

MINUTES

Mt. Airy/Surry County Airport Authority

January 25, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:00 p.m. on January 25, 1994 at the operations building of the airport. Authority members present were Thurman Watts, Carl Kassen, Cam Barnett, Dick Wimbush and Don Holder. Also in attendance was Scott Marion, FBO and airport manager, Randy Mason, pilot for Spencers and Carl Bell, attorney.

Chairman Watts called the meeting to order and made a correction to the Dec. 20th minutes. They read Dec. 20, 1994 and were corrected to read Dec. 20, 1993. Cam Barnett made a motion to accept the Dec. 20, 1993 minutes and Carl Kassen seconded the motion. Minutes approved.

Carl Kassen gave the treasurers report. Carl informed the members that the bill for the tie downs and a bill from Carl Bell had been paid.

Carl Bell informed the members that he had received a letter and a check from Mr. Fullin of Greensboro. He is the attorney representing Mr. Lynch. The letter confirms that all fines and penalties have been paid regarding the EPA suit with the state.

Cam Barnett gave a report on the progress of the new NDB. All paper work has been submitted and we are waiting on the FCC to give approval on the request for the NDB. The contract has been let and construction should start right away.


Mr. Watts informed the members that the TIP (Transportation Improvement Program) has to be submitted by March 1, 1994. The current TIP was reviewed and Mr. Watts asked that anyone wanting to recommend any changes to contact him before March 1st. Mr. Watts has had a recommendation to include an AWAS system and he asked the members to consider it.

Chairman Watts informed the authority members that the next item and the primary purpose of this meeting was to discuss and vote on the proposed lease agreement between Spencers and the Airport Authority. All authority members have had copies of the lease agreement to study and after some discussion we will vote on the lease agreement with a fuel farm. Placement of the hanger and fuel farm will be decided later. After a lot of discussion a motion was made by Dick Wimbush and seconded by Carl Kassen that the lease be modified to include that Spencers will pay a percentage on fuel pumped to the airport authority of 18% and that the airport authority will pass a portion of that to Aviation Services of Mt. Airy. Motion carried. Chairman Watts made a motion that we accept the lease

agreement as modified, seconded by Don Holder. Motion approved.
Mr. Watts will write a memorandum related to the discussion
of the Spencer hanger lease to be placed with the minutes.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Don Holder, Secretary

MEMO FOR RECORD

Date: January 26, 1994

From: Thurman Watts

RE: Mount Airy-Surry County Airport Authority Meeting held on January 25, 1994 at 4:00 pm at the Airport

Subject: Discussion Related to the Spencer Hangar Lease on the Airport

The motion was made to accept the lease with a fuel farm included with changes or additions to reflect the following:

- A. Spencer's will pay a percentage on fuel pumped to the Airport Authority of 18%.
- B. The approval is contingent upon approval by the Airport Authority and FAA of the positioning of the fuel farm and the hangar and office.
- C. The lease will be modified to hold the Airport Authority harmless from any environmental concerns or damage caused by the fuel farm.

The motion was made, seconded and unanimously approved after a detailed discussion of all of the various provisions which needed to be considered. It was apparent that the Airport Authority members were considering the fact that a precedent was being set and that we needed to be cognizant of the conditions under which we were recommending approval and the conditions under which the Airport Authority will need to operate in the next five to ten years with respect to FBO operation and future requests for hangars with fuel farms.

The 18% diverted to the Airport Authority to be paid by Spencer's based on their actual fuel costs was established to ensure the Airport Authority did not suffer a reduction income due to the fuel farm and provide approximately ten cents a gallon to the FBO based upon fuel purchases by Spencer's. It was fully understood by all parties that this is a net reduction of sixty cents a gallon to the FBO. It is also understood that it is a savings of approximately fifty-four cents a gallon by Spencer's on fuel purchases. Discussion indicated that we need to understand this reduction in income to the FBO not only effects Aviation Services but will have a direct bearing on any future contracts with FBO's for the Operations of the Mount Airy-Surry County Airport. While the Airport Authority made no commitments to Aviation Services when the contract was signed in 1992 as to the amount of fuel which would be pumped on a monthly basis, Aviation Services proposal to the Airport Authority was based upon the assumption that fuel sales and income would remain approximately the same. The FBO was present in the meeting and voiced concern with respect to the decision.

Mount Airy-Surry County Airport Authority Meeting held on January 25, 1994 at
4:00 pm at the Airport
January 26, 1994
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Other discussion relating to the approval of the lease involved discussion of a recommended lease from Pike Electric which offers to pay ten cents per gallon to the FBO and a payment equal to the current income of the Airport Authority per gallon. The situation with respect to the Insteel fuel farm was also discussed and it was noted that the FBO had objected to the Airport Authority following the signing of his contract about the income from Insteel being too low at the rate of five cents a gallon. At that time the Airport Authority had indicated that the agreement was not part of the lease arrangement and therefore involved the FBO and Insteel and the Airport Authority did not feel it was in a position to attempt to renegotiate the agreement. Discussion also indicated that the five cents being paid by Insteel should not be used as a precedent for any future agreement since conditions have improved at the airport, more modern facilities have been added and the agreement for the payment was between Insteel and the FBO. It was believed by the Airport Authority that establishing the Airport Authority to control the amount of return from any future fuel farms and the amount which could be allocated as a pass thru to the FBO placed the Authority in a position to renegotiate with the FBO at the end of the current lease (which is approximately two years). It also removes the FBO as a third party to any agreement between the Airport Authority and the Leasees.

Positioning of the facilities was discussed and two recommended layouts were provided to the members after development of LPA Group. Both arrangements show the fuel farm being located at the furthest point from the apron with the hangar of the requested size with an office attached per a layout provided by Spencer's. It is not known whether sufficient space exists (but we believe it does to accommodate the arrangement as reflected) but it was believed that the positioning could be altered somewhat if the lease is approved by Spencer's. It was noted that the positioning of the facilities must also be approved by the FAA prior to the actual construction of the building and that this could take up to forty five days.

It was noted that in theory the Airport Authority should deny the installation of any fuel farms since it is automatic reduction of income to the FBO and has a deleterious effect upon any FBO service improvement in the next twenty years. Any improvement in FBO services would necessarily be conditioned upon the prospective income available to the FBO and with every fuel farm that is approved an attendant reduction in the FBO's income is included. It was also pointed out that the removal of Spencer's planes from the hangar is a reduction of \$500.00 per month of income to the Airport Authority although that could cancel itself out if the space is re-rented to another party. If the space is left vacant then it equals a reduction in rent to the Airport Authority and if the space is leased to someone who does not now base his aircraft at the airport then there should be some increase recognized through additional fuel sales.

Mount Airy-Surry County Airport Authority Meeting held on January 25, 1994 at
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It was understood that Spencer's will construct the necessary access road to the hangar location and that they will pave the necessary aprons, not matter which way the hangar ends up being positioned, to accommodate access to the apron area. Also noted that the construction of the hangar, placement of the office and the placement of the fuel farm must be in compliance with all appropriate codes pertaining to the construction and the location of the fuel farm. While we believe a fifty foot separation between the fuel farm and the nearest facility is required, it is understood that that is not necessarily per code.

The establishment of the 18% return based on the cost of the fuel to Spencer's, which would be reflected on copies of purchase orders from Spencer's provided to the Airport Authority, was determined to permit the Airport Authority to recognize no decrease in income due to the approval of the fuel farm since our operating costs are approximately \$20,000.00 a year and our income is approximately \$20,000.00 per year. The establishment of approximately 11% of the 18% to be paid to the FBO was to maintain approximately ten cents per gallon to pay the FBO for services he provides which are not necessarily related to pumping of fuel. Maintaining the airport in a clean condition, maintaining the radio and telephone systems, assisting with filing of flight plans and numerous other activities the FBO provides.

After the meeting informal conversation with Randy Mason indicated that this proposal would be flatly refused by Spencer's due to the payment of 18% of the cost of fuel to the Airport Authority. We solicited his opinion as to whether or not it was fair and whether he understood how we arrived at the numbers and that is our requirement to uphold the public good which necessitated no reduction in income to the Airport Authority and that the expected payment of \$320.00 a month (based upon an estimated 2,000 gallons of fuel) is payment to the Airport Authority for maintaining and operating the airport which is provided with public funds. It was also noted that if every industrial customer who asks to have a hangar and a fuel farm received approval with no return to the Airport Authority then the Airport Authority's costs will exceed it's expected income and would be operating at a deficit. It was pointed out that we are facing a \$100,000.00 expenditure to replace the current fuel farm and that that cost will not be shared by the State and it will be necessary for the Airport Authority to use what funds we have available and appeal to the City and the County for additional funding.

MINUTES

Mt. Airy/Surry County Airport Authority

March 7, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 p.m. on March 7, 1994 at the operations building of the airport. Authority members present were Thurman Watts, Carl Kassen and Don Holder. Also in attendance was Carl Bell, attorney.

Chairman Watts called the meeting to order and asked that the minutes for the last meeting be approved as written. Carl Kassen made a motion to approve the January 25th, 1994 minutes. Seconded by Thurman Watts, the minutes were approved.

Chairman Watts informed the authority members that the purpose of this meeting is to discuss the lease agreement with Spencers, Inc. Mr. Watts informed the members that Mr. Crossingham was satisfied with the basic lease agreement, but was not satisfied with the percentage that the airport authority had asked him to pay in regards to him having a fuel farm. After some discussion, Carl Kassen made a motion that wording in the lease is to reflect that Spencers and all other fuel farm users will pay the same rate to the airport authority of 6% of wholesale price and .10¢ per gallon. The motion was seconded by Thurman Watts and the motion carried.


Carl Kassen made a motion to provide the lease as changed, based upon Thurman Watts' meeting with Jim Crossingham and new wording for the lease by Carl Bell. Motion was seconded by Don Holder and the motion carried.

Carl Kassen gave the treasury report. Carl reported that all bills have been paid.

Chairman Watts gave the members a copy of a hanger and fuel farm proposal from Pike Electrical Contractors, Inc. After some discussion, Don Holder made a motion that the airport authority offer Pike Electrical, Inc. the same lease agreement we are offering Spencers. The motion was seconded by Carl Kassen and the motion carried.

The authority members reviewed the Transportation Improvement Program. After some discussion, no new items were added to the TIP, but some projects were moved ahead.

There being no further business, the meeting was adjourned.



Don Holder, Secretary

MT. AIRY-SURRY COUNTY AIRPORT
TRANSPORTATION IMPROVEMENT PROGRAM (TIP)

01/2

PROJECT DESCRIPTION	YEAR	STATUS	TOTAL COST	FAA SHARE	STATE SHARE	LOCAL SHARE
UPGRADE/RELOCATE MDR	93	TIP (95)	\$ 15,000	\$ 0	\$ 21,500	\$ 22,500
97 LOCALIZER FACILITY AND OUTER MARKER	94	TIP	\$ 300,000	\$ 0	\$150,000	\$150,000
96 STRENGTHEN RUNWAY	95	REQUEST	\$ 400,000	\$320,000	\$ 40,000	\$ 40,000
96 STRENGTHEN EXISTING APRON	95	TIP	\$ 50,000	\$ 0	\$ 25,000	\$ 25,000
95 UPGRADE FUEL FACILITIES	96		\$ 150,000	\$ 0	\$ 0	\$150,000
98 ELIDEGLOPE FACILITY	97	TIP (95)	\$ 400,000	\$ 0	\$200,000	\$200,000
95 EXPAND TERMINAL BUILDING	97	TIP	\$ 197,500	\$ 0	\$ 98,750	\$ 98,750
98 PARTIAL PARALLEL T/W (R/W 36)	97	REQUEST	\$ 300,000	\$240,000	\$ 30,000	\$ 30,000
TOTAL			\$1,842,500	\$560,000	\$566,250	\$716,250

FUNDING SUMMARY

FY	TOTAL	FAA	STATE	LOCAL
97	\$ 15,000	\$ 0	\$ 22,500	\$ 22,500
94	\$ 300,000	\$ 0	\$150,000	\$150,000
95	\$ 450,000	\$320,000	\$ 65,000	\$ 65,000
96	\$ 150,000	\$ 0	\$ 0	\$150,000
97	\$ 897,500	\$240,000	\$328,750	\$328,750
98	\$ -0-	\$ -0-	\$ -0-	\$ -0-
	\$1,842,500	\$560,000	\$566,250	\$716,250

MR. WATTS,

MAKE CHANGES AS YOU SEE NEEDED.

PETE FISHER

MINUTES

Mt. Airy/Surry County Airport Authority

March 23, 1994

A meetins of the Mt. Airy/Surry County Airport Authority was held at 4:30 P. M. on March 23, 1994 at the operations building of the airport. Authority members present were Thurman Watts, Carl Kassen, Cam Barnett and Don Holder. Also in attendance were Attorney Carl Bell and Scott Marion, FBO and Airport Manager.

Chairman Watts called the meeting to order and a motion was made by Cam Barnett to approve the March 7 minutes as written, seconded by Carl Kassen. Minutes were approved.

Carl Bell informed the Authority members that the lease agreement with Spencers was approved by Mr. Crossingham. Some access questions were raised as to which area to the airport they would have access to. It was agreed that he has access to all areas that now exist, and he would have to build a road for auto access. Carl Bell will get with Mr. Crossinghams attorney and work out the wording and the access questions. Mr. Watts will send a letter for positioning of hanger to be approved by FAA.

Bill Cook asked to have his lease renewed. (The property is on the north end of the runway.) The lease will be renewed for one year. The new lease was approved.

Mr. Watts has submitted the Transportation Improvement Program to FAA as approved. Mr. Watts and Carl Kassen will get together and work out the budget to be submitted to the City and County.

Noland Krakland submitted a proposal to mow grass on the airport for this year, \$175.00 each time, \$35.00 for NDB, and \$50.00 for the entrance and around hangers. A motion was made by Cam Barnett to accept his proposal and seconded by Carl Kassen. Motion passed.

Cam Barnett gave a statis report on the new NDB. We are waiting for the FCC license before we start. Mr Watts will call LPA for assistance for obtaining license. Cam Barnett will contact Dickie Hodges for road location.

Chairman Watts presented a letter to the Authority members from Gene Rees. The letter contained two options for building hangers for lease. Mr. Rees asked the Authority members to consider these options. Mr. Rees' letter stated that he and Lee Mills would build the hangers. After a thorough discussion, Don Holder made a motion that the Airport Authority look into the possibility of building T hangers for rent, seconded by Carl Kassen. Motion passed.

Carl Kassen gave the treasury report. He reported \$53,955.25 in checking and that all bills had been paid.

Chairman Watts asked for suggestions on future meeting dates and times. Cam Barnett made a motion that the Authority meet the first Tuesday of each month at 4:30, seconded by Don Holder. Motion passed.

Chairman Watts asked if all Authority Members had read the proposed lease agreement with Floyd Pike Electric. David Hall, pilot for Pike Electric, answered some questions the members had. The Authority members agreed to offer Pike Electric the same lease agreement that was offered Spencers, and will provide a copy of that lease agreement for review.

Scott Marion gave the FBO report. He reported that he could not find the unicom license. He has checked the files for frequency license and asked the DOT and FCC for help in finding them.

A motion was made by Cam Barnett that the first two rows of ramp parking not be used for local aircraft parking. This is to avoid congestion of the ramp around the fuel and hanger area, seconded by Don Holder. Motion carried.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Don Holder

Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

May 3, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 P.M. on May 3, 1994 at the operations building of the airport. Authority members present were Thurman Watts, Cam Barnett, Don Holder and Carl Kassen. Also in attendance was Attorney Carl Bell.

Carl Kassen made a motion to accept the minutes as written, seconded by Cam Barnett. Minutes were approved.

Chairman Watts informed the members that the lease with Spencers, Inc. has been approved, beginning in May 1994 until April 2014. The lease will be for a hanger, fuel farm and a septic tank. The hanger will face south. Carl Bell briefed the members on his discussions with Spencers Attorney, Buck Faw, and informed them of some minor changes Mr. Faw has requested. Cam Barnett made a motion to approve the lease with the minor changes Attorney Carl Bell and Buck Faw work out, lease subject to approval by LPA Group and FAA. Don Holder seconded the motion, motion was approved. Carl Bell will get with Dickie Hodges to get meeks and bounds for Spencers.

Attorney Carl Bell has provided a copy of the Spencers lease to Floyd S. Pike Co. as requested by Pike Pilot David Hall. At a previous meeting the Authority members voted to offer Pike Electric the same lease agreement that Spencers was offered.

Chairman Watts briefed the Authority members about his discussion with Renfro Corp. They would like to build a hanger with a fuel farm. Mr. Watts will send them some information they requested and get back with them.

Cam Barnett gave an update on the new N.D.B. We have not received the license from the F.C.C. Cam called and was told it could take up to one year. Mr. Watts has talked with Southern Region and asked for help. There will be a pre-construction meeting May 26 at 11 A.M.

Chairman Watts gave a briefing on building T hangers for the airport. He has not gotten all of the figures, but is working on it and should have the total price by the next meeting. The T hangers would be for seven air craft. If the Airport Authority does not build the hangers, Lee Mills and Gene Reese, Tommy Brintle and Don Holder would ask for a lease to build a hanger.

Carl Kassen gave the treasurers report. He reported all bills have been paid and the checking account balance is \$58,091.85. A question was asked, are we collecting our money from Instill

and the F.B.O. on fuel sales. Carl Kassen will check on everything.

Chairman Watts has submitted to the City and County the budget request for FY 95. Mr. Watts and Carl Kassen will meet with Mike King (City Commissioner) and an Adhock Committee to discuss future plans and expenditures for the Airport.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

June 7, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 P. M. on June 7, 1994 at the operations building of the airport. Authority members present were Thurman Watts, Chairman, Cam Barnett, Carl Kassen and Don Holder. Also in attendance was Attorney Carl Bell, Noland Kirkman, pilot for Instell, and Randy Tucker, mechanic for Spencers.

Carl Kassen made a motion to accept the minutes as written, seconded by Cam Barnett.

Chairman Watts informed the members that Carl Kassen was signing a contract with Strand, Skees, Jones & Co. for the 1994 audit. The audit will cost \$1,700.00, and will be done after June 1994.

The radio station license for the new N. D. B. has been received from the F. C. C. Cam Barnett gave a briefing on the progress of the new N. D. B. Construction will start about June 13, and it should take about three weeks. F. A. A. should test fly the new N. D. B. around July 10. The access road to the site has been completed, and Surry Yadkin Electric Corp. will provide the electricity. The building permit has been applied for.

Chairman Watts told the members that he has a video tape from the economic development people that has information in it about Airport Authority, and he would like for all of the Authority Members to look at it.

Carl Kassen briefed the members on his airport inspection, and reported that the asphalt that was put between the hangers is cracking and coming apart. Carl will contact Mr. Whitaker of the pavement company and ask him to look at it. Carl also reported that he has not received any payments from the F. B. O. After some discussion it was decided that Carl would get with Scott Marion, the F. B. O., and discuss the problem and report back to the Authority Members.

Mr. Watts gave a briefing on the progress of the Spencers hanger. He has written to the F. A. A. asking them to expedite the approval of the hanger location. Spencers also wants to install a gate in the fence for the road they will build to their hanger. Carl Bell has not received the meeks and bounds from Dickie Hodges.

Carl Kassen gave the treasurers report and reported that the checking account balance is \$84,699.99, and all bills have been

paid.

Mt. Watts has a meeting scheduled with David Hall, pilot for Floyd Pike Electric Co. next Monday to discuss the location for the hanger that they are going to build.

The Authority Members discussed buying a safe or fire proof file cabinet to keep all our records and paper work in. It all needs to be kept in the same location, and a safe place. No action was taken.

Noland Kirkman asked the Authority Members about an A. W. O. S., a system for pilots to get the weather at the airport. Noland asked if it would be OK with the Authority Members if he asked for donations to try to raise enough money to buy the A. W. O. S. It was agreed that Noland could ask for donations, but the Airport Authority would not ask for any donations.

Cam Barnett reported that a car had rolled off from the church and hit the fence above the Instell hanger. The post needs replacing. Cam will try to find out who hit the fence and have it fixed.

Noland Kirkman asked about mowing the grass on the south end of the runway and the trees that are growing up by the fence around the pond. Chairman Watts asked the Authority Members to take a look at these areas and we would discuss them at our next meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

August 2, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 P. M. on August 2, 1994 at the operations building of the Airport.

Authority members present were Thurman Watts, Chairman, Carl Kassen, and Don Holder. Also in attendance was Attorney, Carl Bell and FBO Scott Marion.

Carl Kassen made a motion to accept the minutes as written, seconded by Thurman Watts.

Carl Kassen reported that the asphalt between the hangers has been repaired.

Chairman Watts informed the members that Attorney, Carl Bell was reviewing a letter from the City that sets guide lines for use of funds that are received from the City to keep proper records, accounting, receipts, audit etc. Attorney Bell would like to have Paragraph 9 modified or deleted. He will discuss this with the City Attorney.

The City and County has responded to our 1995-1996 budget request. The City's allocation is \$52,500.00 and the County's is \$33,000.00. We understand these payments are 1/3 of the budget for 1995-1996.

The DOT has approved the TIP as submitted for 1995 through 1998, letter dated July 6, 1994. Mr. Watts passed out copies of a letter from DOT stating they have approved our 1995 TIP, and asked for us to certify that local matching funds have been formally placed in our budget. Mr. Watts will fill out the form requested and send to DOT. Funds approved is to expand the terminal building, State funds are \$37,500.00.

Scott Marion gave a report on a letter from the State that said we have to have our water tested every 6 months. Mr. Marion asked the Surry County Health Department to test the water and they found the well to be contaminated, and said, "Do not drink the water." Mr. Marion has installed bottle drinking water. The Authority Members recommended a second test be done. Mr. Marion gave a report on the new NDB. The new frequency is 223.

We are waiting for an inspection of the NDB. Scott gave the FBO report.

Chairman Watts has been asked by Mr. Hall (pilot for Pike Electric Co) to request approval from FAA for placement of a hanger to be built by Pike Electric Co. Mr. Watts has asked LPA to ask for approval.

LPA has advised Mr. Watts that they do not believe that the Mt. Airy Airport can meet the qualifications to install an A.W.O.S. They don't think we meet the distance required from the runway and trees, and that we have about a 25% chance of obtaining a waiver for installation. After a lot of discussion and understanding that the Corporation Aircraft needs A.W.O.S, Carl Kassen made a motion that LPA request funding from the state and Noland Kirkman be allowed to ask for donations from local businesses for local funds, seconded by Don Holder.

Bill Maslyk is the new DOT representative from Raleigh for the Mt. Airy Airport and will be in Mt. Airy next week for discussions and to review our needs at the Airport.

The gate has been installed for the road to Spencers hanger. The Health Department has approved the well and septic tank and they have obtained the building permit. Mr. Watts will send Spencers the bill for the gate.

Hangers to be built for rental will rent for about \$100.00 per month. Don and Carl Kassen will call each person wanting to rent a hanger, and Carl Bell will prepare a lease agreement to be sent to each person wanting to rent a hanger. Carl Kassen made a motion to build the hangers, providing we get a commitment for leasing them, seconded by Don Holder.

Carl Kassen gave the treasurers report. He reported \$80,066.00 in the checking account, and all bills have been paid. Carl reported that the fence has been repaired at a cost of \$100.00.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

JAMES B. HUNT, JR.
GOVERNOR

P.O. BOX 25201, RALEIGH, N.C. 27611-5201

SAM HUNT
SECRETARY

July 6, 1994

Mr. Thurman Watts, Chairman
Mount Airy-Surry County Airport Authority
c/o John S. Clark Company
Post Office Box 1468
Mount Airy, North Carolina 27030

Dear Mr. Watts:

On behalf of Governor James B. Hunt, Jr. and the North Carolina Aeronautics Council, it is my pleasure to inform you that the Department of Transportation has approved inclusion of State Aid to Airports projects for the Mt. Airy-Surry County Airport in the 1995-1999 Transportation Improvement Program.

The projects, based upon a 50% state - 50% local share of the estimated costs, are described as follows:

<u>FY</u>	<u>Project Description</u>	<u>State Funds</u>	<u>Local Funds</u>
95	Expand terminal building	\$ 37,500	\$ 37,500
96	Rehabilitate/strengthen aircraft parking apron	\$ 25,000	\$ 25,000
97	Install localizer/marker runway 36	\$150,000	\$150,000
98	Install glide slope runway 36	\$200,000	\$200,000

All allocations are contingent on the General Assembly providing adequate funding to carry out the overall program.

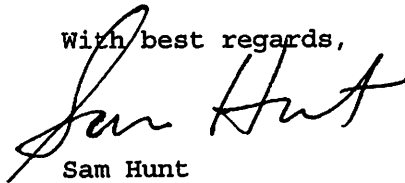
We request that your local share of the FY 95 project be formally approved no later than October 15, 1994. The Aviation Division will provide you with the necessary forms and procedures for the carrying out of this year's projects; you will be receiving this information within the next thirty days.



Mr. Thurman Watts
Page Two
July 6, 1994

We appreciate your continuing interest and support for the aviation programs of the Department of Transportation. We are pleased that we are able to provide financial assistance and look forward to working with you on this and other aviation matters.

With best regards,

A handwritten signature in cursive script, appearing to read "Sam Hunt".

Sam Hunt

SH/wp

cc: Governor James B. Hunt, Jr.



Don
RECEIVED

JUL 2 1994

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

JOHN S. CLARK
MT. AIRY, N. C.

JAMES B. HUNT, JR.
GOVERNOR

DIVISION OF AVIATION
P.O. BOX 25201, RALEIGH, N.C. 27611-5201

R. SAMUEL HUNT III
SECRETARY

July 20, 1994

Mr. Thurman Watts, Chairman
Mount Airy-Surry County Airport Authority
c/o John S. Clark Company
P.O. Box 1468
Mount Airy, NC 27030

Dear Mr. Watts:

Congratulations on the inclusion of state funds for your airport under the Aviation Element of the 1995 Transportation Improvement Program. We are looking forward to working with you to make the recently announced project a reality.

Please complete fully the enclosed form which certifies that your local matching funds have been formally placed into your budget. The certification form should be returned to the Division of Aviation no later than October 15, 1994.

Once we have received your executed certification we will send you the project package which contains the necessary forms to initiate the grant agreement.

Let us know if you have any questions or comments on either the certification process or your 1995 State Aid to Airports allocation.

Best wishes and good luck with your project.

Sincerely,

Willard G. Plentl, Jr., P.E.
Director of Aviation

WGP/LCB/sek

Enclosure

cc: Mr. William Schultz, Aeronautics Council Representative



Certification of Local Funds Authorization
1995 Transportation Improvement Program
Aviation Element

AIRPORT NAME: MOUNT AIRY-SURRY COUNTY AIRPORT PROJECT NO: 9.9474950

I. 1995 State Aid to Airports Tentative Allocation

Project Description: Expand terminal building

A. State Funds Allocated: \$37,500

B. Local Share Required: \$37,500

II. Sponsoring Agency's Certification

I _____, representing
(Name and Title)
_____, (to be known
(Name of Official Sponsoring Agency)

as the "Sponsor") do hereby certify that by action duly taken of the governing body of said Sponsor a local matching share of \$ _____ has been officially allocated and placed into the Sponsor's approved budget and will be available for expenditure upon commencement of the Project. This share represents Sponsor certification of funds approval for the following items of work: _____

Proposed Schedule:	Work Element	Planning/Eng. Start	Construction Start
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

Signed: _____

Date: _____

MINUTES

Mt. Airy/Surry County Airport Authority

September 6, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 P.M. on September 6, 1994 at the operations building of the Airport, with the following members present: Thurman Watts, Carl Kassen, Don Holder and Cam Barnett. Guests in attendance were Noland Kirkman, pilot for Instell.

Carl Kassen made a motion that the minutes of the meeting held on August 2, 1994 be approved. Minutes were approved.

Chairman Watts briefed the members on the status of the new NDB. He reported that it is ready for ground check, and it is scheduled to be checked on September 9th. The monitor will be in on the 7th of September, and should be installed in time for the check.

Bill Maslyk from the Division of Aviation N.C.D.O.T. made a visit and talked about projects and needs of the Airport. He also checked the parking ramp, taxiways, runway and etc.

When checking the runway there were several small holes and some cracks and chunks of asphalt on the runway. Mr. Maslyk was concerned that aircraft could be damaged by the loose asphalt. Emergency funding has been applied for by LPA Group to repair the runway. They have given three prices. One for repairing cracks and holes, one for repairing and patching, and one for repair, patching, and repaving. All would cost approximately \$250,000. DOT is looking to find eighty percent of the cost. If DOT can come up with the money, the work would be done by DOT.

Lease agreements for the hangers have been mailed to six people. As soon as they are signed and received back we will order the hangers and start construction.

Carl Kassen gave the treasurers report. He reported \$74,144.42 in the checking account, and \$128,871.60 in money market as of the end of August, 1994. All bills are paid. Strand, Skees, Jones and Co. want records for an audit.

Payments from the FBO to the Airport Authority were discussed. Carl Kassen reported he has received a check from Scott Marion, but that Scott is not up to date and he will discuss this with him and ask for a schedule of payments to get him caught up. Carl Kassen will talk with Carl Bell about sending Scott a letter.

Work has started on the hanger for Spencers. Mr. Watts asked that all members keep a close watch on the construction, and

that nothing is being done that would cause any damage to the Airport or Aircraft. Spencers has agreed to pay for the gate that was installed.

Mr. Watts has recieved a letter from DOT that says they have approved \$45,000.00 for AWOS based on a 50/50 share. Noland Kirkman gave a report on money he has committed from local business to help pay our 50 percent share of the AWOS. Don Holder made a motion to have LPA Group to find out if the Mt. Airy Aiport has the space to qualify for the AWOS, seconded by Cam Barnett. Mr Watts thanked Noland Kirkman for his work in raising funds for the AWOS.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

October 4, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 P. M. on October 4, 1994 at the operations building of the Airport with the following members present: Thurman Watts, Cam Barnett, Dick Wimbish, and Don Holder. Also in attendance were Attorney Carl Bell and FBO Scott Marion.

The minutes from the meeting of September 6, 1994 were read and a correction was made to change \$250.00 to read \$250,000.00 regarding repaving the runway. Dick Wimbish made a motion to approve the September 6 minutes, seconded by Thurman Watts.

LPA has informed Mr. Watts that the ground check on the new NDB will be done as soon as possible. Mr. Watts will call Barnes and Powell to push them to complete the check. Mr. Watts also asked Cam Barnett to keep checking on the status of the new NDB. The check has been delayed due to the fact that the person that does the check has been sick.

DOT has notified Chairman Watts that they have the money to make the repairs to the runway. The Airport Authority's share is 20% of approximately \$250,000.00.

Chairman Watts informed the members that Dot Division of Aviation is checking all airports to see if there is a need for AWOS. The letter is from Mr. Sanderson, and they are coming to Mt. Airy this Thursday. Mr. Watts will call and give us the time they plan to be here.

Status of leases for hangers were discussed. Carl Bell gave a report on the lease agreements. Only four have been returned. Carl Bell read a letter from the City Attorney, and Carl has checked with the Attorney General's office and other people. All of the people he talked with do not think the Airport Authority can borrow money. Carl will check with some other people and the Local Government Commission. He will keep us informed.

Don Holder gave the treasurers report for Carl Kassen. Mr. Watts had asked Carl to see what the difference is between money market and CD's. Money market pays 3% and CD's are 4 3/4% for six months. Carl has not received his bank statements yet. Checking account balance is \$78,991.37. Carl Kassen has talked with FBO Scott Marion about catching up on his payments to the Airport Authority. Mr. Marion owes through September the amount of \$1,279.32. Mr. Marion informed the members on how he is trying to catch up, and problems he is having. He did send Carl Kassen a check for February and March, 1994. Mr. Watts asked Scott to make a schedule on trying to catch up.

Scott Marion gave the FBO report. Scott reported finding rubber in the filter in the fuel system. He has replaced the filter. Scott reported the unicom system has been out of order. He does have a hand held backup. The unicom has been repaired.

Mr. Watts informed the members that Renfro Corporation wants to build a hanger. He will meet with them soon.

There being no further business, the meeting was adjourned.

Respectfully submitted.


Don Holder, Secretary

MINUTES

Surry County Airport Authority

November 1, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 p.m. on November 1, 1994 at the operations building of the airport with the following members present: Carl Kessen, Cam Barnett and Don Holder. Also in attendance were attorney, Carl Bell, Noland Kirkman (pilot for ~~Spencers~~ ^{Spencer}), David Hall (pilot for Pike Electric) and Scott Marion, FBO.

Chairman Thurman Watts, not being able to attend, asked Don Holder to preside over the meeting.

Don Holder read a letter from the LPA Group stating that they were reviewing the TIP for 1995 and that we may need to arrange a meeting to finalize the TIP request.

A discussion took place regarding the possibility of installing an AWOS III system at the airport. A letter was read from the LPA Group informing the airport authority that they do not think we have enough space to install an AWOS III system and that the state division of aviation will attempt to determine if installation is possible. Noland Kirkman informed the members that he had commitments from John S. Clark Co. and Spencers for a donation on the AWOS III system.

A discussion was held regarding the assignment of the two hangers that will come available when Spencers hanger is completed. It was decided to wait until the December meeting for more discussion and assignment of hangers.

Renfro Company has asked to build a hanger for their aircraft. A discussion was held and placement of their hanger was questioned. Placement of the Renfro hanger will be discussed at our next meeting when more authority members are present. Don Holder ask Carl Bell to send Renfro a lease agreement.

Noland Kirkman asked who was going to be responsible for removing snow from the runway. A discussion was held but no decision was made. We will check with some local firms and ask if they would be able to do snow removal for us. It was suggested that we contact David Rowe, Sowers Construction, Hull, Pike and the City.

Closing of the runway was discussed. The runway is scheduled to be re-paved around the 1st of December. We have no firm dates yet. All people that have planes at Mt. Airy will be notified. All firms have been notified and will be given the closing dates as soon as they are established.

Scott Marion informed the members that the ground check for

the new NDB has been completed. Cam Barnett reported it may be the last of January, 1995 before the flight check is completed.

David Hall reported that Floyd Pike Electric is ready to build their hanger. Carl Bell reported everything is ready for FAA approval and that it may take three months for FAA to get their approval back to us. David Hall informed the members that they were concerned about the time involved before they can start construction.

Carl Kessen made a motion to approve the minutes for the Oct. 4th meeting, which was seconded by Cam Barnett. Minutes were approved.

Scott Marion gave the FBO report. He reported a leaking reel on the fuel hose. Scott will call Harrell Oil Co. to fix it.

Carl bell will write Spencers a letter informing them that their power line should be moved. Their lease aggreement states that the power line will be put under ground. The line as it is now prevents us from building another hanger in that area.

It was discussed that lights are needed on the east end of the 'T' hangers to light the parking ramp. No action was taken.

Carl Kessen gave the Treasurers report. Carl reported as of Sept. 30th, the checking account balance was \$78,293.00. He reported receiving \$1654.93 of ABC money.


Cam Barnett made a motion to take \$50,000.00 out of the money market account and put it in a six-month CD account. The motion was seconded by Carl Kessen and was approved.

Carl Kessen will ask the insurance company to insure the new NDB.

Don Holder asked everyone at the meeting to give their input on the remodeling and addition to the terminal building. We will discuss the terminal building at our next meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,


Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

December 1, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 4:30 p.m. on December 1, 1994 at the operations building of the airport with the following members present: Carl Kassen, Cam Barnett, Dick Wimbish, Thurman Watts and Don Holder. Also in attendance were attorney, Carl Bell and Nolan Kirkman.

Work is underway by DOT to re-surface the runway. A NOTAM has been issued stating that the runway will be closed from Dec. 1 to Dec. 18. LARCO, of Winston-Salem, has the contract for the job.

Chairman Watts informed the members that the TIP for the next 5 years has to be in by January 6, 1995. The TIP was reviewed and Chairman Watts asked all members to consider all suggestions and we will meet again before January 6 to modify and approve the TIP.

The power pole for Spencers' hangar will have to be moved. The power line was supposed to be underground and the power pole will interfere with the construction of another hangar. After some discussion, a motion was made by Don Holder to have the power pole moved to the west side of the road to Spencers' hangar. Cam Barnett seconded and the motion passed.

Carl Kassen gave the treasurer's report. He reported a checking account balance of \$73,311.30 and that approximately \$45,000.00 will be used to pay the local share of re-paving the runway. He reported that the FBO was not up to date and that he was working with Scott. He also reported that some hangar rent was not paid up to date and he has notified the individuals involved.

Chairman Watts has a check from Bill Cook to renew his lease for another year. Mr. Watts has also been contacted by Bud Hunter to lease part of the Cook property to be used for a landscaping nursery. Mr. Watts has talked with Mr. Cook and he only wants the hay field and the strawberry patch. Mr. Watts asked the members to look at the property and we will discuss it at our next meeting.

The next item discussed is the placement of Renfro's hangar. Cam Barnett made a motion to go into closed session, seconded by Don Holder. Cam Barnett made a motion to go into open session, seconded by Don Holder. Cam Barnett made a motion to keep the lease agreement as is and we will discuss placement of the hangar at our next meeting. Seconded by Don Holder.

The next item is assignment of the hangars that are being vacated

by Spencers when they move into their new hangar. Pilots and aircraft owners attending this part of the Airport Authority meeting are Gene Reese, Lee Mills, Tommy Brintle and Don Law. All of these pilots and aircraft owners along with Don Holder and Cam Barnett are interested in having a hangar to house their aircraft. Since only two hangars will be available, it was decided that some pilots would like to build their own hangar. A proposal will be submitted to the airport authority by a group of pilots and will be discussed at a later meeting. Assignment of hangars will also be discussed at a later meeting.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary

MINUTES

Mt. Airy/Surry County Airport Authority

December 13, 1994

A meeting of the Mt. Airy/Surry County Airport Authority was held at 5:00 p.m. on December 13th in the conference room at John S. Clark Co. The following members were present: Thurman Watts, Cam Barnett and Don Holder. Also in attendance were attorney, Carl Bell and FBO, Scott Marion.

Chairman Watts informed the members that Renfro Corp. has accepted the lease agreement and that we need to decide on placement of the hangar. After much discussion, Cam Barnett made a motion to have Renfro build their hangar north of the Spencers hangar. Reasons considered being safety, space available, space between hangars and public good. Seconded by Don Holder, the motion carried.

The TIP proposed by the LPA Group was discussed. The proposal, with some modification, will be submitted to DOT.

Chairman Watts presented the proposal from HHH Landscape. Mr. Watts made a motion to approve a one year lease for \$1200.00 with an option for four years at \$1800.00 per year and place an add in the paper as required by the statute. We will require a \$500.00 deposit to clean up land after the lease is terminated. Seconded by Cam Barnett, the motion passed.

Note: Mr. Cook has approved.

There being no further business, the meeting was adjourned.

Respectfully submitted,



Don Holder, Secretary