



Virginia Aviation Board  
Meeting Minutes

The Virginia Aviation Board held a meeting on Wednesday, May 25, 2022, at the Hotel 24 South, Shenandoah Ballroom, 24 South Market Street, Staunton, VA 24401. The meeting was audio recorded. The audio recording, meeting documents, and presentation materials are available on the Virginia Department of Aviation's website, [www.daov.virginia.gov](http://www.daov.virginia.gov).

MEMBERS

Roderick D. Hall, Chairman	Present
Sophie Chafin Vance, Region 1	Absent
Victoria Cox, Region 2	Present
Derek M. Hardwick, Region 3	Absent
Alan C. Abbott, Region 4	Present
Maggie Ragon, Region 5	Present
Donald T. Robertson, Region 6	Present
Vanessa Christie, Region 7	Present

OTHER ATTENDEES

Christian H. Pedersen	Office of the Attorney General
Brian Stevens	Office of the Attorney General
Gregory W. Campbell, Director	Virginia Department of Aviation

DOAV staff, state government representatives, federal government representatives, airport sponsors and managers, consultants, engineers, business owners, and city and county representatives were also present.

1. Call to Order Rod Hall, Chairman

The chairman called the meeting to order at 1:00 p.m.

2. Review and approve February 3, 2022 minutes Rod Hall, Chairman

Motion to approve the February 3, 2022 minutes as submitted. (Attachment A)

Motion to approve: Abbott

Second: Ragon

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

3. Virginia Aviation Board Resolutions and Recognitions Rod Hall, Chairman

Chairman Hall recognized outgoing board members Maggie Ragon and Dak Hardwick. He noted the regional projects awarded during their service to the airports and the board.

Chairman Hall presented board resolutions for the following: Boeing Company, Breeze Airways, Captain Houston Mills, United Airlines, American Airlines, Delta Airlines, and Gladys M. West, Ph.D. (Attachment B)

4. DOAV Director's Update Greg Campbell, Director  
DOAV

Director Campbell thanked all for the warm welcome to the department and provided an update on the agency's activities.

5. VABA Report Bud Oakey, President  
VABA

Mr. Oakey provided an update on activities of the VABA.

6. Old Business

- A. Airport Licensing Report - Lake Anna Vernon Carter, DOAV

Mr. Carter provided an update on the status of the obstruction removal process for Lake Anna Airport.

Motion to approve staff's recommendation to issue a "Day/VFR Use Only" license if obstructions are not removed by expiration date of Conditional License, (July 4, 2022).

Motion to approve: Abbott

Second: Ragon

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

5. New Business

- A. Bridge Loans Susan Simmers, DOAV

Ms. Simmers provided a report on the need to change the bridge loan program and staff recommendation to terminate the program with supporting actions.

Motion for Termination of Bridge Loan Program: To terminate the Department of Aviation's Bridge Loan Program, effective immediately.

Motion to approve: Ragon

Second: Robertson

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Motion for Amendment to Airport Program Manual: To amend the *Airport Program Manual* to reflect the termination of the Bridge Loan Program, with amendments to be consistent with the proposed updates set forth in the board packet enclosure labeled as Exhibit 1.

Motion to approve: Ragon

Second: Abbott

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Motion for Amendment to *Master Agreement on Terms and Conditions for Accepting State Aviation Funds*: To amend the *Master Agreement on Terms and Conditions for Accepting State Aviation Funds* to

reflect the termination of the Bridge Loan Program, with amendments to be consistent with the draft set forth in the board packet enclosure labeled as Exhibit 2.

Motion to approve: Ragon

Second: Robertson

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Motion for Amendments to Grant Agreements: To amend the grant agreements for Project Nos. CS0033-27, CS0032-22, CS0007-43, CS0050-42, CS0053-34, CS0032-21, CS0001-31, and CS0001-32 to reflect their reclassification as discretionary grants and removal from the Bridge Loan Program, with amendments to be consistent with those terms set forth in the board packet enclosure labeled as Exhibit 3.

Motion to approve: Ragon

Second: Cox

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Motion for First Amendment for Culpeper Regional Airport funding request for the Greenhouse Road Extension (Construction) (Non-AIP): To amend the tentative allocation made at the February 3, 2022 board meeting to reclassify the transaction as a discretionary grant as opposed to a bridge loan.

Motion to approve: Ragon

Second: Christie

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Motion for Second Amendment for Culpeper Regional Airport funding request for the Greenhouse Road Extension (Construction) (Non-AIP): To amend the funding contingency established at the February 3, 2022 board meeting to now read as follows:

“It is anticipated that Bipartisan Infrastructure Law (BIL) funding will be treated as AIP Non-Primary Entitlement funds and as such, the funding may be used to reimburse prior project costs. The county is scheduled to receive \$296,000 in BIL funding each year for the next five years, and, if allowed by FAA/DOT, such funds shall be used to remit to the Department the difference between the state’s share of the eligible costs of the State Funded Project and the state’s share of the eligible costs of the Federally Funded Project. The Sponsor’s failure to comply with this contingency may, in the sole discretion of the Department, render the Sponsor ineligible for consideration for future discretionary grant funding from the Department.”

Motion to approve: Ragon

Second: Robertson

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

Chairman Hall noted that although Ms. Vance was unexpectedly unable to attend the meeting, she voiced her support for the above-mentioned actions. He also requested that the exhibit packet be entered as part of the minutes (Attachment C).

B. Consideration of Amended FY22 Entitlement Utilization Plans

Mike Swain, DOAV

Mr. Swain presented revisions to FY22 Entitlement Utilization Reports/Plans/Reports and Plans. Staff recommends approval of the amended plans for Charlottesville-Albemarle Airport, Newport News-Williamsburg International Airport, Richmond International Airport, and Shenandoah Valley Regional Airport.

Motion to approve: Robertson  
 Second: Cox  
 Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

C. Virginia Aviation Allocations Review  
 Tentative Allocations from the Commonwealth Aviation Fund

Mike Swain, DOAV

Mr. Swain presented the project requests and staff recommendations. The board actions are summarized below. These results are available at [www.doav.virginia.gov](http://www.doav.virginia.gov).

For Region 1, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Blue Ridge Regional Airport	West Apron Crack Fill & Sealcoat (Construction)	Approved	\$34,305.00
Lee County Airport	Runway 7-25 Airfield Lighting Rehabilitation (Design)	Approved	\$9,440.00
Twin County Airport	Rotating Beacon Replacement	Approved	\$12,012.00
Virginia Tech - Montgomery Executive Airport	Slope Mower	Approved	\$17,623.75

Motion to approve: Ragon  
 Second: Cox  
 Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 2, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Gordonsville Municipal Airport	Runway, Taxiway & Apron Rehabilitation (Construction) - INCREASE	Approved	\$273,082.00

Motion to approve: Cox  
 Second: Robertson  
 Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 3, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Culpeper Regional Airport	East Side Terminal Area Plan	Approved	\$82,937.00
Leesburg Executive Airport	Hangars A, B, C & D Taxilanes Rehabilitation (Design)	Approved	\$104,000.00
Stafford Regional Airport	Fueling System Upgrade - Reclaimed Fuel Vessels (Construction)	Approved	\$1,511.00
Stafford Regional Airport	Runway 15 Extension - Phase 2 (AIP) - CHANGE ORDER	Approved	\$81,500.00
Stafford Regional Airport	T-Hangars 6, 7 & 8 Site Preparation (Design)	Approved	\$136,000.00

Motion to approve: Abbott  
 Second: Cox  
 Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 4, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Hanover County Municipal Airport	West Apron Rehabilitation - Phase 1 (Construction)	Approved	\$120,000.00
Louisa County Airport	South Side Taxiway (Design)	Approved	\$16,400.00
Richmond International Airport	Federal Inspection Service Facility Renovation (Construction)	Approved	\$50,467.36 (E) \$302,332.64 (D)
Tappahannock-Essex County Airport	Rotating Beacon Replacement	Approved	\$13,584.00
Tappahannock-Essex County Airport	Terminal Building HVAC Replacement (Construction)	Approved	\$23,160.00

Motion to approve: Abbott

Second: Ragon

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 5, no project requests were submitted.

For Region 6, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Lake Country Regional Airport	East and West Side Runway Obstruction Survey and Removal	Approved	\$10,240.00
Lake Country Regional Airport	Security Camera System	Approved	\$3,240.00

Motion to approve: Robertson

Second: Ragon

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 7, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Hampton Roads Executive Airport	Runway 10-28 Re-Marking (Construction)	Approved	\$71,957.00
Hampton Roads Executive Airport	T-Hangar Taxilanes Crack Fill & Sealcoat (Construction)	Approved	\$88,564.00
Hampton Roads Executive Airport	West Apron Hangar Site Preparation (Construction) - INCREASE	Approved	\$296,457.33
Middle Peninsula Regional Airport	Main Apron & Mid-Field Taxiway Rehabilitation (Design)	Approved	\$14,400.00
Suffolk Executive Airport	T-Hangar G Site Preparation (Design)	Disapproved	N/A

Motion to approve: Christie

Second: Robertson

Vote: Aye: Cox, Abbott, Ragon, Robertson, Christie; Nay: none

8. Public Comment Period Rod Hall, Chairman

No public comments were offered.

9. Board Member Comments and Reports Rod Hall, Chairman

Region 1: No report

Region 2: Ms. Cox reported that the Economic Development Strategic Planning Committee met on May 24, 2022. The meeting was well attended with good information presented by the Virginia Economic Development Partnership (VEDP) and the Virginia Innovation Partnership Corporation (VIPIC) as well as a briefing from DOAV's internal workgroup. She thanked everyone for their efforts for this meeting.

Region 3: No report

Region 4: No report

Region 5: Ms. Ragon stated she has appreciated the ability to serve. She thanked Chairman Hall for his leadership.

Region 6: Mr. Robertson stated it was good to be here and thanked Ms. Ragon and Region 5 for their hospitality.

Region 7: Ms. Christie thanked the VAOC and staff for their preparation for this meeting. She wished fair winds and following seas to Ms. Ragon and Mr. Hardwick.

Director: no report

Chairman: Chairman Hall extended a heartfelt thanks to staff for all their work on today's agenda. He announced that Christian Pedersen (OAG) would be departing and introduced Brian Stevens (OAG), his successor. Chairman Hall announced that the VAB will welcome two new board members, Cheryl McLeskey and Randy Burdette, on July 1. Although Chairman Hall will hand the gavel to Mr. Burdette as the new Chairman, he will remain on the board.

10. Adjournment Rod Hall, Chairman

The meeting adjourned at 2:12 pm.



Virginia Aviation Board  
Meeting Minutes

The Virginia Aviation Board held a meeting on Thursday, February 3, 2022, at the Virginia Department of Aviation Hangar Building, 5702 Gulfstream Road, Richmond, VA 23250. The meeting documents and presentation materials are available on the Virginia Department of Aviation’s website, [www.doav.virginia.gov](http://www.doav.virginia.gov).

MEMBERS

Roderick D. Hall, Chairman	Present
Sophie Chafin Vance, Region 1	Present
Victoria Cox, Region 2	Absent
Derek M. Hardwick, Region 3	Present
Alan C. Abbott, Region 4	Present
Maggie Ragon, Region 5	Present
Donald T. Robertson, Region 6	Present
Vanessa Christie, Region 7	Present

OTHER ATTENDEES

Christian Pedersen	Office of the Attorney General
P. Clifford Burnette, Acting Director	Virginia Department of Aviation

DOAV staff, state government representatives, federal government representatives, airport sponsors and managers, consultants, engineers, business owners, and city and county representatives were also present.

1. Call to Order Rod Hall, Chairman

Chairman Hall called the meeting to order at 11:04 a.m. and welcomed all in attendance. He noted that Mr. Greg Campbell was recently appointed as director of the Department of Aviation with his first day February 14, 2022. Mr. Burnette is serving as acting director.

2. Review and approve December 2, 2021 minutes Rod Hall, Chairman

Motion to approve: Hardwick  
Second: Abbott  
Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

3. Virginia Aviation Board Resolutions

Mr. Hardwick presented a framed Virginia Aviation Board Resolution to Dave Darrah in recognition of his services in the management of the Warrenton-Fauquier Airport.

Mr. Abbott read the Virginia Aviation Board Resolution for Hank Rempe recognizing his service to the Hanover County Municipal Airport. Mr. Abbott will make the official presentation to Mr. Rempe at the next Airport Commission meeting.

4. Mark Flynn Service Recognition Rod Hall, Chairman

Mr. Hall presented the framed state seal to Mark Flynn in recognition of his four years of service as director of the Virginia Department of Aviation and noted accomplishments made during his tenure.

5. DOAV Director's Update Cliff Burnette,  
Acting Director, DOAV

Mr. Burnette provide an update on department news and activities including information on the Bipartisan Infrastructure Law (BIL) and Virginia Air Transportation Systems Plan.

6. VABA Update Bud Oakey, VABA

Mr. Oakey provided an update on VABA activities, noting highlights from the Aviation and Aerospace Legislative Reception held on February 2, 2022 and legislative interests.

7. Old Business

- A. Virginia Highlands Airport Bridge Loan Extension Request Mike Swain, DOAV

Mr. Swain discussed correspondence received from the Virginia Highlands Airport Authority. The sponsor requested that the first of five reimbursement installments against a bridge loan originally due to the department on December 31, 2021 be deferred to December 31, 2022. Staff recommended approval of the request.

Motion to approve: Vance

Second: Ragon

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

- B. Airport Licensing Report Vernon Carter, DOAV

1. Lunenburg County Airport

Mr. Carter provided an update regarding the license for Lunenburg County Airport. He noted that the airport requested a Day/VFR license as they will not be able to complete the obstruction removal prior to expiration of the standard license. Staff recommended the issuance of the Day/VFR license to Lunenburg County Airport.

Motion to approve: Hardwick

Second: Vance

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

2. Lake Anna Airport

Mr. Carter stated that the department had conducted an inspection in response to a pilot notification regarding potential obstructions on both ends of the runway. A conditional license was issued on January 11 and will expire on July 4. The department will provide an update to the board at the May meeting.



8. New Business

A. VRA Loan Application for Chesapeake Regional Airport Mike Swain, DOAV

Mr. Swain presented the Virginia Resources Authority (VRA) loan request for the Chesapeake Regional Airport in the amount of \$4.5 million for the Box H (2) Construction and FBO Building Construction project. Staff recommended endorsement of the VRA loan application.

Motion to approve: Robertson

Second: Vance

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson; Abstain: Christie; Nay: none

B. Consideration of Amended FY22 Entitlement Utilization Plans Mike Swain, DOAV

Mr. Swain presented revisions to FY22 Entitlement Utilization Plans for Newport News-Williamsburg International Airport, Norfolk International Airport, and Richmond International Airport. Staff recommended approval of the amended plans.

Motion to approve: Hardwick

Second: Abbott

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

C. Virginia Aviation Allocations Review Mike Swain, DOAV  
Tentative Allocations from the Commonwealth Aviation Fund

Mr. Swain presented the project requests and staff recommendations. The board actions are summarized below.

For Region 1, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Blue Ridge Regional Airport	Land Acquisition Services Runway 13 RPZ/Part 77 BRIDGE LOAN - INCREASE	Approved	\$9,116.00
Lee County Airport	Fueling System Expansion - Jet A Tank (Construction)	Approved	\$65,878.00
New River Valley Airport	Hangar Site Preparation (Design)	Approved	\$45,062.00
Virginia Highlands Airport	Runway 6-24 Extension - Phase 4 (Construction)	Approved	\$444,444.00

Motion to approve: Vance

Second: Abbott

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 2, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Bridgewater Air Park	Runway/Taxiways Crackseal, Sealcoat, and Re-Marking (Construction)	Approved	\$136,000.00

Motion to approve: Abbott

Second: Christie

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 3, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Culpeper Regional Airport	Greenhouse Road Extension (Construction) (AIP)	Approved	\$257,777.00
	Greenhouse Road Extension (Construction) (non-AIP) *	Approved	\$557,097.00
Leesburg Executive Airport	North Apron Crack Seal & Seal Coat (Construction)	Approved	\$40,405.00
Manassas Regional Airport	Taxiway 'A' Pavement & Lighting Rehabilitation (Construction)	Approved	\$240,000.00
Winchester Regional Airport	Terminal Area Site Preparation - Phase 2 (Construction)	Approved	\$1,064,443.00
	Terminal Building (Design) - INCREASE	Approved	\$39,556.72
	Terminal Building Utilities (Construction)	Approved	\$98,580.00

For the Greenhouse Road Extension (Construction) (non-AIP) project, the VAB approved the project with the following contingency: It is anticipated that Bipartisan Infrastructure Law (BIL) funding will be treated as AIP Non-Primary Entitlement funds and as such, the funding may be used to reimburse prior project costs. The county is scheduled to receive \$296,000 in BIL funding each year for the next five years, and, if allowed by FAA/DOT, such funds shall be used to reimburse the Non-AIP Bridge Loan according to the standard procedures listed in the *Airport Program Manual*. If it is determined by the FAA that BIL funding cannot be used to reimburse prior construction costs, DOAV will amend the Non-AIP grant agreement to remove the Bridge Loan reimbursement requirement.

Motion to approve: Hardwick

Second: Vance

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 4, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Hanover County Municipal Airport	East Side Perimeter Fencing - Phase 2 (Construction)	Approved	\$52,380.00
Richmond Executive - Chesterfield County Airport	Airfield Drive Rehabilitation (Design) - INCREASE	Approved	\$25,200.00
	Southeast Box Hangars Site Preparation (Design) - CHANGE IN SCOPE	Disapproved	n/a

Motion to approve: Abbott

Second: Vance

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 5, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Allen C. Perkinson Municipal Airport	Apron Rehabilitation (Construction)	Approved	\$458,400.00
Danville Regional Airport	Access Control & Replacement Auto Gate (Construction)	Approved	\$31,129.00
	Airfield Directional Sign Replacement (Construction)	Approved	\$4,544.00

Fuel Farm Modification (Design)	Approved	\$36,660.00
South Ramp Rehabilitation - Phase 1 (Construction)	Approved	\$160,000.00
Terminal Building Renovation (Construction)	Approved	\$834,928.00
Terminal Building Replacement Furniture	Approved	\$42,434.00

Motion to approve: Ragon

Second: Christie

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 6, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Emporia-Greenville Regional Airport	Taxiway & Apron Rehabilitation - Phase 1 (Construction)	Approved	\$16,000.00
Lake Country Regional Airport	Runway Rehabilitation & RSA Improvement - Phase 4 (Construction)	Approved	\$1,236,000.00
Wakefield Municipal Airport	Runway Lighting Rehabilitation (Construction)	Approved	\$440,800.00

Motion to approve: Robertson

Second: Christie

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

For Region 7, staff recommended the following:

Airport	Project Description	VAB Action	Amount
Accomack County Airport	Runway 21 Turnaround (Construction)	Approved	\$45,600.00
Chesapeake Regional Airport	AWOS Visibility Sensor Replacement	Approved	\$21,873.00
	Runway & Taxiway Lighting Rehabilitation (Construction)	Approved	\$100,000.00
Hampton Roads Executive Airport	Fueling System Expansion (Construction)	Approved	\$132,000.00
	West Apron Taxiways Rehabilitation - Phase 2 (Construction)	Approved	\$40,000.00
Suffolk Executive Airport	Terminal Apron Rehabilitation (Construction)	Approved	\$204,800.00
Williamsburg-Jamestown Airport	T-Hangar #2 Site Preparation (Construction)	Approved	\$516,000.00

Motion to approve: Christie

Second: Robertson

Vote: Aye: Vance, Hardwick, Abbott, Ragon, Robertson, Christie; Nay: none

9. Public Comment Period Rod Hall, Chairman

No public comments were offered.

10. Board Member Comments and Reports Rod Hall, Chairman

Region 1: Ms. Vance noted she was happy to be here. She encouraged a meeting in southwest Virginia.

Region 2: N/A

Region 3: Mr. Hardwick thanked Director Flynn and stated that he shared his interest in Advanced Air Mobility and hopes Mr. Greg Campbell shares this interest. He thanked Mr. Flynn for his illustrious service.

Region 4: Mr. Abbott echoed Mr. Hardwick's sentiments about Mr. Flynn.

Region 5: Ms. Ragon wished Mr. Flynn Godspeed and good fun.

Region 6: Mr. Robertson noted he was glad to be here and looks forward to meeting in southwest Virginia.

Region 7: Ms. Christie thanked all for their comments. She expressed appreciation to Mr. Flynn for his help and guidance. She congratulated Mr. Darrah and Mr. Rempe.

Chairman: Mr. Hall thanked the board members and Mr. Flynn for their service and assistance. He extended congratulations to Mr. Campbell and noted that he looks forward to productive relationships in advancing aviation through the Commonwealth.

Acting Director: Mr. Burnette announced his retirement effective February 24, 2022. He thanked the board and staff for their support during his 15 years as director of the Airport Services Division.

11. Adjournment

Rod Hall, Chairman

The meeting adjourned at 12:36 pm.



**Resolution**  
**Of the Virginia Aviation Board**  
**In Recognition of Boeing's Selection of Virginia**  
**As the Site of its Global Headquarters**

Whereas, William Boeing incorporated the Pacific Aero Products Company in July 1916 and renamed it Boeing Airplane Company in 1917; and

Whereas, Boeing Airplane Company launched its first production aircraft – the Model C – in November 1917; and

Whereas, Boeing Airplane Company delivered Model C's to the U.S. Navy during World War I thereby beginning a relationship with the U.S. military that continues today; and

Whereas, Boeing manufactured many of the nation's most iconic aircraft – including the B-17 Flying Fortress, the DC-3, the T-6 Texan, the P-51 Mustang, the B-29 Superfortress, the F-86 Sabre Jet, the B-52 Stratofortress, the F-4 Phantom, the CH-47 Chinook, the Boeing 747, and the F-15 Eagle; and

Whereas, Boeing was instrumental in space exploration through its manufacture of the first stage of the Saturn V rocket that launched nine Apollo spacecraft to the moon; and

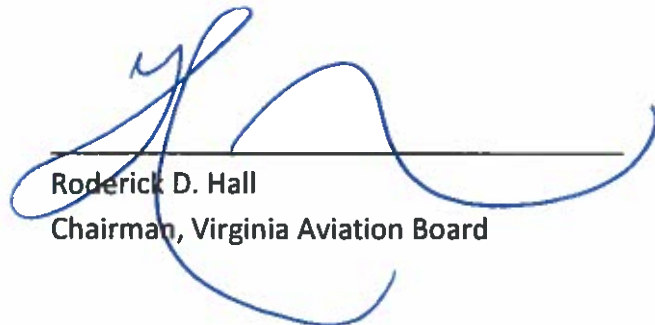
Whereas, Boeing is ranked 54<sup>th</sup> in the Fortune 500, is one of the largest aerospace manufacturers globally and the second largest defense contractor worldwide with more than 140,000 employees; and

Whereas, Boeing will make Arlington, Virginia, the site of its global headquarters to better serve its customers and to take advantage of the world-class engineering and technical talent in the area; therefore, be it

Resolved, that the Virginia Aviation Board does hereby recognize, commend and congratulate the Boeing Company for its innovation and steadfast leadership in the fields of aviation and aerospace for more than a century, and extends its most warm welcome to the Commonwealth.

May 25, 2022

Date

  
 \_\_\_\_\_  
 Roderick D. Hall  
 Chairman, Virginia Aviation Board



**Resolution**  
**Of the Virginia Aviation Board**  
**In Recognition of Breeze Airways'**  
**Passenger Service in the Commonwealth**

Whereas, Breeze Airways was created in 2018 by David Neeleman as the home of "Seriously Nice" flights and fares; and

Whereas, Breeze launched direct service to a number of underserved markets from Norfolk International Airport in June 2021 and from Richmond International Airport in July 2021; and

Whereas, impressive customer response led Breeze to add additional nonstop routes from Norfolk and Richmond in March 2022 to destinations across the nation; and

Whereas, Breeze Airways has delivered tens of thousands of visitors to Virginia through its nonstop service from cities such as Charleston, S.C., New Orleans, and Tampa; and

Whereas, Breeze now offers 90 nonstop routes between 31 cities in 18 states; and

Whereas, Breeze provides Virginians with no change or cancellation fees and offers customized flight features through an app that makes it easy to buy and to fly; therefore, be it

Resolved, that the Virginia Aviation Board does hereby recognize, commend and congratulate Breeze Airways for its innovation and its service to the flying public, extends a warm welcome to the Commonwealth, and offers its best wishes for success.

May 25, 2022

Date

  
\_\_\_\_\_  
Roderick D. Hall  
Chairman, Virginia Aviation Board



Resolution of the  
Virginia Aviation Board  
In Honor of  
**Capt. Houston Mills**



Whereas, Houston Mills earned his bachelor's degree from Wabash College in 1985 and his MBA from Webster University in 2005; and

Whereas, Captain Mills served his country as an F/A-18 fighter pilot in the U.S. Marine Corps for 11 years, rising to the rank of Major; and

Whereas, Captain Mills served in operations Desert Shield, Desert Storm, Restore Hope and Southern Watch; and

Whereas, Captain Mills has held a number of increasingly responsible aviation positions at United Parcel Service to include Director of Safety, Global Aviation Strategy and Public Policy Director, and his current role as Vice President of Flight Operations and Safety; and

Whereas, Captain Mills was appointed by the U.S. Secretary of Transportation to the Federal Aviation Administration's Drone Advisory Committee in 2016; and

Whereas, Captain Mills serves as vice-chair of the Airlines for America Safety Council and as a member of the national Board of Directors of the Marine Toys for Tots Foundation; and

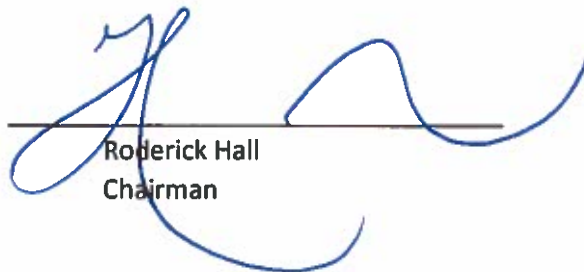
Whereas, Captain Mills served as an adviser to the Virginia Department of Aviation; and

Whereas, Captain Mills piloted the Boeing 757 aircraft that delivered the first refrigerated COVID-19 vaccine containers to Louisville, Kentucky in December 2020; therefore, be it

Resolved, that the Virginia Aviation Board expresses its sincere gratitude and appreciation for his exemplary service at the local, state, national and international levels; extends its best wishes for continued success; and recognizes Houston Mills for his distinguished career of professional excellence in the field of aviation.

May 25, 2022

Date

  
\_\_\_\_\_  
Roderick Hall  
Chairman



**Resolution**  
**Of the Virginia Aviation Board**  
**In Recognition of United Airlines**

**Whereas, United Airlines was created in 1928 through mergers and acquisitions by aviation pioneer William Boeing and his Boeing Airplane Company; and**

**Whereas, United Airlines is the third largest airline in the world, with 86,852 employees and 721 aircraft; and**

**Whereas, United Airlines established a hub at Dulles International Airport in 1986; and**

**Whereas, United Airlines also provides air passenger service to the cities of Norfolk, Richmond, Roanoke, Charlottesville and the Shenandoah Valley; and**

**Whereas, United Airlines' service in Virginia averages 232 daily flights to 23 international destinations and 90 domestic destinations; and**

**Whereas, United Airlines will serve 6.6 million customers in Virginia – an average of 18,000 daily enplaned passengers – this year; and**

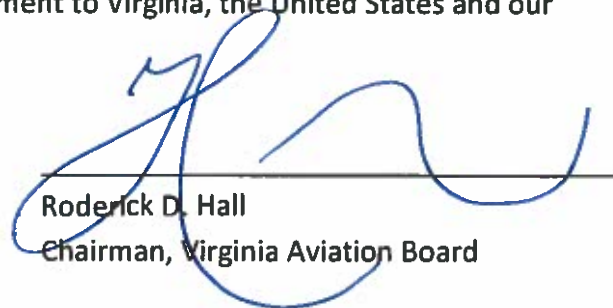
**Whereas, United Airlines transported thousands of Afghan refugees who fled their homeland under duress when the Taliban took control of Afghanistan in 2021; and**

**Whereas, United Airlines provided food and shelter for these refugees in its Dulles Airport hangar until they could be safely moved to their final destinations within the United States; therefore, be it**

**Resolved, that the Virginia Aviation Board does hereby recognize, commend and thank United Airlines for its extraordinary service and commitment to Virginia, the United States and our nation's allies.**

**May 25, 2022**

**Date**

  
\_\_\_\_\_  
**Roderick D. Hall**  
**Chairman, Virginia Aviation Board**





**Resolution**  
**Of the Virginia Aviation Board**  
**In Recognition of American Airlines**

Whereas, Charles Lindbergh flew the first American Airlines flight – carrying mail from St. Louis, Missouri, to Chicago, Illinois on April 15 1926; and

Whereas, after 8 years of flying mail routes, American Airlines formed into what it is today; and

Whereas, American Airlines is the world’s largest air carrier with 911 aircraft and more than 123,000 employees; and

Whereas, American Airlines operates an extensive network nationally and internationally with nearly 6,800 flights per day to 350 destinations in more than 50 countries; and

Whereas, American Airlines has one of its hubs at Reagan National Airport in Arlington, Virginia; and

Whereas, American Airlines’ CR Smith Museum has been honored for its commitment to empowering young girls to pursue STEM careers; and

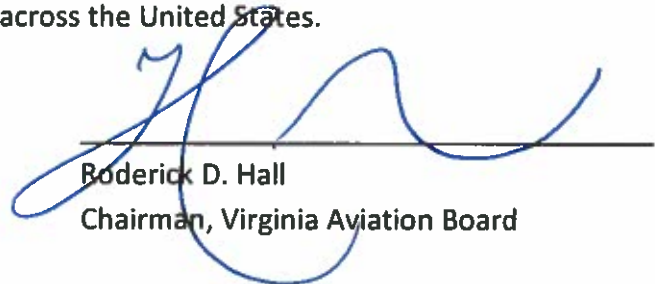
Whereas, American Airlines is committed to reducing carbon emissions and achieving ambitious sustainability goals through such strategic actions as purchasing more than 120 million gallons of Sustainable Aviation Fuel; and

Whereas, American Airlines has been a national leader in Diversity, Equity and Inclusion efforts that drive recruitment, advancement and retention efforts of its talented workforce; therefore, be it

Resolved, that the Virginia Aviation Board does hereby recognize, commend and congratulate American Airlines for its extraordinary service and commitment to Virginia and the development of a diverse aviation workforce across the United States.

May 25, 2022

Date

  
\_\_\_\_\_  
Roderick D. Hall  
Chairman, Virginia Aviation Board



**Resolution**  
**Of the Virginia Aviation Board**  
**In Recognition of Delta Air Lines**

Whereas, in 1925 at Macon, Georgia, the world’s first aerial crop dusting operation – called Huff Daland Dusters Inc. – began as a way to battle a boll weevil infestation; and

Whereas, three years later C.E. Woolman and a group of investors acquired those assets and renamed it Delta Air Service; and

Whereas, Delta Air Lines has nearly 15,000 daily departures that connect people across more than 275 destinations on six continents; and

Whereas, Delta Air Lines’ more than 75,000 employees believe that their customers should never have to choose between seeing the world and saving the planet; and

Whereas, Delta Air Lines is a travel industry leader that is building a foundation for sustainable aviation with its “Flight to Net Zero” program; and

Whereas, Delta Air Lines believes that to connect the world, it first has to reflect the world which is why it actively seeks diversity, boldly pursues equity and consciously promotes inclusion; and

Whereas, Delta Air Lines chose Hampton University as its first historically Black university partner for its “Propel Collegiate Pilot Career Path Program” that identifies, selects and develops the next generation of pilots; therefore, be it

Resolved, that the Virginia Aviation Board does hereby recognize, commend and thank Delta Air Lines for its extraordinary service and commitment to Virginia through the development of a diverse aviation workforce for the benefit of all.

May 25, 2022

Date

  
\_\_\_\_\_  
Roderick D. Hall  
Chairman, Virginia Aviation Board



Resolution of the  
Virginia Aviation Board  
In Honor of  
**Gladys M. West, Ph.D.**



Whereas, Gladys Mae Brown was born on a small family farm in Dinwiddie County, Virginia, on October 27, 1930, and excelled academically in high school where she graduated as valedictorian and earned a full scholarship to Virginia State College; and

Whereas, Ms. Brown earned a bachelor's degree in mathematics and a master's degree in mathematics from Virginia State College; and

Whereas, Ms. Brown went to work as a programmer at the Naval Proving Ground at Dahlgren, Virginia, in 1956 as only the second Black woman ever hired, and where she met Ira West, a fellow mathematician whom she married in 1957; and

Whereas, Ms. West participated in an award-winning astronomical study in the early 1960s that proved the regularity of Pluto's motion relative to Neptune, which led her to analyze data from satellite altimeters that enabled her to assemble models of the Earth's shape; and

Whereas, Ms. West programmed a computer to deliver increasingly precise calculations to model the shape of the Earth – an ellipsoid with additional undulations – that required her to employ complex algorithms to account for variations in gravitational, tidal and other forces that distort the Earth's shape; and

Whereas, Ms. West's model became the basis for the Global Positioning System (GPS), which enhances safety of flight, provides seamless navigation based on a standardized navigation service and common avionics, delivers more efficient, optimized, flexible and user-preferred route structures, offers increased system capacity, reduces separation minimums resulting in increased capacity and capabilities, delivers significant savings from shortened flight times and reduced fuel consumption, generates further economies from reduced maintenance and operation of unnecessary ground-based systems, improves ground and cockpit situational awareness and provides increased landing capacity for aircraft and helicopters; and

Whereas, Ms. West worked at Dahlgren for 42 years and then earned her doctorate in public administration from Virginia Tech after retiring in 1998; and

Whereas, Dr. West was inducted into the Air Force Space and Missile Pioneers Hall of Fame in 2018 and in 2021 became the first woman to win the Prince Philip Medal from the Royal Academy of Engineering; therefore, be it

Resolved, that the Virginia Aviation Board expresses its sincere gratitude and appreciation for her exemplary scientific contributions; extends its best wishes for her continued wellbeing; and recognizes Dr. Gladys M. West for her distinguished and trailblazing career of excellence in mathematics.

May 25, 2022  
Date

  
\_\_\_\_\_  
Roderick Hall  
Chairman, Virginia Aviation Board

Virginia Aviation Board  
Information Packet for  
Proposed Board Action  
Relative to  
Bridge Loan Program

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Comparison of 2021 Edition and 2022 Proposals for Consideration

2018 Edition	Proposal Update	Reasoning for Changes
<p><b>5.11.4 Bridge Loan</b> Because federal and state funding cycles do not coincide, sponsors may request the VAB to fund a project in anticipation of federal reimbursement in a subsequent federal fiscal year. In these cases, the VAB may fund the project at the appropriate ratio based on the scope of work. The <i>Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources</i> includes an assurance specifying reimbursement to the Commonwealth of Virginia. Typically, these projects are for federally eligible projects that are reimbursable after the fact, such as land acquisition. This type of project is referred to as a bridge loan.</p> <p>Prior to requesting a bridge loan for a federally eligible project, a sponsor must ensure that the project is included in the federal Airport Improvement Program.</p> <p>To ensure that federal funds are maximized, scopes for project requests being submitted as bridge loans must be approved by DOAV and FAA prior to the submission of the request through Airport System Manager. The scope package should include the A/E agreement, description of tasks to be completed, schedule, cost estimates, and independent fee evaluation (IFE), if required for a federally funded project. Sponsors must submit the required documentation for review at least 30 calendar days prior to a submission deadline.</p> <p>Within 60 calendar days of any receipt of reimbursement from FAA, the sponsor shall reimburse the department the difference between the state’s share of the eligible costs of the state-funded project and the state’s share of the eligible costs of the federally funded project. For example, the state’s share of a state-funded land acquisition bridge loan project with eligible costs of \$100,000 is 80 percent or \$80,000. If the state’s share of the federally funded projects is 8 percent, then the state’s share of the land acquisition project with eligible costs of \$100,000 is \$8,000. The difference between 80 percent and 8 percent is 72 percent; therefore, within 60 calendar days of the receipt of the reimbursement from FAA, the sponsor shall reimburse the state for 72 percent of the net eligible project costs or \$72,000.</p> <p>If FAA has not reimbursed the sponsor within 48 months from the beginning of the grant obligation term of the state grant agreement, the sponsor shall fully reimburse the state or request an extension of the payment period from the VAB. Failure to do so may result in the VAB finding the sponsor non-compliant with grant assurances and may affect future funding.</p>	<p><del>5.11.4 Bridge Loan</del> <del>Because federal and state funding cycles do not coincide, sponsors may request the VAB to fund a project in anticipation of federal reimbursement in a subsequent federal fiscal year. In these cases, the VAB may fund the project at the appropriate ratio based on the scope of work. The Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources includes an assurance specifying reimbursement to the Commonwealth of Virginia. Typically, these projects are for federally eligible projects that are reimbursable after the fact, such as land acquisition. This type of project is referred to as a bridge loan.</del></p> <p><del>Prior to requesting a bridge loan for a federally eligible project, a sponsor must ensure that the project is included in the federal Airport Improvement Program.</del></p> <p><del>To ensure that federal funds are maximized, scopes for project requests being submitted as bridge loans must be approved by DOAV and FAA prior to the submission of the request through Airport System Manager. The scope package should include the A/E agreement, description of tasks to be completed, schedule, cost estimates, and independent fee evaluation (IFE), if required for a federally funded project. Sponsors must submit the required documentation for review at least 30 calendar days prior to a submission deadline.</del></p> <p><del>Within 60 calendar days of any receipt of reimbursement from FAA, the sponsor shall reimburse the department the difference between the state’s share of the eligible costs of the state-funded project and the state’s share of the eligible costs of the federally funded project. For example, the state’s share of a state-funded land acquisition bridge loan project with eligible costs of \$100,000 is 80 percent or \$80,000. If the state’s share of the federally funded projects is 8 percent, then the state’s share of the land acquisition project with eligible costs of \$100,000 is \$8,000. The difference between 80 percent and 8 percent is 72 percent; therefore, within 60 calendar days of the receipt of the reimbursement from FAA, the sponsor shall reimburse the state for 72 percent of the net eligible project costs or \$72,000.</del></p> <p><del>If FAA has not reimbursed the sponsor within 48 months from the beginning of the grant obligation term of the state grant agreement, the sponsor shall fully reimburse the state or request an extension of the payment period from the VAB. Failure to do so may result in the VAB finding the sponsor non-compliant with grant assurances and may affect future funding.</del></p>	<p>DOAV has received an audit finding that it is not financially treating bridge loan projects as actual loans. To treat these as loans would involve the imposition of reporting and collection obligations on the agency and sponsors. In response to the audit finding, staff is recommending the termination of the bridge loan option for funding. Sponsors would still have the incentive to obtain federal funding for eligible projects to reduce the local share of costs from 20 percent to 2 percent, which would in turn reduce the state share of costs from 80 percent to 8 percent.</p>
<p><b>3.4.1 Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources</b> The <i>Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources</i> contains the terms and conditions for accepting state aviation funding from the Commonwealth of Virginia for capital, facilities and equipment, security, maintenance, and aviation and airport promotion projects. These terms and conditions identify sponsor responsibilities before, during, and after the implementation of a project. The terms and conditions apply to funding awarded under grants and allocations.</p> <p>The master agreement contains general conditions, such as obtaining goods and services in accordance with the <i>Virginia Public Procurement Act</i>. The master agreement also contains special conditions for land acquisition, public-use spaces and areas, bridge loans, facilities and equipment, and private ownership. The master agreement stipulates that all revenues generated by the airport shall be expended by the sponsor for improvements on the airport, for airport land acquisition, or airport operating costs. If the specifics of a project generate the need for terms and conditions not provided in the master agreement, those terms and conditions will be stated in the grant agreement for the project. The VAB and DOAV reserve the right to establish additional terms and conditions as needed in accordance with the preamble to the master agreement.</p> <p>An executed master agreement shall be on file with DOAV in order for a sponsor to receive funds from the CAF and/or the ASF.</p> <p>When the sponsorship of an airport or the name of an airport changes, a new master agreement will need to be executed.</p>	<p><b>3.4.1 Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources</b> The <i>Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources</i> contains the terms and conditions for accepting state aviation funding from the Commonwealth of Virginia for capital, facilities and equipment, security, maintenance, and aviation and airport promotion projects. These terms and conditions identify sponsor responsibilities before, during, and after the implementation of a project. The terms and conditions apply to funding awarded under grants and allocations.</p> <p>The master agreement contains general conditions, such as obtaining goods and services in accordance with the <i>Virginia Public Procurement Act</i>. The master agreement also contains special conditions for land acquisition, public-use spaces and areas, <del>bridge loans</del>, facilities and equipment, and private ownership. The master agreement stipulates that all revenues generated by the airport shall be expended by the sponsor for improvements on the airport, for airport land acquisition, or airport operating costs. If the specifics of a project generate the need for terms and conditions not provided in the master agreement, those terms and conditions will be stated in the grant agreement for the project. The VAB and DOAV reserve the right to establish additional terms and conditions as needed in accordance with the preamble to the master agreement.</p> <p>An executed master agreement shall be on file with DOAV in order for a sponsor to receive funds from the CAF and/or the ASF.</p> <p>When the sponsorship of an airport or the name of an airport changes, a new master agreement will need to be executed.</p>	<p>The term <i>bridge loan</i> would be removed for consistency.</p>
<p><b>5.7.1 Submission of Project Scopes</b> Sponsors must submit the following required documentation for review at least 30 calendar days prior to a submission deadline.</p> <ul style="list-style-type: none"> <li>For planning studies, environmental studies, and engineering designs, a sponsor must provide a scope of work, including fee estimates and man-hours by task.</li> </ul>	<p><b>5.7.1 Submission of Project Scopes</b> Sponsors must submit the following required documentation for review at least 30 calendar days prior to a submission deadline.</p> <ul style="list-style-type: none"> <li>For planning studies, environmental studies, and engineering designs, a sponsor must provide a scope of work, including fee estimates and man-hours by task.</li> </ul>	

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Comparison of 2021 Edition and 2022 Proposals for Consideration

2018 Edition	Proposal Update	Reasoning for Changes
<ul style="list-style-type: none"> <li>For construction projects, a sponsor shall provide as-bid plans and specifications, bids, and construction management fee estimates and man-hours by task.</li> </ul> <p>For state-funded projects, sponsors must ensure that scopes of work and related documents are approved by DOAV prior to the project request submission deadline. A sponsor shall provide bids for state-funded construction projects at least 30 calendar days prior to the scheduled board meeting.</p> <p>For state-funded bridge loans as described in 5.11.4 Bridge Loans, scope packages must be approved by DOAV and FAA at least 30 calendar days prior to a submission deadline.</p> <p>The required documentation must be approved for DOAV to make a recommendation for funding to the VAB.</p> <p>Actual proposals must be presented when the scopes are submitted to DOAV for review and approval, including costs and man-hours for all contractors. Should a contractor's costs and man-hours justifiably change after funding has been approved by the VAB, sponsors can request an increase as described in 5.7.3 Submission of Requests for Increases, 5.10.2 Amendments, and 5.10.3 Change Orders.</p> <p>When a sponsor is utilizing contractor services for a project, the contract between the sponsor and contractor must be valid when scopes, plans and specifications, and reimbursement requests are submitted for review.</p> <p>Project scope packages for federally-funded projects must be provided to DOAV no later than the time of submission of the state grant application. DOAV encourages sponsors to submit the project scope packages earlier to increase efficiency in the application and agreement processes described in 5.9 Agreement Processes.</p>	<ul style="list-style-type: none"> <li>For construction projects, a sponsor shall provide as-bid plans and specifications, bids, and construction management fee estimates and man-hours by task.</li> </ul> <p>For state-funded projects, sponsors must ensure that scopes of work and related documents are approved by DOAV prior to the project request submission deadline. A sponsor shall provide bids for state-funded construction projects at least 30 calendar days prior to the scheduled board meeting.</p> <p><del>For state-funded bridge loans as described in 5.11.4 Bridge Loans, scope packages must be approved by DOAV and FAA at least 30 calendar days prior to a submission deadline.</del></p> <p>The required documentation must be approved for DOAV to make a recommendation for funding to the VAB.</p> <p>Actual proposals must be presented when the scopes are submitted to DOAV for review and approval, including costs and man-hours for all contractors. Should a contractor's costs and man-hours justifiably change after funding has been approved by the VAB, sponsors can request an increase as described in 5.7.3 Submission of Requests for Increases, 5.10.2 Amendments, and 5.10.3 Change Orders.</p> <p>When a sponsor is utilizing contractor services for a project, the contract between the sponsor and contractor must be valid when scopes, plans and specifications, and reimbursement requests are submitted for review.</p> <p>Project scope packages for federally-funded projects must be provided to DOAV no later than the time of submission of the state grant application. DOAV encourages sponsors to submit the project scope packages earlier to increase efficiency in the application and agreement processes described in 5.9 Agreement Processes.</p>	<p>The requirement for bridge loan project requests would be removed for consistency.</p>
<p><b>5.7.2 Submission of Project Requests</b></p> <p>When a sponsor is ready for a project to be presented to the VAB for consideration, the project needs to be submitted for evaluation through Airport System Manager. The submission process involves revising the ACIP project entry as needed and providing the required supporting documentation.</p> <p>Sponsors may submit project requests for consideration at regularly scheduled meetings of the VAB at any time during the fiscal year, except for the 72-hour period after the due dates for Airport Capital Program submissions. The submissions must be completed by midnight of the due date. A schedule of submission due dates and the dates of the VAB meetings is provided to sponsors as part of the resource information distributed in the third quarter of each fiscal year and is posted on DOAV's website.</p> <p>With the exception of emergency requests and missed opportunities as described in 5.11 Special Requests for Airport Capital Program Funding, project requests received after a submission deadline will not be considered for funding at the upcoming VAB meeting. The sponsor will need to submit the project request for a subsequent meeting.</p> <p>Each project request entry must include the fiscal year in which the project is to be undertaken and the estimated project cost, listed by federal, state, and local funding sources, as appropriate. Cost estimates should be as accurate as possible so a sponsor does not have to seek additional funding from the VAB at a later date or that the VAB does not obligate more funds than those needed to complete a project. A sponsor's administrative costs are required to be included in the cost estimate. Eligible sponsor administrative costs include, but are not limited to, advertising for bids and project review by a locality. Sponsor staff time is not an eligible sponsor administrative cost.</p> <p>After a project request has been submitted, the only change DOAV will accept is a project cost change, either an increase or decrease. A sponsor needs to notify DOAV in writing of a project cost decrease as soon as it is known so the cost difference can be available for other projects. If a sponsor identifies an error after the project has been submitted, the sponsor needs to provide DOAV with a written notification of the error. DOAV will make the appropriate changes and corrections to the project request. If a sponsor wants to withdraw a project request after it has been submitted to DOAV for evaluation, the sponsor must provide DOAV with a written withdrawal request, submitted by regular mail or email.</p> <p>Projects included in ACIPs that will not involve state funding, such as a revenue-producing building funded with federal and local money or only with local money, should not be submitted for consideration.</p>	<p><b>5.7.2 Submission of Project Requests</b></p> <p>When a sponsor is ready for a project to be presented to the VAB for consideration, the project needs to be submitted for evaluation through Airport System Manager. The submission process involves revising the ACIP project entry as needed and providing the required supporting documentation.</p> <p>Each project request entry must include the fiscal year in which the project is to be undertaken and the estimated project cost, listed by federal, state, and local funding sources, as appropriate. 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A schedule of submission due dates and the dates of the VAB meetings is provided to sponsors <del>as part of the resource information in the CAF Project Request Submittal Instructions distributed in the third quarter of each fiscal year</del> and is posted on DOAV's website.</p> <p>With the exception of emergency requests and missed opportunities as described in 5.11 Special Requests for Airport Capital Program Funding, project requests received after a submission deadline will not be considered for funding at the upcoming VAB meeting. The sponsor will need to submit the project request for a subsequent meeting.</p> <p><del>When federal funds are not available for an eligible project as originally included in the federal AIP, a sponsor may request state funds for the project at the normal state share with the intent to pursue federal funding at a later date. Prior to requesting such a state-funded project, the sponsor must ensure that the project is included in the federal AIP.</del></p> <p>After a project request has been submitted, the only change DOAV will accept is a project cost change, either an increase or decrease. A sponsor needs to notify DOAV in writing of a project cost decrease as soon as it is known so the cost difference can be available for other projects. If a sponsor identifies an error after the project has been submitted, the sponsor needs to provide DOAV with a written notification of the error. DOAV will make the appropriate changes and corrections to the project request. If a sponsor wants to withdraw a project request after it has been submitted to DOAV for evaluation, the sponsor must provide DOAV with a written withdrawal request, submitted by regular mail or email.</p>	<p>The editor changed the order of the paragraphs to improve readability.</p> <p>The editor updated the schedule distribution information to match current practice.</p> <p>Staff recommends maintaining the requirement for sponsors to keep seeking federal reimbursement by maintaining projects in their AIP requests to FAA.</p>

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<p><b>5.11.5 Facilities and Equipment, Security, and Maintenance Project Requests</b> When funds are not available under the Facilities and Equipment Program, the Voluntary Security Program, or the Maintenance Program or a sponsor has reached its \$100,000 fiscal year limit for maintenance allocations, a sponsor may submit project requests under the Airport Capital Program for consideration by the Virginia Aviation Board. The projects must meet the eligibility requirements of the appropriate program, and the required supporting documents for the Airport Capital Program must be provided as part of the project request submission. The state participation rate for these projects will be the same when a project request is made under the Airport Capital Program. For example, if the state participation rate for a security lighting project under the Voluntary Security Program is 90 percent, the state participation rate for the same project under the Airport Capital Program will be 90 percent.</p>	<p><del>5.11.5</del> <b>5.11.4 Facilities and Equipment, Security, and Maintenance Project Requests</b> When funds are not available under the Facilities and Equipment Program, the Voluntary Security Program, or the Maintenance Program or a sponsor has reached its \$100,000 fiscal year limit for maintenance allocations, a sponsor may submit project requests under the Airport Capital Program for consideration by the Virginia Aviation Board. The projects must meet the eligibility requirements of the appropriate program, and the required supporting documents for the Airport Capital Program must be provided as part of the project request submission. The state participation rate for these projects will be the same when a project request is made under the Airport Capital Program. For example, if the state participation rate for a security lighting project under the Voluntary Security Program is 90 percent, the state participation rate for the same project under the Airport Capital Program will be 90 percent.</p>	The number for the following section would be updated.																																								
<p><b>List of Sections</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>5.9.1 Tentative Allocations</td><td style="text-align: right;">5-18</td></tr> <tr><td>5.11 Special Requests for Airport Capital Program Funding</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.1 Emergency Request</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.2 Missed Opportunity</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.3 Multi-Year Funding</td><td style="text-align: right;">5-23</td></tr> <tr><td>  5.11.4 Bridge Loan</td><td style="text-align: right;">5-23</td></tr> <tr><td>  5.11.5 Facilities and Equipment, Security, and Maintenance Project Requests</td><td style="text-align: right;">5-24</td></tr> <tr><td>5.12 Public-Private Partnerships</td><td style="text-align: right;">5-24</td></tr> <tr><td>5.13 Utilization of Insurance Resources</td><td style="text-align: right;">5-25</td></tr> <tr><td>5.14 Sale, Transfer, and Disposal of Property Acquired with State Resources</td><td style="text-align: right;">5-25</td></tr> </table>	5.9.1 Tentative Allocations	5-18	5.11 Special Requests for Airport Capital Program Funding	5-22	5.11.1 Emergency Request	5-22	5.11.2 Missed Opportunity	5-22	5.11.3 Multi-Year Funding	5-23	5.11.4 Bridge Loan	5-23	5.11.5 Facilities and Equipment, Security, and Maintenance Project Requests	5-24	5.12 Public-Private Partnerships	5-24	5.13 Utilization of Insurance Resources	5-25	5.14 Sale, Transfer, and Disposal of Property Acquired with State Resources	5-25	<p><b>List of Sections</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>5.9.1 Tentative Allocations</td><td style="text-align: right;"><del>5-18</del> 5-17</td></tr> <tr><td>5.11 Special Requests for Airport Capital Program Funding</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.1 Emergency Request</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.2 Missed Opportunity</td><td style="text-align: right;">5-22</td></tr> <tr><td>  5.11.3 Multi-Year Funding</td><td style="text-align: right;">5-23</td></tr> <tr><td>  <del>5.11.4 Bridge Loan</del></td><td style="text-align: right;"><del>5-23</del></td></tr> <tr><td>  <del>5.11.5</del> 5.11.4 Facilities and Equipment, Security, and Maintenance Project Requests</td><td style="text-align: right;"><del>5-24</del> 5-23</td></tr> <tr><td>5.12 Public-Private Partnerships</td><td style="text-align: right;"><del>5-24</del> 5-23</td></tr> <tr><td>5.13 Utilization of Insurance Resources</td><td style="text-align: right;"><del>5-25</del> 5-24</td></tr> <tr><td>5.14 Sale, Transfer, and Disposal of Property Acquired with State Resources</td><td style="text-align: right;"><del>5-25</del> 5-24</td></tr> </table>	5.9.1 Tentative Allocations	<del>5-18</del> 5-17	5.11 Special Requests for Airport Capital Program Funding	5-22	5.11.1 Emergency Request	5-22	5.11.2 Missed Opportunity	5-22	5.11.3 Multi-Year Funding	5-23	<del>5.11.4 Bridge Loan</del>	<del>5-23</del>	<del>5.11.5</del> 5.11.4 Facilities and Equipment, Security, and Maintenance Project Requests	<del>5-24</del> 5-23	5.12 Public-Private Partnerships	<del>5-24</del> 5-23	5.13 Utilization of Insurance Resources	<del>5-25</del> 5-24	5.14 Sale, Transfer, and Disposal of Property Acquired with State Resources	<del>5-25</del> 5-24	<p>The section and page numbers in the List of Sections would be updated.</p> <p>Editor corrected the page number for 5.9.1 Tentative Allocations.</p>
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**Commonwealth of Virginia  
Department of Aviation  
5702 Gulfstream Road  
Richmond, Virginia 23250-2422**

**Master Agreement on Terms and Conditions  
for Accepting State Aviation Funding Resources**

Sponsor: < insert sponsor name >

Airport: < insert airport name >

This Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources (herein referred to as the "Master Agreement") contains the terms and conditions for accepting state aviation funding from the Commonwealth of Virginia (hereinafter referred to as the "Commonwealth") for capital, facilities and equipment, security, maintenance, and aviation promotion projects.

The Sponsor agrees and acknowledges that any request for funding under the Commonwealth Airport Fund and/or the Aviation Special Fund which is approved by the Virginia Aviation Board (hereinafter referred to as the "Board") and/or the Virginia Department of Aviation (hereinafter referred to as the "Department") shall be subject to the terms and conditions of this Master Agreement and those terms as are contained in such other instruments as may be required by the Board and/or the Department.

**Part I - Definitions**

For the purpose of this Master Agreement, the following definitions are used:

**Airport:** An Airport is an area of land or water that is used, or intended for public use, for the landing and takeoff of aircraft, and any appurtenant areas that are used, or intended for use, for airport buildings or other airport facilities or rights-of-way or easements, and together with all airport buildings and facilities located thereon.

**Airport Layout Plan:** An Airport Layout Plan is a scaled drawing of the existing and planned land and facilities supporting the development and operation of an airport.

**Airport Real Property:** Airport Real Property is property consisting of land, buildings, or other resources attached to or within the land or improvements or fixtures permanently attached to the land or a structure on an airport.

**Airport Program Manual:** The *Airport Program Manual* is the document, approved by the Board and issued by the Department that provides information on state aviation funding programs, Board policies, and administrative processes used by the Department to implement the policies, as it now exists or may hereafter be modified.

**Allocation:** An Allocation is the authorization to expend a specific amount of state funds for an eligible project approved by the Board and/or Department.

**Contractor:** A contractor is a private entity, including consultants and subcontractors, engaged by a Sponsor or Department to perform work.

**Equipment:** Equipment is all fixed assets other than Airport Real Property of an airport environs to include, but not limited to, maintenance equipment, navigational aid equipment, and security equipment.

**FAA:** FAA is the Federal Aviation Administration, an agency of the federal government.

**Federally Funded Project:** A Federally Funded Project is a project that is funded with monetary participation by one or more federal agencies, the Commonwealth, and the Sponsor.

**Force Majeure Event(s):** A Force Majeure Event(s) is an event of fire, flood, war, rebellion, riots, strikes, terrorism, or acts of God that may affect or prevent either party from timely or properly performing its obligation under the Master Agreement, Grant Agreement, or Allocation.

**Grant Agreement:** A Grant Agreement is the contract created upon the Sponsor's acceptance of the terms and conditions set forth in this document and the Department's Grant Offer, as evidenced by the Sponsor's execution of the Grant Offer.

**Grant Amendment:** A Grant Amendment is the written modification of the terms and conditions of a Grant Agreement, the acceptance of which is evidenced by the Sponsor's execution of the Grant Amendment.

**Grant Obligation Term:** The Grant Obligation Term is the time period specified in the Grant Agreement during which the terms, conditions, and assurances of the Grant Agreement, including this document, remain in effect. The Grant Obligation Term shall begin upon the date the final payment under the Grant Agreement is made by the Commonwealth.

**Grant Offer:** A Grant Offer is the terms and conditions upon which the Department is willing to provide funds to a Sponsor for an identified project, as specified in the Grant Agreement.

**Grant Term:** The Grant Term is the time period within which the Commonwealth will accept requests for reimbursement from the Sponsor pursuant to the Grant Agreement. The expiration date for such Grant Term will be specified in the Grant Agreement.

**Operating Costs:** Operating Costs are direct expenses associated with the operation of an airport, including but not limited to, recurring maintenance, utility expenses, and salary and wage expenses.

**Reimbursement:** A Reimbursement is the refunding of eligible costs incurred or expenses paid.

**Scope of Work:** A Scope of Work is a document that describes the tasks, schedule, deliverables, man hours, costs, and responsible parties for a project and is to be approved by the Sponsor, Department, FAA, Board, and/or applicable state or federal agencies as appropriate.

**Sponsor:** A Sponsor is an entity that is legally, financially, and otherwise able to assume and carry out the certifications, representations, warranties, assurances, covenants, and other obligations required in this document and in an executed Grant Agreement.

State-Funded Project: A State-Funded Project is a project that is funded with monetary participation by the Commonwealth and the Sponsor.

Usable Unit of Work: A Usable Unit of Work is a deliverable that allows the next phase of a project to begin or results in a facility or airport infrastructure that can be utilized for its intended purpose.

## Part II - General Conditions

- A. The Sponsor agrees to comply with this Master Agreement, Grant Agreements, and Grant Amendments in accordance with all provisions of the *Code of Virginia*, *Virginia Administrative Code*, and *Airport Program Manual*, as approved by the Board and in force on the date of execution of each Grant Agreement.
- B. Consistent with the *Airport Program Manual*, the Sponsor shall annually certify to the Department that the Sponsor has adequate liability insurance or other means of financial responsibility to satisfy the minimum dollar amount required by the §5.1-88.7 *et seq.* of the *Code of Virginia* (1950), as amended.
- C. A Grant Offer, if not fully accepted, shall expire and cease to be effective upon the expiration date stated on each Grant Offer. In its sole discretion, the Department may extend the expiration date set forth in the Grant Offer.
- D. The maximum obligation of the Commonwealth shall be specified in the Grant Offer for each project.
- E. The expiration date of a Grant Term shall be specified in the Grant Offer for each project. No requests for reimbursement shall be accepted under the Grant Agreement after the expiration date and no further commitment for payment of monies under the Grant Agreement shall continue after the expiration date, whether or not the project described in the Grant Agreement is completed; provided, however, the Department in its sole discretion may extend the end date of the Grant Term for good cause shown in accordance with the *Airport Program Manual*.
- F. For Federally Funded Projects, at the time of execution of the state Grant Offer, the Sponsor shall have a written commitment by the federal funding agency(ies) for the federal funds identified in the state Grant Offer to provide financial support for the project described in said Grant Offer.
- G. For all projects, at the time of execution of a state Grant Offer, the Sponsor shall have a written commitment for local funds to support the project described in said Grant Offer. By executing the state Grant Offer, the Sponsor certifies that it has sufficient funds available to assure the operation and maintenance of the owned improvements and/or equipment funded under said Grant Offer, which the Sponsor will own or control.
- H. The Sponsor shall carry out and complete the project, identified in a Grant Agreement or Allocation award, in accordance with the approved Scope of Work to provide a Usable Unit of Work. The approved Scope of Work may be revised with prior written approval of the Department.
- I. The Sponsor shall operate and maintain the Airport, now existing or built in whole or in part as a result of all projects undertaken with state funds, as an airport open to the public for the duration of the Grant Obligation Term. The Grant Obligation Term included in any Grant Agreement begins upon final payment of the executed Grant Agreement. Sponsors of 14 CFR Part 139 Airports who receive state entitlement funds are obligated for 20 years from the last entitlement payment received.

- J. If the Airport closes or ceases to operate as an airport open to the public, the Sponsor shall repay to the Commonwealth the sum which is equal to the pro-rata share (computed monthly) of all state funding for Grant Agreements for which the Grant Obligation Term has not expired.
- K. The Sponsor is obligated to keep the Airport Layout Plan current, providing the Department, and as appropriate, FAA, with revisions of the appropriate Airport Layout Plan sheets.
- L. A Grant Agreement will be considered fully repaid to the Commonwealth at the expiration of the Grant Obligation Term, and the Sponsor shall have no further financial obligation to the Commonwealth under the Grant Agreement, with the exception of Grant Agreements for the purpose of land acquisition in either fee simple or easement, which are described in Part III - Special Conditions.
- M. All professional services, non-professional services, and goods associated with any funds allocated from the Commonwealth Airport Fund and/or the Aviation Special Fund shall be procured in accordance with the *Virginia Public Procurement Act* and/or the appropriate federal procurement regulations as specified in the FAA Grant Agreements and the *FAA Airport Improvement Program Handbook* in effect at the time such funds are allocated.
- N. The Sponsor shall maintain the Airport free and clear of obstructions to navigable airspace in accordance with the applicable standards of *Federal Aviation Regulation Part 77*, FAA Advisory Circular 150/5300-13, and *Virginia Administrative Code* Section 24 VAC 5-20-140, specifically that version applicable on the date of execution of each Grant Offer, for as long as the Airport remains an airport open to the public licensed by the Commonwealth.
- O. To the extent permitted by law, the Sponsor shall not release title to any Airport Real Property without first receiving written approval from the Department and, as appropriate, the FAA.
- P. Any equipment purchased under a State-Funded Project shall be used only for maintaining facilities on Airport property as identified on the approved Airport Layout Plan and for any non-federal navigational aid facilities owned by the Department.
- Q. During the applicable Grant Obligation Term, the Sponsor shall not sell, trade in, or donate equipment purchased as part of a State-Funded Project without the prior approval of the Department.
- R. All revenues generated by the Airport shall be expended by the Sponsor for improvements on the Airport, or for Airport land acquisition, or operating costs of the Airport.
- S. Sponsors of 14 CFR Part 139 Airports must maintain entitlement funds in an independent interest bearing account in order to be eligible to receive entitlement funds. The sponsor shall only deposit state entitlement funds into this account and provide documentation for this account that clearly reports the annual interest earned.
- T. The Sponsor shall at all times operate the Airport and its facilities which are necessary to serve the aeronautical users of the Airport in a safe and serviceable condition, with due regard to weather related conditions. For Airports with runway lighting systems, the Sponsor must keep the runway open 24 hours a day, 7 days a week, unless otherwise approved by the Department or unless temporarily affected by weather, mechanical conditions, or other emergency. The Sponsor must promptly issue a Notice(s) to Airmen (NOTAM) and notify the Department of any condition affecting the use of the

Airport. Airport terminal buildings must be kept open during the hours published in the most current edition of FAA's Chart Supplement.

- U. The Master Agreement, subsequent Allocations and Grant Agreements, and any associated Grant Amendments, may be terminated or amended by the Department upon the occurrence of any of the following:
1. The Sponsor may terminate the project at any time by notifying the Department 60 calendar days in advance in writing that it intends to terminate the project. If such a termination occurs, the Sponsor shall repay the Department the funds received, according to either the provisions of this Master Agreement or the Grant Agreement, as determined in the sole discretion of the Department.
  2. The Sponsor may terminate a Grant Agreement, Grant Amendment(s), or Allocation at any time under the laws of the Commonwealth of Virginia where the Department has written notice of any material breach of any Grant Agreement, Grant Amendment(s), or Allocation; and the Department has failed to cure such breach within 90 calendar days. However, nothing herein shall constitute a waiver of the Commonwealth's or the Department's sovereign immunity.
  3. Upon 60 calendar day written notice to the Sponsor, the Department may terminate, in whole or in part, any funding under a Grant Agreement, Grant Amendment(s), or Allocation any time (1) it is determined that the Sponsor has materially breached the Grant Agreement, Grant Amendment(s), or Allocation and has failed to cure said breach after 90 calendar days, or if the Department in its sole judgment determines that compliance within 90 calendar days is not reasonable, then within such time period as the Department may thereafter specify in writing, (2) the Sponsor becomes insolvent, or (3) the Sponsor fails to properly apply provided funds as intended under the Grant Agreement, Grant Amendment(s), or Allocation. The Department shall notify the Sponsor promptly in writing of such a determination and provide the effective date of the termination. The Sponsor may request reconsideration from the Department in writing within 30 calendar days of the date of the Department's notification. The Department shall not terminate funding until the request has been reconsidered but may withhold funds in the interim in the sole discretion of the Department. Following a request for reconsideration, the decision of the Department will be made within 60 calendar days and will be final. If the Grant Agreement, Grant Amendment(s), or Allocation is terminated by the Department, the Sponsor shall repay the Department thereafter all funds received for the project. Such repayment shall be made within 60 calendar days following written notification by the Department of the amount to be repaid.
  4. Upon 60 calendar day written notice to the Sponsor, the Department may at any time terminate, in whole or in part, the funding under a Grant Agreement, Grant Amendment(s), or Allocation (1) if the Department fails to secure the necessary budgetary appropriation or allocation to fulfill its obligations under the Grant Agreement, Grant Amendment(s), or Allocation or (2) statutory changes affecting the program under which the funds were allocated render funding the Grant Agreement, Grant Amendment(s), or Allocation impossible. The Department shall notify the Sponsor promptly in writing of any such determination and the effective date of such termination. Should the project be terminated by the Department as a result of lack of funds or statutory changes, the Department will exercise its best efforts to seek funds to be used to defray costs of shutting down the project, and the Sponsor is not required to repay those funds already paid to the Sponsor if such funds represent eligible project costs.

5. Reasonable delays, as determined by the Department, caused by any Force Majeure Event(s) during construction shall not be deemed a breach or default under a Grant Agreement, Grant Amendment(s), or Allocations. Upon the occasion of any Force Majeure Event(s) which makes it impossible for the project to be constructed and/or prevents the need for the project, the Department may at its sole discretion terminate the Grant Agreement, Grant Amendment(s), or Allocation. A Force Majeure Event(s) occurring during the period of the Grant Agreement, Grant Amendment(s), or Allocation may, in the sole discretion of the Department, result in a day-for-day extension(s) to any performance specified in the Grant Agreement, Grant Amendment(s), or Allocation.
  6. Reimbursements from the Sponsor may, in the sole discretion of the Department, require the payment of interest, using the prevailing statutory legal rate of interest established by the Virginia General Assembly, calculated from the date payment is made by the Department to the date of repayment by the Sponsor.
- V. Each year prior to the release of entitlement funds allocated pursuant to § 33.2-1526.6 of the Code of Virginia (1950), as amended, the Sponsor of an air carrier airport shall submit an Entitlement Utilization Plan that outlines the planned use of such funds for the upcoming fiscal year to the Board for review and approval. The Board shall approve such plan provided that the use of funds is in accordance with Board policies. The determination that the Entitlement Utilization Plan is in accordance with Board policies shall be made in the sole discretion of the Board. The Sponsor may modify its plan during a fiscal year by submitting a revised plan to the Board for review.

The Board shall have the right to withhold entitlement funds in the event that the Entitlement Utilization Plan is not approved by the Board. The Board shall also have the right to recoup entitlement funds in the event that the Sponsor uses the funds in a manner that is inconsistent with the approved plan.

- W. The Sponsor and its Contractors shall maintain all books, documents, papers, accounting records, and any other written or electronic evidence supporting their project activities and the costs incurred. Such information shall be made available for audit and inspection at the respective Sponsor's offices at all times during the Grant Agreement, Grant Amendment(s), or Allocation period and for a period of four years from the end of the state fiscal year (i.e., June 30) in which the final payment is made, except for records pertaining to terminal buildings and the acquisition of land and easements. Records for terminal buildings shall be kept for the useful life of the terminal building. Records for the acquisition of land and easements shall be kept indefinitely. Copies of any such information shall be furnished by the Sponsor to the Department upon request.
- X. The Sponsor, its agents, and its Contractors shall permit any authorized representatives of the Department to inspect and audit all records of the Sponsor and its Contractors related to the performance of the Master Agreement or any Grant Agreements, Grant Amendments, and Allocations. This shall include, but not be limited to, the following:
1. All Sponsors must follow the requirements of *Generally Accepted Government Audit Standards*.
  2. The Department reserves the right to require any Sponsor receiving federal and/or state funds, regardless of amount or funding category, to have an audit performed on any matter relating to a project funded by the Department through a Grant Agreement, Grant Amendment(s), or Allocation and to designate the scope of such audit.

3. If an independent Certified Public Accountant, other auditor, the Department, or any other party conducting an authorized audit finds the Sponsor not to be in compliance with any provision of the Master Agreement, Grant Agreement, Grant Amendment(s), Allocation, or any applicable federal or state law or regulation, the Sponsor must provide an approved corrective action plan to the Department within 60 calendar days of notification of the finding. The scope of any audit conducted must include those expenditures made by the Sponsor for the Grant Agreement, Grant Amendment(s), or Allocation, including consultants, subconsultants, and any other recipients of pass-through funds.
4. The Sponsor agrees that following the completion of any audit performed in accordance with the Master Agreement, it will refund to the Department within 60 calendar days any payments that are found by the Department to be unsupported by acceptable records or are found by the Department to be in violation of any other terms and conditions of the Master Agreement, Grant Agreement, Grant Amendment(s), Allocation, or the *Airport Program Manual*. Acceptable records are defined as original documents (such as timesheets, travel reimbursements, invoices, etc.) that were used to generate amounts on the reimbursement forms submitted to the Department or FAA. The Department also may require the Sponsor to furnish certified reports of all expenditures under any subcontracts.
5. All Sponsors of 14 CFR Part 139 Airports must notify the Department of the availability of audited financial statements including a third party audit for entitlement expenditures within 180 calendar days following the Sponsor's fiscal year end. The notification should be provided to the Director, Airport Services Division.

### **Part III - Special Conditions**

#### **A. Land and Easement Acquisition**

All land acquired in either fee simple or easement as part of a Grant Agreement executed in conjunction with the Master Agreement shall continue to be dedicated exclusively, and in perpetuity, to aeronautical purposes. The Sponsor shall attach such covenants to the disposition of such land or easements as may be necessary to protect the Airport from encroachment from hazards to navigable airspace or land uses that may be incompatible with Airport operations. At such time as the land or easement originally acquired under a state grant is no longer required for aeronautical purposes; and upon official written release by the Department and, as appropriate, the FAA, the land or easement may be disposed of at fair market value. The proceeds of such disposition which are repayable to the Commonwealth shall be reimbursed at the same percentage by which the Commonwealth participated in the original acquisition.

#### **B. Public-use Spaces and Areas**

Except as stated herein, all spaces and areas constructed as part of a Grant Agreement, and designated as public-use and/or non-revenue producing, shall remain so designated for the Grant Obligation Term. Such public-use and/or non-revenue producing spaces shall be indicated on an approved structure floor plan, which shall be attached as an exhibit to the executed Grant Agreement.

If during the Grant Obligation Term the Sponsor changes the use of these areas designated public-use to proprietary-use (i.e., under the Sponsor's exclusive control) or from non-revenue producing to revenue producing, then the Sponsor shall repay to the Department a sum which is equal to the pro-rata share (computed monthly from the beginning of the Grant Obligation Term) of the space or area that is changed



as a percentage of the entire square footage based on the original construction costs and the remaining period of the Grant Obligation Term.

The designated public-use and/or non-revenue producing space and area, shown on the approved structure plan noted above, constructed by the Sponsor under a Grant Agreement executed in conjunction with this Master Agreement shall be open and accessible in accordance with Part II - General Conditions, Section T, as set out above.

C. Federal Reimbursement for a State-Funded Project

The Sponsor shall use good faith efforts to maximize federal funding opportunities for the project, including but not limited to, grants offered through FAA. In the event the Sponsor at any point obtains federal funding on the project, in full or in part, it shall, within 60 calendar days of receipt of any such reimbursement, remit to the Department the difference between the state's share of the eligible costs of the State-Funded Project and the state's share of the eligible costs of the Federally Funded Project. The Sponsor's failure to comply with this condition may, in the sole discretion of the Department, render the Sponsor ineligible for consideration for future discretionary grant funding with the Department.

D. Facilities and Equipment

1. The Sponsor shall pay all utility installation and recurring operating costs associated with a system owned and maintained by the Department, as described in the *Airport Program Manual*.
2. The Sponsor shall operate facilities and equipment, owned by either the Department or the Sponsor and installed under a state Grant Agreement, 24 hours a day, 7 days a week, unless otherwise approved by the Department in writing or unless temporarily affected by weather, mechanical conditions, or other emergency.
3. The Sponsor shall immediately notify the Department and issue a NOTAM to the appropriate FAA Flight Services Station or Operation Center about all inoperative equipment.
4. The Sponsor shall purchase and maintain insurance on all facilities and equipment placed in service under a Grant Agreement insuring against any loss and damage, and shall maintain public liability insurance, malicious mischief insurance, and insurance against such other hazards as may reasonably be required. The Department shall be notified in writing thirty (30) days prior to the cancellation of any such policy. The Sponsor shall not permit any condition to exist on the Airport which would wholly or partially invalidate the insurance thereon.

E. Private Ownership

The Sponsor of a privately-owned Airport shall execute and maintain a credit line deed of trust, as defined in § 55-58.2 of the *Code of Virginia* (1950), as amended, and in compliance with the *Airport Program Manual* to ensure sufficient collateral for the Commonwealth's investment in the Airport.

The Sponsor shall execute a new credit line deed of trust note for each Grant Agreement and Grant Amendment(s).

**Part IV - Miscellaneous**

- A. If any specifics of a project generate the need for terms and conditions not provided for in this Master Agreement, any additional terms and conditions will be stated in the Grant Agreement for the project. In the event of any conflict between a provision in this Master Agreement and any provision in a Grant Agreement, then the Grant Agreement shall govern, but only for the purposes of the projects controlled by the Grant Agreement.
- B. This Master Agreement is solely for the benefit of the Department and Sponsor. The Department and Sponsor do not intend by any provision of this Agreement to create any rights in any third party beneficiaries, nor to confer any benefit or enforceable rights under this Master Agreement or otherwise upon anyone other than the Department of the Sponsor.
- C. No Grant Agreement and/or Allocation may be transferred or assigned by the Sponsor without the prior written consent of the Department.
- D. This Master Agreement may be executed in multiple counterparts, all of which together shall constitute one and the same Master Agreement and which shall be deemed to be an original.
- E. The Department may, subject to approval by the Board, modify and amend the provisions of this Master Agreement, which terms and conditions will become effective upon the date set forth in the revised Master Agreement or amendment to the Master Agreement to be executed by the parties.
- F. This Master Agreement shall be construed and governed by the laws of the Commonwealth of Virginia without regard to conflict of law provisions. The parties hereto agree that any legal actions regarding the interpretation or enforcement of the Master Agreement, Grant Agreement(s), or Grant Amendment(s) entered into hereunder shall be heard in Virginia courts of competent jurisdiction in the City of Richmond, Virginia.
- G. Should a Virginia court of competent jurisdiction invalidate or hold unenforceable any provision of the Master Agreement, or any provision of any Grant Agreement(s) or Grant Amendment(s) entered into hereunder, or the application thereof in any particular circumstance, the remainder of the Master Agreement, Grant Agreement(s), or Grant Amendment(s) not dependent on the invalidated provision shall remain in full force and effect.
- H. The Sponsor warrants that the person signing this Master Agreement is authorized and empowered to sign this Master Agreement on its behalf, and to bind the Sponsor, to the terms of this Master Agreement.

COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF AVIATION

By, \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed name)

Its, Director

**Part V - Acceptance**

The Sponsor’s acceptance of this *Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources* shall be evidenced by execution of this instrument by, or on behalf of, the Sponsor, as hereinafter provided, and unless terminated or modified, this Master Agreement will apply to funds allocated from the Commonwealth Airport Fund and/or the Aviation Special Fund after the effective date of this Master Agreement. Such Master Agreement shall become effective upon the Sponsor’s acceptance and shall remain in full force as provided herein.

The Sponsor hereby accepts and agrees to all the terms, conditions, and assurances contained in this *Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources*.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

<insert sponsor name>

By, \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed name)

Its, \_\_\_\_\_  
(title)

Attest \_\_\_\_\_

Title \_\_\_\_\_

**Certification of Sponsor’s Attorney**

I, \_\_\_\_\_,  
acting as Attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing Master Agreement under the laws of the Commonwealth of Virginia. Further, I have examined the foregoing Master Agreement and the actions taken by said Sponsor and Sponsor’s official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the Commonwealth of Virginia. Further, it is my opinion that the said Master Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at \_\_\_\_\_, Virginia this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_



Commonwealth of Virginia  
Department of Aviation  
5702 Gulfstream Road  
Richmond, Virginia 23250-2422

**Master Agreement on Terms and Conditions  
for Accepting State Aviation Funding Resources**

Sponsor: [<insert sponsor name>](#)

Airport: [<insert airport name>](#)

This Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources (herein referred to as the "Master Agreement") contains the terms and conditions for accepting state aviation funding from the Commonwealth of Virginia (hereinafter referred to as the "Commonwealth") for capital, facilities and equipment, security, maintenance, and aviation promotion projects.

~~These terms and conditions become applicable when the [<insert sponsor name>](#) Breaks Regional Airport Authority (hereinafter referred to as the "Sponsor") accepts funds from the ~~The Sponsor agrees and acknowledges that any request for funding under the~~ Commonwealth Airport Fund and/or the Aviation Special Fund which is approved by the Virginia Aviation Board (hereinafter referred to as the "Board") and/or the Virginia Department of Aviation (hereinafter referred to as the "Department") shall be subject to the terms and conditions of this Master Agreement and those terms and conditions as are contained in such other instruments as may be required by the Board and/or the Department.~~

~~The terms and conditions of this Master Agreement may be modified or amended by the Virginia Aviation Board (hereinafter referred to as the "Board") and/or the Virginia Department of Aviation (hereinafter referred to as the "Department") at which time a revised Master Agreement or a written amendment to the Master Agreement will be provided to the Sponsor for execution. The new or revised terms and conditions of the revised Master Agreement or amendment will apply to funds allocated from the Commonwealth Airport Fund and/or the Aviation Special Fund after the effective date specified by the Board or Department for the new or revised language.~~

**Part I - Definitions**

For the purpose of this Master Agreement, the following definitions are used:

**Airport:** An Airport is an area of land or water that is used, or intended for public use, for the landing and takeoff of aircraft, and any appurtenant areas that are used, or intended for use, for airport buildings or other airport facilities or rights-of-way or easements, and together with all airport buildings and facilities located thereon.

**Airport Layout Plan:** An Airport Layout Plan is a scaled drawing of the existing and planned land and facilities supporting the development and operation of an airport.

**Airport Real Property:** Airport Real Property is property consisting of land, buildings, or other resources attached to or within the land or improvements or fixtures permanently attached to the land or a structure on an airport.

**Airport Program Manual:** The *Airport Program Manual* is the document, approved by the Board and issued by the Department that provides information on state aviation funding programs, Board policies, and administrative processes used by the Department to implement the policies, as it now exists or may hereafter be modified.

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**Equipment:** Equipment is all fixed assets other than Airport Real Property of an airport environs to include, but not limited to, maintenance equipment, navigational aid equipment, and security equipment.

**FAA:** FAA is the Federal Aviation Administration, an agency of the federal government.

**Federally Funded Project:** A Federally Funded Project is a project that is funded with monetary participation by one or more federal agencies, the Commonwealth, and the Sponsor.

**Force Majeure Event(s):** A Force Majeure Event(s) is an event of fire, flood, war, rebellion, riots, strikes, terrorism, or acts of God that may affect or prevent either party from timely or properly performing its obligation under the Master Agreement, Grant Agreement, or Allocation.

**Grant Agreement:** A Grant Agreement is the contract created upon the Sponsor's acceptance of the terms and conditions set forth in this document and the Department's Grant Offer, as evidenced by the Sponsor's execution of the Grant Offer.

**Grant Amendment:** A Grant Amendment is the written modification of the terms and conditions of a Grant Agreement, the acceptance of which is evidenced by the Sponsor's execution of the Grant Amendment.

**Grant Obligation Term:** The Grant Obligation Term is the time period specified in the Grant Agreement during which the terms, conditions, and assurances of the Grant Agreement, including this document, remain in effect. The Grant Obligation Term shall begin upon the date the final payment under the Grant Agreement is made by the Commonwealth.

**Grant Offer:** A Grant Offer is the terms and conditions upon which the Department is willing to provide funds to a Sponsor for an identified project, as specified in the Grant Agreement.

**Grant Term:** The Grant Term is the time period within which the Commonwealth will accept requests for reimbursement from the Sponsor pursuant to the Grant Agreement. The expiration date for such Grant Term will be specified in the Grant Agreement.

Operating Costs: Operating Costs are direct expenses associated with the operation of an airport, including but not limited to, recurring maintenance, utility expenses, and salary and wage expenses.

Reimbursement: A Reimbursement is the refunding of eligible costs incurred or expenses paid.

Scope of Work: A Scope of Work is a document that describes the tasks, schedule, deliverables, man hours, costs, and responsible parties for a project and is to be approved by the Sponsor, Department, FAA, Board, and/or applicable state or federal agencies as appropriate.

Sponsor: A Sponsor is an entity that is legally, financially, and otherwise able to assume and carry out the certifications, representations, warranties, assurances, covenants, and other obligations required in this document and in an executed Grant Agreement.

State -Funded Project: A State Funded Project is a project that is funded with monetary participation by the Commonwealth and the Sponsor.

Usable Unit of Work: A Usable Unit of Work is a deliverable that allows the next phase of a project to begin or results in a facility or airport infrastructure that can be utilized for its intended purpose.

## Part II - General Conditions

- A. The Sponsor agrees to comply with this Master Agreement, Grant Agreements, and Grant Amendments in accordance with all provisions of the *Code of Virginia*, *Virginia Administrative Code*, and *Airport Program Manual*, as approved by the Board and in force on the date of execution of each Grant Agreement.
- B. Consistent with the *Airport Program Manual*, the Sponsor shall annually certify to the Department that the Sponsor has adequate liability insurance or other means of financial responsibility to satisfy the minimum dollar amount required by the §5.1-88.7 *et seq.* of the *Code of Virginia* (1950), as amended.
- C. A Grant Offer, if not fully accepted, shall expire and cease to be effective upon the expiration date stated on each Grant Offer. In its sole discretion, the Department may extend the expiration date set forth in the Grant Offer.
- D. The maximum obligation of the Commonwealth shall be specified in the Grant Offer for each project.
- E. The expiration date of a Grant Term shall be specified in the Grant Offer for each project. No requests for reimbursement shall be accepted under the Grant Agreement after the expiration date and no further commitment for payment of monies under the Grant Agreement shall continue after the expiration date, whether or not the project described in the Grant Agreement is completed; provided, however, the Department in its sole discretion may extend the end date of the Grant Term for good cause shown in accordance with the *Airport Program Manual*.
- F. For Federally Funded Projects, at the time of execution of the state Grant Offer, the Sponsor shall have a written commitment by the federal funding agency(ies) for the federal funds identified in the state Grant Offer to provide financial support for the project described in said Grant Offer.

- G. For all projects, at the time of execution of a state Grant Offer, the Sponsor shall have a written commitment for local funds to support the project described in said Grant Offer. By executing the state Grant Offer, the Sponsor certifies that it has sufficient funds available to assure the operation and maintenance of the owned improvements and/or equipment funded under said Grant Offer, which the Sponsor will own or control.
- H. The Sponsor shall carry out and complete the project, identified in a Grant Agreement or Allocation award, in accordance with the approved Scope of Work to provide a Usable Unit of Work. The approved Scope of Work may be revised with prior written approval of the Department.
- I. The Sponsor shall operate and maintain the Airport, now existing or built in whole or in part as a result of all projects undertaken with state funds, as an airport open to the public for the duration of the Grant Obligation Term. The Grant Obligation Term included in any Grant Agreement begins upon final payment of the executed Grant Agreement. Sponsors of 14 CFR Part 139 Airports who receive state entitlement funds are obligated for 20 years from the last entitlement payment received.
- J. If the Airport closes or ceases to operate as an airport open to the public, the Sponsor shall repay to the Commonwealth the sum which is equal to the pro-rata share (computed monthly) of all state funding for Grant Agreements for which the Grant Obligation Term has not expired.
- K. The Sponsor is obligated to keep the Airport Layout Plan current, providing the Department, and as appropriate, FAA, with revisions of the appropriate Airport Layout Plan sheets.
- L. A Grant Agreement will be considered fully repaid to the Commonwealth at the expiration of the Grant Obligation Term, and the Sponsor shall have no further financial obligation to the Commonwealth under the Grant Agreement, with the exception of Grant Agreements for the purpose of land acquisition in either fee simple or easement, which are described in Part III - Special Conditions.
- M. All professional services, non-professional services, and goods associated with any funds allocated from the Commonwealth Airport Fund and/or the Aviation Special Fund shall be procured in accordance with the *Virginia Public Procurement Act* and/or the appropriate federal procurement regulations as specified in the FAA Grant Agreements and [the FAA Airport Improvement Program Handbook](#) in effect at the time such funds are allocated.
- N. The Sponsor shall maintain the Airport free and clear of obstructions to navigable airspace in accordance with the applicable standards of *Federal Aviation Regulation Part 77*, FAA Advisory Circular 150/5300-13, and *Virginia Administrative Code* Section 24 VAC 5-20-140, specifically that version applicable on the date of execution of each Grant Offer, for as long as the Airport remains an airport open to the public licensed by the Commonwealth.
- O. To the extent permitted by law, the Sponsor shall not release title to any Airport Real Property without first receiving written approval from the Department and, as appropriate, the FAA.
- P. Any equipment purchased under a State Funded Project shall be used only for maintaining facilities on Airport property as identified on the approved Airport Layout Plan and for any non-federal navigational aid facilities owned by the Department.
- Q. During the applicable Grant Obligation Term, the Sponsor shall not sell, trade in, or donate equipment purchased as part of a State Funded Project without the prior approval of the Department.

- R. All revenues generated by the Airport shall be expended by the Sponsor for improvements on the Airport, or for Airport land acquisition, or operating costs of the Airport.
- S. Sponsors of 14 CFR Part 139 Airports must maintain entitlement funds in an independent interest bearing account in order to be eligible to receive entitlement funds. The sponsor shall only deposit state entitlement funds into this account and provide documentation for this account that clearly reports the annual interest earned.
- T. The Sponsor shall at all times operate the Airport and its facilities which are necessary to serve the aeronautical users of the Airport in a safe and serviceable condition, with due regard to weather related conditions. For Airports with runway lighting systems, the Sponsor must keep the runway open 24 hours a day, 7 days a week, unless otherwise approved by the Department or unless temporarily affected by weather, mechanical conditions, or other emergency. The Sponsor must promptly issue a Notice(s) to Airmen (NOTAM) and notify the Department of any condition affecting the use of the Airport. Airport terminal buildings must be kept open during the hours published in the most current edition of FAA's Chart Supplement.
- U. The Master Agreement, subsequent Allocations and Grant Agreements, and any associated Grant Amendments, may be terminated or amended by the Department upon the occurrence of any of the following:
  - 1. The Sponsor may terminate the project at any time by notifying the Department 60 calendar days in advance in writing that it intends to terminate the project. If such a termination occurs, the Sponsor shall repay the Department the funds received, according to either the provisions of this Master Agreement or the Grant Agreement, as determined in the sole discretion of the Department.
  - 2. The Sponsor may terminate a Grant Agreement, Grant Amendment(s), or Allocation at any time under the laws of the Commonwealth of Virginia where the Department has written notice of any material breach of any Grant Agreement, Grant Amendment(s), or Allocation; and the Department has failed to cure such breach within 90 calendar days. However, nothing herein shall constitute a waiver of the Commonwealth's or the Department's sovereign immunity.
  - 3. Upon 60 calendar day written notice to the Sponsor, the Department may terminate, in whole or in part, any funding under a Grant Agreement, Grant Amendment(s), or Allocation any time (1) it is determined that the Sponsor has materially breached the Grant Agreement, Grant Amendment(s), or Allocation and has failed to cure said breach after 90 calendar days, or if the Department in its sole judgment determines that compliance within 90 calendar days is not reasonable, then within such time period as the Department may thereafter specify in writing, (2) the Sponsor becomes insolvent, or (3) the Sponsor fails to properly apply provided funds as intended under the Grant Agreement, Grant Amendment(s), or Allocation. The Department shall notify the Sponsor promptly in writing of such a determination and provide the effective date of the termination. The Sponsor may request reconsideration from the Department in writing within 30 calendar days of the date of the Department's notification. The Department shall not terminate funding until the request has been reconsidered but may withhold funds in the interim in the sole discretion of the Department. Following a request for reconsideration, the decision of the Department will be made within 60 calendar days and will be final. If the Grant Agreement, Grant Amendment(s), or Allocation is terminated by the Department, the Sponsor shall repay the



Department thereafter all funds received for the project. Such repayment shall be made within 60 calendar days following written notification by the Department of the amount to be repaid.

4. Upon 60 calendar day written notice to the Sponsor, the Department may at any time terminate, in whole or in part, the funding under a Grant Agreement, Grant Amendment(s), or Allocation (1) if the Department fails to secure the necessary budgetary appropriation or allocation to fulfill its obligations under the Grant Agreement, Grant Amendment(s), or Allocation or (2) statutory changes affecting the program under which the funds were allocated render funding the Grant Agreement, Grant Amendment(s), or Allocation impossible. The Department shall notify the Sponsor promptly in writing of any such determination and the effective date of such termination. Should the project be terminated by the Department as a result of lack of funds or statutory changes, the Department will exercise its best efforts to seek funds to be used to defray costs of shutting down the project, and the Sponsor is not required to repay those funds already paid to the Sponsor if such funds represent eligible project costs.
  5. Reasonable delays, as determined by the Department, caused by any Force Majeure Event(s) during construction shall not be deemed a breach or default under a Grant Agreement, Grant Amendment(s), or Allocations. Upon the occasion of any Force Majeure Event(s) which makes it impossible for the project to be constructed and/or prevents the need for the project, the Department may at its sole discretion terminate the Grant Agreement, Grant Amendment(s), or Allocation. A Force Majeure Event(s) occurring during the period of the Grant Agreement, Grant Amendment(s), or Allocation may, in the sole discretion of the Department, result in a day-for-day extension(s) to any performance specified in the Grant Agreement, Grant Amendment(s), or Allocation.
  6. Reimbursements from the Sponsor may, in the sole discretion of the Department, require the payment of interest, using the prevailing statutory legal rate of interest established by the Virginia General Assembly, calculated from the date payment is made by the Department to the date of repayment by the Sponsor.
- V. Each year prior to the release of entitlement funds allocated pursuant to ~~subdivision A3a of §58.1-638 § 1526.6 of the Code of Virginia (1950), as amended~~, the Sponsor of an air carrier airport shall submit an Entitlement Utilization Plan that outlines the planned use of such funds for the upcoming fiscal year to the Board for review and approval. The Board shall approve such plan provided that the use of funds is in accordance with Board policies. The determination that the Entitlement Utilization Plan is in accordance with Board policies shall be made in the sole discretion of the Board. The Sponsor may modify its plan during a fiscal year by submitting a revised plan to the Board for review.

The Board shall have the right to withhold entitlement funds in the event that the Entitlement Utilization Plan is not approved by the Board. The Board shall also have the right to recoup entitlement funds in the event that the Sponsor uses the funds in a manner that is inconsistent with the approved plan.

- W. The Sponsor and its Contractors shall maintain all books, documents, papers, accounting records, and any other written or electronic evidence supporting their project activities and the costs incurred. Such information shall be made available for audit and inspection at the respective Sponsor's offices at all times during the Grant Agreement, Grant Amendment(s), or Allocation period and for a period of four years from the end of the state fiscal year (i.e., June 30) in which the final payment is made, except for records pertaining to terminal buildings and the acquisition of land and easements.

Records for terminal buildings shall be kept for the useful life of the terminal building. Records for the acquisition of land and easements shall be kept indefinitely. Copies of any such information shall be furnished by the Sponsor to the Department upon request.

X. The Sponsor, its agents, and its Contractors shall permit any authorized representatives of the Department to inspect and audit all records of the Sponsor and its Contractors related to the performance of the Master Agreement or any Grant Agreements, Grant Amendments, and Allocations. This shall include, but not be limited to, the following:

1. All Sponsors must follow the requirements of *Generally Accepted Government Audit Standards*.
2. The Department reserves the right to require any Sponsor receiving federal and/or state funds, regardless of amount or funding category, to have an audit performed on any matter relating to a project funded by the Department through a Grant Agreement, Grant Amendment(s), or Allocation and to designate the scope of such audit.
3. If an independent Certified Public Accountant, other auditor, the Department, or any other party conducting an authorized audit finds the Sponsor not to be in compliance with any provision of the Master Agreement, Grant Agreement, Grant Amendment(s), Allocation, or any applicable federal or state law or regulation, the Sponsor must provide an approved corrective action plan to the Department within 60 calendar days of notification of the finding. The scope of any audit conducted must include those expenditures made by the Sponsor for the Grant Agreement, Grant Amendment(s), or Allocation, including consultants, subconsultants, and any other recipients of pass-through funds.
4. The Sponsor agrees that following the completion of any audit performed in accordance with the Master Agreement, it will refund to the Department within 60 calendar days any payments that are found by the Department to be unsupported by acceptable records or are found by the Department to be in violation of any other terms and conditions of the Master Agreement, Grant Agreement, Grant Amendment(s), Allocation, or the *Airport Program Manual*. Acceptable records are defined as original documents (such as timesheets, travel reimbursements, invoices, etc.) that were used to generate amounts on the reimbursement forms submitted to the Department or FAA. The Department also may require the Sponsor to furnish certified reports of all expenditures under any subcontracts.

~~5.~~ All Sponsors of 14 CFR Part 139 Airports must [notify the Department of the availability of submit](#) audited financial statements including a third party audit for entitlement expenditures ~~to the Department~~ within ~~120-180~~ calendar days following the Sponsor's fiscal year end. [The notification should be sent to the Director, Airport Services Division. The documents should be sent to:](#)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
[Virginia Department of Aviation](#)  
[Attention: Director, Airport Services Division](#)  
[5702 Gulfstream Road](#)  
[Richmond, VA 23250](#)

Y. \_\_\_\_\_

### Part III - Special Conditions

#### A. Land and Easement Acquisition

All land acquired in either fee simple or easement as part of a Grant Agreement executed in conjunction with the Master Agreement shall continue to be dedicated exclusively, and in perpetuity, to aeronautical purposes. The Sponsor shall attach such covenants to the disposition of such land or easements as may be necessary to protect the Airport from encroachment from hazards to navigable airspace or land uses that may be incompatible with Airport operations. At such time as the land or easement originally acquired under a state grant is no longer required for aeronautical purposes; and upon official written release by the Department and, as appropriate, the FAA, the land or easement may be disposed of at fair market value. The proceeds of such disposition which are repayable to the Commonwealth shall be reimbursed at the same percentage by which the Commonwealth participated in the original acquisition.

#### B. Public-use Spaces and Areas

Except as stated herein, all spaces and areas constructed as part of a Grant Agreement, and designated as public-use and/or non-revenue producing, shall remain so designated for the Grant Obligation Term. Such public-use and/or non-revenue producing spaces shall be indicated on an approved structure floor plan, which shall be attached as an exhibit to the executed Grant Agreement.

If during the Grant Obligation Term the Sponsor changes the use of these areas designated public-use to proprietary-use (i.e., under the Sponsor's exclusive control) or from non-revenue producing to revenue producing, then the Sponsor shall repay to the Department a sum which is equal to the pro-rata share (computed monthly from the beginning of the Grant Obligation Term) of the space or area that is changed as a percentage of the entire square footage based on the original construction costs and the remaining period of the Grant Obligation Term.

The designated public-use and/or non-revenue producing space and area, shown on the approved structure plan noted above, constructed by the Sponsor under a Grant Agreement executed in conjunction with this Master Agreement shall be open and accessible in accordance with Part II - General Conditions, Section T, as set out above.

#### ~~C. Bridge Loan~~

~~Prior to requesting a bridge loan for a federally eligible project, a Sponsor must insure that the project is included in the federal Airport Improvement Program.~~

~~Within 60 calendar days of any receipt of reimbursement from FAA, in full or in part, the Sponsor shall reimburse the Department the difference between the state's share of the eligible costs of the State Funded Project and the state's share of the eligible costs of the Federally Funded Project.~~

~~If FAA has not reimbursed the sponsor within 48 months from the beginning of the Grant Obligation Term of the Grant Agreement, the Sponsor shall fully reimburse the Department or request an extension of the payment period from the Board. Failure to do so may result in the Board finding the Sponsor non-compliant with assurances and may affect future funding.~~

### C. Federal Reimbursement for a State Funded Project

~~When federal funds are not available for an eligible project as originally included in the federal AIP, a Sponsor may request state funds for the project at the normal state share. The Sponsor shall use good faith efforts to maximize federal funding opportunities for the project, including but not limited to, grants offered through FAA. When federal funds are not available for an eligible project as originally included in the federal AIP, a Sponsor may request state funds for the project at the normal state share. In the event the Sponsor at any point obtains federal funding on the project, in full or in part, it shall, within 60 calendar days of receipt of any such reimbursement, remit to the Department the difference between the state's share of the eligible costs of the State Funded Project and the state's share of the eligible costs of the Federally Funded Project. The Sponsor's failure to comply with this condition may, in the sole discretion of the Department, render the Sponsor ineligible for consideration for future discretionary grant funding with the Department.~~

### D. Facilities and Equipment

1. The Sponsor shall pay all utility installation and recurring operating costs associated with a system owned and maintained by the Department, as described in the *Airport Program Manual*.
2. The Sponsor shall operate facilities and equipment, owned by either the Department or the Sponsor and installed under a state Grant Agreement, 24 hours a day, 7 days a week, unless otherwise approved by the Department in writing or unless temporarily affected by weather, mechanical conditions, or other emergency.
3. The Sponsor shall immediately notify the Department and issue a NOTAM to the appropriate FAA Flight Services Station or Operation Center about all inoperative equipment.
4. The Sponsor shall purchase and maintain insurance on all facilities and equipment placed in service under a Grant Agreement insuring against any loss and damage, and shall maintain public liability insurance, malicious mischief insurance, and insurance against such other hazards as may reasonably be required. The Department shall be notified in writing thirty (30) days prior to the cancellation of any such policy. The Sponsor shall not permit any condition to exist on the Airport which would wholly or partially invalidate the insurance thereon.

### E. Private Ownership

The Sponsor of a privately-owned Airport shall execute and maintain a credit line deed of trust, as defined in § 55-58.2 of the *Code of Virginia* (1950), as amended, and in compliance with the *Airport Program Manual* to ensure sufficient collateral for the Commonwealth's investment in the Airport.

The Sponsor shall execute a new credit line deed of trust note for each Grant Agreement and Grant Amendment(s).

## **Part IV - Miscellaneous**

A. If any specifics of a project generate the need for terms and conditions not provided for in this Master Agreement, any additional terms and conditions will be stated in the Grant Agreement for the project. In the event of any conflict between a provision in this Master Agreement and any provision in a Grant

Agreement, then the Grant Agreement shall govern, but only for the purposes of the projects controlled by the Grant Agreement.

- B. This Master Agreement is solely for the benefit of the Department and the Sponsor. The Department and Sponsor do not intend by any provision of this Agreement to create any rights in any third party beneficiaries, nor to confer any benefit or enforceable rights under this Master Agreement or otherwise upon anyone other than the Department and the Sponsor.
- C. No Grant Agreement and/or Allocation may be transferred or assigned by the Sponsor without the prior written consent of the Department.
- D. This Master Agreement may be executed in multiple counterparts, all of which together shall constitute one and the same Master Agreement and which shall be deemed to be an original.
- E. The Department may, subject to approval by the Board, modify and amend the provisions of this Master Agreement, which terms and conditions will become effective upon the date set forth in the revised Master Agreement or amendment to Master Agreement to be executed by the parties.
- F. This Master Agreement shall be construed and governed by the laws of the Commonwealth of Virginia without regard to conflict of law provisions. The parties hereto agree that any legal actions regarding the interpretation or enforcement of the Master Agreement, Grant Agreement(s), or Grant Amendment(s) entered into hereunder shall be heard in Virginia courts of competent jurisdiction in the City of Richmond, Virginia.
- G. Should a Virginia court of competent jurisdiction invalidate or hold unenforceable any provision of the Master Agreement, or any provision of any Grant Agreement(s) or Grant Amendment(s) entered into hereunder, or the application thereof in any particular circumstance, the remainder of the Master Agreement, Grant Agreement(s), or Grant Amendment(s) not dependent on the invalidated provision shall remain in full force and effect.
- H. The Sponsor warrants that the person signing this Master Agreement is authorized and empowered to sign this Master Agreement on its behalf, and to bind the Sponsor to the terms of this Master Agreement.

**COMMONWEALTH OF VIRGINIA,**  
**DEPARTMENT OF AVIATION**

By, \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed name)

Its, Director

**Part IV - Acceptance**

The Sponsor's acceptance of this *Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources* shall be evidenced by execution of this instrument by, or on behalf of, the Sponsor, as hereinafter provided, and unless terminated or modified, this Master Agreement will apply to funds allocated from the Commonwealth Airport Fund and/or the Aviation Special Fund after the effective date of this Master Agreement. Such Master Agreement shall become effective upon the Sponsor's acceptance and shall remain in full force as provided herein.

The Sponsor hereby accepts and agrees to all the terms, conditions, and assurances contained in this *Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources*.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

<insert sponsor name>

By, - \_\_\_\_\_  
(signature)

\_\_\_\_\_  
(printed name)

Its Title \_\_\_\_\_  
(title)

Attest \_\_\_\_\_

Title \_\_\_\_\_

**Certification of Sponsor's Attorney**

I, \_\_\_\_\_,  
acting as Attorney for the Sponsor do hereby certify that in my opinion the Sponsor is empowered to enter into the foregoing Master Agreement under the laws of the Commonwealth of Virginia. Further, I have examined the foregoing Master Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the Commonwealth of Virginia. Further, it is my opinion that the said Master Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at \_\_\_\_\_, Virginia this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

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**Exhibit 3**  
**Bridge Loan Grants for Amendment**

DOAV has issued bridge loan grants under the policy approved by the Virginia Aviation Board through its adoption of the *Airport Program Manual*, beginning with the 2006 edition. At this time, five bridge loan grants are active with work on-going. Three bridge loans are closed, meaning work has been completed and reimbursements to the sponsor for the completed work have been made, and the scheduled date for reimbursement of the bridge loan to the state has not been reached.

Active Grants			
Airport	Project #	Project Name	Grant Amount
Accomack County Airport	CS0033-27	Easement Acquisition Services - Obstruction Removal - Phase 1 - BRIDGE LOAN	\$54,400.00
Blue Ridge Regional Airport	CS0032-22	Land Acquisition Services Runway 13 RPZ/Part 77 - BRIDGE LOAN	\$43,166.22
Richmond Executive-Chesterfield County Airport	CS0007-43	Land Acquisition Services - BRIDGE LOAN	\$289,305.00
Suffolk Executive Airport	CS0050-42	Easement Acquisition Services - Obstruction Removal - BRIDGE LOAN	\$126,460.00
Tazewell County Airport	CS0053-34	Easement Acquisition Services - Obstruction Removal - FAR Part 77 - BRIDGE LOAN	\$91,520.00
Closed Grants			
Airport	Project #	Project Name	Grant Total
Blue Ridge Regional Airport	CS0032-21	Environmental Assessment - Runway Extension - BRIDGE LOAN	\$255,128.10
Virginia Highlands Airport	CS0001-31	Runway Extension - Johnson Parcel Land Acquisition & Services BRIDGE LOAN	\$78,140.96
Virginia Highlands Airport	CS0001-32	Runway 6-24 Extension - Land Acquisition Services & Fee Simple Purchase (Johnson, Snead & Gent) - MULTI-YEAR - BRIDGE LOAN	\$1,714,155.20

In support of changes to the Bridge Loan program in response to audit findings, staff recommends the Virginia Aviation Board authorize the Department director to enter into amendments with sponsors for the projects listed below, using the following terms provided by counsel with the Office of the Attorney General, to convert the bridge loan grants to standard discretionary grants.

1. The Project identifier shall be retitled as “[name of each project to be entered here].”
2. The Project shall be reclassified such that it shall now be deemed removed from participation within the Department’s Bridge Loan program and no longer subject to terms and conditions applicable to the Bridge Loan program as are set forth in the November 2017 edition of the *Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources* (“*Master Agreement*”) and the *Airport Program Manual* (“*Program Manual*”). In all other respects, the terms of *Master Agreement* and/or *Program Manual* shall remain in full force and effect.
3. The Sponsor shall use good faith efforts to maximize federal funding opportunities for the Project, including but not limited to, grants offered through the Federal Aviation Administration. In the event the Sponsor at any point obtains federal funding on the Project (in full or in part), it shall, within sixty (60) calendar days of receipt of any such reimbursement, remit to the Department the difference between the state’s share of the eligible costs of the State Funded Project and the state’s share of the eligible costs of the Federally Funded Project. The Sponsor’s failure to comply with this paragraph 3 may, in the sole discretion of the Department, render the Sponsor ineligible for consideration for future discretionary grant funding from the Department.