January 13, 2019

Greetings RAAPOA Members,

2018 was quite a year for our much loved airport!

First a note about our annual RAAPOA fee:

• Dues presently remain at \$275, covering January 1, 2019 through December 31, 2019, and will be due in full January 31, 2019. There have been some discussions during City Council meetings about the possibility of raising the rate; however, for this year, the Board has determined that the current rate of \$275 will be invoiced. As standard procedure, you will receive an invoice from our Treasurer, James Peck.

Big picture update about the ongoing discussions with the City, and where we are now:

- Our current funding agreement with the City has been in place for nearly a decade, and expires February 28th, 2019.
- Since late 2017, our POA Board, along with the assistance of a sub-committee, has been working at length with the Airport Advisory Board, City Council, Mayor, and City Manager to draft a new funding agreement that will ensure the continued success of our airport, protect our property rights, and better define the unique relationship of public and private property interests, while meeting TxDOT and FAA grant assurance guidelines as fittingly as possible. This combination of objectives will allow the City to continue to receive state/federal funding for maintaining and developing the airport infrastructure.
- The purpose of drafting the new funding agreement is twofold. One is to correct issues with the present funding agreement that were outlined in the 2016 Airport Action Plan, and includes removing any erroneous or outdated details within the agreement. Second, is to remedy issues created in early 2018, when City Council passed a replacement airport ordinance (Ordinance 18-01-04-06). The ordinance is separate from our funding agreement, and contains a number of incongruities with our private property rights, as many of the points that were pulled from FAA and TxDOT guidelines are intended to apply to most municipal airports, but do not apply to the unique mixed ownership dynamic presented by KRYW.
- A notable point, the finalized version of the abovementioned ordinance was not presented
 to the Airport Advisory Board for review or approval, nor the RAAPOA Board of
 Directors, yet was passed by City Council despite vocal opposition. This chain of events
 complicated our relationship with the City, however the Board continues to negotiate
 with the Membership's best interests in mind.

Supplementary details about the ongoing discussions with the City, and where we are now:

- Adjustments to the ordinance in question and to our future funding agreement were inpart inspired by a 2012 FAA policy related to airport access via residential property (aka "through-the-fence agreement").
- The FAA policy stirred up a good bit of controversy (great <u>AOPA article</u>) in that not all airports fit their specific definitions, including ours.
- Since that action, in an attempt to collaborate with the City and find a mutually beneficial solution, over the past several months there have been multiple meetings with a variety of

- people, extensive research, City Council meeting attendance, and consultation with FAA and TxDOT representatives, as well as legal counsel.
- It has been an ongoing, comprehensive attempt to find middle ground between the interests of airport property owners and the City over the ordinance that was passed, and the drafts of a future funding agreement that have been produced.
- It has been agreed upon that we are unique as we are a mixed ownership airport (City owns the runway/taxiway systems, we own the connected private property).
- Early on in the discussions, the Board produced a Funding Agreement document that
 pulled necessary elements from the Ordinance, yet acknowledged exceptional
 characteristics specific to KRYW. This document was used and versioned up as
 numerous discussions with the City continued.
- September 6, 2018, during a regularly scheduled City Council meeting, the Council was tasked with voting between moving forward with a standard FAA template for "residential through the fence access agreements" presented by former councilman Kevin Sullivan, or proceeding with the Board's proposed funding agreement (which had been collaboratively drafted by members of our board, Sullivan, and the City Manager, and had at this point been recommended and approved unanimously by our Airport Advisory Board.) During the Council meeting, former councilman Sullivan presented an approximately 30 minute PowerPoint presentation in favor of using the FAA template, (to which we cannot agree because of numerous incongruities with our type of property ownership. The presentation included much misleading misinformation because while it was relevant to many airports, it did not relate to our ownership scenario.) Many RAAPOA members were present and spoke in firm opposition of the FAA template, and in favor of the funding agreement, but, per Council rules, their inputs were limited to 3 minutes each, which was not sufficient to effectively inform the remaining Council. Because of the divided opinions, uncertainty, and complexity of the issue, the Council delayed the vote, and requested the City Manager and Sullivan have further meetings with Board member James Peck, as he had been designated as lead for negotiating these matters with the City. In light of this, Mayor Tidwell requested that a single agreement been reached and presented by the next meeting on October 4th, for a vote of approval or denial during the subsequent October 18th meeting. Throughout ongoing discussions, Sullivan remained immovable on his support of the FAA template, or minimally that a number of unacceptable items from the template be added to our proposed funding agreement. Some of the items would impinge upon our private property rights, and the Board was unable to support them, so negotiations continued.
- October 4, 2018, during a regularly scheduled Council meeting, the funding agreement was again on the agenda. Misinformation regarding FAA and TxDOT requirements and the potential repercussions were spread across the Council, and the growing tension between the interests of the POA and the opinions of Sullivan resulted in the remaining Council being frustrated and disconcerted. This resulted in the conclusion that the Council and POA Board needed to form an ad-hoc committee of their preferred members. Due to numerous scheduling conflicts (predominantly on the part of City and Council staff, this meeting could not occur until October 15th. The conclusion of the meeting was debatable, but marked progress, and the minutes and conclusion of the meeting were to be drafted by the City Manager and then sent to James Peck for proofing and approval. (Please note: Pursuant City guidelines, items to be presented to City Council via their

- meeting packet is to be finalized 72 hours prior to a Council meeting...yet in spite of this, the city chose to push forward as opposed to tabling the discussion until the next available Council meeting.
- October 18, 2018, City Council had an extensive discussion during the regularly scheduled Council meeting regarding the funding agreement document. Three separate drafts were presented to Council that night. One draft was produced by the City Manager that was supposed to reflect the outcome of the October 15, round table discussion (the draft did not correctly reflect all that was discussed, and agreed upon during the round table). A second draft was submitted by the Board (which contained corrections to the typographical errors noted in the City version and removed items to which the RAAPOA will not agree to.) A third draft (Exhibit C) was submitted by Mayor Ed Tidwell (which was a valid attempt to find middle ground between the other two drafts, being that he was the only one to have taken the time to read through the POA's rebuttal. Ultimately, after having a few amendments made to it by members of City Council, the Exhibit C version of the agreement was passed by City Council. However, due to some of the continued content issues, (annual fee, notwithstanding,) the passed agreement has not been approved by or signed off on by the Board, and negotiations with the City continue to date.
- October 29, 2018, the RAAPOA Board, in a majority vote, decided to wait until after the November 2018 election to proceed with further discussions with the City.
- In regard to this topic, the ultimate goal of the RAAPOA Board is to maintain an environment as similar as possible to the status quo for RAAPOA Members, while working with the city to help the Airport remain compliant with applicable FAA and TxDOT Aviation guidelines, so funding will continue. During these negotiations it is the Board's intent to campaign for a collaborative relationship with the City.

For more details about the City Council meetings, you can find the meeting packets and minutes listed by date here: http://lagovistatexas.org/agendalist/index.php

If you would like to view the meetings in their entirely, you can find the meetings listed by date here: http://www.lagovistatexas.org/how_do_i/watch_council_meeting_online/index.php

Additionally, all City Council meetings are broadcast live via their YouTube channel, and are archived to view at your convenience here:

https://www.voutube.com/channel/UCLUHifAlgx6ERRvFL17NdNw/featured

The Funding Agreement discussions have been an interesting challenge, and your Board members have done an outstanding job in regard to the time and patience that have been required to research, discover, connect, consider, and discuss the many working parts involved.

Wishing everyone a safe, prosperous, and joyous 2019!

Cheers, Your RAAPOA Board