

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act to create the Virginia Tech/Montgomery Regional Airport Authority.

[S 1170]

Approved

Be it enacted by the General Assembly of Virginia:**1. § 1. Title.**

This act shall be known and may be cited as the Virginia Tech/Montgomery Regional Airport Authority Act.

§ 2. Creation; public purpose.

If the governing bodies of the Towns of Blacksburg and Christiansburg and the County of Montgomery and the Board of Visitors of Virginia Polytechnic Institute and State University by resolution support the formation of a regional airport authority to operate and lease the existing Virginia Tech Airport and a memorandum of understanding is approved for the purpose of joining such authority, an airport authority to be known as the Virginia Tech/Montgomery Regional Airport Authority (hereinafter "the Authority") shall thereupon exist for such participating entities and shall exercise its powers and functions as prescribed herein.

In any suit, action, or proceeding involving the validity or enforcement of or relating to any contract of the Authority, the Authority shall be deemed to have been created as a political subdivision and body corporate and to have been established and authorized to transact business and exercise its powers hereunder upon proof of the adoption of a resolution as aforesaid by the governing bodies of such towns, county and university supporting the formation of such Authority. A copy of such resolution duly certified by the clerks of the towns, county and university by which it is adopted shall be admissible as evidence in any suit, action, or proceedings. Any political subdivision of the Commonwealth is authorized to join such Authority pursuant to the terms and conditions of this Act.

The ownership and operation by the Authority of modern and efficient air transportation and related facilities and the exercise of powers conferred by this Act are proper and essential governmental functions and public purposes and matters of public necessity for which public moneys may be spent and private property acquired through the power of eminent domain as hereinafter provided. The purposes of such Authority shall be to develop a regional airport based on the mission of servicing corporate executive markets and other general aviation markets, obtaining grants, loans and other funding for airport improvements and other activities, and in promoting and assisting in regional economic development. The actual airport operations to be created hereunder shall be limited to functioning as a general aviation airport as designated by the Virginia Department of Aviation.

§ 3. Definitions.

As used in this act the following words and terms have the following meanings unless a different meaning clearly appears from the context:

"Act" means the Virginia Tech/Montgomery Regional Airport Authority Act.

"Airport" means the premises currently operated as an airport by Virginia Polytechnic Institute and State University.

"Airport Lease" means the leasehold interest conveyed by Virginia Polytechnic Institute and State University to the Authority for the Airport Real Property.

"Airport Lease closing" means the date upon which the Airport Lease is entered into by the appropriate parties.

"Airport Real Property" means the real property and improvements located thereon which the existing Airport and improvements are situated and the additional real property shown on the Master Plan as part of the Airport, all in the Town of Blacksburg, Montgomery County, Virginia.

"Annual deficit" means the amount of budgeted expenditures in excess of anticipated revenues from operations or capital budgets.

"Authority" means the Virginia Tech/Montgomery Regional Airport Authority created by this Act.

"Board" means the governing body of the Authority.

"Bonds" means any bonds, notes, debentures, grant obligations or other evidence of financial indebtedness issued by this Authority pursuant to this Act.

"Commonwealth" means the Commonwealth of Virginia.

"Facility" means any and all airports, terminals, runways, hangars, loading facilities, repair shops, parking areas, facilities for the preparation of in-flight meals, restaurants and accommodations for temporary or overnight use by passengers, and other facilities functionally related to the needs or

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57 convenience of passengers, shipping companies and airlines, and industrial and commercial facilities,
 58 purchased, constructed or otherwise acquired or operated by the Authority pursuant to the provisions of
 59 this Act. Any facility may consist of or include any or all buildings or other structures, improvements,
 60 additions, extensions, replacements, machinery, or equipment, together with appurtenances, lands, rights
 61 in land, aviation rights, water rights, franchises, furnishings, landscaping, utilities, approaches,
 62 roadways, or other facilities necessary or desirable in connection therewith or incidental thereto.

63 "Master Plan" means the most current Master Plan and associated Airport Layout Plan Study for
 64 Virginia Tech Airport approved by the Federal Aviation Administration, the Department of Aviation, and
 65 the airport owner.

66 "Participating political subdivisions" means the Towns of Blacksburg and Christiansburg, the County
 67 of Montgomery and Virginia Polytechnic Institute and State University or any other political subdivision
 68 that may join or has joined the Authority pursuant to §§ 4 and 5 of this Act.

69 "Political subdivision" means a county, city, town, public body, public authority (including an airport
 70 authority), or institution (including an institution of higher education), or commission of the
 71 Commonwealth.

72 "Premises" means the Airport Real Property together with the ownership interests the University has
 73 acquired in facilities, equipment, aircraft, improvements, easements, rights, licenses (including but not
 74 limited to any licenses related to the sale of aviation fuel), privileges and other property rights that have
 75 been or may hereafter be provided at or in connection with the Airport from time to time, including
 76 without limiting the generality of the foregoing, the landing field and any extensions thereof or additions
 77 thereto, roadways, runways, aprons, taxiways, signage, maintenance equipment, fuel storage and
 78 delivery equipment, fire protection and safety equipment, sewage and water facilities, flood lights,
 79 landing lights, beacons, control tower, weather observation equipment, navigational equipment, signals,
 80 communication equipment, radio aids, radar and all other conveniences for flying, landings and takeoffs
 81 of aircraft, buildings (including but not limited to storage buildings, maintenance areas, hangars, offices
 82 and garages), parking areas, fences, roadways, lounges and waiting rooms, public spaces and any and
 83 all appurtenances to the foregoing.

84 "Term" means the duration of the Airport Lease.

85 "University" means Virginia Polytechnic Institute and State University.

86 "Virginia Tech/Montgomery Regional Airport" means the airport facilities located on the Airport
 87 Real Property, the Premises, and any other facilities necessary, incidental, or convenient to the
 88 operation of the facilities.

89 § 4. Participating political subdivision.

90 At the time of creation of the Authority, each participating political subdivision shall have entered or
 91 shall enter into a memorandum of understanding by and among each of the participating political
 92 subdivisions setting forth the terms and conditions of the intended formation of the Authority and the
 93 leasing of the Airport Real Property.

94 No pecuniary liability of any kind shall be imposed upon any participating political subdivision
 95 because of any act, omission, agreement, contract, tort, malfeasance, misfeasance, or nonfeasance by or
 96 on the part of the Authority or any member thereof, or its agents, servants, or employees, except as
 97 otherwise provided in this Act with respect to contracts and agreements between the Authority and any
 98 other political subdivision.

99 § 5. Appointment of members of the Board.

100 The powers of the Authority shall be vested in the members of the Board. The Board shall consist of
 101 five persons. Each participating political subdivision shall have the right to appoint one member of the
 102 Board and all participating political subdivisions shall jointly appoint the fifth member of the Board by
 103 unanimous approval of the participating political subdivisions. Each member of the Board shall be
 104 appointed for a term of four years, except that the initial members of the Board representing the
 105 participating political subdivisions shall be appointed for the following staggered terms to be selected by
 106 lot by the members of the Board at its initial meeting: one member shall be appointed for a term of one
 107 year; one member shall be appointed for a term of two years; one member shall be appointed for a
 108 term of three years; and one member shall be appointed for a term of four years. The jointly appointed
 109 member shall be appointed for an initial term of four years. Upon the expiration of the original term of
 110 office of a member of the Board, that member may continue to exercise all powers as a member of the
 111 Board until that person's successor is duly appointed and qualified.

112 Any vacancy in the membership of the Board other than by expiration of term shall be filled by the
 113 governing body that appointed the member or, in the case of the jointly appointed member, by approval
 114 of the governing bodies. The person appointed to fill such vacancy shall serve for the unexpired term
 115 only. Each participating political subdivision shall have the absolute right to remove its appointee to the
 116 Board, with or without cause, at any time, and all participating political subdivisions shall have the
 117 absolute right to remove their joint appointee to the Board, with or without cause, at any time by

resolution of all of the governing bodies of the participating political subdivisions. Except as may be prohibited by the Constitution of Virginia, members of the Board may include elected or appointed officials, employees, managers, administrators or officers of any participating political subdivision.

Membership in the Authority may be expanded only in accordance with the terms of a joinder agreement adopted by the governing bodies of all participating political subdivisions. Only a political subdivision may become a participating political subdivision of the Authority.

Each member of the Board may be reimbursed by the Authority for the amount of actual expenses incurred by him in the performance of his duties in addition to such other salary or benefit, or both, to be determined by the Authority.

§ 6. Organization.

A majority of the members of the Board shall constitute a quorum and the vote of a majority of members of the Board shall be necessary for any action taken by the Board. Each member of the Board shall be entitled to one vote, except as otherwise set forth herein. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. The Board shall elect from its membership a ~~chairmen~~ chairman, vice-chairman and secretary-treasurer of the Board; such officers to serve in these capacities for terms of two years, except that an initial member of the Board whose term on the Board is for one year may be elected to serve in such capacity for a term of one year and if reappointed to the Board may thereupon be reelected to serve in such capacity.

The Authority shall hold regular meetings at such times and places as may be established by its bylaws.

The Board may make and from time to time amend and repeal bylaws, not inconsistent with this Act, governing the manner in which the Authority's business may be transacted and in which the power granted to it may be enjoyed. The Board may appoint such committees as it may deem advisable and fix the duties and responsibilities of such committees.

§ 7. Powers.

The Authority is hereby granted all powers necessary or appropriate to carry out the purposes of this Act, including the following, to:

1. Adopt bylaws for the regulation of its affairs and the conduct of its business;
2. Sue and be sued in its own name;
3. Have perpetual succession;
4. Adopt a corporate seal and alter the same;
5. Maintain offices at such places as it may designate;
6. Acquire, establish, construct, enlarge, improve, maintain, equip, operate and regulate any airport, air landing fields, structures, aviation facilities and other property incidental thereto;
7. Construct, install, maintain and operate facilities for the servicing and storage of aircraft and for the accommodation of cargo, freight and mail, and for the accommodation and comfort of air travelers, and for lease or sale to industrial or commercial users, and to purchase and sell equipment and supplies incidental to the operation of its airport facilities;
8. Grant to others the privilege to operate for profit concessions, leases, and franchises, including but not limited to the sale of airplanes, fuel, parts and equipment, maintenance of aircraft, the accommodation and comfort of persons using its facilities and the providing of ground transportation and parking facilities for such persons, and such concessions, leases and franchises shall be exclusive or limited as determined by the Authority;
9. Determine fees, rates and charges for the use of its facilities;
10. Apply for and accept gifts, grants of money or gifts, grants or loans of other property or other financial assistance from, or to borrow money from or issue bonds to, the United States of America and agencies and instrumentalities thereof, the Commonwealth and political subdivisions, agencies and instrumentalities thereof, or any other person or entity whether public or private, for or in aid of the construction, acquisition, ownership, operation, maintenance or repair of the Authority's facilities (whether or not such facilities are then in existence) or for the payment of principal of any indebtedness of the Authority, interest thereon or other costs incident thereto and to borrow money on such terms as the Authority deems advisable, and to this end the Authority shall have the power to render such services, comply with such conditions and execute such agreements and legal instruments as may be necessary, convenient or desirable or imposed as a condition to such financial aid, loans, grants or other assistance;
11. Establish, operate and maintain a foreign trade zone and otherwise to expedite and encourage foreign commerce;
12. Appoint, employ or engage such officers, employees, architects, engineers, attorneys, accountants, financial advisors, investment bankers, and other advisors, consultants and agents as may be necessary or appropriate, and to fix their duties and compensation;

13. Establish personnel rules;

14. Own, purchase, lease, obtain options upon, acquire by gift, grant, bequest or otherwise acquire any property, real, personal or intangible, or any interest therein, and in connection therewith to create, assume or take subject to any indebtedness secured by such property;

15. Sell, lease, grant options upon, exchange, transfer, assign, or otherwise dispose of any property, real or personal, or any interest therein;

16. Make, assume and enter into all contracts, leases and arrangements necessary or incidental to the exercise of its powers, including contracts for the management or operation of all or any part of its facilities;

17. Adopt, amend, and repeal rules and regulations for the use, maintenance, and operation of its facilities and governing the conduct of persons and organizations using its facilities and to enforce such rules and regulations and all other rules, regulations, ordinances, and statutes relating to its facilities;

18. Purchase and maintain insurance and to provide indemnification on behalf of any person who is or was a director, officer, employee or agent of the Authority against any liability asserted against or incurred by him in any such capacity or arising out of his status as such;

19. Exercise police power upon Authority facilities for the enforcement of all state and local laws;

20. Place a lien upon any or all of its property, not including the University's property rights not assigned hereby, or otherwise secure its debts; and

21. Do all things necessary or convenient to the purposes of this Act.

§ 8. Name of airport.

The name of the airport operated by the Authority shall be the Virginia Tech/Montgomery Regional Airport. The name of this airport, or any other airport owned and/or operated by the Authority, may be changed upon approval of a majority of the members of the Board.

§ 9. Rules, regulations, and minimum standards.

The Authority shall have the power to adopt, amend, and repeal rules, regulations, and minimum standards, for the use, maintenance, and operation of its facilities and governing the conduct of persons and organizations using its facilities.

The Authority's rules and regulations shall be available for public inspection in the Authority's principal office.

The Authority's rules and regulations relating to: (i) traffic, including but not limited to motor vehicle speed limits and the location of and charges for public parking; (ii) access to Authority facilities, including but not limited to solicitation, handbilling, and picketing; and (iii) aircraft operation and maintenance, shall have the force of law, as shall any other rule or regulation of the Authority that shall contain a determination by the Authority that it is necessary to accord the same force and effect of law in the interest of the public safety. However, with respect to motor vehicle traffic rules and regulations, the Authority shall obtain the approval of the appropriate official of the political subdivision in which such rules or regulations are to be enforced. The violation of any rule or regulation of the Authority relating to motor vehicle traffic shall be tried and punished in the same manner as if it had been committed on the public roads of the participating political subdivision in which such violation occurred. All other violations of the Authority's rules and regulations having the force of law shall be punishable as misdemeanors.

All ordinances, rules, regulations, and minimum standards duly adopted for the regulation, administration and operation of Virginia Tech/Montgomery Regional Airport, in force at the effective date of this Act, shall remain in full force insofar as they or any part thereof are not inconsistent with the provisions of this Act until amended or repealed in accordance with this Act.

§ 10. Eminent domain.

The Authority is hereby granted full power to exercise the right of eminent domain within the participating political subdivisions other than the University in the acquisition of any lands, easements, privileges, or other property interests that are necessary for airport purposes including, where necessary to provide unobstructed air space for the landing and taking off of aircraft utilizing its airport, aviation easements over lands or water outside the boundaries of its airport even though such aviation easement may be either inconsistent with the continued use of such land for the same purposes for which it had been used prior to such acquisition, or inconsistent with the maintenance, preservation, and renewal of any structure or any tree or other vegetation standing or growing on said land at the time of such acquisition. Proceedings for the acquisition of such land, easements, and privileges by condemnation may be instituted and conducted in the name of the Authority in accordance with Title 25 of the Code of Virginia. The University shall not obstruct or impede any Airport uses or plans that are shown on the Master Plan.

§ 11. Reports.

The Authority shall keep minutes of its proceedings, which shall be open to public inspection during normal business hours, and shall keep suitable records of all its financial transactions and shall arrange

to have the same audited annually by an independent certified public accountant. Copies of each such audit shall be furnished to each participating political subdivision and shall be open to public inspection. The Authority shall be deemed a local governmental agency subject to the requirements of the State and Local Government Conflict of Interests Act (§ 2.1-639.1 et seq.).

§ 12. Procurement.

All contracts that the Authority may let for professional services, nonprofessional services, or materials shall be subject to the Virginia Public Procurement Act (§ 11-35 et seq.).

§ 13. Deposit and investment of funds.

Except as provided by contract with a participating political subdivision, all moneys received pursuant to the authority of this Act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in this Act. All moneys of the Authority shall be deposited as soon as practicable in a separate account or accounts in one or more banks or trust companies organized under the laws of the Commonwealth or national banking associations having their principal offices in the Commonwealth. Such deposits shall be continuously secured in accordance with the Virginia Security for Public Deposits Act (§ 2.1-359 et seq.).

Funds of the Authority not needed for immediate use or disbursement may, subject to the provisions of any contract between the Authority and the holders of its bonds, be invested in securities that are considered lawful investments for public sinking funds or other public funds as set forth in Chapter 18 of Title 2.1.

§ 14. Authority to issue bonds.

The Authority shall have the power to issue bonds from time to time in its discretion, for any of its purposes, including the payment of all or any part of the cost of Authority facilities and including the payment or retirement of bonds previously issued by it. The Authority may issue such types of bonds as it may determine, including (without limiting the generality of the foregoing) bonds payable, both as to principal and interest: (i) from its revenues and receipts generally and (ii) exclusively from the revenues and receipts of certain designated facilities or loans whether or not they are financed in whole or in part from the proceeds of such bonds. Any such bonds may be additionally secured by a pledge of any grant or contribution from a participating political subdivision, the Commonwealth or any political subdivision, agency or instrumentality thereof, and federal agency or any unit, private corporation, co-partnership, association, or individual, as such participating political subdivision, or other entities may be authorized to make under general law or by pledge of any income or revenues of the Authority or by mortgage or encumbrance of any property or facilities of the Authority. Unless otherwise provided in the proceeding authorizing the issuance of the bonds, or in the trust indenture or agreement securing the same, all bonds shall be payable solely and exclusively from the revenues and receipts of a particular facility or loan. Bonds may be executed and delivered by the Authority at any time and from time to time, may be in such form and denominations and of such terms and maturities, may be in registered or bearer form either as to principal or interest or both, may be payable in such installments and at such time or times not exceeding forty years from the date thereof, may be payable at such place or places whether within or without the Commonwealth, may bear interest at such rate or rates, may be payable at such time or times and at such places, may be evidenced in such manner, and may contain such provisions not inconsistent herewith, all as shall be provided and specified by the Authority in authorizing each particular bond issue.

If deemed advisable by the Authority, there may be retained in the proceedings under which any bonds of the Authority are authorized to be issued an option to redeem all or any part thereof as may be specified in such proceedings, at such price or prices and after such notice or notices and on such terms and conditions as may be set forth in such proceedings and as may be briefly recited on the face of the bonds, but nothing herein contained shall be construed to confer on the Authority any right or option to redeem any bonds except as may be provided in the proceedings under which they shall be issued. Any bonds of the Authority may be sold at public or private sale in such manner and from time to time as may be determined by the Authority to be most advantageous, and the Authority may pay all costs, premiums, and commissions that it may deem necessary or advantageous in connection with the issuance thereof. Issuance by the Authority of one or more series of bonds for one or more purposes shall not preclude it from issuing other bonds in connection with the same facility or any other facility, but the proceedings whereunder any subsequent bonds may be issued shall recognize and protect any prior pledge or mortgage made for any prior issue of bonds. Any bonds of the Authority at any time outstanding may from time to time be refunded by the Authority by the issuance of its refunding bonds in such amount as the Authority may deem necessary, but not exceeding an amount sufficient to refund the principal of the bonds so to be refunded, together with any unpaid interest thereon and any costs, premiums, or commissions necessary to be paid in connection therewith. Any such refunding may be effected whether the bonds to be refunded shall have then matured or shall thereafter mature, either by

sale of the refunding bonds and the application of the proceeds thereof to the payment of the bonds to be refunded thereby, or by the exchange of the refunding bonds for the bonds to be refunded thereby, with the consent of the holders of the bonds so to be refunded, and regardless of whether or not the bonds to be refunded were issued in connection with the same facilities or separate facilities, and regardless of whether or not the bonds proposed to be refunded shall be payable on the same date or on different dates or shall be due serially or otherwise.

All bonds shall be signed by the chairman or vice-chairman of the Authority or shall bear his facsimile signature, and the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted thereon and attested by the signature of the secretary (or the secretary-treasurer) or the assistant secretary (or assistant secretary-treasurer) of the Authority or shall bear his facsimile signature, and any coupons attached thereto shall bear the facsimile signature of said chairman. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before delivery of such bonds, such signature, or such facsimile, shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. When the signatures of both the chairman or the vice-chairman and the secretary (or the secretary-treasurer) or the assistant secretary (or the assistant secretary-treasurer) are facsimiles, the bonds must be authenticated by a corporate trustee or other authenticating agent approved by the Authority.

If the proceeds derived from a particular bond issue, due to error of estimates or otherwise, shall be less than the cost of the Authority facilities for which such bonds were issued, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of the bonds of such issue or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds of the first issue. If the proceeds of the bonds of any issue shall exceed such cost, the surplus may be deposited to the credit of the sinking fund for such bonds or may be applied to the payment of the cost of any additions, improvements, or enlargements of the Authority facilities for which such bonds shall have been issued.

Prior to the preparation of definitive bonds, the Authority may, under like restrictions, issue interim receipts or temporary bonds with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds that shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions, or things that are specifically required by this Act; provided that nothing contained in this Act shall be construed as affecting the powers and duties now conferred by law upon the State Corporation Commission.

All bonds issued under the provisions of this Act shall have and are hereby declared to have all the qualities and incidents of and shall be and are hereby made negotiable instruments under the Uniform Commercial Code of Virginia (§ 8.1-101 et seq.), subject only to provisions respecting registration of the bonds.

In addition to all other powers granted to the Authority by this Act, the Authority is authorized to provide for the issuance from time to time of notes or other obligations of the Authority for any of its authorized purposes. All of the provisions of this Act that relate to bonds shall apply to such notes or other obligations insofar as such provisions may be appropriate.

§ 15. Fees, rents, and charges.

The Authority is hereby authorized to and shall fix, revise, charge, and collect fees, rents, and other charges for the use and services of any facilities. Such fees, rents, and other charges shall be so fixed and adjusted as to provide a fund sufficient with other revenues to pay the cost of maintaining, repairing, and operating the facilities and the principal and any interest on its bonds as the same shall become due and payable, including reserves therefor. Such fees, rents, and charges shall not be subject to supervision or regulation by any commission, board, bureau, or agency of the Commonwealth or any participating political subdivision. The fees, rents, and other charges received by the Authority, except such part thereof as may be necessary to pay the cost of maintenance, repair, and operation and to provide such reserves therefor as may be provided for in any resolution authorizing the issuance of such bonds or in any trust indenture or agreement securing the same, shall to the extent necessary be set aside at such regular intervals as may be provided in any such resolution or trust indenture or agreement in a sinking fund or sinking funds pledged to, and charged with, the payment and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of such bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. So long as any of its bonds are outstanding, the fees, rents, and charges so pledged and thereafter received by the Authority shall immediately be subject to the lien of such

pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the Authority irrespective of whether such parties have notice thereof. Neither the resolution nor any trust indenture or agreement by which a pledge is created need be filed or recorded except in the records of the Authority. The use and disposition of moneys to the credit of any such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust indenture or agreement.

§ 16. Credit of Commonwealth and political subdivisions not pledged.

Bonds issued pursuant to the provisions of this Act shall not be deemed to constitute a debt of the Commonwealth, or any political subdivision thereof other than the Authority, but such bonds shall be payable solely from the funds provided therefor as herein authorized. All such bonds shall contain on the face thereof a statement to the effect that neither the Commonwealth, nor any political subdivision thereof, nor the Authority, except as may be otherwise stated, shall be obligated to pay the same or the interest thereon or other costs incident thereto except from the revenues and money pledged therefor and that neither the faith and credit nor the taxing power of the Commonwealth, or any political subdivision thereof, is pledged to the payment of the principal of such bonds or the interest thereon or other costs incident thereto.

All expenses incurred in carrying out the provisions of this Act shall be payable solely from the funds of the Authority.

Bonds issued pursuant to the provisions of this Act shall not constitute an indebtedness within the meaning of any debt limitation or restriction.

§ 17. Members of the Board and persons executing bonds not liable thereon.

Neither the members of the Board nor any person executing the bonds shall be liable personally on the Authority's bonds by reasons of the issuance thereof.

§ 18. Security for payment of bonds; default.

The principal of and interest on any bonds issued by the Authority may be secured by a pledge of the revenues and receipts out of which the same shall be made payable, and may be secured by a trust indenture or agreement covering all or any part of the Authority facilities from which revenues or receipts so pledged may be derived, including any enlargements of any additions to any such projects thereafter made. The resolution under which the bonds are authorized to be issued and any such trust indenture or agreement may contain any agreements and provisions respecting the maintenance of the projects covered thereby, the fixing and collection of rents for any portions thereof leased by the Authority to others, the creation and maintenance of special funds from such revenues and the rights and remedies available in the event of default, all as the Authority shall deem advisable not in conflict with the provisions hereof. Each pledge, agreement, and trust indenture made for the benefit or security of any of the bonds of the Authority shall continue to be effective until the principal of and interest on the bonds for the benefit of which the same were made shall have been fully paid. In the event of default in such payment or in any agreements of the Authority made as a part of the contract under which the bonds were issued, whether contained in the proceedings authorizing the bonds or in any trust indenture or agreement executed as security therefor, may be enforced by mandamus, suit, action, or proceeding at law or in equity to compel the Authority and the members, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any trust indenture or agreement of the Authority, the appointment of a receiver in equity or by foreclosure of any such trust indenture, or any one or more of said remedies.

§ 19. Taxation.

The exercise of the powers granted by this Act shall in all respects be presumed to be for the benefit of the inhabitants of the Commonwealth, for the increase of their commerce, and for the promotion of their health, safety, welfare, convenience and prosperity, and as the operation and maintenance of any project that the Authority is authorized to undertake will constitute the performance of an essential governmental function, the Authority shall not be required to pay any taxes or assessments upon any facilities acquired and constructed by it under the provisions of this Act and the bonds issued under the provisions of this Act, their transfer and the income therefrom including any profit made on the sale thereof, shall at all times be free and exempt from taxation by the Commonwealth and by any political subdivision thereof. Unless exempted by the laws of the Commonwealth, persons, firms, partnerships, associations, corporations, and organizations leasing property of the Authority or doing business on property of the Authority shall be subject to and liable for payment of all applicable taxes of the political subdivision in which such leased property lies or in which business is conducted including, but not limited to, any leasehold tax on real property and taxes on tangible personal property, machinery and tools, taxes for admission, taxes on hotel and motel rooms, taxes on the sale of tobacco products, taxes on the sale of meals and beverages, privilege taxes, local general retail sales and use taxes, taxes to be paid on licenses in respect to any business, profession, vocation or calling, and taxes upon

consumers of gas, electricity, telephone, and other public utility services.

§ 20. Bonds as legal investments.

Bonds issued by the Authority under the provisions of this Act are hereby made securities in which all public officers and public bodies of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities that may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law.

§ 21. Appropriation by political subdivision.

Any participating political subdivision or other political subdivision of the Commonwealth is authorized to provide services, to donate real or personal property and to make appropriations to the Authority for the acquisition, construction, maintenance and operation of the Authority's facilities. Any such political subdivision is hereby authorized to issue its bonds, including, but not limited to general obligation bonds, in the manner provided in the Public Finance Act (§ 15.2-2600 et seq.) or in any applicable municipal charter for the purpose of providing funds to be appropriated to the Authority, and such political subdivisions may enter into contracts obligating such bond proceeds to the Authority.

The Authority may agree to assume, or reimburse a participating political subdivision for any indebtedness incurred by such participating political subdivision with respect to facilities conveyed by it to the Authority.

§ 22. Annual deficit.

The board shall have full authority to adopt its operating and capital budgets on an annual fiscal year (July 1 through June 30) basis, to amend the same from time to time, and for the annual deficit to be divided equally among all participating political subdivisions. Each participating political subdivision shall contribute its respective one-quarter share of the annual deficit each year and otherwise as required; however, such obligation shall be subject to and dependent upon annual appropriations being made from time to time by the governing body of each such respective participating political subdivision, and as to the University, by normal approval of appropriations, and shall not be deemed to constitute a debt of such participating political subdivisions within the meaning of Article VII, Section 10 of the Constitution of Virginia, and as to the University, within the meaning of Article X, Section 9 of the Constitution of Virginia, or any applicable statutory debt limitation. Should any participating political subdivision fail to contribute in full its proportionate share of the annual deficit, it shall remain a member of the Authority but its representative on the board shall not be entitled to cast a vote on any Authority matter until that participating political subdivision's share of the annual deficit has been paid in full. Further, should any participating political subdivision fail to contribute in full its proportionate share of the annual deficit, the Authority shall have a lien on any share of the Authority's profit or surplus revenues otherwise entitled to be distributed to the participating political subdivision. A participating political subdivision may contribute a portion or all of its share of the annual deficit through "in-kind" contributions, subject to the approval of such contribution and valuation by the Authority.

§ 23. Contracts with political subdivisions.

The Authority is authorized to enter into contracts with any one or more political subdivisions.

§ 24. Lease Agreement.

Notwithstanding any other provision of law, the University is authorized, directed and empowered to lease the Airport Real Property and the Premises to the Authority and the Airport Lease shall contain the following provisions, representations and warranties:

1. Upon the creation of the Authority, the University shall lease to the Authority and the Authority shall lease from the University a leasehold interest in the Airport Real Property and the Premises for use as a general aviation airport and related activities, and all appurtenances thereto and personal property defined in subsection 3, which use, without limiting the generality hereof, shall include the right to repair, maintain, condition, service, test, park or store aircraft and other equipment, to sell, dispose or exchange aircraft, engines, accessories, aviation and other fuel, oil, greases, lubricants and other equipment and supplies, to transport, load and unload persons, cargo, property and mail, to provide amenities (including food and lodging) to pilots, passengers, Authority employees, members of the public and any other person, to operate and maintain a system of air traffic advisory or control and all activities related thereto, and to acquire, construct, renovate and equip any and all improvements at the Premises. The Airport Lease shall include provisions consistent with the terms of this section.

2. In connection with ownership of the Airport Real Property and the operation of the Airport, the Premises include but are not limited to the personal property initially agreed to by the parties to the Airport Lease. The University shall warrant and represent to the Authority that it will disclose known

defects in the Premises. The University's representation that it will disclose known defects shall not include any representation or agreement to repair the same, if any. The Authority shall receive its interest in the Airport Real Property and the Premises "as is." The parties shall agree that hazardous waste and toxic waste, as the terms are defined or designated by federal or state statute or regulation existing prior to the creation of the Authority, and latent environmental defects are not included within the Premises or the Airport Real Property and that the University shall cause any hazardous waste, toxic waste, or latent environmental defects that are presently located on the Airport Real Property prior to the creation of the Authority to be properly disposed of, or remediated, in accordance with any applicable local, regional, state or federal statute, law, rule, regulation, order or decree pertaining to environmental preservation, contamination, remediation or cleanup or to the operation of any airport facility.

3. The Airport Lease closing shall be on or before July 15, 2001, or as soon thereafter as title can be examined and proper conveyance documents prepared and executed.

4. The initial term of the Airport Lease shall be for thirty years, subject to the option granted to the Authority to renew the Airport Lease for one additional term of twenty years under the same terms and conditions as provided herein, at the same rental for said renewal term.

5. The Airport Lease shall provide that the Authority will agree to pay and the University will agree to accept for the use of the Premises granted hereunder, rent in the amount of one dollar per year. The University shall warrant and represent that it has full power and authority to enter into the Airport Lease, subject to this Act, that it has good and marketable title to the Premises, and that the University has entered into no leases, agreements or restrictive covenants that would prohibit or interfere with the uses of the Premises as an airport, other than its lease with the National Weather Service. The University shall covenant and agree that the Premises shall be delivered to the Authority free from all tenancies and occupancies, and free from all orders and notices and violations filed or entered by any public or quasi-public authority and free from complaints and reports of violations, noted or existing in or filed with any federal or state local authority, other than those leases already disclosed to the Authority. The Authority shall have, hold and enjoy the Premises and all the rights and privileges of the Airport and the Premises granted in the Airport Lease.

6. The Airport Lease shall provide that the Authority shall operate, maintain and keep in good repair the Airport and all appurtenances, facilities and services now or hereafter connected with the Airport. The Authority shall operate the Airport in accordance with all applicable federal, state and local laws, rules, regulations and ordinances. The Authority may make, assume and enter into all contracts, leases and arrangements necessary or incidental to the exercise of its powers including contracts for the management or operation of all or any part of the Airport. The Authority shall have the right to impose and collect any charges, fees, tolls and assessments from any person or entity in amounts determined by the Authority and as allowed by law in connection with the operation, maintenance, equipping, repair, renovation and improvement of the Airport. The Authority may take any action, other than against the University, it considers necessary to protect the aerial approaches of the Airport from obstructions and may prevent any person from erecting any building or other structure that in the reasonable opinion of the Authority would limit the usefulness of the Airport or constitute a hazard to aircraft using the Airport. The University shall cooperate completely and fully with the Authority in the Authority's operation of the Airport in accordance with the Airport Lease, and shall provide the Authority all available information, data and documents relevant or necessary to the Authority's operation of the Airport. The University shall have the option, but not the responsibility, to provide for security, public safety or police duties on the Premises during the term of the Airport Lease. The University agrees not to obstruct or interfere with the plans for the Airport as shown in the Master Plan.

7. The Authority, at its own cost and expense, may construct or install, in accordance with all applicable laws and ordinances, in or on any space that is or may be leased to the Authority under the Airport Lease, any buildings, structures or improvements, including equipment and storage tanks, on the surface or underground, that it shall determine to be necessary for use in connection with the operation of the Airport subject to the University's consent thereof, which consent shall not be unreasonably withheld and shall be considered by the University based upon aesthetic considerations in architectural plans and building finishes and materials to conform generally to the University's building considerations. The Authority shall have the unrestricted right to alter, modify, repair and maintain any buildings, structures or improvements now or hereafter existing on the Premises, subject to the University's consent thereof, which consent shall not be unreasonably withheld and shall be considered by the University based upon aesthetic considerations in architectural plans and building finishes and materials to conform generally to the University's building considerations. The Authority may, within its discretion, erect, install and remove signage as it deems appropriate on the Premises, other than the University's stone signage in the main terminal. The Authority shall have the right to modify the Master Plan as it deems appropriate.

8. The University shall assign in the Airport Lease to the Authority all warranties and all service agreement rights that pertain to the Premises. All such manufacturer warranties and service agreements shall be disclosed prior to the execution of the lease agreement. The assignment of warranties and service agreement rights shall be effective as to any particular item of the Premises at the time that the University transfers a leasehold interest in that particular item to the Authority.

9. The University shall cause all funds received by the University after the Airport Lease closing that in any way arise from the University's operation of the Airport or that would have been deposited in the normal course of business by the University had the Airport Lease closing not taken place, to be paid to the Authority. The University shall assign to the Authority all right, title and interest in all accounts receivable and the accounts payable that in any way arise from the University's operation of the Airport or that would have been deposited or due in the normal course of business by the University had the Airport Lease closing not taken place. The Authority shall agree to be responsible for and assume all contractual obligations of the University relating to the Airport, including those related to federal grants, disclosed prior to the Airport Lease closing.

10. If the Premises are damaged by fire or other casualty, then the damage may be repaired by the Authority at the expense of the Authority with reasonable promptness from the proceeds of casualty insurance. If the Premises are damaged or rendered untenable by fire or other casualty to the extent such that the Authority's architect certifies that the Premises cannot be completely repaired within 180 days after the casualty, then the Authority may, at its option, terminate the Airport Lease by giving written notice of termination to the University within thirty days after the date the Authority receives notice of such certification by the architect. The University may provide liability and casualty insurance coverage for all or any portion of the Premises, to the extent possible, with the approval of the Authority, which may be included as an "in-kind" contribution of its portion of the deficit, if so approved by the Authority.

11. Upon the expiration of the term or any renewal thereof, whichever is later, any buildings, structures, alterations, additions and improvements affixed to the Premises shall become the property of the University and shall be surrendered with the Premises.

12. The Authority may at any time mortgage, encumber, or assign any of its leasehold rights under the Airport Lease only for the purpose of providing security for the issuance of bonds, the receipt of grants or the borrowing of money by the Authority or for such other purposes as it shall deem necessary.

13. The University shall not be liable for any injury to persons or any loss or damage to property resulting from the negligence of the Authority or the Authority's agents or employees. The Authority shall, at all times during the term of the Airport Lease, or any renewal thereof, carry or provide for the carrying with an insurance carrier or insurance carriers licensed to operate in the Commonwealth, public liability insurance with limits of liability of not less than twenty million dollars with respect to personal injury, ten million dollars with respect to property damage, and an appropriate coverage for casualty. Any of the foregoing insurance coverages may be obtained from a risk management pool, self-insurance program or similar arrangement provided by the University in which the Authority may participate or engage in, if approved by the Authority. The University shall be listed as an additional insured on all of the foregoing policies and coverages. The Authority shall agree to defend legal actions against the University claiming liability under this section.

14. The University shall transfer all aviation, business, financial and other records and data of any type pertaining to the Airport to the Authority.

15. The University shall represent and warrant that it has provided to the other participating political subdivisions no later than July 15, 2001: (i) complete copies of any title insurance policies, binders or commitments and any abstracts or similar opinions as to the state of title at any time of or encumbrances at any time affecting the Airport Real Property that the University may have in its possession, (ii) all surveys of the Airport Real Property, (iii) all permits, licenses or documents pertaining to governmental permission of any sort relating to or affecting the Airport Real Property, and (iv) all notices, reports, filings or similar documents made by the University and sent to any governmental authority concerning the University's ownership of the Airport Real Property or operation of the Airport.

16. The Authority's obligation to lease the Premises shall be subject to receipt by the Authority of a Phase I Environmental Assessment acceptable to the Authority and indicating that the Premises does not pose a substantial present or potential hazard to human health or the environment. Such Phase I Environmental Assessment shall be furnished by the University at the University's expense. Upon the termination of the Authority's leasehold interest in the Premises, the Authority shall provide to the University, at the Authority's expense, a Phase I Environmental Assessment of the Premises.

17. The University shall agree to use its best efforts to facilitate the transfer to the Authority of all permits, licenses or other permissions that are necessary for the continued operation of the Airport by

the Authority after leasehold title to the Airport Real Property is held by the Authority, and to procure the agreement and consent of the Federal Aviation Administration and Virginia Department of Aviation to the Authority's operation of the Airport, as may be required by law. Should any such permits, licenses, consents, agreements or other permissions not be transferable, the Authority shall use its best efforts to acquire them, and in such case the University shall agree that the Airport will be operated in the name of the University as necessary until the Authority acquires any such necessary permits, licenses, consents, agreements or other permissions.

18. The University shall grant the Authority full access to the Airport Real Property and the Premises in order for the Authority's agents, employees and representatives to perform any and all testing, inspection or studies concerning the Airport Real Property or Premises. The University shall represent and warrant that should it or any other agency or institution of the Commonwealth exercise any powers of eminent domain over the Airport Real Property or the Premises without the written consent of the Authority, the Authority may terminate the Airport Lease.

19. Any obligation of the Authority or the University that is delayed or not performed due to acts of God, strike, riot or war (whether declared or undeclared), shall not constitute a default under the Airport Lease and shall be performed within a reasonable time after the end of such cause for delay or nonperformance.

20. If any term or provision of the Airport Lease or the application thereof to any person or circumstances shall, to any extent, be illegal, invalid or unenforceable, the remainder of the Airport Lease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and all other terms and provisions of the Airport Lease shall be valid and enforced to the fullest extent permitted by law.

21. At the request of the Authority, the University shall execute and acknowledge a memorandum of lease in recordable form, indicating the names and ~~address~~ addresses of the Authority and the University, a description of the Premises, the commencement and expiration dates of the term, options for renewal, and other provisions hereof at the Authority's option.

22. The University shall cause the Premises to be insured against liability and risk of loss by adequate liability, property and casualty insurance at all times prior to the time that the Authority takes leasehold title to and possession of the Premises. In the event of any leasehold damage or loss to any item of the Premises that occurs prior to the time that the Authority takes title to and possession of that item of the Premises, the University shall repair, restore or replace that item so that the Authority receives that item (or the substantial equivalent thereof) in not less than the same condition than the item was in prior to such damage or loss.

23. No later than the date of the Airport Lease closing, the Authority shall offer employment to the University employees listed on a schedule to the Airport Lease, except for those who are no longer employed in good standing by the University at that time, and the University shall consent to such offers of employment.

24. The Authority shall agree to maintain contractual agreements with various vendors formerly made with the University until the expiration of the present terms of those contracts to the extent allowed by said vendors. Copies of all such contracts shall be provided to the Authority by the University before the parties prior to the Airport Lease closing. The University shall provide the Authority at the time of Airport Lease closing a complete itemized list of Airport accounts receivable and accounts payable.

25. The University shall represent and warrant that it shall assume all liability and responsibility if any, and subject to the Virginia Tort Claims Act (§ 8.01-195.1 et seq.), for any and all claims, damages, liabilities, actions, losses, costs or expenses of any kind in any way relating to, attributable to or connected with the Airport Real Property, Premises or the Airport arising out of or related to occurrences or actions or a failure or failures to act that occurred prior to the time of Airport Lease closing.

26. The Authority shall represent and warrant that it shall assume all liability and responsibility for any and all claims, damages, liabilities, actions, losses, costs or expenses of any kind in any way relating to, attributable to or connected with the Airport Real Property, Premises or the Airport arising out of or related to occurrences or actions or a failure or failures to act that occur subsequent to the time of Airport Lease closing, to the extent permitted by law.

27. The University shall represent and warrant that there shall not exist at the time of the Airport Lease closing, and shall not have existed at any time prior to the Airport Lease closing, any known conditions or circumstances on or about the Airport Real Property that are or were in violation of any local, regional, state or federal statute, law, rule, regulation, order or decree pertaining to environmental preservation, contamination, remediation or cleanup or to the operation of any airport facility.

28. The University shall represent and warrant that at the time of the Airport Lease closing there

shall not exist on or about the Airport Real Property any known toxic or hazardous waste, material or other substance, as defined under any applicable local, regional, state or federal statute, law, rule, regulation, order or decree, or any other condition, which might require any person or entity to report to or notify the United States Environmental Protection Agency, the Virginia Department of Environmental Quality or any other federal, state or local governmental or regulatory authority of the presence of such toxic or hazardous waste, material, other substance, or other condition.

29. The University shall represent and warrant that at the time of the Airport Lease closing there shall be no known existing, pending or threatened claims, administrative actions, lawsuits or legal proceedings whatsoever with respect to the Airport Real Property and that no valid or substantial legal basis for any such claim, action, lawsuit or proceeding now exists or shall exist at the time of the Airport Lease closing, except as disclosed to the Authority prior to the Airport Lease closing.

30. The University shall represent and warrant that the Airport Real Property is in compliance with all applicable ordinances, laws, rules and regulations, and shall provide an opinion from the University's counsel to this effect at the time of the Airport Lease closing.

31. The University shall represent and warrant that no mortgages, pledges, liens, encumbrances, conditions or other limitations exist regarding the Airport Real Property that would limit or prevent the Authority from using the Airport Real Property as an airport, except as may be set forth in any grants disclosed to the Authority prior to the Airport Lease closing.

32. The University shall represent and warrant that all access roads to the Airport will be maintained in a manner adequate for access to the Airport by automobiles, trucks and other vehicles that might reasonably be expected to utilize the Airport, that all such access roads will continue to be used as public highways, and that the University shall execute perpetual easements in recordable form granting the Authority the right to use such access roads for Authority purposes. The University may alter such roads so long as similar access is provided and there is no material affect or violation of aviation rules.

33. The University shall represent and warrant that, except as specifically described in the Airport Lease, there shall be no contracts, agreements or other obligations concerning or affecting the Airport Real Property or operation of the Airport.

34. The University shall represent and warrant that there shall be adequate utilities, including but not limited to electricity, sewer, natural gas, and water service, available to the Airport. After the Airport Lease closing, the Authority shall be responsible for all fees and charges for such utilities.

35. The University shall represent and warrant that there shall not be any defaults or breaches of any University obligation whatsoever concerning or relating to any bond issue, contract or other agreement that is related to or concerns the Airport Real Property or the University's ownership or operation of the Airport, except as specifically described in the Airport Lease.

36. The University shall represent and warrant that copies of all policies of insurance, risk sharing or similar agreements relating to the Airport Real Property, Premises or Airport, including environmental liability insurance, if any, shall have been disclosed to the Authority prior to the Airport Lease closing.

37. The University may provide in such Airport Lease an option to terminate such lease if the Authority at any time consists of only the University and one other participating political subdivision, after having given notice to the Authority five years prior to termination pursuant to such option, or if the Authority has operated the Airport facilities in such a manner in violation of the requirements of the Virginia Department of Aviation that has resulted in the closure of operations at the Airport after having given notice to the Authority five years prior to termination pursuant to such option.

38. The University shall have the right to utilize non-improved areas of the Airport Real Property not required by the Authority for Airport purposes, provided that such uses shall not violate any federal, state or local laws, rules or regulations and shall not interfere with the Authority's operation of the Airport in accordance with this Act or the Airport Lease. The University shall also have the right to utilize outbuildings located on the Airport Real Property, provided that such activities shall not violate any federal, state or local laws, rules or regulations and shall not interfere with the Authority's operation of the Airport in accordance with this Act or the Airport Lease.

§ 25. Authority as political subdivision.

The Authority is a political subdivision whose actions are exempt from the Commonwealth's rules and regulations on its agencies and commissions as to demolition, alteration, capital outlay requirements, temporary building use requirements, and like regulations and requirements. The Authority is subject to local building code requirements.

§ 26. Liberal construction.

Neither this Act nor anything herein contained is or shall be construed as a restriction or limitation upon any powers that the Authority might otherwise have under any laws of the Commonwealth, and this Act is cumulative to any such powers; however, the borrowing of money or issuance of bonds under

the provisions of this Act need not comply with the requirements of any other law applicable to the issuance of bonds, notes or other obligations. This Act does and shall be construed to provide a complete, additional, and alternative method for the doing of the things authorized hereby and shall be regarded as supplemental and additional to powers conferred by other laws. The provisions of this Act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the other provisions of this Act.

§ 27. Application of local ordinances, service charges, and taxes upon leaseholds.

Nothing herein contained shall be construed to exempt the Authority's property from any applicable zoning, subdivision, erosion and sediment control, and fire prevention codes or from building regulations of a political subdivision in which such property is located. Nor shall anything herein contained exempt the property of the Authority from any service charge authorized by the General Assembly pursuant to Article X, Section 6 (g) of the Constitution of Virginia, or exempt any lessee of any of the Authority's property from any tax imposed upon his leasehold interest in such property or upon the receipts derived therefrom.

§ 28. Existing contracts, leases, franchises, etc., not impaired.

No provisions of this Act shall relieve, impair, or affect any right, duty, liability, or obligation arising out of any contract, concession, lease, or franchise now in existence except to the extent that such contract, concession, lease, or franchise may permit. Notwithstanding the foregoing provision of this section, the Authority may renegotiate, renew, extend the term of, or otherwise modify at any time any contract, concession, lease, or franchise now in existence in such manner and on such terms and conditions as it may deem appropriate, provided that the operator of or under any said contract, concession, lease, or franchise consents to said renegotiation, renewal, extension, or modification.

§ 29. Withdrawal of membership.

A participating political subdivision may withdraw its membership in the Authority at the end of any fiscal year if the withdrawing participating political subdivision has given notice to the Authority and all other participating political subdivisions of its intention to withdraw at least six months before the end of such fiscal year and the withdrawing participating political subdivision has paid in full its share of the annual deficit, if any; provided that no participating political subdivision may withdraw its membership in the Authority if the Authority has any outstanding debt without written approval of each participating political subdivision. As used in this section, the term "debt" shall mean a monetary obligation, whether general or limited in any way, to repay a loan or bond, or any long-term obligation, whether absolute or contingent in any way, to refund or reimburse any agency or entity for grant funds received by the Authority.

§ 30. Dissolution of Authority.

Whenever it shall appear to the Board or to all participating political subdivisions that the need for the Authority no longer exists, the Board or all participating political subdivisions may petition the Circuit Court of Montgomery County, Virginia, for the dissolution of the Authority. If the Court determines that the need for the Authority as set forth in this Act no longer exists and that all debts and other obligations of any kind have been fully paid or provided for,

1. The Court shall enter an order dissolving the Authority;

2. The Airport Real Property and Premises subject to the Airport Lease shall be returned to the University as set forth in the Airport Lease to the extent required thereunder; and

3. The remaining assets of the Authority shall be distributed to the participating political subdivisions in proportion to their respective shares of the annual deficit less any amounts owed to the Authority by such participating political subdivision.

Each participating political subdivision and all holders of the Authority's bonds shall be made parties to any such proceeding and shall be given notice as provided by law. Any party defendant may reply to such petition at any time within six months after the filing of the petition. An appeal from the final judgment of the Court shall lie to the Supreme Court of Virginia.