

JOINT POWERS AGREEMENT

Friedman Memorial Airport Authority

THIS AGREEMENT, made this 16th day of May, 1994, between BLAINE COUNTY, a political subdivision of the State of Idaho (the "County"), and THE CITY OF HAILEY, an Idaho municipal corporation located within the County (the "City").

RECITALS:

WHEREAS, the County and the City have jointly operated and are currently jointly operating, pursuant to an agreement for joint operation dated December 30, 1985, as amended by an addendum to agreement dated June 27, 1988, an airport known as the Friedman Memorial Airport located within the City and County (the "Airport"); and

WHEREAS, the Airport is of critical importance to the economy of the County and the City, and, as pressure for use of the Airport reaches the physical limits of the Airport, the County and the City must seek alternative sites for airport facilities away from urban populations rather than expansion of the Airport; and

WHEREAS, the County and the City seek the highest quality and safest airport possible within the physical limits imposed by the geography of the Airport location and the human use of adjacent lands; and

WHEREAS, Idaho Code Section 67-2328 expressly authorizes public entities to create a separate legal or administrative entity to exercise powers possessed by the public agencies creating such entity; and

WHEREAS, the County and the City have determined that it is in the best interests of the County and the City, and their inhabitants, to create a new Authority for the management and operation of the Airport; and

WHEREAS, the parties wish to continue exploring satisfactory resolutions of their mutual needs that will lead to a long-term Agreement and that could lead to a sole sponsor status for the Authority.

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties agree:

ARTICLE I

DEFINITIONS, PURPOSE, AND AUTHORITY

Section 1.1: DEFINITIONS

For purposes of this Agreement, the following terms shall have the following definitions:

Airport means the Friedman Memorial Airport, located in the City and County.

Agreement means this Joint Powers Agreement, dated _____, 1994.

Authority means the Friedman Memorial Airport Authority created under Section 3.1 of this Agreement.

Board means the Board of Commissioners of the Authority, created under Section 3.2 of this Agreement.

City means the City of Hailey, Blaine County, Idaho.

Commercial means regularly-scheduled airline activities.

County means Blaine County, Idaho.

FAA means the Federal Aviation Administration of the U.S. Department of Transportation.

Friedman Grant Property means the real property conveyed to the City by Leon Friedman, et al., by quitclaim deed dated December 28, 1931, and recorded as Instrument No. 68355, Records of Blaine County, Idaho, and particularly described as Tax Lot No. 41 in the NW 1/4 of Section 15, and the SW 1/4 of SW 1/4 of Section 10, and Tax Lot No. 1122 in the NE 1/4 of the SW 1/4 and NW 1/4 of SE 1/4 of Section 15, in Twp. 2 North of Range 18 E.B.M., all situate in Blaine County, Idaho.

Master Plan means the Friedman Memorial Airport Master Plan Update, 1991, or its successor.

Section 1.2: PURPOSE

The purpose of this Agreement is (1) to create a new Authority for the management and operation of airport activity in the County, including the Airport, (2) to eliminate safety deviations without expanding the impact of the Airport on the adjacent community, and (3) to implement the Master Plan.

Section 1.3: AUTHORITY

This Agreement is entered into under the authority of Title 21, Chapter 4, and Sections 67-2326 through 67-2333, Idaho Code.

ARTICLE II

DURATION, AMENDMENT, AND TERMINATION

Section 2.1: DURATION

The term of this Agreement shall commence June 1, 1994 and terminate on December 31, 1996.

Section 2.2: AMENDMENT

The County and the City reserve the right to amend this Agreement at any time by written agreement between the County and the City, provided, that no amendment shall violate or impair any then-existing contractual obligation relating to the Airport.

Section 2.3: TERMINATION

The County and City reserve the right to terminate this Agreement, by mutual written agreement between the County and the City, at any time prior to its stated termination date. In the event of such termination, or upon the stated expiration hereof, any then-existing valid contractual obligations of the Authority shall become joint obligations of the County and City.

ARTICLE III

CREATION OF AIRPORT AUTHORITY

Section 3.1: AIRPORT AUTHORITY

There is hereby created a separate administrative entity, pursuant to Section 67-2328, Idaho Code, to be known as the Friedman Memorial Airport Authority (the "Authority"). The Authority shall be a public entity of the State of Idaho with the powers set forth in this Agreement.

Section 3.2: GOVERNING BOARD

The Authority shall be governed by a board of commissioners (the "Board") consisting of five (5) members, to be appointed as follows: two (2) members shall be appointed by the County. Two (2) members shall be appointed by the City. The members so appointed may, but need not, be members of the governing board of the appointing entity. One (1) member shall be appointed by unanimous vote of the four thus appointed. / Members shall

initially be compensated at a salary of \$200 per month, and shall be reimbursed for their actual, documented expenses under such rules and procedures as the Board may establish. Commencing one (1) year after the initial organization of the Board, the Board may annually establish the compensation for its members; provided, that the City and County, by joint action of their respective governing bodies taken within thirty (30) days after such action by the Board, may veto any increase in compensation. The effect of such veto shall be to maintain the current compensation in force and effect.

Section 3.3: TERMS OF OFFICE

Of the members of the Board appointed by the County and the City, one (1) shall be appointed to a one-year term, and one (1) shall be appointed to a two-year term, commencing on June 1st of the year of their appointment. Thereafter, members shall be appointed to two-year terms. The member appointed by the four members of the Board (the "Independent Member") shall serve a two-year term commencing on July 1st of the year of appointment. Any member may be removed by the entity originally appointing such member, except the Independent Member, who may be removed only by the unanimous vote of the remaining Board members. Any vacancy shall be filled by the entity which originally appointed such member to fill the unexpired term.

Section 3.4: OFFICERS

The Board shall designate one (1) of its members as Chairman, one (1) as vice-chairman, one (1) as secretary, and shall appoint a treasurer who need not be a member of the Board, any of whom may be removed in the manner provided in the bylaws of the Board. The Board may appoint other officers as it deems necessary.

Section 3.5 BYLAWS, MEETINGS

The Board shall adopt bylaws for its own operation and shall establish such regular meeting dates (which shall not be less frequent than monthly) and times as it shall deem necessary. Any four (4) members shall constitute a quorum, and a majority of the quorum present shall be sufficient to take any action. Regular and special meetings of the Board shall be conducted in compliance with Sections 67-2340 through 67-2347, Idaho Code.

ARTICLE IV

POWERS OF THE BOARD

Section 4.1: POWERS

In addition to any other powers set forth in this Agreement, the Board of the Authority shall have and may exercise the following powers in the name of the Authority:

1. To sue and be sued in its own name.
2. To adopt an official seal and alter the same at pleasure.
3. To authorize any action by motion, resolution, or other official action.
4. To promulgate and adopt all necessary rules and regulations for the management and control of Airport property including, but not limited to, landing and takeoff areas (including runways and landing strips for aircraft); taxiway areas for aircraft; passenger and cargo ramp areas and facilities; aircraft parking areas and facilities; facilities for the purpose of controlling or assisting landings, takeoffs, and other movements of aircraft using the airport, including, without limitation, control towers, flood lights, landing lights, beacons, signals, radio aids, and other conveniences and aids to operation, navigation, or ground control of aircraft; automobile parking; Airport Terminal; aircraft tie-downs and hangars; hours and days of operation and all rules and regulations necessary for the safe, effective, and efficient operation of all airport facilities.
5. To order, direct, superintend, and manage all repairs, alterations, and improvements.
6. To lease Airport land from the County and the City and to acquire, construct, or lease buildings, structures, facilities, and equipment as it may deem necessary to fulfill its duties. Such Lease arrangements are not to exceed ten dollars (\$10) per year. Real property may not be conveyed or disposed of except by lease not exceeding twenty (20) years, except for conveyance to the County and/or the City in conformance with Paragraph 4.2(D) of this Agreement.
7. To acquire in the name of the Authority, by gift or purchase, or by lease, such personal property as it may deem necessary in connection with the improvement, extension, enlargement, or operation of the Airport facilities, and to sell, convey, lease, or dispose of any personal property, in accordance with the statutory requirements applicable to counties, upon such terms and conditions and for such consideration as the Board deems appropriate.
8. To enter into contracts and agreements, cooperative and otherwise, affecting the affairs of the Airport, the state and any of its agencies or instrumentalities, any corporation or person, public or private, any municipality, and any political or governmental subdivision, within or without the state, and to

cooperate with any one (1) or more of them in acquiring, constructing, operating, or maintaining the Airport.

9. To receive moneys and property from the County or the City and to receive gifts, grants, and donations of money or property from any person or entity, to expend or utilize the same for the purposes of the Authority, to deposit moneys in accordance with the public depository laws of the state, and to invest moneys of the Authority in investments permitted under Sections 67-1210 and 67-1210A, Idaho Code.

10. To borrow money and incur indebtedness, not exceeding the budgeted revenues and expenses for the then-current fiscal year of the Authority, and to evidence the same by notes, warrants, or other evidence of indebtedness.

11. To have the management, control, and supervision of all the business and affairs of the Airport.

12. To hire an airport manager and necessary employees, who shall serve at the pleasure of the Board. Compensation for the airport manager shall be fixed annually by the Board during the normal budget process.

13. To retain and compensate agents, engineers, and consultants.

14. To retain or employ regular legal counsel, and to retain such special legal counsel as may be deemed necessary.

15. To fix, periodically increase or decrease, and collect rates, fees, tolls, or charges for the use or availability of the facilities of the Airport.

16. To maintain civil actions for the abatement of any violation of any of the Authority's rules, regulations, or standards.

17. To insure Airport property and to enter into contracts for insurance, including, but not limited to, liability insurance.

18. To maintain and administer recordkeeping and management functions.

19. To exercise all or any part or combination of the powers set forth in this Agreement, and to do all things necessary or incidental to the proper operation of this Agreement.

Section 4.2: LIMITATIONS ON POWERS

A. Nothing in the foregoing enumerations of powers shall be construed as (1) authorizing the board to create any legal, contractual, fiscal, or tort obligation binding upon the County or the City, (2) nor to incur any indebtedness or liability exceeding the revenues of the Authority for any one (1) fiscal year.

B. The Authority shall have no power to levy or cause to be levied any taxes or to require the County or the City to levy any taxes.

C. The operation of the Airport by the Authority shall be subject to existing leases, rights, contracts, assurances, and privileges heretofore granted by the City and County.

D. All land owned by the County or the City (except the Friedman Grant Property owned by the City and land purchased by the City in 1941), or by the County and City jointly or held by the current airport commission, and devoted to Airport use as of the date of this Agreement, shall be conveyed to the joint ownership of the County and the City. All Airport property, including the Friedman Grant Property, shall be leased by the County and/or the City to the Authority for the use and benefit of the Airport. Such Lease arrangements are not to exceed ten dollars per year (\$10). The Authority shall not acquire or hold title to land except by lease from the County and/or the City. Any land hereafter acquired for Airport purposes shall, to the extent consistent with FAA regulations, be acquired by, and title thereto shall be held in the name of, the County and the City jointly for the use and benefit of the Airport and leased to the Authority for Airport purposes. Upon termination of this Agreement, said lease or leases shall terminate.

E. All buildings, improvements, facilities, equipment, and personal property now in use on the Airport shall be conveyed by the County and the City to the Authority for the use and benefit of the Airport, and the title thereto shall be held by the Authority. Upon termination of this Agreement, title to all buildings, improvements, facilities, equipment, and personal property in use on the Airport shall vest jointly in the County and the City.

F. In addition to the foregoing limitations, the Authority shall be bound and limited by the covenants and restrictions set forth in Article VI of this Agreement.

ARTICLE V

FINANCE AND BUDGET

Section 5.1: ANNUAL BUDGET

The fiscal year of the Authority shall commence on October 1 of each year and shall end on September 30 of the following year. The Board shall prepare a preliminary annual budget for each fiscal year, showing the anticipated revenues and expenditures, which budget shall be adopted as set forth hereinafter. If the preliminary budget provides for a revenue request from the County or the City, the preliminary budget shall be certified to the County or the City prior to the publication of the preliminary budget of the County and the City. Nothing herein shall be construed as obligating the County or the City to grant such revenue request.

~~*~~ On or before the first Monday in August, there shall be held at a time and place determined by the Board a meeting and public hearing upon the proposed budget of the Authority. Notice of the meeting and public hearing shall be published in a newspaper of general circulation in the County in one (1) issue thereof. The place, hour, and day of such hearing shall be specified in said notice, as well as the place where such budget may be examined prior to such hearing. A summary of such proposed budget shall be published with and as a part of the publication of such notice of hearing in substantially the form required in Section 31-1604, Idaho Code. On or before August 15 of each year, a budget for the Authority shall be approved by the Board.

Section 5.2: AIRPORT FUNDS

The Authority shall establish such fund or funds for the deposit and expenditure of Airport moneys as it deems necessary or appropriate, consistent with generally accepted municipal accounting practices, and shall provide for the manner of expenditure of funds. All moneys held in airport funds by the County shall be transferred to the Airport funds of the Authority. The Board shall require the annual audit of all Airport funds by an independent auditor and shall provide copies of each annual audit to the County and the City.

ARTICLE VI

COVENANTS AND RESTRICTIONS

Section 6.1: The Authority shall comply with the following covenants and restrictions. All capitalized terms shall have the meanings assigned thereto in the Master Plan, except as otherwise defined in this Agreement.

A. There shall be no expansion of the land base of the Airport beyond what has been established by the Master Plan.

B. Commercial airline activity shall be permitted to remain at current levels and increases in the number and frequency of such flights shall be accommodated within the other limitations contained herein and as delineated by the Master Plan.

C. Aviation activities (as defined in the Master Plan) will be requested to observe a curfew between 11:00 P.M. and 6:00 A.M. Additional restrictions to operations, based on Part 150, City ordinances, and Airport planning activities initiated prior to promulgation of Part 161, may be imposed on decibels and hours of operation.

D. The number of tie-downs available for locally based tie-downs shall be a minimum of 66, at Master Plan completion, provided that the current number of transient tie-downs shall not be reduced.

E. The Design Aircraft Classification shall remain the equivalent of a B III level or its successor aircraft (as such terms are defined in the Master Plan).

F. To the extent possible, consistent with FAA regulations, landings from, or take-offs to, the north shall be restricted.

G. The Authority shall obtain and maintain property damage and comprehensive liability insurance in amounts sufficient to protect the Airport property and to insure the County, the City, and the Airport against tort and other damage claims. The amount of insurance shall be subject to approval annually by the County and the City, which approval shall not unreasonably be withheld.

ARTICLE VII

MISCELLANEOUS

Section 7.1: TERMINATION OF PRIOR AGREEMENTS

All prior agreements relating to the joint operation of the Airport, including, but not limited to, the agreement between the City and the County entered into on or about December 30, 1985, as amended by the addendum to agreement dated June 27, 1988, are hereby terminated. Nothing herein shall be construed as impairing any existing contract obligations, all of which obligations shall continue in force and effect in accordance with their terms as obligations of the Authority.

Section 7.2: ENFORCEMENT OF RULES AND REGULATIONS

In addition to the Board's powers to enforce Airport rules and regulations by civil action, the City may, by ordinance, provide that the violation of any such rule or regulation shall be a misdemeanor and may provide for the enforcement of the same.

Section 7.3: INVALIDITY

If any section of this Agreement is declared invalid by a court of competent jurisdiction, or if the FAA refuses to honor this Agreement or any portion thereof, either party may terminate this Agreement within 60 days of such declaration of invalidity by written notice to the other party.

Section 7.4: EFFECTIVE DATE

This Agreement shall be in full force and effect from and after 5/16, 1994.

BLAINE COUNTY, IDAHO

By TOM Blanchard
Chairman

Reynold Hansen
Commissioner

Leonard Harlig
Commissioner

ATTEST:

BLAINE COUNTY CLERK

By Mary Green Clerk

CITY OF HALLEY
Blaine County, Idaho

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk

5-05-94