the October 26, 2023, Meeting Minutes was made by Dr. Fossett, seconded by Mr. James, and approved unanimously.

Dr. Mattingly presented the October 2023 financial reports consisting of Statements of Activity and Financial Position. The motion to approve the October 2023 financial reports was made by Mr. Helton, seconded by Dr. Fossett, and approved unanimously.

**Public Comment**

None.

**Reports**

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

1. Fuel Report October. 1417 gallons AvGas 100LL; 2592 gallons JETA.

2. Community Hangar/Tie Downs. Matt Oldham-Eagle Upholstery, Zane McGlade, Brandon Hamilton, and James Stevens. Tie Downs: Charlie Hamilton and Johnnie Broughton.

3. Rajant contacted us and requested that a concept free internet test be installed at the airport.

4. Airfield Electrical Burn Out Lights. Lights were returned to manufacturer ADB on October 5 as requested. There has been no word on replacement lights or the testing of the lights.

5. Lighting Issues. Danny Brewer is currently unavailable, however an alternate electrical contractor has been contacted.

6. Virtower Airport Monitoring System. We have not received the software for the monitoring system.

b. **Garver Report.** Mr. Adams

1. Airfield Electrical – Radio Interference. We are supposed to receive an update tomorrow on the bulbs returned to ADB. Garver electrical engineers have been speaking with ADB

about the testing. Mr. Adams will advise when ADB is ready to ship back the replacement bulbs. Garver believes the radio interference is related to the numerous bulb failures. Mr. James reported that the interference is still sporadically occurring. There is a deafening sound for a couple of seconds when the interference happens.

## 2. Apron Expansion Project.

- A construction meeting was held today attended by KDA, contractors, and board members.
- The taxiways have been reopened.
- There have been some weather delays.
- The final completion date is April 2024.
- The electrical will be completed in January-February 2024.
- Final items include seeding and pavement markings as weather permits.
- Contractually, we are already over schedule. The original completion date is in about 3 weeks.
- The enforcement of the contract is up to the board of directors.
- Garver's obligation is whether the contractor lives up to their contract.
- The contractor, Shamrock Concrete Construction Inc., was good about waiting on us to start the project while we waited for funding. At the same time, they were pretty harsh on several points.
- Mr. Oliver queried Mr. Adams about the Apron Expansion contract with Shamrock Concrete Construction Inc. Are we assuming responsibility for the contractor's back ordered equipment? The contractor reports the material to complete will not arrive until January (estimate). The contractor may come to us for a contract extension. Failure to receive materials is not a viable issue for a contract extension. We were advised at the first progress meeting about how long it would take to get the materials. If the contractor can't get materials which he committed, then penalties kick in. Mr. Adams advised that penalties would be \$1200/day.

3. AWOS Project. The next fiscal year with KDA starts in June 2024. When the land is acquired, we will contact KDA again. The environmental has been done for construction of the AWOS.

Other: Kentuckians for Better Transportation Aviation Symposium, November 16, 2023. Attendees included Mr. Helton, Mr. Dailey, and Dr. Mattingly. Topics included KBT activism, education, and economic development, and Kentucky Aviation Association advocacy for aviation funding. We do not know how much the legislature will appropriate for aviation, but they do see aviation playing a strong role in Kentucky. The KBT will take a strong stand in aviation matters. Mr. Dailey reported that the primary focus is on the presence of aviation in the state and the future of aviation. There will be a lot of changes and the timeline will be much shorter than before.

c. **Buildings & Grounds Report.** Mr. Oliver, Dr. Derrickson  
None.

d. **Legal Report.** Mr. Rogers  
None.

e. **Chair Report.** Dr. Mattingly, Chair

Apron Expansion Project Corporate Hangar Paperwork. In preparing paperwork for future tenants, much paperwork has been generated for corporate box hangars. Mr. Dailey has spent untold hours on land lease-related documents. I want to thank Mr. Dailey for his efforts and the complicated work involved with research, editing, collaborating with legal counsel and board members, and with other airports. Also, I truly appreciate those who are participating in the process. We can't lollygag completing the documents as we need to be able to move forward in negotiating with interested parties. Mr. Dailey sent documents to Attorney Rogers who has reviewed and approved those documents.

#### **H. Old Business**

None.

#### **I. New Business**

a. Box Hangar Building Standards. Mr. Dailey reported that the document is based on examples from other airports. It protects the interests of the airport which must be in place to build on our property. If approved, we should be expecting that amendments may be made when we engage with future land leases and building standard tenants. The documents are a base, not necessarily the minimum. We need to be flexible with the documents. Building standards follow local codes, KDA airport guidance, zoning, inspections, color, and aesthetics, and will include a certified professional engineer.

Mr. Dailey reported that there have been two strategies to support commercial activities. The 2007 Business Plan focused on the future we should have and the need for corporate hangars. Two years ago, during the Apron initiative, the need to create space and amenities for corporate hangars was expressed to support economic development. We received local support which would lead to economic development and job growth.

The motion to give authority to the Executive Committee to amend Box Hangar Building Standards as needed for each individual lease with final approval by the Board of Directors was made by Dr. Fossett, seconded by Mr. James, and approved unanimously.

b. Land Lease Agreement. The Land Lease Agreement was modeled after other airports' lease agreements. There will be development costs associated with opening the box hangar sites, including constructing an access gate. One cost offered by Mr. Roberts was a range of \$3,000-\$12,000. Our cost for the Apron Expansion Project is @\$2.5M which will be a pad-ready site with a tenant being able to build right on the ramp.

Mr. Hamilton suggested that the board consider having general aviation tenants as well as corporate tenants regarding corporate hangar leases. He said he uses his plane for several businesses and the ability to store his planes is important and asked the board to factor in reasonable and acceptable rates when considering fees. Mr. Dailey said we are still having conversations about the costs.

The motion to approve the Land Lease Agreement as presented and as a framework was made by Mr. Perkins, seconded by Mr. Helton, and approved unanimously.

c. Policy for Calculating Land Rent. No action taken.

d. Owned Aircraft Inventory. Tenants will be expected to identify inventory. The FAA requires an annual Based Aircraft Report. Our funding is based on these reports. This report will be attached to the Land Lease Agreement.

e. Revised Parking Policy. We have had a parking policy for some time, and this is the same but adds a paragraph regarding corporate hangar parking. Short term vehicular parking on the ramp of no more than one hour is allowed but shall not obstruct in any manner of at any time the functionality or safe operation of any aircraft. The motion to approve the amended parking policy relating to the new apron was made by Mr. Oliver, seconded by Dr. Derrickson, and approved unanimously.

Mr. Hamilton suggested an additional walk and parking area to the side of a box hangar. If wanting a 60' x 60' build site, lease a 70' x 70' spot which would provide a 10-12' swatch for parking with a sidewalk on the side of the box hangar. Mr. Adams commented there is 30' space between the box hangars.

All documents, although currently approved, will be brought back to the Board for approval for each set of corporate tenant leases.

f. 28 December 2023 Regular Meeting. After a discussion regarding the holiday schedule, our next meeting will be January 25, 2024, with the possibility of a called Special Meeting if necessary.

#### **J. Adjournment.**

The meeting was adjourned at 7:14pm.

# Morehead-Rowan County Airport Board

## Statement of Activity

December 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	8,833.34
43440 City Operating Support	3,750.00
<b>Total 43400 Direct Public Support</b>	<b>12,583.34</b>
44500 Government Grants	
44520 Federal Grants	201,886.00
44540 State Grants	73,743.52
<b>Total 44500 Government Grants</b>	<b>275,629.52</b>
45000 Investments	
45031 Interest, checking account	25.92
45040 Interest Income, savings account	566.76
<b>Total 45000 Investments</b>	<b>592.68</b>
47500 Rentals	
47520 T-Hangars	4,555.00
47550 Late Fee	27.50
47570 Residence	550.00
<b>Total 47500 Rentals</b>	<b>5,132.50</b>
<b>Total Revenue</b>	<b>\$293,938.04</b>
<b>GROSS PROFIT</b>	<b>\$293,938.04</b>
Expenditures	
62100 Contract Services	
62140 Legal Fees	275.00
62170 Administrative	833.33
<b>Total 62100 Contract Services</b>	<b>1,108.33</b>
62800 Grounds and Facility Support	
62870 Vehicle Registration/Repair/Mainte	58.03
<b>Total 62800 Grounds and Facility Support</b>	<b>58.03</b>
64400 Utilities	
64410 Electric	813.41
64420 Telecommunications	158.47
64440 Water and Sewer	160.36
64450 TV	60.28
<b>Total 64400 Utilities</b>	<b>1,192.52</b>
65000 General Administration	
65110 Promotions and Advertising Expenses	80.00
65890 Events, Ceremonies, & Meetings	151.84
<b>Total 65000 General Administration</b>	<b>231.84</b>

	TOTAL
80100 Capital Purchases	
80189 Apron Expansion Project	292,587.32
<b>Total 80100 Capital Purchases</b>	<b>292,587.32</b>
<b>Total Expenditures</b>	<b>\$295,178.04</b>
NET OPERATING REVENUE	\$ -1,240.00
NET REVENUE	\$ -1,240.00

# Morehead-Rowan County Airport Board

## Statement of Activity

July - November, 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	17,666.68
43440 City Operating Support	18,750.00
<b>Total 43400 Direct Public Support</b>	<b>36,416.68</b>
44500 Government Grants	
44520 Federal Grants	609,299.00
44540 State Grants	222,560.96
<b>Total 44500 Government Grants</b>	<b>831,859.96</b>
45000 Investments	
45030 Interest-Savings, Short-term CD	6,401.20
45031 Interest, checking account	83.06
45040 Interest Income, savings account	1,576.94
<b>Total 45000 Investments</b>	<b>8,061.20</b>
46400 Other Types of Income	
46430 Miscellaneous Revenue	
46481 Vehicle Surplus Sale	3,000.00
<b>Total 46430 Miscellaneous Revenue</b>	<b>3,000.00</b>
<b>Total 46400 Other Types of Income</b>	<b>3,000.00</b>
47500 Rentals	
47520 T-Hangars	22,665.12
47550 Late Fee	191.50
47570 Residence	2,100.00
<b>Total 47500 Rentals</b>	<b>24,956.62</b>
<b>Total Revenue</b>	<b>\$904,294.46</b>
GROSS PROFIT	<b>\$904,294.46</b>
Expenditures	
62100 Contract Services	
62112 AWOS Maintenance	1,614.00
62140 Legal Fees	1,044.46
62150 FBO	15,000.00
62170 Administrative	4,166.65
<b>Total 62100 Contract Services</b>	<b>21,825.11</b>
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	10,322.40
62840 Equipment, Repair, and Maintenance	218.00
62870 Vehicle Registration/Repair/Mainte	-2,940.00
<b>Total 62800 Grounds and Facility Support</b>	<b>7,600.40</b>



	TOTAL
63000 Insurance	
63010 Insurance - Property, Er/Omis	12,930.39
63011 Insurance Reimbursement	-8,150.00
<b>Total 63010 Insurance - Property, Er/Omis</b>	<b>4,780.39</b>
63040 Surety Bond	167.97
63050 Liability Insurance	4,745.91
<b>Total 63000 Insurance</b>	<b>9,694.27</b>
64400 Utilities	
64410 Electric	3,407.34
64420 Telecommunications	866.28
64430 Waste Disposal	161.62
64440 Water and Sewer	589.60
64450 TV	280.88
<b>Total 64400 Utilities</b>	<b>5,305.72</b>
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	1,185.11
65020 Postage, Mailing Service	124.55
65040 Material & Supplies	62.81
65110 Promotions and Advertising Expenses	12.00
65130 Business Registration Fee	25.00
65140 Bank Fees	0.00
65150 Memberships and Dues	335.00
65890 Events, Ceremonies, & Meetings	1,224.98
<b>Total 65000 General Administration</b>	<b>2,969.45</b>
65200 Fuel Expenses	1,425.00
80100 Capital Purchases	
80189 Apron Expansion Project	879,040.45
80197 2019 Runway Rehab Phase I CONSTRUCTION ONLY	30,000.00
<b>Total 80100 Capital Purchases</b>	<b>909,040.45</b>
<b>Total Expenditures</b>	<b>\$957,860.40</b>
NET OPERATING REVENUE	<b>\$ -53,565.94</b>
NET REVENUE	<b>\$ -53,565.94</b>

# Morehead-Rowan County Airport Board

## Statement of Activity

July - December, 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43420 County Operating Support	26,500.02
43440 City Operating Support	22,500.00
<b>Total 43400 Direct Public Support</b>	<b>49,000.02</b>
44500 Government Grants	
44520 Federal Grants	811,185.00
44540 State Grants	296,304.48
<b>Total 44500 Government Grants</b>	<b>1,107,489.48</b>
45000 Investments	
45030 Interest-Savings, Short-term CD	6,401.20
45031 Interest, checking account	108.98
45040 Interest Income, savings account	2,143.70
<b>Total 45000 Investments</b>	<b>8,653.88</b>
46400 Other Types of Income	
46430 Miscellaneous Revenue	
46481 Vehicle Surplus Sale	3,000.00
<b>Total 46430 Miscellaneous Revenue</b>	<b>3,000.00</b>
<b>Total 46400 Other Types of Income</b>	<b>3,000.00</b>
47500 Rentals	
47520 T-Hangars	27,220.12
47550 Late Fee	219.00
47570 Residence	2,650.00
<b>Total 47500 Rentals</b>	<b>30,089.12</b>
<b>Total Revenue</b>	<b>\$1,198,232.50</b>
GROSS PROFIT	<b>\$1,198,232.50</b>
Expenditures	
62100 Contract Services	
62112 AWOS Maintenance	1,614.00
62140 Legal Fees	1,319.46
62150 FBO	15,000.00
62170 Administrative	4,999.98
<b>Total 62100 Contract Services</b>	<b>22,933.44</b>
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	10,322.40
62840 Equipment, Repair, and Maintenance	218.00
62870 Vehicle Registration/Repair/Mainte	-2,881.97
<b>Total 62800 Grounds and Facility Support</b>	<b>7,658.43</b>

	TOTAL
63000 Insurance	
63010 Insurance - Property, Er/Omis	12,930.39
63011 Insurance Reimbursement	-8,150.00
<b>Total 63010 Insurance - Property, Er/Omis</b>	<b>4,780.39</b>
63040 Surety Bond	167.97
63050 Liability Insurance	4,745.91
<b>Total 63000 Insurance</b>	<b>9,694.27</b>
64400 Utilities	
64410 Electric	4,220.75
64420 Telecommunications	1,024.75
64430 Waste Disposal	161.62
64440 Water and Sewer	749.96
64450 TV	341.16
<b>Total 64400 Utilities</b>	<b>6,498.24</b>
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	1,185.11
65020 Postage, Mailing Service	124.55
65040 Material & Supplies	62.81
65110 Promotions and Advertising Expenses	92.00
65130 Business Registration Fee	25.00
65140 Bank Fees	0.00
65150 Memberships and Dues	335.00
65890 Events, Ceremonies, & Meetings	1,376.82
<b>Total 65000 General Administration</b>	<b>3,201.29</b>
65200 Fuel Expenses	1,425.00
80100 Capital Purchases	
80189 Apron Expansion Project	1,171,627.77
80197 2019 Runway Rehab Phase I CONSTRUCTION ONLY	30,000.00
<b>Total 80100 Capital Purchases</b>	<b>1,201,627.77</b>
<b>Total Expenditures</b>	<b>\$1,253,038.44</b>
NET OPERATING REVENUE	<b>\$ -54,805.94</b>
NET REVENUE	<b>\$ -54,805.94</b>

# Morehead-Rowan County Airport Board

## Statement of Activity

November 2023

	TOTAL
Revenue	
43400 Direct Public Support	
43440 City Operating Support	3,750.00
<b>Total 43400 Direct Public Support</b>	<b>3,750.00</b>
44500 Government Grants	
44520 Federal Grants	229,898.00
44540 State Grants	83,975.92
<b>Total 44500 Government Grants</b>	<b>313,873.92</b>
45000 Investments	
45031 Interest, checking account	26.98
45040 Interest Income, savings account	597.33
<b>Total 45000 Investments</b>	<b>624.31</b>
47500 Rentals	
47520 T-Hangars	2,220.00
47550 Late Fee	18.50
<b>Total 47500 Rentals</b>	<b>2,238.50</b>
<b>Total Revenue</b>	<b>\$320,486.73</b>
<b>GROSS PROFIT</b>	<b>\$320,486.73</b>
Expenditures	
62100 Contract Services	
62150 FBO	3,000.00
62170 Administrative	833.33
<b>Total 62100 Contract Services</b>	<b>3,833.33</b>
62800 Grounds and Facility Support	
62830 Facility Repair and Maintenance	7,372.38
62840 Equipment, Repair, and Maintenance	190.00
62870 Vehicle Registration/Repair/Mainte	-2,940.00
<b>Total 62800 Grounds and Facility Support</b>	<b>4,622.38</b>
63000 Insurance	
63010 Insurance - Property, Er/Omis	
63011 Insurance Reimbursement	-6,800.00
<b>Total 63010 Insurance - Property, Er/Omis</b>	<b>-6,800.00</b>
63050 Liability Insurance	4,745.91
<b>Total 63000 Insurance</b>	<b>-2,054.09</b>
64400 Utilities	
64410 Electric	712.56
64420 Telecommunications	158.47
64440 Water and Sewer	170.72
64450 TV	60.28
<b>Total 64400 Utilities</b>	<b>1,102.03</b>

	TOTAL
65000 General Administration	
65010 Bookkeeping Software and Subscriptions	127.07
65020 Postage, Mailing Service	122.00
65890 Events, Ceremonies, & Meetings	389.12
<b>Total 65000 General Administration</b>	<b>638.19</b>
65200 Fuel Expenses	1,425.00
80100 Capital Purchases	
80189 Apron Expansion Project	333,185.72
<b>Total 80100 Capital Purchases</b>	<b>333,185.72</b>
<b>Total Expenditures</b>	<b>\$342,752.56</b>
NET OPERATING REVENUE	<b>\$ -22,265.83</b>
NET REVENUE	<b>\$ -22,265.83</b>

# Morehead-Rowan County Airport Board

## Statement of Financial Position

As of December 31, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .25%	7,624.45
Citizens Bank Construction Account NOW .25%	103,826.13
Citizens Bank Operating Account NOW .25%	41,591.06
LM&C Fund Offset	-77,230.00
Local Match & Construction Fund	0.00
LM&C June 2020	27,230.00
LM&C June 2022	50,000.00
<b>Total Local Match &amp; Construction Fund</b>	<b>77,230.00</b>
<b>Total Bank Accounts</b>	<b>\$153,041.64</b>
Other Current Assets	
Edward Jones CD 2 mo 5.15% 6.5.23 matures 8.14.23	0.00
Edward Jones CD 1 mo 5.1% 8.17.23 matures 9.18.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.11.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.6.23	0.00
Edward Jones CD 3 mo 5.35% matures 10.27.23	0.00
Edward Jones Money Market	327,548.33
<b>Total Other Current Assets</b>	<b>\$327,548.33</b>
<b>Total Current Assets</b>	<b>\$480,589.97</b>
Fixed Assets	
15000 Furniture and Equipment	760.90
<b>Total Fixed Assets</b>	<b>\$760.90</b>
<b>TOTAL ASSETS</b>	<b>\$481,350.87</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
<b>Total Liabilities</b>	
Equity	
30000 Opening Balance Equity	321,613.58
32000 Unrestricted Net Assets	214,543.23
Net Revenue	-54,805.94
<b>Total Equity</b>	<b>\$481,350.87</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$481,350.87</b>

# Morehead-Rowan County Airport Board

## Statement of Financial Position

As of November 30, 2023

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
Citizens Bank Bldg/Grnds Dep Reserve NOW Acct. .25%	7,622.94
Citizens Bank Construction Account NOW .25%	20,765.40
Citizens Bank Operating Account NOW .25%	26,458.55
LM&C Fund Offset	-77,230.00
Local Match & Construction Fund	0.00
LM&C June 2020	27,230.00
LM&C June 2022	50,000.00
<b>Total Local Match &amp; Construction Fund</b>	<b>77,230.00</b>
<b>Total Bank Accounts</b>	<b>\$54,846.89</b>
Other Current Assets	
Edward Jones CD 2 mo 5.15% 6.5.23 matures 8.14.23	0.00
Edward Jones CD 1 mo 5.1% 8.17.23 matures 9.18.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.11.23	0.00
Edward Jones CD 3 mo 5.3% matures 9.6.23	0.00
Edward Jones CD 3 mo 5.35% matures 10.27.23	0.00
Edward Jones Money Market	426,983.08
<b>Total Other Current Assets</b>	<b>\$426,983.08</b>
<b>Total Current Assets</b>	<b>\$481,829.97</b>
Fixed Assets	
15000 Furniture and Equipment	760.90
<b>Total Fixed Assets</b>	<b>\$760.90</b>
<b>TOTAL ASSETS</b>	<b>\$482,590.87</b>
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
<b>Total Liabilities</b>	
Equity	
30000 Opening Balance Equity	321,613.58
32000 Unrestricted Net Assets	214,543.23
Net Revenue	-53,565.94
<b>Total Equity</b>	<b>\$482,590.87</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$482,590.87</b>