

**VIRGINIA HIGHLANDS AIRPORT AUTHORITY
REGULAR MEETING**

Members Present: Ben Jenkins
Todd Estep
Jeff Johnson
Kent Hutton
Mike Rush
Daniel Ruble

Absent: John White

Guest Present: See Attachment

The Virginia Highlands Airport Authority Board of Directors held its meeting on Monday, January 13, 2025, at 5:30 P.M. in the “Dr. F. Ellison Conrad” Conference Room of the Terminal Building. Mr. Jenkins, Chairman, determined that a quorum of the Board was present and called the meeting to order. Also, present were Mickey Hines, Airport Manager, Kristy Miller, Executive Assistant, and April Conner, Administrative Assistant.

Mr. Jenkins called for Public Comments.

None.

Mr. Jenkins called for approval of the Minutes of the Regular Meeting December 09, 2024.

Mr. Ruble moved to approve the minutes of the Regular Meeting December 09, 2024. Mr. Rush seconded the motion. The motion carried unanimously.

Mr. Jenkins turned the floor over to Mr. Carey Addison who was representing Mr. David Hopkins.

Mr. Addison stated that Mr. Hopkins was interested in developing hangars at the airport and had several questions that he would like to have answered (see attached).

Mr. Hines told Mr. Addison that he would be in touch with the answers to Mr. Hopkins’ questions.

Mr. Jenkins called for the Financial Report.

Mr. Johnson gave the Financial Report.

Mr. Jenkins called for the Manager’s Report.

Mr. Hines gave the Manager’s Report.

Mr. Jenkins called for the Operations Committee Report.

Mr. Johnson stated that the Operations Committee had not met.

Mr. Jenkins called for the Development Committee Report.

Mr. Ruble stated that the Development Committee had met for the purpose of reviewing responses received in response to the Request for Qualifications for an Independent Architect Firm for the Terminal Renovation Project and to review Qualifications for an Engineering Firm.

Mr. Ruble stated that it is the motion of the Development Committee to select PSH+ Architectural Firm for the Terminal Design and Renovation.

Discussion ensued.

Mr. Jenkins called for a vote to select PSH+ Architectural Firm for the Terminal Design and Renovation. Motion carried 6-0.

Mr. Ruble stated that it is the motion of the Development Committee to select Delta Airport Consultants as the Base Engineering firm.

Discussion ensued.

Mr. Jenkins called for a vote to select Delta Airport Consultants as the Base Engineering firm. Motioned carried. Motion carried 6-0.

Mr. Jenkins called for Unfinished Business.

None.

Mr. Jenkins called for New Business.

Mr. Hines stated that during the November 19, 2024, meeting of the Virginia Aviation Board the Directors adopted a resolution urging the Governor and the Virginia General Assembly to take the following actions to revise the Code of Virginia to: § 58.1-609.1 to:

- **Eliminate the sunset clause on the Aircraft Parts and Supplies Tax Exemption.**
- **Remove the minimum takeoff weight limit (2,400 pounds).**
- **Make the tax exemption permanent.**

The Virginia Airport Operators Council (VAOC) supports this action, as this tax exemption (ST-20) has proven critical to the success of Virginia's aviation maintenance repair and overhaul facilities and fostering the growth of the Commonwealth's aviation industry. Legislation will be introduced at the 2025 General Assembly to enshrine these protections in state code.

As Airport Manager and a Director for the Virginia Airport Operators Council, I request Virginia Highlands Airport Authority approval of the attached resolution to be forwarded to the Governor and the state legislature. The Virginia Aviation Business Association and Aircraft Owners and Pilots Association are also in support.

Mr. Ruble moved to approve the Resolution as presented. Mr. Hutton seconded the motion. Motion carries unanimously.

Mr. Jenkins called for Board Members' comments.

Mr. Ruble wished everyone a Happy New Year and thanked Kristy and April for their work on getting the Box Hangar rented.

Mr. Johnson echoed Mr. Rubles' comments regarding Staff and thanked them for everything that occurred last month as usual it was very nice and well received from everybody.

Mr. Jenkins wished everyone a Happy New Years.

Mr. Johnson moved to adjourn. Mr. Hutton seconded the motion. The motion carried unanimously. The meeting adjourned at 6:24 P.M.



Mr. Kent Hutton, Secretary



Mr. Ben Jenkins, Chairman

RESOLUTION

Of the Virginia Highlands Airport Authority

*In Support of Making Permanent the
Commonwealth of Virginia
Aircraft Parts & Supplies Tax Exemption*

Whereas, the aviation industry is a vital contributor to Virginia's economy, generating over \$25 billion annually and employing more than 146,000 Virginians; and

Whereas, Virginia has been recognized as the best state for business by CNBC, with a competitive environment for aviation and aerospace industries; and

Whereas, before 2018, a significant percentage of aircraft based in Virginia sought maintenance outside the state due to cost advantages; and

Whereas, 33 other states offer sales tax exemptions on aircraft parts and supplies, designed to support local aviation industries by reducing operational costs; and

Whereas, Virginia's Aircraft Parts and Supplies Tax Exemption, enacted in 2018, has successfully attracted aircraft maintenance back to Virginia, enhancing the competitiveness of our aviation shops and driving economic growth across the Commonwealth; and

Whereas, this tax exemption has been pivotal in positioning Virginia as a key player in aviation and aerospace, with proximity to the nation's capital, strong university research, and the presence of NASA's Langley Research Center; and

Whereas, Virginia leads in emerging aviation technologies, such as uncrewed aerial systems (UAS) and urban air mobility (UAM), with initiatives to develop a skilled workforce in these fields; and

Whereas, the tax exemption was created to better enable Virginia-based aircraft maintenance operations to compete in a national marketplace; and

Whereas, the Code of Virginia states that for crewed systems "aircraft" shall include only aircraft with a maximum takeoff weight of at least 2,400 pounds; and

Whereas, the maximum takeoff weight limitation does not apply to aircraft below this limitation; and

Whereas, owners of aircraft who do not qualify for the tax exemption have easy access to maintenance facilities in other states throughout the Eastern Seaboard; and

Whereas, the aviation industry is facing a significant shortage of skilled maintenance technicians, creating substantial opportunities for young professionals with high starting salaries and strong financial rewards; and

Whereas, the Aircraft Parts and Supplies Tax Exemption is set to expire on June 30, 2025, potentially undermining the growth of Virginia's aviation maintenance sector; therefore, be it

Resolved, that the *Virginia Highlands Airport Authority* strongly urges the Governor of the Commonwealth of Virginia, and the Virginia General Assembly to eliminate the sunset clause, and the maximum takeoff weight limit, and make the Aircraft Parts and Supplies Tax Exemption permanent, ensuring the continued prosperity of Virginia's aviation industry.

1/13/25

Date



Kent Hutton

Secretary

Virginia Highlands Airport Authority

Airport Commission questions

- (1) What is largest plane that uses the air port
- (2) Which type of airplane uses airport the most frequently
- (3) How many small T hangars are needed at this time, waiting list?
- (4) Can the requirements and restrictions of the hangar agreement be altered?
 - (a) Food service
 - (b) Shuttle service
 - (c) Does the owner or Builder have to own a plane.
 - (d) Can one hangar be used for general aviation on a daily or hourly rate.
 - (e) Can the same hangar be used for speeches or events by corporations or if needed the state.
- (5) What size parcels will be made available
 - (A) Large single parcels (how many)
 - (b) T-hangar parcels (how many)
- (6) Who will set the rent rates (Builder?)
- (7) Time frame for completion?
- (8) Possible start date?
- (9) Who will finish pad work that has stopped

(10) How close to the construction sites will utilities be ran by the airport

(A) Power

(b) Water

(C) sewer

(d) Gas

(E) COMMUNICATION

(11) how and who sets the land rent rate is it Fixed rate For 30 yrs

(12) how will the real estate taxes be Paid and By whom? Because will be by Deed to airport ownership.

(13) Insurance? same question

(14) who will write the option For the end of the 30 yr period AND the terms.

(15) General Aviation hangar