



June 11, 2020 (VIA E-Mail & US Mail)

Board of Selectmen  
Town of Owls Head  
224 Ash Point Drive  
Owls Head, ME 04854

Re: Interlocal Agreement Between Knox County and the Town of Owls Head

Dear Selectmen:

Knox County recently prepared a draft Interlocal Agreement Between Knox County and the Town of Owls Head to replace the one that has been in place since April 2001 and is due to expire in April 2021. The proposed new agreement was sent to the Owls Head Board of Selectmen and the Airport Advisory Committee for review and comment.

We understand that the Board has not taken any position on that draft Interlocal Agreement, but did provide Knox County Regional Airport Manager Jeremy Shaw with a copy of a revision to the proposed Agreement prepared by Ken Wexler and perhaps by the Owls Head Airport Committee.

We have reviewed Mr. Wexler's revisions, and find that they not only are one-sided, but also would cause the Airport to violate federal law and grant conditions. The Federal Aviation Administration (FAA), through various directives and regulations, may require the County to acquire property or property interests, or to expand the airport beyond its current boundaries. The County cannot enter into an agreement that would require Town approval for such actions, or which would otherwise restrict its ability to meet legal requirements. For these reasons, the County is simply unable to accede to Mr. Wexler's wishes, as set forth in his proposal.

The Interlocal Agreement's Purpose reads: "For the purpose of allowing the County and Town to jointly regulate the growth of the Knox County Regional Airport" Environmental Mitigation projects are second.

**The Interlocal Agreement Purpose states: "For the Purpose of allowing the County and Town to jointly regulate the growth of the Knox County Regional Airport"**

The Interlocal Agreement came into being in 2001 specifically to restrict Airport expansion that had resulted in wetlands fill and offsite wetlands mitigation. The need for offsite mitigation had caused the County to purchase land in Owls Head which became nontaxable. Concern over the number of environmental mitigation projects in Owls Head taking property off of the Town's tax rolls led the County and Town to agree not to allow expansion of the Airport beyond its present boundaries, and led the County to represent that it would not lease, purchase or otherwise acquire land to increase the Airport boundaries and area, and that if the Airport was required to undertake any environmental mitigation projects, these only could be in Owls Head if they were located entirely within the Airport.

The problem this Interlocal Agreement was intended to address no longer exists. Any environmental mitigation required by Airport improvement or expansion projects now can be and is achieved by paying into a wetlands mitigation fund. Moreover, the Interlocal Agreement contains no exception for Airport expansion and modernization required by FAA regulations and directives. Thus, we currently have an Interlocal Agreement that addresses an environmental mitigation project problem that no longer exists,

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and that creates potential violations of federal law. We also are aware of no other county airport in Maine that has such an agreement with the host community.

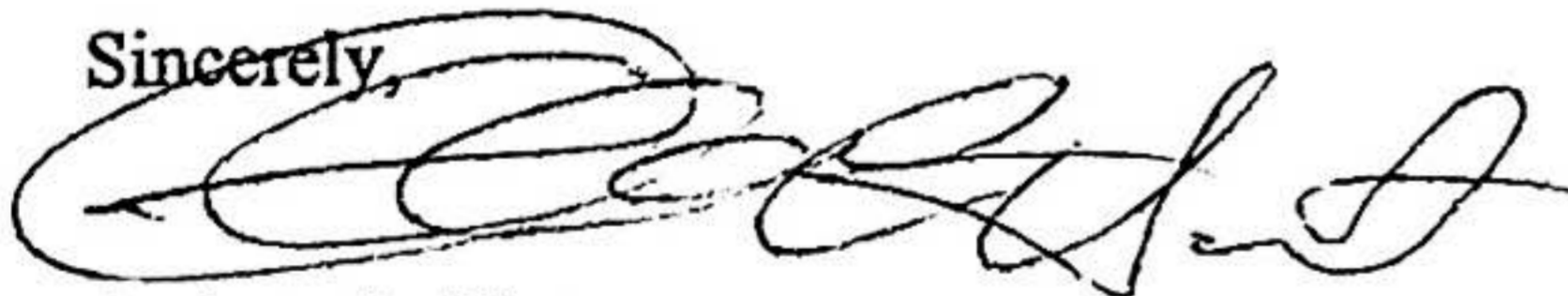
Knox County technically has three options with regard to the Interlocal Agreement:

- 1) Do nothing and let the Interlocal Agreement renew. The current Interlocal Agreement will automatically renew for another 20 years if nothing is done to amend or terminate it. However, because the current agreement is focused on an environmental mitigation project issue that no longer exists and potentially places the County in violation of FAA requirements, this is not a viable option.
- 2) Terminate the Interlocal Agreement. Since the Agreement no longer serves its intended purpose, is not required by State or federal law, and no other Maine county has a similar interlocal agreement, the County could terminate it. Either party has the right to terminate the Interlocal Agreement on at least 90 days' written notice.
- 3) Agree to a new Interlocal Agreement. Both the County and the FAA favor a cooperative approach to addressing Airport expansion issues with the Town. For this reason, the County prepared a revised Interlocal Agreement that moves beyond the narrow environmental mitigation project issue which resulted in the current Interlocal Agreement, that allows Airport expansion where reasonably necessary to comply with FAA directives, regulations, requirements, and recommendations, and establishes a Joint Board to oversee the Agreement. In doing so, the County attempted to prepare and offer to the Town a balanced document that would encourage cooperation and would be acceptable to the FAA. The FAA has reviewed and preliminarily approved of this approach and of the draft Interlocal Agreement. By bringing the Interlocal Agreement to the Town now, the County hopes that it could be voted upon by the Town Meeting this summer, so that a replacement interlocal agreement can be approved by the Town and County and be in place before the current Interlocal Agreement expires next April.

We invite the Board of Selectmen to meet with the County Commissioners, County Administrator, Airport Manager, County legal counsel and a representative of the FAA on Tuesday, July 14, 2020 at 2 pm in the Commission Hearing Room at the Knox County Courthouse to review the Interlocal Agreement and to ask any questions about it. There is some limited room to make changes to the draft Interlocal Agreement, so long as these do not encroach on FAA authority and on the County's ability to comply with state and federal law and grant conditions. We hope the Board then would feel comfortable placing this Interlocal Agreement on the upcoming town meeting warrant and endorsing its approval by Town voters.

We look forward to meeting with you on July 14. Please call or email me to confirm that you will participate in this meeting.

Sincerely,



Andrew L. Hart  
Knox County Administrator

cc: Knox County Commissioners  
Jeremy Shaw, Knox County Regional Airport Manager