

## **LURAY CAVERNS AIRPORT - LUA**

The airport was created in 1969 when the Town and County each contributed \$7,500.00 and Luray Caverns Corporation donated 42 acres of land valued at \$108,000.00 for a total community investment of \$123,000.00. This was matched by a grant from DOAV and the 3,500' runway was constructed at a cost of \$246,000.00. The Town and County created the Luray-Page County Airport Commission to advise them on matters concerning the airport.

By the mid-1980's the runway was in disrepair and needed to be resurfaced. The Town and County appointed members to the Commission who were pilots and concerned about the future of the airport. The Commission contacted the FAA and asked for assistance in repairing the runway and bring the airport up to FAA standards, improving approaches and to eventually lengthen the runway. The first project under the FAA's program in 1988 was to prepare a Master Plan Study to plan the future of the airport. This Master Plan has been our guide for improving the airport over the years. The plan was updated beginning with a study in 2005 and the updated Master Plan was approved by the Town and County in 2007.

Beginning with the 1988 Master Plan through and including the current project – relocating airport road (construction to begin July 2015) we have secured the following in grant dollars from the FAA and DOAVO (see attached FAA and DOAV Grant Summaries):

FAA	\$10,457,072
DOAV	<u>3,565,464</u>
TOTAL	\$14,022,536

With these grants, we have increased the land area from the original 42 acres to 108 acres with the purchase of 18 parcels of real estate (see attached Property Map) and made major improvements to the airport including the following:

- 1992 Rehabilitate the runway and install runway lighting system, runway widened from 50' – 75'
- 2000 Replace underground 100LL fuel tank with 12,000 gallon above ground tank
- 2004 Construct apron and drainage system
- 2005 Relocate Route 652
- 2006 Purchase zero-turn mower, tractor, batwing mower, loader and blade
- 2007 Update airport master plan
- 2007 Install security fence and automatic gates
- 2008 Construct T-Hangars
- 2009 Terminal building conceptual study
- 2009 Install AWOS and rotating beacon
- 2012 Install 12,000 gallon Jet A above ground fuel tank
- 2012 Purchase Kubota Utility Vehicle
- 2013 Rehabilitate the runway, install LED runway lighting and REILs and PAPI
- 2014 In process – Relocate Airport Road

The T-Hangars were constructed in 2008 using a DOAV grant of approximately \$470,000.00 and a loan from USDA of approximately \$1,500,000.00. This project was designed so that the hangar rents would service the loan from USDA. So far, the hangar rents have serviced the debt and we have also accumulated a reserve fund of approximately \$100,000.00.

Luray Caverns Corporation operated the airport under a lease agreement with the Town and County and paid all of the operating expenses for 43 years 1970 - 2013. After the death of Mr. and Mrs. H. T. N. Graves, the Luray Caverns Corp. and the Graves family had some internal issues that lead to them giving up their lease on the airport effective June 30, 2013.

On July 1, 2013, the Town and County created the Luray-Page County Airport Authority and transferred all airport assets to this Authority. The current members of the Authority are Mark Johnson and Leroy Lancaster, appointed by the Town, James Rushing and Howard Anderson, appointed by the County and Powell Markowitz, at large member, appointed jointly by the Town and County. The Authority is now operating the airport and is required to present an annual budget to the Town and County who share the financial responsibility equally. (See attached budget for FYE June 30, 2016)

The Authority has contracted with Kenneth Painter, Page Valley Aviation, LLC to manage the daily operations of the airport. Ken is an experienced pilot, A & P mechanic/aircraft inspector, single engine and multi-engine flight instructor and has training and many years' experience in dealing with the FAA, DOAV, DEQ, EPA, etc. His abilities are a critical in maintaining a safe facility and complying with the many regulations imposed on a federal funded facility like the airport. His knowledge and ability to operate the many different types of aircraft is a determining factor in many of the pilot's decisions to base their aircraft at LUA. He and his assistant, Doug Carlock, have been certified to hot-fuel the emergency helicopters and are on call 24 hours for refueling.

The members of the Luray-Page County Airport Commission and most recently the Luray-Page County Airport Authority have worked very hard for to develop a first class facility that will serve our community for many years to come. It is difficult to quantify the economic benefits to the community, however in as much as we are a tourist based economy, the airport serves as a transportation resource to bring visitors who spend money while they are here. Several local businesses hangar their aircraft at LUA. Also, a Fortune 500 executive hangars a turbine aircraft at LUA and has built a vacation home nearby in Page County. Several businesses from Shenandoah County hangar their aircraft at LUA as this is the closest airport to them. These aircraft owners purchase fuel, pay hangar rent and pay personal property tax on their aircraft. They also spend money in our community which all translates to economic impact. (See attached DOAV 2011 Economic Impact Study and AOPA Article "Guide to Obtaining Local Support for Your Airport – What's Your Airport Worth?")

Several companies have recently expressed an interest in locating their businesses at the airport. One wants to lease land to construct a large hangar to maintain a fleet of mid-sized twin engine turbine aircraft. These discussions continue and hopefully will produce additional economic activity for our community. Beginning in 2009, we have experienced the worst economy in recent history, however we have maintained a high occupancy rate in the hangars and have also had improving fuel sales. As the economy continues to improve, the activity at the airport will increase.

In recent years, the airport has served as a staging area for firefighting helicopters, state police helicopters, SVEC tree trimming helicopters and various military aircraft. These aircraft depend on our AWOS, navigation aids and availability of fuel.

The emergency helicopters use our airport and navigation aids when we have marginal weather. These helicopters use Jet A fuel which we have available to them 24 hours a day. The closest other fueling locations are Charlottesville, Winchester and Weyers Cave. This enables them to refuel at LUA during emergency situations when time is critical – saving them as much as an hour in responding to a call in our area. We refueled the emergency helicopters 144 times in 2014. This saves time which helps to save lives.

Looking to the future, the FAA and DOAV have plans to fund the continued improvement of the airport. Plans include a fuel farm, terminal building and runway extension.

Funding by the FAA and DOAV grants is provided by revenues received nationally from several aviation-user taxes on such items as airline fares, air freight, and aviation fuel. These funds, by law, can only be used to improve airports. If we do not use the funds for LUA, they will be spent at other community airports. Our major projects are funded 90% by FAA, 8% by DOAV and 1% each Town and County.

I have included the following for your review:

- Budget for the year ending June 30, 2016

- Summary of Grants from FAA

- Summary of Grants from DOAV

- Airport Property Map

- ALP – Airport Layout Plan

- DOAV Economic Impact Study Virginia Airports 2011

- AOPA Article "Guide to Obtaining Local Support for Your Airport – What's Your Airport Worth?"



Grant History (Public)

Selection Criteria: Region: EA, ADO: WAS, State: VA, LOCID: LUA, Grant Step:REL, All Funds										
EA										
ADO: WAS										
Worksite	Luray, VA	Locid	LUA	Worksite Name	Luray Cawans	Current Service Level	GA	Current Hub Type		
Grant Number	FY	Project Code		Descr		Entitlement		Discretionary	Economic Recovery	Total
001-1988	1988	PL PL MA		Conduct Airport Master Plan Study		\$ 41,682.00		\$ 0.00	\$ 0.00	\$ 41,682.00
				Grant Total		\$ 41,682.00		\$ 0.00	\$ 0.00	\$ 41,682.00
002-1992	1992	RE RW IM		Rehabilitate Runway		\$ 644,842.00		\$ 0.00	\$ 0.00	\$ 644,842.00
		EN PB 75		Noise Mitigation Measures for Public Buildings		\$ 11,250.00		\$ 0.00	\$ 0.00	\$ 11,250.00
		ST LA DV		Acquire Land for Development		\$ 3,600.00		\$ 0.00	\$ 0.00	\$ 3,600.00
		ST RW LI		Install Runway Lighting		\$ 90,000.00		\$ 0.00	\$ 0.00	\$ 90,000.00
				Grant Total		\$ 749,792.00		\$ 0.00	\$ 0.00	\$ 749,792.00
003-1993	1993	EN PB 75		Noise Mitigation Measures for Public Buildings		\$ 17,333.00		\$ 0.00	\$ 0.00	\$ 17,333.00
		ST LA SZ		Acquire Land For Approaches		\$ 337,388.00		\$ 0.00	\$ 0.00	\$ 337,388.00
				Grant Total		\$ 354,721.00		\$ 0.00	\$ 0.00	\$ 354,721.00
004-1994	1994	ST LA DV		Acquire Land for Development		\$ 144,000.00		\$ 0.00	\$ 0.00	\$ 144,000.00
		ST AP CO		Construct Apron		\$ 137,821.00		\$ 0.00	\$ 0.00	\$ 137,821.00
		EN PB 75		Noise Mitigation Measures for Public Buildings		\$ 0.00.00		\$ 0.00	\$ 0.00	\$ 0.00.00
		ST LA SZ		Acquire Land For Approaches		\$ 72,000.00		\$ 0.00	\$ 0.00	\$ 72,000.00
				Grant Total		\$ 302,821.00		\$ 0.00	\$ 0.00	\$ 302,821.00
005-2003	2003	ST AP CO		Construct Apron		\$ 766,800.00		\$ 0.00	\$ 0.00	\$ 766,800.00
				Grant Total		\$ 766,800.00		\$ 0.00	\$ 0.00	\$ 766,800.00
006-2004	2004	ST AP CO		Construct Apron		\$ 425,125.00		\$ 63,768.00	\$ 0.00	\$ 488,893.00
				Grant Total		\$ 425,125.00		\$ 63,768.00	\$ 0.00	\$ 488,893.00
007-2005	2005	PL PL MA		Update Airport Master Plan Study		\$ 149,687.00		\$ 0.00	\$ 0.00	\$ 149,687.00
				Grant Total		\$ 149,687.00		\$ 0.00	\$ 0.00	\$ 149,687.00
008-2007	2007	ST LA DV		Acquire Land for Development		\$ 68,414.00		\$ 0.00	\$ 0.00	\$ 68,414.00
		ST OT OB		Remove Obstructions		\$ 203,201.00		\$ 0.00	\$ 0.00	\$ 203,201.00
				Grant Total		\$ 271,615.00		\$ 0.00	\$ 0.00	\$ 271,615.00
009-2008	2008	ST OT OB		Remove Obstructions		\$ 310,881.00		\$ 0.00	\$ 0.00	\$ 310,881.00
				Grant Total		\$ 310,881.00		\$ 0.00	\$ 0.00	\$ 310,881.00
010-2008	2008	ST OT OB		Remove Obstructions		\$ 15,950.00		\$ 0.00	\$ 0.00	\$ 15,950.00
				Grant Total		\$ 15,950.00		\$ 0.00	\$ 0.00	\$ 15,950.00
011-2009	2009	ST OT OB		Remove Obstructions		\$ 121,650.00		\$ 0.00	\$ 0.00	\$ 121,650.00
				Grant Total		\$ 121,650.00		\$ 0.00	\$ 0.00	\$ 121,650.00
012-2011	2011	ST OT OB		Remove Obstructions		\$ 516,558.00		\$ 0.00	\$ 0.00	\$ 516,558.00
				Grant Total		\$ 516,558.00		\$ 0.00	\$ 0.00	\$ 516,558.00
013-2012	2012	ST OT OB		Remove Obstructions		\$ 34,614.00		\$ 0.00	\$ 0.00	\$ 34,614.00
				Grant Total		\$ 34,614.00		\$ 0.00	\$ 0.00	\$ 34,614.00
014-2012	2012	RE RW IM		Rehabilitate Runway DESIGN		\$ 225,752.00		\$ 0.00	\$ 0.00	\$ 225,752.00
				Grant Total		\$ 225,752.00		\$ 0.00	\$ 0.00	\$ 225,752.00
				Worksite Total		\$ 4,347,628.00		\$ 63,768.00	\$ 0.00	\$ 4,411,396.00
				Report Total		\$ 4,347,628.00		\$ 63,768.00	\$ 0.00	\$ 4,411,396.00

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015-2013 REHAB RW - CONSTRUCTION 2,184,866  
 016-2014 ROAD RELOCATION - DESIGN 360,810  
 017-2015 ROAD RELOCATION - CONSTRUCTION 3,500,000  
 TOTAL FAA 10,457,072



Commonwealth of Virginia

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

Assumption Agreement

Airport: Luray Caverns Airport

This Assumption Agreement made this \_\_\_ day of \_\_\_, 20\_\_\_, between the Town of Luray and the County of Page, the Previous Sponsors, and the Luray-Page County Airport Authority, the New Sponsor, a duly constituted entity of the Commonwealth of Virginia.

WHEREAS, as a condition of receiving funds from the Commonwealth of Virginia for the development of the airport, the the Luray-Page County Airport Authority must assume all of the outstanding obligations of the Town of Luray and the County of Page to the Commonwealth of Virginia as contained in the Master Agreement on Terms and Conditions for Accepting State Aviation Funding Resources and individual Grant Agreements executed with the Virginia Department of Aviation.

WHEREAS, the obligations of the Town of Luray and the County of Page to the Virginia Department of Aviation are set forth in said Agreements for the following projects:

Table with 4 columns: Grant Number, Grant Description, Grant Amount, and Obligation Expiration. It lists 13 grant entries with details on land acquisition, apron expansion, and obstruction removal.

Grant Number	Grant Description	Grant Amount	Obligation Expiration
CF0067-14	Runway Rehabilitation (Design) This grant became effective August 15, 2012 in the amount of \$19,986.00. The final grant amount and obligation term will be determined at the time the grant closes.	TBD 19,986	TBD
CF0067-15	Runway Rehabilitation (Construction) This grant became effective August 7, 2013 in the amount of \$194,212.00. The final grant amount and obligation term will be determined at the time the grant closes.	TBD 194,212.00	TBD
CS0067-03	Land Acquisition Phase III	\$59,609.57	perpetuity
CS0067-04	Fuel Farm Mechanical System (12,000-Gallon AvGas Fuel Tank)	\$58,666.30	March 26, 2021
CS0067-05	Underground Storage Tank (UST) Removal and Disposal (Construction)	\$3,956.42	June 14, 2022
CS0067-06	Route 652 Relocation (Design/Construction)	* \$878,075.20	November 23, 2025
CS0067-07	Auto Parking Lot (Construction)	\$8,184.00	November 23, 2024
CS0067-12	Spill Prevention, Control, and Countermeasures (SPCC) Plan	\$4,752.80	June 17, 2028
CS0067-13	T-Hangar Site Preparation (Design/Construction)	\$469,968.26	September 11, 2029
CS0067-14	Maintenance Equipment Storage Building (Design/Construction)	\$23,980.00	January 7, 2029
CS0067-15	Terminal Building Conceptual Study	\$30,056.00	December 2, 2029
CS0067-16	Jet A Fueling System	\$68,657.50	June 14, 2032
CS0067-17	SPCC Plan Update	\$4,604.00	June 15, 2032
FE0067-01	Satellite Weather	\$3,543.77	June 30, 2015
FE0067-02	Install Radio Controller, Retrofit Runway Lights, Ramp Floodlights	\$1,820.00	June 30, 2015
FE0067-01	Beacon Replacement & AWOS Installation	\$168,224.36	June 3, 2030
MT0067-05	Zero-turn Mower (Woods Model F21D)	\$4,943.75	March 9, 2026
MT0067-06	Batwing Mower (Woods Model 3180)	\$4,497.50	March 9, 2026
MT0067-09	Snow Plow Blade (Hiniker 9.5' V-Plow)	\$2,464.00	February 28, 2026
MT0067-10	Tractor (New Holland TN85DA), Loader (New Holland 32LC), and Blade (Woods HBL-96)	\$21,075.00	June 15, 2026
MT0067-21	Maintenance Vehicle Kubota RTV900XTT-H; Soft Cab; 60-inch Sweeper Broom; Spot Sprayer	\$9,185.00	June 19, 2022
VS0067-01	Airport Security Plan	\$2,000.00	August 4, 2024
VS0067-02	Airport Security Fence	\$141,772.72	June 20, 2027
VS0067-03	Install Automatic Gate Controls and Security Lighting	\$19,077.44	October 8, 2030

2,375,316.38

NOW THEREFORE, it is mutually agreed that the Luray-Page County Airport Authority does hereby expressly assume and agree to keep and perform all covenants, assurances, conditions, commitments and obligations according to the terms and provisions recited in the aforesaid instruments with the same effect as though the Luray-Page County Airport Authority were the party in privity with the Virginia Department of Aviation under said instruments.

Further, it is mutually agreed that, as the Luray-Page County Airport Authority has assumed all prior obligations of the Town of Luray and the County of Page to the Virginia Department of Aviation, the Town of Luray and the County of Page are hereby released from all covenants, assurances, conditions, commitments, and obligations required by the aforesaid instruments.

CF0067-16 ROAD RELOCATION DESIGN 32,072.00

CF0067-17 ROAD RELOCATION CONSTRUCTION 280,000.00 EST

2,687,388.38

878,075.20

3,565,463.58

\* VDOT - 50/50 MATCH

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TOTAL DOAV

# Luray-Page County Airport Authority Questions & Answers

1. What is the airport Authority?

The Airport Authority (Authority) is a political unit tasked with the safe operation, maintenance, and expansion of the Luray-Page County (Luray Caverns) Airport. The Authority was created in 2013 by an act of the legislature [Luray-Page County Airport Authority Act, 2004 Acts of Assembly, c. 39] which was adopted by both the town and county. The Authority replaces the previous Airport Commission which oversaw the airport prior to 2013. The Authority's "Board of Directors" carries out the tasks defined in the Act and is made up of 5 members appointed from the town and county.

2. Who is responsible for day to day airport operation?

The Authority has contracted with an experienced aviation professional to act as the Airport Manager and the Authority's on site representative at the airport. The airport manager is responsible for such activities as fuel sales, hangar rentals, grounds and equipment maintenance and a myriad of other duties.

3. Is there an airport Master Plan?

The simple answer to this question is "YES". However, the Master Plan for the airport is an integral ingredient required for the development and expansion of the airport and its facilities. The Master Plan includes the Airport Layout Plan set (ALP) which shows the airport's existing facilities and depicts future development identified in the written justification narrative that is part of the Master Plan. The Federal Aviation Administration (FAA) requires an airport have an approved ALP before it will participate in the funding of airport development projects. The same is true for the Virginia Department of Aviation (DOAV). The airport's Master Plan was originally prepared in 1989 and approved by the FAA in 1990. The ALP has received periodic updates to identify various changes and upgrades to facilities. The latest update was done in 2007.

4. How has the airport grown? What does it offer for pilots wishing to come to Luray?

The airport has increased in overall area from 42 acres to 108 acres. The runway has been improved from a 60 foot width to 75 feet. Additional aircraft parking apron has been added together with aircraft storage hangars. In addition to physical expansion, facilities have been added to aid pilots using the airport. Some of these features include improved runway lighting, visual guidance systems, automated weather reporting, the addition of Jet-A fuel sales, and improved landing approaches to the airport.

5. What is the proposed budget for FY 2016?

The proposed budget for FY 2016 is \$106,000, half from the town and half from the county.

6. Who really pays for airport expansion?

The lion's share (90%) of funding comes from the Federal government through the Airport Improvement Program (AIP) via a grant administered by the Federal Aviation Administration (FAA). The AIP is funded through taxes levied on the nation's aviation system users, that is, airline tickets, aircraft fuels, air shipping (UPS, Fed Ex) etc. Then 8% comes through a grant from the state administered by the Department of Aviation (DOAV). The remaining 2% comes from the local community which in our case is 1% from the town and 1% from the county. So the local investment by the local community is very small.

7. Why spend \$53,000 of town taxes for something I do not use or think I ever will?

The airport generates economic activity in the community when visitors stay here in our hotels and eat in our restaurants and spend money in our businesses. Additionally, local businesses use our airport and these business also generate economic activity. This generates sales and occupancy taxes that flows back to the Town to offset the town's contributions to the airport.

8. How do business owners view the economic value of our facility?

Keith Stevens, CEO of Guest, Inc. who manages the Mimslyn, reported that persons flying into Luray Caverns Airport spent \$75,000 at the Mimslyn during 2014. Visitors flying in to Luray go to the Caverns, local restaurants, hotels and cabins. They spend money which generates sales and lodging tax revenue for the Town and County.

9. How can we afford the new hangars and recent repaving of the runway?

The hangars which were constructed in 2008 were funded through a grant from DOAV and a loan from USDA. Hangar rentals have been paying the loan USDA loan. The repaving project and related improvements were funded by grants from the FAA and DOAV which were 90% and 8% respectively. The town and county each contributed 1% of the costs.

10. The ability to sell jet fuel has been achieved. Why is this important?

This is important for two reasons. First it is now possible to provide fueling service to turbine powered aircraft using the airport. More importantly it allows for the fueling of emergency helicopters operating in the area. The availability of Jet-A fuel at the airport allows for a time saving if refueling is needed during an emergency operation in the area. Otherwise the helicopter would have to fly to Weyers Cave, Winchester, or Charlottesville. During 2014 helicopters refueled at the airport 144 times.

11. I've heard the upcoming expansion will move some roads. Can you tell me more?

Airport Road will be relocated as it is currently considered an obstruction to the runway in accordance with FAA regulations. The road will be relocated to the east and lowered. This relocation will also result in the adjustment of the golf course access road.

12. I heard that a cemetery has to be moved.

There are two private farm cemeteries on airport property, one on the east side of the runway on airport property, one on the south west corner near the runway. The descendants of those buried there are quite happy that their ancestors will be moved to a cemetery at no cost to them. They will no longer have to maintain the cemetery plots.

13. I was told a family had to move and the Authority took the land by eminent domain.

The Bennett family home was the only occupied house that has been purchased. The family was already getting ready to move and they received a fair market price for their property. No land has ever been taken by eminent domain.

14. I live in West Lu and fear my property values will go down with upcoming expansion.

The airport will not be expanding toward West Lu. The upcoming road relocation should not impact the development and will help correct a drainage problem in the area.

15. Are there any sightseeing tours of the valley I can take?

Not at this time. Should there be a demand for such a service it might encourage someone to start such a service.