

**VIRGINIA HIGHLANDS AIRPORT MINIMUM STANDARDS
FOR AERONAUTICAL SERVICE PROVIDERS
AT THE VIRGINIA HIGHLANDS AIRPORT,
ABINGDON, VIRGINIA**

EFFECTIVE JANUARY 10, 2009

PURPOSE

Minimum standards as outlined in this document are intended to provide the threshold entry requirements for those wishing to provide aeronautical services to the public at the Virginia Highlands Airport, in such manner as to insure the safety of its users and to allow fair competition for those who choose to operate aeronautical activities on the premises. These minimum standards are intended to be reasonable, non-arbitrary, non-discriminatory and equally applicable to everyone making application to provide aeronautical services on the premises of the Virginia Highlands Airport through the Virginia Highlands Airport Authority, hereinafter referred to as "Authority". The Authority operates and controls the entire area of the Airport.

POLICY REGARDING THE CONDUCT OF AERONAUTICAL ACTIVITIES

It is the policy of the Authority to extend the opportunity to engage in aeronautical activities to any entity meeting these Minimum Standards for particular activities, subject to availability of suitable space at the Airport to conduct those activities. The Airport's Master Plan and the Development Program provide the basis for determining whether suitable space is available.

Definitions

1. **Aeronautical Activity** means any activity commonly conducted at airports, which involves, makes possible, or is required for the operation of aircraft, or any activity, which contributes to or is required for the safety of such operation. These activities include, but are not limited to, air taxi and charter operations, pilot training, aircraft renting, sightseeing, aerial photography, crop dusting, aerial advertising, aerial surveying, skydiving, ultralight operations, aircraft sales and services, sale of aviation petroleum products, repair and maintenance of aircraft, and/or sale of aircraft parts and aircraft storage.

2. **Aeronautical Service** means any service, which involves, makes possible, or is required for the operation of aircraft, or any service which contributes to or is required for the safety of aircraft operations commonly conducted on an Airport.

3. **Fixed-Based Operator (FBO)**. An individual, firm or corporation leasing space, operating at the airport, and providing two or more general aircraft services to the public on a full time basis, with full time equating to a minimum 8 hour day. (i.e., maintenance, storage, ground and flight instructions, etc.).

4. **Adequate**. Adequate is used in these minimum standards when referring to facilities or arrangements for storage, aircraft parking, customer and employee parking. Its precise meaning is to be negotiated based upon the requirements of the proposed lessee and the type of proposed operations.

5. **Lease**. An agreement between the Authority and the owner of a FBO or SASO to provide an aeronautical service to the public and to rent a hangar or land to construct a hangar in which to provide that service if no current hangar space is available. All leases with a term exceeding 5 years shall provide for periodic review of the rates and charges for the purpose of any adjustments to reflect then current values, based on an acceptable index. This periodic lease review procedure will facilitate parity of rates and charges between new FBO services coming on the airport and long-standing operators. It will also assist in making the airport as self-sustaining as possible under the circumstances existing at the Virginia Highlands Airport.

6. **Specialized Aviation Service Operation (SASO)**. An aeronautical service provider leasing space, operating at the airport, who provides a single or limited aeronautical service to the public at the Airport on a full time basis, with full time equating to a minimum 8 hour day.

7. **Shall**. Shall means mandatory and not merely discretionary as opposed to the word should.

8. **Through-The-Fence-Operator**. An Operator who accesses the public landing area by aircraft based on land adjacent to, but not a part of, the airport property. As a general principle, through-the-fence-operations will not be allowed at the Virginia Highlands Airport. Exceptions can be granted on a case-by-case basis where operating restrictions ensure safety and equitable compensation for use of the airport. For example, a situation where an industrial airpark is developed in conjunction with the airport.

General Conditions

1. All Fixed-Base Operations (FBO) and Specialized Aviation Service Operations (SASO) at the Virginia Highlands Airport shall be conducted for the benefit of the public in such a way as to promote aviation and aeronautical activities on the Airport.

2. All FBOs and SASOs shall protect the general public, the customers or clients of such FBOs and SASOs and the Authority, from any and all lawful damages, claims, or liability. All FBOs and SASOs shall provide insurance coverage required by Chapter 1, Section 15 (Insurance Requirements), of the Airport Rules and Regulations.

The intent of this section is to also protect the property of the airport, as well as the property of all airport users, by requiring FBOs and SASOs to be properly insured when working on the premises. For example, an individual aircraft owner, who has work done on his/her aircraft at Virginia Highlands Airport, must be sure that the person working on this aircraft meets the minimum insurance requirements of Chapter 1, Section 15 of the Airport Rules & Regulations.

3. All FBOs and SASOs shall render service at the Virginia Highlands Airport during normal business hours from 8:00 a.m. to 5:00 p.m. daily or other hours of operation as agreed upon in writing by the FBO or SASO and the Authority. Service outside of normal business hours may be prearranged on an appointment basis between FBOs or SASOs and their customers.

4. All FBOs and SASOs shall satisfy the Authority that they are technically and financially able to perform the services of such FBOs and SASOs. This may include the responsibility for demonstrating continued financial solvency and business ability by submitting financial statements, credit references and any other data that the Authority may require from time to time. In each instance, the Authority shall be the final judge as to qualifications and financial ability of the applicant.

5. All FBOs and SASOs will furnish their services on a reasonable, equal, and not unjustly discriminatory basis to all users thereof, and they will charge reasonable, and not unjustly discriminatory, prices for each unit or service. The Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers. Further, all FBOs and SASOs will ensure that any sub-tenants authorized by the Virginia Highlands Airport Authority shall comply with the provisions of this paragraph.

6. All FBOs and SASOs shall conform with, and abide by, all rules and regulations of the Federal Aviation Administration, the Virginia Department of Aviation and the Virginia Highlands Airport Authority.

7. All FBOs and SASOs shall meet and maintain the standards pertaining to the particular categories authorized in the lease. Standards for these categories, category "A" through category "G", are listed and defined in this document beginning on page seven. The standards for the service(s) the lessee shall maintain will be stated in the lease agreement.

8. Any person, firm, or corporation capable of meeting these Minimum Standards for any of the stated categories is eligible to apply to the Authority to become an FBO or SASO. In all instances, the lease between the Authority and the FBO or SASO will specify those categories under which the FBO or SASO is authorized to perform. In each instance, before extending operations into another category, and before discontinuing operations in any category, written authorization must be received from the Authority. Such authorization will form an addendum to the lease.

9. The Authority has retained the "Proprietary Exclusive Right" to sell all aviation petroleum products to the public on the Virginia Highlands Airport. No FBO will be given the right to sell aviation petroleum products to the aviation public. Nothing contained in this paragraph shall prohibit the Authority from establishing Minimum Standards for selling aviation petroleum products and seeking through a request for proposal, an FBO to sell aviation petroleum products on the Virginia Highlands Airport. Those wishing to self-fuel their own aircraft should consult the Virginia Highlands Airport Rules and Regulations.

10. No FBO or SASO shall be permitted to use any portion of the ramp space for his or her exclusive use or to use any such ramp space as tie-down area without a lease or agreement from the Authority. **THERE IS NO RAMP SPACE FOR USE BY THE GENERAL PUBLIC. THE GENERAL PUBLIC MUST LEASE TIE-DOWN AND HANGAR SPACE FROM THE AUTHORITY. ALL AIRCRAFT ON THE AIRPORT MUST BE UNDER THE CONTROL AND SUPERVISION OF A FBO, SASO, OR THE AUTHORITY. TRANSIENT AIRCRAFT SHALL PARK AT THE DIRECTION OF AIRPORT PERSONNEL.**

11. Before commencing any activities at the Virginia Highlands Airport, a FBO or SASO shall have a written lease authorized and executed by the Authority.

12. The provisions of these minimum standards shall in no way negate, or cause to be null and void, existing leases with the FBOs or SASOs at the Virginia Highlands Airport. However, no new leases or renewals will be executed with FBOs or SASOs at the Virginia Highlands Airport, nor will amendments to existing leases be executed unless they meet or exceed the provisions of these minimum standards. In the event of any conflict between the terms of these minimum standards and the provisions of any lease, the term of the lease shall be controlling. If these minimum standards are changed and require an existing FBO or SASO to provide additional services, the FBO or SASO shall have one year (negotiable-dependending on circumstances) in order to comply with the new standards.

13. The Authority will provide the following services to FBOs and SASOs at the Virginia Highlands Airport:

a. Maintain an office on the Airport for the Airport Director. Contact with the Authority will be through this office. If someone does not want to

go through the Airport Director's office, they may address the Authority at the Authority Meetings during the Public Comments section.

b. Maintain the runway, taxiway, ramp area and the public use area of the terminal building, which are open for use by the general aviation public.

c. Remove snow from the runway, taxiway, taxi lanes and that part of the apron, which is not leased to FBOs or SASOs.

14. The County Sheriff's office provides the normal security patrol of the Airport. In cases of fire or disturbance beyond the capabilities of the FBO or SASO, the FBOs or SASOs will notify the Airport Director and call 911 to request appropriate assistance.

Fixed-Base Operator or Specialized Aviation Operation Applications

Demonstration of intent to conduct a business operation at the Airport shall be by application to the Authority. The written application shall, at the minimum, contain:

1. The proposed nature of the business. A business plan may be used to express the proposed nature of the business. No person shall conduct business operations on the airport under a business name the same as, or similar to, the business name of any other FBO or SASO previously established on the airport.

2. The signatures of all parties whose names are submitted as owning an interest in the business or whose names will appear on leases or other documents as a partner, director or corporate officer.

3. A current financial statement prepared by a Certified Public Accountant.

4. A listing of assets owned, or being purchased or leased which will be used in the business on the Airport.

5. A current credit report for each party owning or having a financial interest in the business and a credit report on the business itself, covering all geographical areas in which it has done business in the ten-year period immediately prior to such application.

6. A written authorization for the FAA, any aviation or aeronautics commissions, administrators, and departments of all states in which the applicant has engaged in aviation business to release information in their files relating to the

applicant or its operation. The applicant will execute such forms, releases, or discharges as may be required by those agencies or by the Authority.

7. Preliminary plans, specifications, and dates for any improvements which the applicant intends to make on the Airport as part of the activity for which approval is sought. Applicants must comply with appropriate review procedures and Authority requirements.

8. Proof (copy of insurance company letter of intent) of liability coverage for the business operation as provided in Chapter 1, Section 15, of the Airport Rules & Regulations.

9. Other such information as the Authority may require.

ACTION ON APPLICATION

All applications will be reviewed and acted upon by the Authority within 90 days from the receipt of a complete application. Applications may be denied for one or more of the following reasons:

1. The applicant does not meet qualifications, standards, and requirements established by these Minimum Standards.

2. The applicant's proposed operations or construction will create a safety hazard on the Airport.

3. The granting of the application will require the expenditure of local funds, labor or materials on the facilities described in or related to the application, or the operation will result in a financial loss to the Authority.

4. There is no appropriate or adequate available space or building on the Airport to accommodate the entire activity of the applicant.

5. The proposed operation, Airport development, or construction does not comply with the approved Airport Layout Plan.

6. The development or use of the area requested will result in a congestion of aircraft or buildings, or will result in unduly interfering with the operations of any present FBO or SASO on the Airport (e.g., problems in connection with aircraft traffic or service, or preventing free access and egress to the existing FBO or SASO area), or will result in depriving, without the proper economic study, and existing FBO or SASO of portions of its leased area in which it is operating.

7. Any party applying or having an interest in the business has supplied false information, has misrepresented any material fact in the application or in supporting documents, or has failed to make full disclosure on the application.

8. Any party applying or having an interest in the business, has a record of violating the Virginia Highlands Airport Operating Rules and Regulations, the rules and regulations of any other airport, or any Federal Aviation Regulations.

9. Any party applying or having an interest in the business, has defaulted in the performance of any lease or other agreement with the Authority or any lease or other agreement at any other airport.

10. Any party applying or having an interest in the business, is not sufficiently credit worthy and responsible in the judgment of the Authority, to provide and maintain the business to which the application relates or to promptly pay the amount due under the FBO or SASO lease.

11. The applicant does not have the finances necessary to conduct the proposed operation for a minimum period of six months.

12. The applicant has been convicted of any crime, or has violated any local ordinance, rule or regulation, which adversely reflects on its ability to conduct the operation for which the FBO or SASO has applied.

13. The protection of the health, welfare, or safety of the inhabitants of the community requires such denial.

14. Other non-discriminatory reasons as deemed appropriate and in the best interest of the Authority.

Fixed-Based Operator or Specialized Aviation Service Operator

CATEGORY "A" – Flight Instruction – A FBO or SASO in this category shall:

1. Have available Forty (40) hours per week, or such other time as approved by the Authority, on a full time or part time employment basis, a minimum of one flight instructor pilot who meets certification requirements of the FAA for flight instruction, and who maintains a current certificate issued by the FAA and a current Airman Medical Certificate.

2. Lease from the Authority, or provide under terms agreeable to the Authority, for its exclusive use, a minimum of 200 square feet for office space and a flight planning area with equipment, phones, and access to restrooms. To provide a

proper ground school on the Airport, additional space must be leased for a classroom to accommodate 4 students and training equipment.

3. Provide and maintain, at all times, a minimum of one aircraft, FAA certified for IFR flight. The aircraft must be owned or leased, by and under exclusive control of the operator, properly equipped and maintained, including the 100-hour inspection, and FAA certified, for flight instruction.

4. Demonstrate the continuing ability to meet FAA requirements for certification of flight instructor personnel and aircraft.

5. Have adequate facilities or arrangements for storing, parking, servicing, and repairing all of its aircraft.

6. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY “B” – Aircraft Rental – A FBO or SASO in this category shall:

1. Provide and maintain, at all times, a minimum of one aircraft, FAA certified, owned or leased, and under exclusive control of the operator, which is properly equipped and FAA certified for flight instruction and rental.

2. Lease from the Authority, or provide under terms agreeable to the Authority, for its exclusive use, 100 square feet of office space for use in consummating rentals and flight dispatching with equipment, phone, and access to restrooms.

3. Assure that customers and clients operating rental aircraft have the appropriate and current FAA pilot license and current Airman Medical Certificate.

4. Provide a properly FAA certified pilot capable of conducting flight checks for prospective renters for at least eight hours of each business day or at other times approved by the Authority. The operator may contract with an on Airport flight instructor (FBO or SASO) to conduct the flight check and sign-off.

5. Have adequate facilities or arrangements for storing, parking, servicing, and repairing all of its aircraft.

6. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY “C” – Aircraft Charter and Taxi – A FBO or SASO in this category shall:

1. Lease from the Authority, or provide under terms agreeable to the Authority for his/her exclusive use, a minimum of 100 square feet of space for passenger lounge, telephone and restrooms, or access to restroom facilities.

2. Provide at least one aircraft, which conforms to the following:

- a. Have a seating capacity of at least four.
- b. Is certified for IFR flight.
- c. Meets exclusive use requirements as defined in Federal Aviation Regulations 135.25, paragraphs (b) and (c).

3. Have adequate facilities or arrangements for storing, parking, servicing and repairing of all its aircraft.

4. Have at least two pilots, one of whom must be full time and:

- a. Be available 24 hours a day with two-hour notice.
- b. Be fully current under FAR Part 135 and in compliance with all laws and procedures.

5. Make satisfactory arrangements for checking in passengers, handling luggage, ticketing, ground transportation, etc.

6. Provide personnel on duty during normal business hours, seven days a week, or at other times approved by the Authority.

7. Provide all necessary FAA certifications.

8. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY "D" – Aircraft, Engine, Propeller and Accessory Maintenance – A FBO or SASO in this category shall:

1. Provide full-service maintenance, FAA-approved repair station facilities, or a combination of these services.

2. Lease from the Authority, or provide under terms agreeable to the Authority, for his/her exclusive use, a minimum of 6,400 square feet of hangar, shop, and storage space.

3. Furnish all equipment for airframe and power plant repairs, FAA certified mechanics, and other personnel as may be necessary. Such airframe and

power plant repair shall include facilities or arrangements for both major and minor repair of aircraft and engines used in general aviation in this area.

4. If an FAA approved repair station is provided, furnish facilities, equipment, and properly trained FAA certified personnel required for the establishment of a repair station. Hangar, shop, and storage space square footage requirements (see paragraph 2, above) may be revised based on the repair station requirements.

5. Provide personnel on duty during normal business hours, five days a week.

6. If it is NOT required of an existing FBO on the Airport, and at the discretion and determination of the Airport Director, have the ability to promptly remove from the public landing area (as soon as permitted by FAA, NTSB and Virginia State Police authorities) any disabled aircraft. This ability includes having available suitable tractors, tow bars, jacks, and other equipment as might be needed to remove the largest type aircraft that could normally be expected at the airport.

7. Make adequate provisions for the removal/disposal of solutions, cleaning agents, lubricants and other hazardous wastes in compliance with Federal, State, and Airport Authority regulations.

8. Have facilities for washing and cleaning aircraft. (May not be required of a repair station only)

9. Obtain all necessary FAA certification.

10. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY "E" – Aircraft Sales – A FBO or SASO in this category shall:

1. Have employed a minimum of one fully (i.e. appropriate and current FAA pilot license and current Airman Medical Certificate) qualified demonstrator pilot. Provide personnel on duty during normal business hours, six days a week, or at the operator's discretion, subject to written approval of the Authority.

2. Normally have available an inventory of FAA certified and current airworthy aircraft for sale. If the inventory of aircraft for sale is zero for more than thirty days, the lease agreement is subject to cancellation at the Authority's discretion.

3. Lease from the Authority, or provide under terms agreeable to the Authority, for its exclusive use, a minimum of 100 square feet for office space, a public telephone, and access to restrooms.

4. Provide or have satisfactory arrangements at Virginia Highlands Airport or another airport for repair and servicing of aircraft sold with a service guarantee.

5. Have adequate facilities or arrangements for storing and parking all of its aircraft.

6. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY “F” – Radio or Instrument Repair – A FBO or SASO in this category shall:

1. Lease from the Authority, or provide under terms agreeable to the Authority for its exclusive use, a minimum of 200 square feet for shop and storage space, along with adequate hangar space for storage of at least one aircraft.

2. Have available an FAA certified technician in the field of aircraft electronics and/or aircraft instruments, with the proper Federal Communication Commission license, to conduct complete aircraft transmitter, receiver, and antenna repair. The hours of operation of the facility will be at the operator’s discretion, subject to the written approval of the Airport Authority.

3. Provide satisfactory arrangements for access to, and storage of, aircraft on which work is being performed.

4. Provide, or make adequate arrangements for auto parking for its employees and customers.

CATEGORY “G” – Aircraft Painting and Stripping – A FBO or SASO in this category shall:

1. Lease from the Authority, or provide under terms agreeable to the Authority for its exclusive use, a minimum of 6,400 square feet of shop and storage area.

2. Have available during normal working hours, five days a week, competent and responsible personnel who are knowledgeable of all phases of aircraft stripping, preparation, treating, and painting of aluminum. Change in the normal working hours is subject to written approval of the Authority.

3. Comply with and abide by all standards, rules, regulations, and requirements of the FAA, the Virginia Department of Environmental Quality Regulations, the Environmental Protection Agency, OSHA, and any other local, state, or national governmental agencies having jurisdiction over aircraft painting and stripping operations.

4. Comply with the standards of the National Board of Fire Underwriters on "Paint Spraying and Spray Booths" with regard to the arrangement, construction, and protection of spray booths and the storing and handling of materials used in connection with aircraft painting, varnishing, and spray painting operations.

5. Prohibit any stripping, painting, varnishing, doping, materials or agents, or other contaminants to flow into, or be placed in, any sewer system unless pre-treated. The pre-treating process must be approved in advance and in writing by the Authority.

6. Perform all aircraft stripping operations inside a hangar or building. The Authority must approve outside stripping in advance and in writing.

7. Properly treat and dispose of all hazardous material in compliance with the governing agencies listed in paragraph 3 above.

8. Provide, or make adequate arrangements for auto parking for its employees and customers.

Specialized Commercial Aeronautical Services

1. A specialized commercial aeronautical service is a service provided by a person engaged in air transportation for hire for the purpose of providing the use of aircraft for the aeronautical activities listed below:

- a. Non-stop sightseeing flights
- b. Aerial photography or survey
- c. Fire watch and fire fighting
- d. Power line, underground cable or pipe line patrol
- e. Aerial application of agricultural chemicals
- f. Other specialized operations excluded from Part 135 of Federal Aviation Regulations

2. Other specialized commercial aeronautical services having varied requirements are:

- a. Aircraft manufacturing.
- b. Upholstery shop.

- c. Skydiving.
- d. Ultralight operations.

3. These activities are so varied that their requirements on the airport will depend on the scope of their operation. In some cases, the only airport requirement need is for access, or for a tie-down space, since all other activities of the business are normally conducted off the airport. The minimum standards and insurance coverage will be determined based upon a detailed application submitted by the person requesting permission to perform the aeronautical activity on the Airport.

The Authority reserves the right to adjust and/or combine the required square footage of building space or area for each Category if more than one Category of service is provided by one individual, firm or corporation. The Authority also reserves the right to make any changes to these Minimum Standards dictated by changing conditions or circumstances. The time of operations shown in each Category is considered reasonable but may be adjusted from time to time as agreed to by the Authority and the lessee in writing.