



- conditions and pay for the electricity to operate same.
4. Maintaining the AWOS (Automatic Weather Observing System) in an operable condition and all associated equipment and paying for the electricity and telephone service to operate same. In addition, keep and pay for the AWOS maintenance agreement with TxDot.
  5. Maintain drainage on City owned airport property in an operable manner

**Section 2. Capital Improvements.** The City may, as appropriate in the judgment of the city council, from time to time seek state and federal grants for improvement of the Airport.

**Article 2.**  
**Consideration And Performance By the RAAPOA.**

**Section 1. Cancellation of Agreements.** The RAAPOA agrees the City's cancellation of the Lease and the O&M Agreement were material benefits to the RAAPOA and continue as good and sufficient consideration for the promises, covenants, agreements and commitments by the RAAPOA pursuant to this Agreement. The RAAPOA further agrees the modifications and amendments made to the First Agreement by this Agreement are good and sufficient consideration for this Agreement.

**Section 2. Operating Payments to City.** The RAAPOA shall, annually during the term of this Agreement, assess and collect funds and dues from its members sufficient for RAAPOA to pay the annual use fee provided in Section 3 to be paid by RAAPOA to the City.

**Section 3. Annual Use Fee.** The RAAPOA shall pay the City the sum of Twenty Thousand Dollars (\$20,000.00) on or before July 1<sup>st</sup> each year during the term of this Agreement. Such use fee shall be used by the City to fund and pay a portion of the annual operating and maintenance expenses of the Airport, runways and taxiways.

The first payment will be due sixty days after this agreement is signed and all payments thereafter will be due on July 1<sup>st</sup> through 2019.

**Section 4. Additional Maintenance Assessments.** During the term of this Agreement, in addition to the annual use fee described in Section 3, the RAAPOA will pay the City one half of the cost and expense incurred by the City in excess of two thousand dollars (\$2,000.00) but not reimbursed through some other means of any necessary major maintenance or repair of the runway, taxiway or related facilities; provided; however, that the City will make all reasonable efforts to secure funding for such maintenance and repairs through TxDot or other grants or insurance claims. The RAAPOA will assess and collect such additional funds and dues from its members sufficient for RAAPOA to make any payments required under this Section.

**Section 5. Cost of Improvements.** The RAAPOA shall during the term of this Agreement collect from its members and pay to the City sufficient funds and monies to fund and pay the cost of all necessary and useful capital improvements that are made to the existing Airport environment that are not paid and funded by a state or federal grant. As a general rule financial participation by the RAAPOA on grant supported Capital Projects shall be limited to five percent (5%) of the total project cost unless both parties agree to other financial arrangements. Nothing herein, shall preclude the City or the RAAPOA from funding Capital Improvement on or around the Airport which are not supported by grants or that may be funded in entirety by the City or the RAAPOA; however, all Capital Improvements undertaken at the Airport are subject to the approval of the City.

**Section 6. Collection of Funds.** The RAAPOA shall during the term of this Agreement use all reasonably available lawful means, including but not limited to filing suit, enforcement of liens, foreclosure and denial of membership privileges, to collect from its members funds sufficient to meet its obligations pursuant to this Article 2.

The RAAPOA shall have the authority to determine and collect tenant aircraft parking fees from all property owners and airplane owners utilizing the airport; provided that fees charged to non-property owners shall be approved by the City Council.

### **Article 3. General Provisions.**

**Section 1. Term.** The term of this Agreement shall be 120 months, beginning on the 1st day of March 2009, and expiring at 12:00 P.M. local time on the last day of February 2019.

**Section 2. City Funding.** Any and all funding by the City of Lago Vista under this agreement is subject and limited to annual appropriations as approved by the City Council. If for any fiscal year the City does not appropriate funds sufficient in the judgment of the City Council to perform the City's obligations under Article 1, Section 1, the RAAPOA may terminate this Agreement.

If the city materially reduces, or does not provide, the services listed in Article 1, Section 1, the Annual use fee as stated in Article 2, Section 3, shall be amended accordingly.

**Section 3. Airport Property.** All property, real or personal, and all assets, equipment, furniture and fixtures presently or hereafter located on the grounds and property of the Airport shall, as between the City and the RAAPOA, be and remain the property of the City. All assets, equipment, furniture, fixtures and supplies purchased with funds and monies paid by the RAAPOA to the City pursuant to this

Agreement shall be and become assets and property of the City immediately upon the purchase or other acquisition of such assets or property.

**Section 4. Entire Agreement.** This Agreement embraces the entire agreement between the parties hereto and no statement, remark, agreement, or understanding either oral or written, not contained herein shall be recognized or enforced, except that this Agreement may be modified by a written addendum by and between the City and the RAAPOA. Effective as of the date of the execution of this Agreement by both parties, all other contracts, agreements and leases by and between the City and the RAAPOA are cancelled.

**Section 5. Miscellaneous.** (a) For the purpose of this Agreement, the singular number shall include the plural and the masculine shall include the feminine and vice-versa, whenever the context so admits or requires.

(b) The captions and headings are inserted solely for convenience of reference and are not part of nor intended to govern, limit, or aid in the construction of any provision hereof.

(c) The parties to this Agreement acknowledge and agree that they are the principals to the Agreement and have the power, right, and authority to enter into this Agreement and are not acting as an agent for the benefit of any third party.

(d) This Agreement shall be governed by the laws of the State of Texas and construed thereunder and venue of any action brought under this document shall be in Travis County, Texas.

(e) If any section, paragraph, sentence, or phrase entered in this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Agreement which can be given effect without the illegal or unenforceable section, paragraph, sentence, or phrase and to this end, the provisions of this Agreement are declared to be severable.

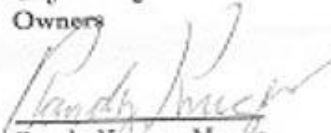
(f) The recitals hereinabove are incorporated herein and made a part of this contract.

(g) Save and except for conduct, e.g. intentional wrongful action, that may not be insured against, or that is commonly excepted from insurance coverage, the City shall be solely responsible for any liabilities or claims that may arise from or with respect to the performance, or non-performance, of the duties and responsibilities of the Parties with respect to the operation and maintenance of the Airport; provided that this provision shall not be construed to create, establish or support any benefit, right or claim for or on behalf of any third party. This provision is solely for the benefit of the City and the RAAPOA.

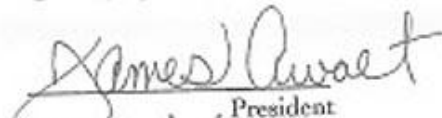
and the City will obtain and maintain such liability insurance or risk pool coverage as the City finds necessary and reasonable to insure the City and its officers and employees against any claim or cause of action arising out of the operation and maintenance of the Airport.

EXECUTED and effective, as of the 1st day of July 2009.

City of Lago Vista, Texas  
Owners

  
Randy Kruger, Mayor

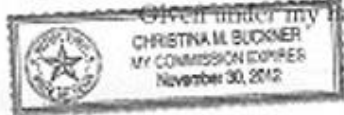
Rusty Allen Airport Property  
Owners Association, Inc.

  
President  
JAMES AWALET

STATE OF TEXAS     §  
                                  §  
COUNTY OF TRAVIS   §

Before me Christina M. Buckner on this day personally appeared Randy Kruger, Mayor, City of Lago Vista, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of the City of Lago Vista, Texas for the purposes and consideration therein expressed.

Given under my hand and seal of office this 25 day of March, 2010.

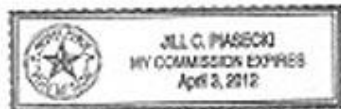


Christina M. Buckner  
Notary Public

STATE OF TEXAS     §  
                                  §  
COUNTY OF TRAVIS   §

Before me Jill C. Piasecki on this day personally appeared James Awalt, President, Rusty Allen Airport Property Owners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same on behalf of RAA-POA for the purposes and consideration therein expressed.

Given under my hand and seal of office this 24<sup>th</sup> day of March, 2010.



Jill C. Piasecki  
Notary Public

Return filed document to:  
RAAPOA  
20617 Highland Lake Loop  
Lago Vista, TX 78645

**FILED AND RECORDED**

OFFICIAL PUBLIC RECORDS

Dana DeBeauvoir

2010 Apr 14 11:18 AM 2010061133

CLARK/PM \$26.00

DANA DEBEAUVOIR COUNTY CLERK  
TRAVIS COUNTY TEXAS