



DULUTH INTERNATIONAL AIRPORT

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**DULUTH AIRPORT AUTHORITY
MEETING AGENDA
APRIL 16, 2019**

**DULUTH INTERNATIONAL AIRPORT
AMATUZIO CONFERENCE ROOM**

I *EXECUTIVE DIRECTORS REVIEW

Information Letter to DAA Directors.

II *APPROVAL OF PREVIOUS MEETING MINUTES & OTHER CONSENT AGENDA ITEMS

A. Approval of March 19, 2019 Meeting Minutes.

III *DAA CASH DISBURSEMENTS

A. Cash Disbursement Sheets #6 and #7, 2019. Construction Fund Sheet #4, 2019.

IV *CORRESPONDENCE

- A. Duluth International Airport News: March 24, 2019 Star Tribune News Release "Shuttle Between MSP and Duluth and Mankato Airports to Launch with \$9 Fares.
- B. April 1, 2019 E-Mail from Monaco Air Foundation with Summary of March 2019 Activities.
- C. April 2, 2019 Request Letter from DAA to FAA for Approval of Work Order #6-2015 for the 2015 Runway 9/27 Reconstruction Phase 1, as Presented by SEH and Braun Intertec.
- D. April 2, 2019 Request Letter from DAA to FAA for Approval of Work Order #2016-4 for the 2016 Runway 9/27 Reconstruction Phase 2, as Presented by SEH and Braun Intertec.
- E. April 4, 2019 Monthly Duluth International Airport Tenant Operations Meeting Minutes.
- F. April 4, 2019 Request Letter from Citizens Committee Environment Concerns (CCEC) to DAA for Draft Copies of the Airport Master Plan and 2019 Zoning Plan.
- G. April 5, 2019 Passenger Facility Charge Roundtable 8th Congressional District Commercial Service Airports Agenda and Information.
- H. April 6, 2019 Metropolitan Airports Commission (MAC) Newsletter.
- I. Link for Metropolitan Airports Commission (MAC) Minutes --
<https://metroairports.org/Airport-Authority/Metropolitan-Airports-Commission/Public-Meetings/Board-Meetings.aspx>.

V OPPORTUNITY FOR PERSONS TO BE HEARD

VI OLD BUSINESS

- A. Resolution to Approve Amendment #1 for SEH Work Order No. 2015-6 for Construction Administration, Observation and Closeout for Runway 9/27 Reconstruction, Phase 1 (Center Section) Duluth International Airport (DLH).

- B. Resolution to Approve Amendment #1 for SEH Work Order No. 2016-4 for Construction Administration, Observation and Closeout for Runway 9/27 Reconstruction, Phase 2 (West Section) Duluth International Airport (DLH).

VII NEW BUSINESS

- A. Resolution to Accept and Approve the 2020 MnDOT Air Service Marketing Grant and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Grant.
- B. Resolution to Accept and Approve MnDOT Grant Agreement No. 1033192 for Supplemental EAW for 75 Foot Runway Width at Sky Harbor Airport and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Grant.
- C. Resolution to Approve SEH Work Order No. 2019-1 for the Supplemental Environmental Assessment (EA) -- 75 Foot Runway Width Duluth Sky Harbor Airport (DYT).
- D. Resolution to Approve Incentive Award Payments of \$300 for Outstanding Performance Per the DAA Operation Policy #5 Employee Incentive Awards to the Following Employees -- Mr. Paul Sinnott, Mr. Dan Taylor, Mr. Matthew Johnson, Mr. David Cooke, Mr. Michael Amlin, Mr. Wayne Fichtner, Mr. Roger Engelmeier, Mr. Wade Cossalter and Mr. Derek Anderson.
- E. Resolution to Amend the Executive Director Contract. (To be Distributed at Meeting.)
- F. Resolution to approve the Duluth International Airport (DLH) Master Plan Scope and Exhibit A Property Map.
- G. Resolution to Approve SEH Work Order No. 2019-2 for Exhibit A Property Map for Duluth International Airport (DLH).
- H. Resolution to Approve SEH Work Order No. 2019-3 for the Airport Master Plan and Airport Layout Plan for Duluth International Airport (DLH).
- I. Resolution to Approve the Resolution Authorizing Application for a State Conditional Use Deed for Tax-Forfeited Land.
- J. *December 2018 Financial Report.
- K. *March 2019 Accounts Receivables.
- L. *March 2019 Airline Statistics.

VIII DIRECTORS REPORTS

Items annotated by an () are approved by consent and require no discussion or action unless questioned by a Director (In accordance with resolution passed by Directors at March 19, 2002).*

EXECUTIVE DIRECTORS REVIEW



DULUTH INTERNATIONAL AIRPORT

Travel Globally. Fly Locally.

DATE: April 16, 2019
TO: DAA Directors
FROM: Executive Director
SUBJECT: EXECUTIVE DIRECTORS REVIEW

The following items will be briefed during the Executive Director's Review. If action is required of the DAA on any of these items, they will also appear on the agenda. If you have questions or desire additional information, please contact me and I will provide it at the DAA meeting.

AIR SERVICE

- 5.5% Increase in Passengers YTD
- 2.1% Decrease in Delta Passengers YTD
- 16.8% Increase in United/United Express Passengers YTD
 - 14.6% Increase in March Compared to March 2018
 - DLH/ORD CPA Route Conversion 31 March
- Nashville Charter Update
- Air Service Snapshot

AIRFIELD OPERATIONS

- Airside
 - Part 150 Noise Scoping and Budget Update
 - Weather Impact to Commercial Flight Ops
 - Runway Reconstruction Update
- Landside
 - NSR
- Sky Harbor
 - LCMR
 - Runway Width Alternative
 - Runway Realignment Phase 3 Schedule Alternatives
 - The FAA's RTR

BUSINESS/PROPERTY DEVELOPMENT

- American Airlines Buildout
- American Airlines Ground Handler is Envoy

FINANCIAL UPDATE

- 1st Quarter Financials

MARKETING UPDATE

- Fly Local Update
- AA Launch Event

LEGISLATIVE UPDATE

- Airport Zoning Legislation
- PFC Increase Advocacy

PRESENTATIONS/TOURS/TRAVEL RECAP

- NSR

OTHER

- Joint Zoning Board Update

Submitted by,

Thomas J. Werner, C.M.
Executive Director

MINUTES



DULUTH INTERNATIONAL AIRPORT

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DRAFT

MINUTES OF THE MEETING

DATE: March 19, 2019

PLACE: Amatuzio Conference Room
Duluth International Airport, Duluth, MN

DIRECTORS PRESENT: Ken Butler
Anna Tanski
Craig Fellman
Richard Stewart
Todd Fedora
Kim Maki
Don McIsaac

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Blaine Peterson, Director of Operations
Natalie Peterson, Director of Communications & Marketing
Joelle Bodin, Director of Finance & Administration
Jana Kayser, Business Development Manager
Brian Madsen, Sky Harbor Manager
Kathy Leon, Confidential Bookkeeper
Benita Crow, SEH
Kaci Nowicki, SEH
Brandon Twedt, SEH
Don Monaco, Monaco Air Duluth
Peter DeSutter, AAR
Ryan Jones, KLJ
Eric Monson, LSH

President Butler welcomed everyone and called the meeting to order at 8:00 a.m. He reminded the public to sign in for the Opportunity to be Heard section. He invited Mr. Tom Werner, Executive Director, to present on the Executive review. Mr. Werner updated on the following:

EXECUTIVE DIRECTOR'S REVIEW

Air Service: Solid positive trend continues with a 6.5% increase year to date (YTD) passenger from February 2018 to 2019. Delta 1.6% YTD decrease and United with a 17.9% increase, very strong performance; he reminded the Board that United has a route conversion at the end of March, proving their confidence in a profitable route; also mentioned next month will be one year mark for the mainline service, so increases will most likely be more modest. Nashville Charter – due to advanced bookings falling short, have canceled the May

charter itinerary; potentially may reschedule for September or later – spoke on the time consuming process for this endeavor and thanked Ms. Natalie Peterson, Director of Communications and Marketing, for her hard work.

- Airfield operations and development:
 - * Airside: Mr. Werner presented an update on the Master Plan – summarized and spoke on the vision, process objectives, draft scope and preliminary budget. He spoke on the initial steps, next steps and project timeline. Questions and discussion followed; plan to bring the Master Plan scope to the Board next month for approval. Mr. Werner invited Ms. Kaci Nowicki, SEH, to present on the comprehensive noise study. Ms. Nowicki overviewed and detailed on the FAR Part 150 noise study process and steps. She explained the Master Plan scope and noise study are two different projects that do need to run parallel during this coordination process. Anticipate presenting for Board approval in May and the grant process to follow. Questions and discussion followed. Mr. Blaine Peterson, Director of Operations, updated on winter operations due to heavy snow fall last month, he reviewed on the impact to the budget with these events -- diesel fuel, sand and maintenance of vehicles; kudos to the maintenance crew. Mr. Peterson updated on the Runway 9/27 reconstruction Phase 3 – held the second workgroup construction meeting, very light attendance; have asked the Tenant Association's help in promoting attendance for these important meetings -- minutes from this meeting are in the packet, he highlighted several key notes.
 - * Landside: Mr. Peterson explained the roof leakage problem at the Terminal; a massive amount of snow was removed -- investigating into the cause of damage and working on solutions. Due to the snow, Hangar 103 also had an emergency roof situation with another large amount of snow removed.
 - * Sky Harbor: Mr. Peterson spoke on an opportunity to increase the runway width, gave background information, timeline and process – have scheduled several meeting today to present and have an opportunity for feedback from the community. Questions followed. Mr. Peterson updated on the runway realignment Phase 3 schedule alternatives. Spoke on concerns, timeline and impacts. Public outreach will be planned with timeline and impacts if extended into 2020, Mr. Werner detailed further.
- Financial: Ms. Joelle, Bodin, Director of Finance and Administration, the State Auditors arrived yesterday, she spoke on the planned timeline for the audit.
- Marketing: Ms. Natalie Peterson, Director of Communications & Marketing, the Fly Local campaign has launched – have had meetings with the City and St. Louis County; plan to follow up with the larger businesses in the community. The Duluth and St. Louis County Days at the Capitol was very successful with very positive feedback. Working on the American Airlines launch, more information to come.
- Legislative: Mr. Werner updated on the Airport Zoning Legislation – has passed the House Transportation Committee, the plan for the Senate is that it should be adopted. Passenger Facility Charge (PFC) increase – attended meetings in Washington and had meeting opportunities with the MN delegation regarding the importance of aviation statewide and

Duluth Airport local projects, plan a roundtable PFC discussion with Congressman Stauber and MCOA representatives in April for his support.

- Presentations Recap: Mr. Werner had the opportunity to present to the UWS Air Transportation Management class – very good group.
- Other: Mr. Peterson updated on the Joint Airport Zoning Board and the draft zoning ordinance process and timeline. Mr. Werner reminded the Board that the MN Airport conference is scheduled in Wilmar; April 24 through April 26, if interested let him know.

Questions and discussion followed on several of the Executive Director's review items. Dir. McIsaac moved to approve the February 19, 2019 meeting minutes and other consent items. Dir. Tanski seconded. Motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #4 and #5, 2019. Construction Fund Sheet #3, 2019.

Duluth International Airport News: Duluth Airport News Release "A New Way to Help Your Community Soar Takes Flight at Duluth Days: Introducing the Fly Local Pledge".

February 26, 2019 SEH Working Group II Agenda.

E-Mail from Monaco Air Foundation with Summary of February 2019 Activities.

Letter from DAA to Senator Tina Smith and Senator Amy Klobuchar Requesting Support for Increase in Passenger Facility Charges (PFC) in the Infrastructure Bill.

Letter from Minnesota Council of Airports (MCOA) Urging Congress to Update Federal Policy for Funding Airport Infrastructure Projects.

Monthly Duluth International Airport Tenant Operations Meeting Minutes.

Link for Metropolitan Airports Commission (MAC) Commission minutes --
<https://metroairports.org/Airport-Authority/Metropolitan-Airports-Commission/Public-Meetings/Board-Meetings.aspx>

OPPORTUNITY FOR PERSONS TO BE HEARD

None.

OLD BUSINESS

None.

NEW BUSINESS

Ms. Jana Kayser, Business Development Manager, detailed on the airline lease agreement and recommended approval. Dir. Stewart moved to approve the resolution for the airline use and

lease agreement between the Duluth Airport Authority and American Airlines, Inc. Dir. McIsaac seconded. Motion carried.

Ms. Kayser spoke on background information and reviewed the terminal use agreement -- she recommended approval. Dir. Fedora moved to approve the terminal use agreement between the Duluth Airport Authority and Monaco Air Duluth. Dir. Stewart seconded. Motion carried.

Ms. Kayser recommended Item C and D be approved as one – they are two different companies, operating agreements have the same language, she summarized on the operating agreement and fees. Questions followed. Dir. Tanski moved to approve resolutions Item C and D for the Transportation Network Company (TNC) operating agreements between the Duluth Airport Authority and Rasier LLC (Uber) and Lyft, Inc. Dir. Fedora seconded. Motion carried.

Ms. Bodin explained the amended rates and charges were to adjust the TNC rates. Dir. Fedora moved to approve the resolution for the amended 2019 rates and charges addendum. Dir. McIsaac seconded. Motion carried.

Dir. Tanski moved to adjourn the meeting. Dir. McIsaac seconded. Motion carried. President Butler adjourned the March 19th DAA Board meeting at 9:15 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: _____ DATE: _____

CASH DISBURSEMENTS

III

**Duluth Airport Authority
Operating Check Register
March 22-2019**

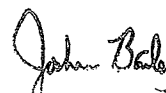
**CD 06-2019
DAA Operating Check Register**

Document #	Date	Transaction	Payee	Amount
7211	3/22/2019	BILLPMT	Airgas North Central	\$78.98
7212	3/22/2019	BILLPMT	Ameripride Linen & Apparel Services	\$197.60
7213	3/22/2019	BILLPMT	Arrowhead Tap House	\$543.44
7214	3/22/2019	BILLPMT	AT&T Mobility	\$195.73
7215	3/22/2019	BILLPMT	Aviation Security Clearinghouse	\$1,200.00
7216	3/22/2019	BILLPMT	Bay West	\$5,220.00
7217	3/22/2019	BILLPMT	Bodin, Joelle	\$60.00
7218	3/22/2019	BILLPMT	Century Link	\$338.82
7219	3/22/2019	BILLPMT	City Of Duluth Comfort Systems	\$14,964.77
7220	3/22/2019	BILLPMT	Como Lube & Supplies	\$3,028.45
7221	3/22/2019	BILLPMT	Curtis Oil & Propane	\$463.97
7222	3/22/2019	BILLPMT	Duluth Area Chamber Of Commerce	\$1,140.00
7223	3/22/2019	BILLPMT	Duluth Lawn & Sport	\$212.80
7224	3/22/2019	BILLPMT	General Security Services Corporation	\$13,810.45
7225	3/22/2019	BILLPMT	Kayser, Jana	\$60.00
7226	3/22/2019	BILLPMT	Landrum and Brown, Incorporated	\$2,000.00
7227	3/22/2019	BILLPMT	Madsen, Brian	\$60.00
7228	3/22/2019	BILLPMT	Marsden Building Maintenance	\$14,900.00
7229	3/22/2019	BILLPMT	Menards	\$50.70
7230	3/22/2019	BILLPMT	MN Dept of Empl & Econ. Development	\$2,222.22
7231	3/22/2019	BILLPMT	NAPA Auto Parts	\$68.70
7232	3/22/2019	BILLPMT	Northern Business Products, Inc.	\$16.32
7233	3/22/2019	BILLPMT	Northern Engine & Supply	\$20.28
7234	3/22/2019	BILLPMT	Parsons	\$800.00
7235	3/22/2019	BILLPMT	Peterson, Blaine	\$60.00
7236	3/22/2019	BILLPMT	Peterson, Natalie	\$60.00
7237	3/22/2019	BILLPMT	Peterson, Natalie	\$57.69
7238	3/22/2019	BILLPMT	Praxair Distribution Inc.	\$227.26
7239	3/22/2019	BILLPMT	Republic Parking System, LLC	\$1,100.00
7240	3/22/2019	BILLPMT	Sam's Florist & Greenhouse	\$189.66
7241	3/22/2019	BILLPMT	Schindler Elevator Corp	\$1,187.26
7242	3/22/2019	BILLPMT	Sinnott, Paul	\$60.00
7243	3/22/2019	BILLPMT	Swanson, Richard	\$1,632.00
7244	3/22/2019	BILLPMT	Taylor, Dan	\$60.00
7245	3/22/2019	BILLPMT	Wabrowetz, Steve	\$60.00
7246	3/22/2019	BILLPMT	Waste Management of WI-MN	\$2,944.24
7247	3/22/2019	BILLPMT	Welch, Ryan	\$60.00
7248	3/22/2019	BILLPMT	Werner, Thomas	\$922.96
7249	3/22/2019	BILLPMT	Westmoreland Flint	\$59.95
7250	3/22/2019	CHK	WF Bus Payment Processing - Joelle	\$2,368.48
7251	3/22/2019	CHK	WF Bus Payment Processing - Tom	\$3,415.67
7252	3/22/2019	BILLPMT	Ziegler, Inc.	\$599.60
Total				\$76,718.00

Approvals:


Airport Director

Airport Authority


City Treasurer

CD 6 -- 2019

Duluth Airport Authority Operating Check Register

April 05-2019

CD 07-2019

DAA Operating Check Register

Document #	Date	Transaction	Payee	Amount
7253	4/5/2019	BILLPMT	AirFiber	\$49.95
7254	4/5/2019	BILLPMT	Ameripride Linen & Apparel Services	\$210.32
7255	4/5/2019	BILLPMT	Batteries Plus	\$26.99
7256	4/5/2019	BILLPMT	Benson Electric Company	\$1,273.93
7257	4/5/2019	BILLPMT	Blueglobes LLC	\$1,445.49
7258	4/5/2019	BILLPMT	Brock White Company LLC	\$315.64
7259	4/5/2019	BILLPMT	Compudyne, Inc.	\$1,790.59
7260	4/5/2019	BILLPMT	Curtis Oil & Propane	\$64.00
7261	4/5/2019	BILLPMT	Dalco	\$1,580.22
7262	4/5/2019	BILLPMT	Dash Express, LLC	\$80.00
7263	4/5/2019	BILLPMT	Doorco	\$750.00
7264	4/5/2019	BILLPMT	Electric Power Door	\$781.99
7265	4/5/2019	BILLPMT	Grainger	\$825.24
7266	4/5/2019	BILLPMT	Guardian Pest Solutions	\$330.75
7267	4/5/2019	BILLPMT	Hagen's Glass and Paint	\$150.00
7268	4/5/2019	BILLPMT	Helen A Kallberg	\$52.32
7269	4/5/2019	BILLPMT	Ideal Manufacturing Inc.	\$373.91
7270	4/5/2019	BILLPMT	iFIDS.com Inc.	\$125.00
7271	4/5/2019	BILLPMT	Jamar Company	\$11,742.50
7272	4/5/2019	BILLPMT	Kaman Industrial Technologies	\$147.14
7273	4/5/2019	BILLPMT	Kraemer Construction, Inc.	\$350.00
7274	4/5/2019	BILLPMT	Lakehead Clutch & Brake	\$1,466.83
7275	4/5/2019	BILLPMT	MacQueen Equipment, Inc.	\$3,083.21
7276	4/5/2019	BILLPMT	Menards	\$1,254.07
7277	4/5/2019	BILLPMT	Menards	\$37.90
7278	4/5/2019	BILLPMT	Metro Sales, Inc.	\$584.33
7279	4/5/2019	BILLPMT	NAPA Auto Parts	\$148.53
7280	4/5/2019	BILLPMT	Northern Business Products, Inc.	\$114.97
7281	4/5/2019	BILLPMT	Northern Tool + Equipment	\$69.99
7282	4/5/2019	BILLPMT	Pomp's Tire Service, Inc.	\$210.00
7283	4/5/2019	BILLPMT	Sam's Club	\$1,675.00
7284	4/5/2019	BILLPMT	Shred It	\$255.38
7285	4/5/2019	BILLPMT	Swanson, Richard	\$1,632.00
7286	4/5/2019	BILLPMT	Thanks Again, LLC	\$50.94
7287	4/5/2019	BILLPMT	Viking Industrial North	\$94.04
7288	4/5/2019	BILLPMT	Ziegler, Inc.	\$285.80
Total				\$33,428.97

Approvals:



Airport Director

CD 7 -- 2019

Airport Authority

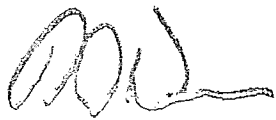


City Treasurer

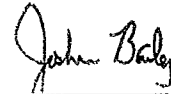
Duluth Airport Authority
DAA Construction Check Register #4-2019
April 8, 2019 - April 8, 2019

Document Number From 7289 To 7292

Document Number	Date	Transaction Type	Payee	Amount
7289	4/8/2019	BILLPMT	1 MediaUSA Advertising Inc	\$1,125.00
7290	4/8/2019	BILLPMT	1 Reynold Smith & Hills, Inc.	\$15,195.50
7291	4/8/2019	BILLPMT	1 Short Elliott Hendrickson	\$48,815.00
7292	4/8/2019	BILLPMT	1 Swim Creative	\$19,976.83
Total				<u>\$85,112.33</u>



Airport Director



City Treasury

CORRESPONDENCE



Shuttle between MSP and Duluth and Mankato airports to launch with \$9 fares

By [Tim Harlow](#) Star Tribune

MARCH 24, 2019



"Take a sneak peek inside one of Landline's motor coaches," a tweet from the Landline Company read.

A bus service making its debut this summer at airports in Mankato and Duluth will shuttle travelers to and from the Minneapolis-St. Paul International Airport. And it comes with an introductory deal that might be hard to pass up: \$9 fares each way.

Called Landline, the service will offer four trips a day between MSP and Duluth beginning June 5, and five trips daily between MSP and Mankato starting June 7. Pickups and drop-offs will be made at Terminals 1 and 2 at MSP.

Fares eventually will rise to as high as \$30 to \$32 based on demand, said co-founder David Sunde. But fares will be competitive with other transportation options such as Jefferson Lines, which offers \$25 fares between the Twin Cities and the Twin Ports, he said.

Los Angeles entrepreneurs Sunde, 27, and Ben Munson, 32, chose Minnesota for the shuttle service after studying regional airports across the country. They found that a high percentage of Minnesotans who could fly from their home airport chose instead to drive to MSP to start their trips.

In analyzing ZIP codes where airline tickets were bought, Sunde found that 65 percent of passengers who could fly out of Duluth drove to MSP. One reason, he surmised, is that they use MSP to fly on low-cost carriers that don't serve the smaller airports.

Landline, Sunde said, plans to announce its first airline partner this spring. Passengers then will be able to book a seat on Landline when creating their itinerary on the airline's website. That will allow them to drop their bags curbside when getting on the bus and collect them at their final destination — no need to check them in or pick them up when passing through MSP.

Allegiant Air was the last low-cost carrier to serve Duluth. It pulled out of the market in 2015 and left Delta Air Lines as the lone option. The airport launched a "Fly Local" campaign to boost traffic and attract more air service. Last year, United came in and passenger traffic surpassed 280,000,

an increase of 13 percent over 2016. In May, American Airlines will [start serving Duluth](#), and the growth is expected to continue, said airport spokeswoman Natalie Peterson.

Still, the airport has been unable to attract a low-cost carrier. That's what makes Landline a great fit, Peterson said. It will bring in travelers who would not have gone to the smaller, local airport and will pay a fee for each passenger who gets on the bus. In Mankato, where there has not been passenger air service for decades, Landline's arrival provides travelers with a direct motor coach ride to MSP.

Landline will need a couple hundred people a day to make the service work, Sunde said. Should it take off, there are plans to expand to Brainerd, Minn., and Eau Claire, Wis., by the end of the year.

~~IV~~ 13

Mary Ann Wittkop

From: Don Monaco <donm@monacoairduluth.com>
Sent: Saturday, March 30, 2019 7:12 AM
To: Tom Werner; 'kbutler@kenbutlerlaw.com'
Cc: 'Dave Gaddie (dgaddie@bankrepublic.com)'; 'Greg Fox (gregandsheilafox@hotmail.com)'; 'Bill King (BKing@cirrusaircraft.com)'; Michael A. Magni; 'Pat Mullen (MP)'; 'Richard Stewart (RStewart@uwsuper.edu)'; 'Steve Overom'; Mary Ann Wittkop
Subject: March, 2019 Monaco Air Foundation Report

Tom and Ken,

Please share this report with the Duluth Airport Authority Board at its next regularly scheduled meeting.

Summary of March, 2019 Activities

Duluth Flying Club Scholarship Fund: The current balance in the Scholarship Fund is \$1,141.24. The Foundation has suspended issuing new aviation training scholarships until after it determines whether to award additional scholarships or to give these funds to another organization which awards aviation training scholarships.

High School Aviation Day Program: The Foundation continues to provide tours to high school students and other organizations upon request.

Other Initiatives: The Foundation welcomes additional requests from the Duluth Airport Authority Board for initiatives the Board would like the Foundation to pursue.

Please let me know if you have any questions about this month's report.

Respectfully submitted,

Don Monaco
President
Monaco Air Foundation, Inc.
4535 Airport Approach Road
Duluth, MN 55811
Phone: 218-727-2911
Mobile: 630-728-5571
Fax: 218-336-0001
donm@monacoairduluth.com
www.monacoairduluth.com



DULUTH INTERNATIONAL AIRPORT
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April 2, 2019

Mr. Jacob Martin
FAA Program Manager
Minneapolis Airports District Office
6020 28th Avenue South
Minneapolis, MN 55450

Dear Mr. Martin:

The Duluth Airport Authority (DAA) representing the Duluth International Airport, requests approval of Work Order #6-2015 for the 2015 Runway 9/27 Reconstruction Phase 1, as presented by SEH and Braun Intertec.

The Engineering Consultant, SEH, was hired by the DAA per A/C 150/5100-14E to act on the Sponsor's behalf to review change order documentation. SEH, with their expertise of construction contracts, change order requests, and knowledge of materials costs, reviewed, as well as validated, proposed change orders to ensure they aligned with industry standards. Additionally, SEH will review labor cost and validated number of hours the task(s) would take. SEH would then review with the DAA the proposed change order and proposed cost. DAA reviews the justification, recommendation of SEH, conducts Q&A with SEH and determines final validity of change order. Should the need arise the DAA would invite the contractor to answer questions as well. Final determination of the request was/is solely the DAA's responsibility and authority.

The costs presented by the Contractor are reasonable and were necessary to complete the runway paving project. The unexpected required soil corrections required additional geotechnical observation and evaluation services. The DAA analyzed and recommends acceptance by the FAA and MnDOT Aeronautics of the Change Order. Should there be any questions the point of contact is Mr. Blaine Peterson at 218-625-7767 or via email at bpeterson@duluthairport.com.

Sincerely,

Blaine Peterson
Operations Director
Duluth Airport Authority



DULUTH INTERNATIONAL AIRPORT

Travel Globally. Fly Locally.

April 2, 2019

Mr. Jacob Martin
FAA Program Manager
Minneapolis Airports District Office
6020 28th Avenue South
Minneapolis, MN 55450

Dear Mr. Martin:

The Duluth Airport Authority (DAA) representing the Duluth International Airport, requests approval of Work Order #2016-4 for the 2016 Runway 9/27 Reconstruction Phase 2, as presented by SEH and Braun Intertec.

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Sincerely,

Blaine Peterson
Operations Director
Duluth Airport Authority

From: Rick Swanson
Sent: Thursday, April 4, 2019 2:25 PM
To: Aaron Henstorf (NWA - Delta); Agustin Siguenza (Envoy Air); Alan Juszczak (Cirrus); Ben Mattson (benmattson@shafercontracting.com); Benita Crow (SEH); Bill Kuhlmeier (ARFF); Blaine Peterson; Charles Wall (Oakwells Arrowhead Tap House); Chauncy (Bubba) McGregor (HMI); Chris Rankila (AAR); Dan Monette (TSA); Dan Traska (LSC); Darren Christopher (RS&H); Darrin Goad (UPS); Doug Haala (Abateco); Eric Monson (LSH); Ester Lied (LSH); Security; Jason Zins (Shafer); Joanne Fay (jfay@pciroads.com); Joe Klainert (FedEx); Joe Stover (Northland Const); Joelle Bodin; Joeseeph Stover; John Kontrny (JAMAR); Joseph Solberg (148th ANG CES) (joseph.v.solberg.mil@mail.mil); Keith Bischoff (CAP); Loren Kuhnly (DGS); Lysher, Daniel E MSgt USAF 148 FW (US) (daniel.e.lysher.mil@mail.mil); Mandy Haburt (Cirrus); Michael J. Reilly (Oakwells); Michael Stewart (michael.stewart@noaa.gov); Nathan Horner (Century Fence); Nathan Sapik (Benson Electric); Pam Roed (Cirrus); Peter DeSutter (AAR); RJ Kotter (ARFF) (robert.j.kotter.nfg@mail.mil); Rob Cotter (Allete/MN Power); Rob Missinne (Monaco Air); Robert Lender (FAA); Ryan Blazevec (148th ANG CE); Ryan Kern (Duluth Airshow); Ryan Nelson (Northland Const); Ryan Osvald (Parsons Electric); Scott Wright (DGS); SMSgt 148th MMS Allen Young (allen.g.young.mil@mail.mil); Steve Cauchon (Jet Duluth); Steven Letz (Envoy Air); Tanya Hanson (DGS); Thomas Klovstad (CBP); Todd Niemi (Marsden); Troy Vrieze (Shafer); Wilfrid (Bill) Hines (PCI); Alan Widell (alan.j.widell.mil@mail.mil); Barb Michelizzi (Republic Parking); Blaine Peterson; Brian Madsen; Budget Car Rental; Casey Erickson (148th ANG SFS); Dan Desanto (Cirrus); Dan Monette (TSA AFSD); Dan Taylor; Daniel Hamilton (AAR); Duane Johnson (johnsond@co.st-louis.mn.us); Edmund Stuart (ARFF); Garrett Johnson (FAA); Helen Kallberg; Jamey Nord (148th ANG Antiterrorism); Jana Kayser; Jeffrey Kreager (148th ANG SFS); Jerilee Buggert (FAA); John Orrey; 'Juszczak, Alan'; Justin Zoss (TSA); Kaci Nowicki (SEH); Karyn Shold (CBP); Kathy Leon; 'leslie.carlson@rsandh.com'; Mark Ford (FAA); Mark Vavra (Col. 148 ANG); Mark Wasserbauer (148th ANG); Mary Ann Wittkop; Mike Magni; Natalie Peterson; Paul Sinnott; Rick Swanson; Ryan Welch; Scott K. Poldoski (scottkp@monacoairduluth.com); Scott Rautio; Sharon Miller (N/A/E Car Rental); Shawn McMahon (SEH); Special Projects; Stephanie Howe (BOP duluth Secretary); Steve Wabrowetz; Steven Eliason (steven.d.eliason@cbp.dhs.gov); Tom Werner; Travis Lee (Marsden); Troy Roberts
Cc: Paul Sinnott; Dan Taylor; John Orrey; tanya.church@tsa.dhs.gov; Agustin Siguenza (Envoy Air)
Subject: 040419 Airport Tenant Ops Meeting

04-04-2019

Airport Operations / Tenant Meeting

Attending representatives of: 148th ANG (MWMX, Airfield, ARFF)/ DGS / LSC / TSA / FAA / Monaco Air / DAA / SEH / LSH / AAR

DAA

Blaine Peterson (DAA Operations Director) briefed on the following topics:

- Runway Project Phase 3 Pre-Construction Meeting will be held on April 22 @ 1300 hrs in the DAA 3rd Floor Conference Room (Amatuzio Room).
- Representatives of SEH Engineering and PCI Construction will testing runway 9-27 sites of reported water "ponding"

problems today.

- A doodle poll for the Work Group of Phase 3 runway project meeting has been sent to all stake holders. Operations Director Peterson will send out a confirmation notice when all suggested meeting time and date input has been evaluated. If you are a stake holder and have not received this doodle poll, contact Blaine Peterson (bpeterson@duluthairport.com)
- DAA and airport partners will be holding a pre-2019 Duluth Airshow "round table" briefing to discuss responses to emergency situations during the 2019 Airshow. Date and Time to be determined.
- Reminder that the airport emergency active exercise will be held on June 26th starting at 0800 hrs. Exercise will center around a commercial passenger aircraft crashing into the Duluth-Superior bay of Lake Superior.
- Blaine indicated that because of the busy summer season ahead of us, starting in June these Tenant/DAA Operations meetings will increase to twice a month (1st and 3rd Thursdays) throughout the summer.
- Be mindful of the one way traffic laws for traffic movement on Grinden Drive. Driving against or contrary to the designated one way traffic is a State of Minnesota traffic law violation not to mention a great safety hazard.
- Swanson reminds all tenant organizations that next week (April 8th) will be the start of our annual TSA security compliance inspections.
- Steve Wabrowetz, DAA Airfield Manager, spoke of runway and ramp issues related to spring time warming and frost related problems. Airfield Maintenance will monitor for problems but will try to limit sweeping operations as this often worsens the FOD and surface damage issues. Aircraft Non-Movement and Movement Area crack sealing operations will begin as the temperature increases.
- Steve spoke of the need to reduce vehicles speeding on our AOA non-movement ramp areas. Speed limits are 15 mph on our ramps, 5 mph when near an aircraft and ALL aircraft whether engine powered up or being towed have the right away; all vehicle operators must yield the right of way to aircraft.

Monaco Air

Honor Flight scheduled for May 4th, departing DLH at 0630 and returning at 2235 hrs.

FAA

- Runway Safety Action Team (RSAT) meeting will be hosted by the FAA at Cirrus Aircraft on April 9th (Tuesday) @ 1800 hrs.
- Runway 9 ILS relocation funding is under priority review by the FAA. Letter of support from any concerned tenant or aviator is encouraged, contact Scott Rautio at scott.rautio@faa.gov and Mark Ford at mark.ford@faa.gov

DGS

- excessive sand on the passenger terminal aircraft ramp now that winter is over.
- DGS Station Manager Scott Wright has accepted a position with Landline Transportation Co. and will be leaving DGS.

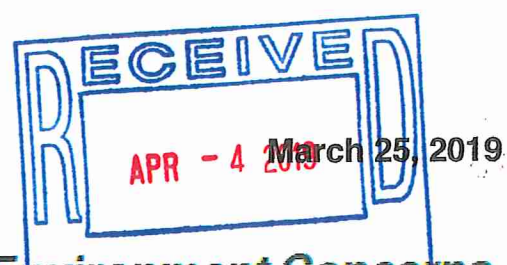
TSA

Annual DLH security compliance inspection begins next week

Richard Swanson
Security / Badging Coordinator
Duluth International Airport (DLH)
4701 Grinden Drive
Duluth, MN 55811
(218) 625-7772
(218) 340-5678
swansonr@duluthairport.com

TW
BP

IVF



Citizens Committee for Environment Concerns
Dwight Morrison - 218-729-7126 & Faye Topliff - 218-729-7673, 5660 Highway 194, Hermantown, Minnesota 55811

Dear Airport Authority:

Please consider this letter as a formal request for a copy of the Airport Master Plan (Draft) and the 2019 Zoning (Draft) that appear to be moving ahead without any public announcements as to their effects on citizens.

Can we pick up at your office the following:

- 1) a digital copy of the Airport Master Plan (Draft), and
- 2) a digital copy of the 2019 Zoning Plan (Draft)

We at CCEC have not been involved in the Airport Master Plan or Zoning process as yet. But, we have realized that the process is moving ahead without our experienced input on noise issue of airport jets and helicopters. We believe that the DAA is responsible to provide local citizens with the information on both of these 'Plans' and the health outcomes that affect them. If the DAA would keep citizens up-to-date on the FAA progress, It would represent a real effort at 'transparency'. This seems to be missing at this point in time!

Thank you for action ASAP on the above 'digital copy'


Dwight Morrison Co-chairs of C.C.E.C.


Faye Topliff



DULUTH INTERNATIONAL AIRPORT

Closer to everywhere.

Passenger Facility Charge Roundtable
8th Congressional District Commercial Service Airports
April 5, 2019
At the Duluth International Airport, Duluth, MN

Roundtable Discussion (12:30-1:30 PM, CST)

1. Introductions and Welcome- Tom Werner (5 mins)
2. Opening Remarks- Congressman Stauber (5 mins)
3. Roundtable Discussion Regarding Passenger Facility Charges
 - a. Brainerd Regional Airport- Steve Wright, Executive Director (10 mins)
 - b. Range Regional Airport- Shaun Germolus, Executive Director (10 mins)
 - c. Falls International Airport- Robert Anderson, Airport Commission Chair (10 mins)
 - d. Duluth International Airport- Tom Werner, Executive Director (10 mins)
 - e. General Passenger Facility Charge Discussion (9 mins)
4. Closing Remarks (1 min)

Airfield Tour of the Duluth International Airport (1:30-2:00 PM, CST)

Airfield bus tour of 3 infrastructure projects that will be featured in the next 10 years at the Duluth International Airport. (Time permitting)

- a. Taxiway A Reconstruction- \$15,000,000
- b. Crosswind Runway Reconstruction and Extension- \$34,000,000
- c. Air Traffic Controller Tower Replacement- \$20,000,000

Attendees:

- a. Steve Wright, Executive Director- Brainerd Regional Airport-
- b. Shaun Germolus, Executive Director- Range Regional Airport
- c. Robert Anderson, Airport Commission Chair- Falls International Airport
- d. Tom Werner, Executive Director- Duluth International Airport
- e. Mitch Killian, Associate Vice President, Governmental Affairs- Minneapolis St Paul Airport
- f. Todd Fedora, Board Member- Duluth Airport Authority



DULUTH INTERNATIONAL AIRPORT

Closer to everywhere.

PFCs are a critical funding source to the Duluth Airport Authority

- PFCs have contributed \$8,244,154 to our capital improvement program worth \$105,837,923 or 7.8% of the DAA's entire capital program (2008-2018; included by collection)
- Used to fund projects that are eligible under the FAA's Airport Improvement Program (AIP) by:
 - Closes funding gaps above what other funding source can provide
 - Provides local matching dollars to AIP grants
 - Funds capacity expansion, safety enhancing, infrastructure rehabilitation projects and heavy equipment that are critical to DLH but lower a funding priority for AIP; an example is snow removal equipment

Examples of major projects that could not have happened without PFC participation

- General Aviation Expansion
 - Total Project- \$3,171,002
 - PFC Contribution- \$178,520
 - Project Completed 2008
 - PFC Collections Completed 2016
- New Passenger Terminal
 - Total Project- \$63,318,536
 - PFC Contribution- \$5,338,709
 - Project Completed 2014
 - PFC Collections Completed 2019
- Main Runway Reconstruction Phase 1
 - Total Project Cost- \$13,332,001
 - PFC Contribution- \$666,600
 - Project Completed 2016
 - PFC Collections Completed 2019

Major upcoming projects that would not happen without PFC participation

- Duluth International Airport Master Plan
 - Total Project- \$980,000
 - PFC Contribution- \$267,500
 - Project to be Completed 2021
 - PFC Collections Complete (Estimate) 2022
- Alpha Taxiway
 - Total Project- \$15,020,000
 - PFC Contribution- \$751,000
 - Project to be Completed 2023
 - PFC Collections Completed (Estimate) 2022



DULUTH INTERNATIONAL AIRPORT

Closer to everywhere.

High debt service would be lower if DAA had access to increased PFC

Case Study

PFC Increase Analysis on Terminal Loan

	<u>Total</u>	<u>Avg. Per Year (15)</u>
PFC Debt Service of Terminal Loan:	\$ 4,917,021.55	\$327,801.44
PFC Principal Share:	\$ 3,960,000.00	\$264,000.00
PFC Interest Share:	\$ 957,021.55	\$63,801.44
Average Annual PFC Collection @ \$4.50 Per Year (last 3 years):	\$ 504,000.00	
Estimated Annual Collection Estimated @ \$8.50:	\$ 952,000.00	
Estimated Amount of Increase in Collections Annually:	\$ 448,000.00	
Current Amount of PFC Used for Debt Service Annually:	\$ 324,000.00	
Amount of PFC Available for Debt Service With Increase:	\$ 772,000.00	
# of Years to Pay Off Debt Service with Increased PFCs:	6.37	
# of Years Less Paying Debt Service:	8.63	
Total Debt Service DAA Could have Saved with Increased PFC Collection:	\$ 550,657.51	

Summary:

- If the DAA had been collecting PFCs at \$8.50, the debt service term could have been shortened by 8.63 years.
- The DAA would have been able to pay off the PFC share of the terminal debt service within 6.37 years instead of 15.
- Using averages, this could have saved the DAA \$550,657.51 in interest.

DULUTH INTERNATIONAL AIRPORT (DLH)

RUNWAY 3/21 RECONSTRUCTION AND EXTENSION

Runway 3/21

Runway 3/21 serves as the crosswind runway at DLH. The runway is currently 5,718 feet by 150 feet. Runway 3/21 is critical infrastructure at the airport as it serves as a secondary access when main Runway 9/27 is unavailable due to construction, weather or other operating conditions. When the main runway is not available, and if the length of Runway 3/21 is not sufficient for an aircraft to land or take off, it has the same implications of the airport being closed for that user.

The 148th Fighter Wing operates F-16 aircraft which require 8,000 feet of runway length. When Runway 9/27 is closed, the 148th is required to temporarily suspend operations, or if there is an extended closure, temporarily relocate to another facility. An ultimate runway length of 8,000 feet would essentially provide a permanent solution that allows the 148th Fighter Wing to avoid any type of interruption to their missions.

In addition to the 148th, many other users at the airport would benefit from a longer crosswind runway. The runway length needs of many civilian aircraft exceed the existing Runway 3/21 length. Similar to the 148th, the addition of a second runway of 8,000 feet or more would allow users to continue operations when Runway 9/27 is unavailable.

Summary

Current Runway 3/21 Dimensions

- 5,718' x 150'

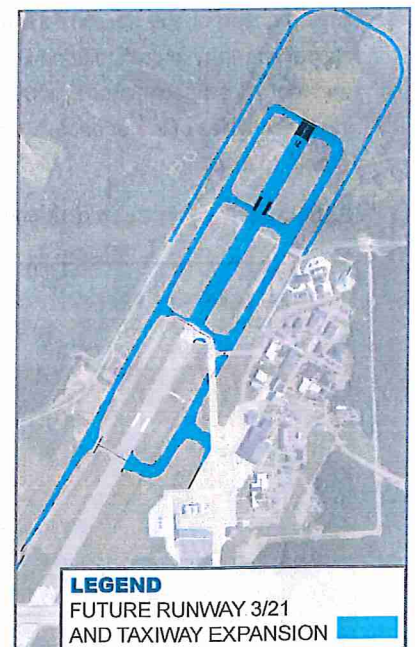
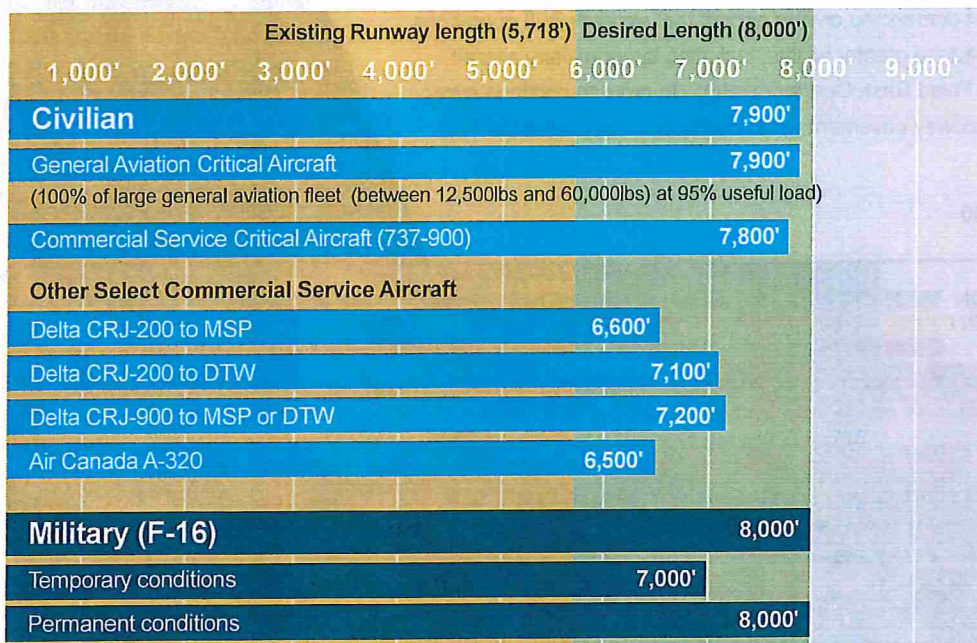
Desired Runway 3/21 End State Dimensions

- 8,000' x 150'

Estimated Total Project Costs

- \$34,000,000
- Includes planning, environmental, permitting, engineering, and construction

Runway Length Needs:



DULUTH INTERNATIONAL AIRPORT

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DULUTH INTERNATIONAL AIRPORT (DLH)

RUNWAY 3/21 RECONSTRUCTION AND EXTENSION

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In addition to the 148th, many other users at the airport would benefit from a longer crosswind runway. The runway length needs of many civilian aircraft exceed the existing Runway 3/21 length. Similar to the 148th, the addition of a second runway of 8,000 feet or more would allow users to continue operations when Runway 9/27 is unavailable.

Summary

Current Runway 3/21 Dimensions

- 5,718' x 150'

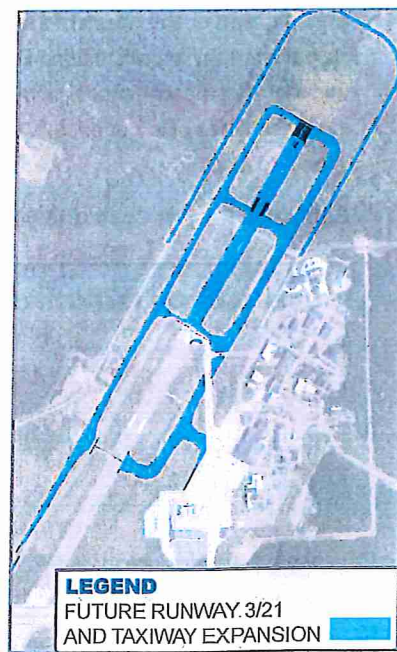
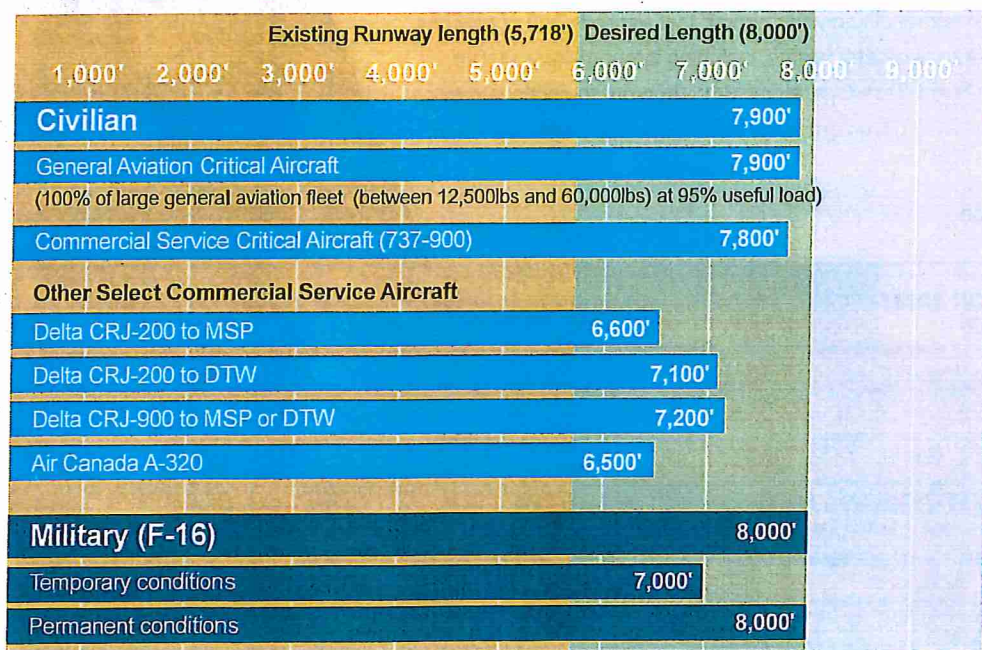
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- 8,000' x 150'

Estimated Total Project Costs

- \$34,000,000
- Includes planning, environmental, permitting, engineering, and construction

Runway Length Needs:



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IV 4



NEWS FROM YOUR MAC COMMISSIONER

Greetings:

Minneapolis-St. Paul International Airport (MSP) is wrapping up the busy spring break season and in the midst of opening several new concessions in Terminal 1. You'll find details on those openings and other recent events at the airport in this newsletter.

Flights to Seoul, S. Korea now departing MSP

Delta's inaugural flight from Minneapolis-St. Paul International Airport to Seoul, S. Korea, took off on April 1, amidst a boarding gate ceremony featuring a traditional, Samgo-mu Korean drum dance.

Once in Seoul, the daily service connects Delta's MSP hub to more than 80 destinations across Asia with Korean Air. The MSP-to-Seoul flight is offered on a newly upgraded 777-200ER.

The service is Delta's second trans-Pacific nonstop flight from its MSP hub, complementing existing service to Tokyo-Haneda.

More information on the new service is [available here](#).



Best Airport Award

We're proud to announce that for the third year in a row, MSP was named the best airport in North America in its size category for 2018.

The Airport Service Quality (ASQ) award, presented by Airports Council International, is the definitive monitor of airport customer satisfaction.

For each of the three years MSP has won the award, it has earned the highest score among all North American Airports serving 25 million to 40 million passengers.

ASQ is the only industry award based on research actually gathered at airports, using information provided by travelers rating their satisfaction on the day of travel. Visit [this website](#) for more information on MSP's win.

MSP's retailers have also been busy winning awards for their service. [The Airport Experience News awards](#) recognized Stone Arch as "Bar of the Year" for its unique offering of local craft beers and its full-service bar. Adventure North won the "Best New Retail" award.

And the Metropolitan Airports Commission's Commercial Management team was named the "Best Management Team" for 2018. The team is in the midst of shepherding a multi-faceted makeover of MSP's concession offerings and works with tenants and the airlines on a wide variety of business-related projects.

New passenger record

Minneapolis-St. Paul International Airport (MSP) set a new record in 2018 for the total number of travelers passing through its terminals.

The 2018 total of 38,037,381 passengers narrowly exceeded the 2017 record of 38,034,341 travelers. Total travelers includes those paying for airline tickets as well as non-revenue passengers (those flying free, such as airline employees with flight benefits).

The full news release is [available here](#).

Capital improvements coming to Terminal 1 this year

MSP passengers will notice a number of improvements to Terminal 1 continuing to take shape in 2019.

The renovation work streamlines movement between levels of Terminal 1, creates additional space for passengers and adds new amenities.

This summer, new escalators serving the interior of Terminal 1 on its south side will begin operating. The escalators will bring passengers entering the terminal from parking, auto rental or mass transit to the baggage claim and ticketing levels, and additional new, centrally located elevators will be installed in months following, providing a lift between Terminal 1's three levels.

When complete, passengers will be able to choose from six elevators straight ahead of them or escalators to their right or left.

The new escalators on the remodeled portion of Terminal 1's north side began operating last year, along with three of the six elevators.

In the center of the baggage claim level, work is underway on new restrooms, along with a lactation room and a nursing mothers' room. Nearby, a meeting space will feature the interactive portion of a new iconic art piece designed by [renowned artist Jen Lewin](#).

Also, work continues on several concessions-related projects including the new Airport Mall food court. Details on those new restaurants will be available later this year when they're set to open.

Along Terminal 1's inbound roadway, work continues on a new 5,000-space parking ramp, which will also include a transit center and auto rental facilities. The new Silver Ramp is set to open one year from now.

Concession openings continue

As MSP moved from winter into spring, the airport has seen a whirlwind of new concession openings. A new food court opened on Concourse F in recent weeks, featuring a Wendy's, Panda Express, People's Organic and Chick-fil-A.

The food court features natural light, expanded seating and new recycling stations to minimize waste.

More recently, a new Hi-Lo Diner opened at the end of Concourse F, operated by the owners of the popular Hi-Lo located on East Lake Street in Minneapolis.

Meanwhile, on the Airport Mall in Terminal 1, a new Starbucks is proving a huge draw. Next door is a brand new Chili's restaurant and bar. And between the two: a new airport "family room" where customers can lounge on comfortable furniture, enjoy art installations and relax.

And at the new food court on Concourse C, Smash Burger is now open and another new Starbucks is also serving its tasty mocha offerings.

Airport employees embrace opportunities to study English as a second language

Employees at Minneapolis-St. Paul International Airport (MSP) who want to improve their English language skills -- and, in turn, their customer service skills -- have a new course available to them.

Twelve employees recently became the first to complete the 14-week English-as-a-second-language course, which the Metropolitan Airports Commission (MAC) offers at no cost to MSP employees or their employers.

[READ MORE](#)

St. Paul floodwall keeps the downtown airport open

Most commercial air travelers know the MAC for its operation of MSP International. But the MAC also operates six reliever airports around the Twin Cities area, including the St. Paul Downtown Airport.

Due to its location along the Mississippi River, the St. Paul airport is prone to flooding. A week ago, the MAC deployed the removable sections of a floodwall that protects the airport, its runways and numerous hangars on the property.

Thanks to the floodwall, the airport -- which handles 40,000 take-offs and landings per year -- remains open, as does [Holman's Table](#), a popular restaurant and bar based at the historic terminal building.

Please contact me at donm@monacoairduluth.com if you have any questions.

Don Monaco

OLD BUSINESS



DULUTH INTERNATIONAL AIRPORT



Travel Globally. Fly Locally.

April 2, 2019

Mr. Jacob Martin
FAA Program Manager
Minneapolis Airports District Office
6020 28th Avenue South
Minneapolis, MN 55450

Dear Mr. Martin:

The Duluth Airport Authority (DAA) representing the Duluth International Airport, requests approval of Work Order #6-2015 for the 2015 Runway 9/27 Reconstruction Phase 1, as presented by SEH and Braun Intertec.

The Engineering Consultant, SEH, was hired by the DAA per A/C 150/5100-14E to act on the Sponsor's behalf to review change order documentation. SEH, with their expertise of construction contracts, change order requests, and knowledge of materials costs, reviewed, as well as validated, proposed change orders to ensure they aligned with industry standards. Additionally, SEH will review labor cost and validated number of hours the task(s) would take. SEH would then review with the DAA the proposed change order and proposed cost. DAA reviews the justification, recommendation of SEH, conducts Q&A with SEH and determines final validity of change order. Should the need arise the DAA would invite the contractor to answer questions as well. Final determination of the request was/is solely the DAA's responsibility and authority.

The costs presented by the Contractor are reasonable and were necessary to complete the runway paving project. The unexpected required soil corrections required additional geotechnical observation and evaluation services. The DAA analyzed and recommends acceptance by the FAA and MnDOT Aeronautics of the Change Order. Should there be any questions the point of contact is Mr. Blaine Peterson at 218-625-7767 or via email at bpetersen@duluthairport.com.

Sincerely,

Blaine Peterson
Operations Director
Duluth Airport Authority

**WORK ORDER No. 6-2015
AMENDMENT #1
Between**

**The Duluth Airport Authority (DAA) (Owner) and
Short Elliott Hendrickson Inc. (SEH) (Consultant)**

Dated: March 15, 2019

**CONSTRUCTION ADMINISTRATION, OBSERVATION, AND CLOSEOUT
RUNWAY 9/27 RECONSTRUCTION, PHASE 1 (CENTER SECTION)
DULUTH INTERNATIONAL AIRPORT (DLH)**

This work order amendment includes additional geotechnical observation and evaluation services related to subgrade soil corrections for the Runway 9/27 Reconstruction, Phase 1 project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 1-20-2015) between the DAA and SEH remain in effect for this work order amendment.

The contractor encountered poor subgrade soils during excavation operations. Approximately 4,692 cubic yards of subgrade excavation was completed as part of Change Order No. 4. The contractor supplied and compacted suitable material meeting FAA specifications. Additional work above the original contract scope was performed by the testing company to verify and document that the material gradations, quality, and compaction met the required FAA specifications.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$7,206.00, and includes only costs incurred by Braun Intertec, the geotechnical subconsultant on the project.

An itemized invoice from Braun Intertec is attached.

Original compensation by the Owner to the Consultant is \$992,500. Adjusted compensation by the Owner to the Consultant is \$999,706.

Point of Contact: Benita L. Crow, PE

APPROVED:

Duluth Airport Authority (DAA)

Short Elliott Hendrickson Inc.

Title: _____

Date: _____

Title: _____

Date: _____

Title: _____

Date: _____

INVOICE

BRAUN INTERTEC

The Science You Build On.

PLEASE REMIT TO

Braun Intertec Corporation
NW 7644 PO Box 1450
Minneapolis, MN 55485

Telephone	(952) 995-2000
Fax	(952) 995-2020
Tax I.D.	41-1684205

Benita L. Crow
Short-Elliott-Hendrickson, Incorporated
3535 Vadnais Center Dr
Saint Paul, MN 55110

Date 5/7/2018
Invoice number B127987
Project ID B1510849.00
Customer account S02719
Customer PO

Runway 9/27 Reconstruction, Phase 1B

Construction Materials Testing
Duluth International Airport

4701 Grinden Drive
Duluth, MN 55811

For Professional Services rendered through 4/6/2018

1 - CMT

1.3 - Soils

\$7,206.00

\$7,206.00

Total Fees

\$7,206.00

Amount Previously Invoiced: \$67,240.25

Amount Invoiced to Date: \$74,446.25

This invoice addresses the additional soil excavation work completed.

	Qty/Hours	Rate	Amount
1 - CMT			
1.3 - Soils			
Consulting Services Detail			
Senior Engineer	0.50	182.00	91.00
Excavation Observations	75.25	88.00	6,622.00
Project Engineer	1.00	168.00	168.00
Non-Salary Detail			
CMT Trip Charge	13.00	25.00	325.00
Total 1.3 - Soils			\$7,206.00
Total 1 - CMT			\$7,206.00
Total Project			\$7,206.00



DULUTH INTERNATIONAL AIRPORT



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April 2, 2019

Mr. Jacob Martin
FAA Program Manager
Minneapolis Airports District Office
6020 28th Avenue South
Minneapolis, MN 55450

Dear Mr. Martin:

The Duluth Airport Authority (DAA) representing the Duluth International Airport, requests approval of Work Order #2016-4 for the 2016 Runway 9/27 Reconstruction Phase 2, as presented by SEH and Braun Intertec.

The Engineering Consultant, SEH, was hired by the DAA per A/C 150/5100-14E to act on the Sponsor's behalf to review change order documentation. SEH, with their expertise of construction contracts, change order requests, and knowledge of materials costs, reviewed, as well as validated, proposed change orders to ensure they aligned with industry standards. Additionally, SEH will review labor cost and validated number of hours the task(s) would take. SEH would then review with the DAA the proposed change order and proposed cost. DAA reviews the justification, recommendation of SEH, conducts Q&A with SEH and determines final validity of change order. Should the need arise the DAA would invite the contractor to answer questions as well. Final determination of the request was/is solely the DAA's responsibility and authority.

The costs presented by the Contractor are reasonable and were necessary to complete the runway paving project. The unexpected required soil corrections required additional geotechnical observation and evaluation services. The DAA analyzed and recommends acceptance by the FAA and MnDOT Aeronautics of the Change Order. Should there be any questions the point of contact is Mr. Blaine Peterson at 218-625-7767 or via email at bpeterson@duluthairport.com.

Sincerely,

Blaine Peterson
Operations Director
Duluth Airport Authority

**WORK ORDER No. 2016-4
AMENDMENT #1
Between**

**The Duluth Airport Authority (DAA) (Owner) and
Short Elliott Hendrickson Inc. (SEH) (Consultant)**

Dated: March 15, 2019

**CONSTRUCTION ADMINISTRATION, OBSERVATION, AND CLOSEOUT
RUNWAY 9/27 RECONSTRUCTION, PHASE 2 (WEST SECTION)
DULUTH INTERNATIONAL AIRPORT (DLH)**

This work order amendment includes additional geotechnical observation and evaluation services related to subgrade soil corrections for the Runway 9/27 Reconstruction, Phase 2 project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 1-20-2015) between the DAA and SEH remain in effect for this work order amendment.

The contractor encountered poor subgrade soils during excavation operations. Approximately 12,811 cubic yards of subgrade excavation was completed as part of Change Order No. 1. The contractor supplied and compacted suitable material meeting FAA specifications. Additional work above the original contract scope was performed by the testing company to verify and document that the material gradations, quality, and compaction met the required FAA specifications.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$4,870.00, and includes only costs incurred by Braun Intertec, the geotechnical subconsultant on the project.

An itemized invoice from Braun Intertec is attached.

Original compensation by the Owner to the Consultant is \$658,100. Adjusted compensation by the Owner to the Consultant is \$662,970.

Point of Contact: Benita L. Crow, PE

APPROVED:

Duluth Airport Authority (DAA)

Short Elliott Hendrickson Inc.

Title: _____

Date: _____

Title: _____

Date: _____

Title: _____

Date: _____



Scope Change Request

CO10001423

Change Order #1

Client:

Short-Elliott-Hendrickson, Incorporated
Benita L. Crow
3535 Vadnais Center Dr
Saint Paul, MN 55110

Work Site Address:

4701 Grinden Drive
Duluth, MN 55811

Service Description:

Additional Soil Excavation Observations and Engineering

Description	Action	Quantity		Sales Price		Sales Amount	
		Orig	New	Orig	New	Orig	New
Project: B1612013 - Runway 9-27 Reconstructuion, Phase 2						54,343.00	59,213.00
Phase: 1 -CMT						54,343.00	59,213.00
Activity: 1.1 -Soils						19,760.00	24,630.00
207 -Compaction Testing - Nuclear	No change	88.0		78.00		6,864.00	
206 -Excavation Observations	Update	0.0	38.0	78.00		0.00	2,964.00
106 -Night Rate / OT	No change	25.0		90.00		2,250.00	
1308 -Nuclear moisture-density meter charge, per hour	No change	88.0		22.00		1,936.00	
1318 -CTB Proctor Test(ASTM D 558)	No change	30.0		150.00		4,500.00	
1320 -Modified Proctor test (ASTM D 1557)	No change	8.0		175.00		1,400.00	
209 -Sample pick-up	No change	20.0		78.00		1,560.00	
1162 -Sieve analysis with 200 wash (ASTM C 136 and C 117), per sample	No change	10.0		125.00		1,250.00	
128 -Senior Engineer	Add		3.0		182.00		546.00
126 -Project Engineer	Add		8.0		170.00		1,360.00
Activity: 1.2 -Concrete						22,110.00	
261 -Concrete Testing	No change	120.0		78.00		9,360.00	
1367 -Flexural strength of beams (ASTM C 78 and ASTM C 293), per specimen	No change	90.0		120.00		10,800.00	
9999_CMT -CMT Vehicle, per hour	No change	11.0		0.00		0.00	
9998_CMT -CMT Vehicle, per mile	No change	450.0		0.00		0.00	
278 -Concrete Beam Pick up	No change	25.0		78.00		1,950.00	
Activity: 1.3 -Pavement						6,560.00	
1862 -Pavement Trip Charge	No change	2.0		255.00		510.00	
9999_DRIL -DRIL Vehicle, per hour	No change	10.0		0.00		0.00	
9998_DRIL -DRIL Vehicle, per mile	No change	600.0		0.00		0.00	
PERDIEMBILL -Per diem Billable	No change	5.0		160.00		800.00	
222 -Bituminous Testing P403	No change	50.0		105.00		5,250.00	
Activity: 1.4 -Project Oversight / Meetings						5,913.00	
1862 -PM Trip Charge	No change	3.0		255.00		765.00	



Scope Change Request

CO10001423

Change Order #1

Description	Action	Quantity		Sales Price		Sales Amount	
		Orig	New	Orig	New	Orig	New
9999_DRIL -DRIL Vehicle, per hour	No change	15.0		0.00		0.00	
9998_DRIL -DRIL Vehicle, per mile	No change	960.0		0.00		0.00	
PERDIEMBILL -Per diem Billable	No change	3.0		160.00		480.00	
226 -Project Manager / Meetings	No change	20.0		155.00		3,100.00	
1230 -Final Report	No change	1.0		900.00		900.00	
238 -Project Assistant	No change	4.0		82.00		328.00	
264 -Project Engineer	No change	2.0		170.00		340.00	

Current project estimate:	54,343.00
Scope change total:	4,870.00
New project estimate:	59,213.00

NEW BUSINESS

**STATE OF MINNESOTA
STATE AIRPORTS FUND
FY2020 GRANT AGREEMENT – AIR SERVICE MARKETING**

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and Duluth International Airport ("Grantee").

RECITALS

1. Minnesota Statutes Chapter 360 authorizes State to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, marketing, maintenance, or operation of airports and other air navigation facilities.
2. Grantee owns, operates, controls, or desires to own an airport ("Airport") in the state system, and Grantee desires financial assistance from the State.
3. Grantee represents that it is duly qualified and agrees to perform all services described in this agreement to the satisfaction of the State. Pursuant to Minn.Stat. §16B.98, Subd.1, Grantee agrees to minimize administrative costs as a condition of this agreement.

AGREEMENT TERMS**1 Term of Agreement, Survival of Terms, and Incorporation of Exhibits**

- 1.1 **Effective Date.** This agreement will be effective on the date the State obtains all required signatures under Minn. Stat. §16B.98, Subd. 5. As required by Minn.Stat. §16B.98 Subd. 7, no payments will be made to Grantee until this agreement is fully executed. Grantee must not begin work under this agreement until this agreement is fully executed and Grantee has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration Date.** This agreement will expire on **June 30, 2020**, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Governing Law, Jurisdiction, and Venue; and 13. Data Disclosure.
- 1.4 **Plans, Specifications, Descriptions.** Grantee has provided the State with the plans, specifications, and a detailed description of the Project, which are on file with the State's Office of Aeronautics and are attached and incorporated into this Agreement as Exhibit A [attach].

2 Grantee's Duties

- 2.1 Grantee will complete the Project in accordance with the plans, specifications, and detailed description of the Project, which are on file with the State's Office of Aeronautics and attached to this Agreement. Any changes in the plans or specifications of the Project after the date of this Agreement will be valid only if made by written change order signed by the Grantee and the State. Subject to the availability of funds, the State may prepare an amendment to this Agreement to reimburse the Grantee for the allowable costs of qualifying change orders.
- 2.2 Grantee will notify State's Authorized Representative in advance of any meetings taking place relating to the Project.
- 2.3 Grantee will comply with all required grants management policies and procedures set forth through Minn.Stat. §16B.97, Subd. 4 (a) (1).
- 2.4 Grantee will submit written progress reports at quarterly intervals. Payments will not be made under section 4.5 if a progress report is past due unless Grantee has been given a written extension by the State.

3 Time

- 3.1 Grantee must comply with all the time requirements described in this agreement. In the performance of this grant agreement, time is of the essence.

4 Cost and Payment

- 4.1 **Cost Participation.** Costs for the Project will be proportionate and allocated as follows:

<u>Item Description</u>	<u>State Share</u>	<u>Grantee Share</u>
Item 1	**70%	30%

State:	\$82,973.23
Grantee:	\$37,461.00
Total:	\$120,434.23

*** State participation rate is 70% maximum. State share is calculated by formula based on passenger enplanements. Percentage shown may be less depending on sponsor's work plan and budget.*

4.2 Work Period. State will pay Grantee for work done under section 2.1 during the period of **July 1, 2019**, through **June 30, 2020**.

4.3 Sufficiency of Funds. Pursuant to Minnesota Rules 8800.2500, the Grantee certifies that (1) it presently has available sufficient unencumbered funds to pay its share of the Project; (2) the Project will be completed without undue delay; and (3) the Grantee has the legal authority to engage in the Project as proposed.

4.4 Total Obligation. The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed **\$82,973.23**.

4.5 Payment

4.5.1 Invoices. Grantee will submit invoices for payment. The State's Authorized Representative, as named in this agreement, will review each invoice against the approved grant budget, grant expenditures to-date, and the latest written progress report before approving payment. The State will promptly pay Grantee after Grantee presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services. Invoices will be submitted timely and according to the following schedule:

Payment Schedule - FY2020		
Payment No.	Program Work Period	Invoice Due Date
1	July-September	10/15/2019
2	October-December	1/15/2020
3	January-March	4/15/2020
4	April-June	7/15/2020

4.5.2 All Invoices Subject to Audit. All invoices are subject to audit, at State's discretion.

4.5.3 State's Payment Requirements. State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.

4.5.4 Grantee Payment Requirements. Grantee must pay all contractors under this agreement promptly. Grantee will make undisputed payments no later than 30 days after receiving an invoice. If an invoice is incorrect, defective, or otherwise improper, Grantee will notify the contractor within ten days of discovering the error. After Grantee receives the corrected invoice, Grantee will pay the contractor within 30 days of receipt of such invoice.

4.5.5 Grant Monitoring Visit and Financial Reconciliation. During the period of performance, the State will make at least annual monitoring visits and conduct annual financial reconciliations of Grantee's expenditures.

4.5.5.1 The State's Authorized Representative will notify Grantee's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Grantee staff members should be present. Grantee will be provided notice prior to any monitoring visit or financial reconciliation.

4.5.5.2 Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by State.

4.5.5.3 At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.

4.5.6 Closeout. The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been

completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

5 Conditions of Payment

All services provided by Grantee under this agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law. In addition, Grantee will not receive payment for Airport's failure to pass periodic inspections by a representative of the State's Office of Aeronautics.

6 Authorized Representatives

6.1 The State's Authorized Representative is:

Kevin R. Carlson, Planning Program Coordinator, 222 East Plato Blvd, St. Paul, MN 55107 Ph:(651)234-7191, kevin.r.carlson@state.mn.us, or his/her)successor. State's Authorized Representative has the responsibility to monitor Grantee's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative is:

Natalie Peterson, Director of Communications & Marketing, Duluth Airport Authority 4701 Grinden Drive Duluth, MN 55811, 1-218-625-7768 at npeterson@duluthairport.com. If Grantee's Authorized Representative changes at any time during this agreement, Grantee will immediately notify the State.

7 Assignment Amendments, Waiver, and Grant Agreement Complete

7.1 Assignment. The Grantee may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.

7.2 Amendments. Any amendments to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office.

7.3 Waiver. If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to subsequently enforce it.

7.4 Grant Agreement Complete. This grant agreement contains all negotiations and agreements between the State and Grantee. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.

8 Liability

Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this agreement by Grantee or Grantee's agents or employees. This clause will not be construed to bar any legal remedies Grantee may have for the State's failure to fulfill its obligations under this agreement.

9 State Audits

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of Grantee, or other party relevant to this grant agreement or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of **6 years** from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

10 Government Data Practices and Intellectual Property Rights

10.1 Government Data Practices. Grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of Minn. Stat. §13.08 apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to in this section 10.1,

Grantee must immediately notify the State. The State will give Grantee instructions concerning the release of the data to the requesting party before the data is released. Grantee's response to the request shall comply with applicable law.

11 Governing Law, Jurisdiction, and Venue

Minnesota law, without regard to its choice-of-law provisions, governs this agreement. Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

12 Termination; Suspension

12.1 Termination by the State. The State may terminate this agreement with or without cause, upon 30 days written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

12.2 Termination for Cause. The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

12.3 Termination for Insufficient Funding. The State may immediately terminate this agreement if:

12.3.1 It does not obtain funding from the Minnesota Legislature; or

12.3.2 If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

12.4 Suspension. The State may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

13 Data Disclosure

Under Minn. Stat. § 270C.65, Subd. 3, and other applicable law, Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

14 Fund Use Prohibited. The Grantee will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Grantee from utilizing these funds to pay any party who might be disqualified or debarred after the Grantee's contract award on this Project. For a list of disqualified or debarred vendors, see www.mmd.admin.state.mn.us/debarredreport.asp.

15 Discrimination Prohibited by Minnesota Statutes §181.59. Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material

supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

- 16 **Limitation.** Under this Agreement, the State is only responsible for receiving and disbursing funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Grantee, however, the Grantee will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Grantee's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

- 17 **Additional Provisions**
[Intentionally left blank.]

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MnDOT Contract #: 1033368
State Project No. A6901-SM027

STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. § 16A.15 and § 16C.05.

Signed: _____

Date: _____

SWIFT Contract/PO No(s). _____

GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____
(with delegated authority)

Title: _____

Date: _____

**DEPARTMENT OF TRANSPORTATION
OFFICE OF FINANCIAL MANAGEMENT – GRANT UNIT**

By: _____

Date: _____

**DEPARTMENT OF TRANSPORTATION
CONTRACT MANAGEMENT**

By: _____

Date: _____

RESOLUTION

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIR SERVICE MARKETING

It is resolved by the Duluth Airport Authority as follows:

1. That the state of Minnesota Agreement No. MnDOT Contract No. 1033368,
"Grant Agreement for Air Service Marketing," for State Project No. A6901-SM027 at the
Duluth International Airport is accepted.
2. That the _____ and _____ are
(Title) (Title)
authorized to execute this Agreement and any amendments on behalf of the
Duluth Airport Authority.

CERTIFICATION

STATE OF MINNESOTA

COUNTY OF _____

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the

(Name of the Recipient)

at an authorized meeting held on the _____ day of _____, 20____

as shown by the minutes of the meeting in my possession.

Signature: _____
(Clerk or Equivalent)

CORPORATE SEAL

/OR/

NOTARY PUBLIC

My Commission Expires: _____

11113

GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION

This Agreement is by and between the State of Minnesota acting through its Commissioner of Transportation ("State"), and the Duluth Airport Authority ("Recipient").

WHEREAS, the Recipient desires the financial assistance of the State for an airport improvement project ("Project") as described in Article 2 below; and

WHEREAS, the State is authorized by Minnesota Statutes Sections 360.015 (subdivisions 13 & 14) and 360.305 to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, or maintenance of airports and other air navigation facilities; and

WHEREAS, the Recipient has provided the State with the plans, specifications, and a detailed description of the airport improvement Project.

NOW, THEREFORE, it is agreed as follows:

1. This Agreement is effective upon execution by the Recipient and the State, and will remain in effect until June 30, 2023.
2. The following table provides a description of the Project and shows a cost participation breakdown for each item of work:

<u>Item Description</u>	<u>Federal Share</u>	<u>State Share</u>	<u>Local Share</u>
Supplemental EAW for 75ft Runway Width	0.0%	70%	30%

3. The Project costs will not exceed \$20,000.00. The proportionate shares of the Project costs are: Federal: \$0.00 State: \$14,000.00 and Local: \$6,000.00. In the event federal reimbursement becomes available or is increased for this Project, the State will be entitled to recover from such federal funds an amount not to exceed the state funds advanced for this Project. No funds are committed under this Agreement until they are encumbered by the State. No more than 95% of the amount due under this Agreement will be paid by the State until the State determines that the Recipient has complied with all terms of this Agreement, and furnished all necessary records.
4. The Recipient will designate a registered engineer (the "Project Engineer") to oversee the Project work. If, with the State's approval, the Recipient elects not to have such services performed by a registered engineer, then the Recipient will designate another responsible person to oversee such work, and any references herein to the "Project Engineer" will apply to such responsible person.
5. The Recipient will complete the Project in accordance with the plans, specifications, and detailed description of the Project, which are on file with the State's Office of Aeronautics and are incorporated into this Agreement by reference. Any changes in the plans or specifications of the Project after the date of this Agreement will be valid only if made by written change order signed by the Recipient, the Project Engineer, and the contractor. Change orders must be submitted to the State. Subject to the availability of funds the State may prepare an amendment to this Agreement to reimburse the Recipient for the allowable costs of qualifying change orders.
6. The Recipient will make payments to its contractor on a work-progress basis. The Recipient will submit requests for reimbursement of certified costs to the State on state-approved forms. The State will reimburse the Recipient for the state and federal shares of the approved Project costs.
 - a. At regular intervals, the Recipient or the Project Engineer will prepare a partial estimate in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s). Partial estimates must be completed no later than one month after the work covered by the estimate is completed. The Project Engineer and the contractor must certify that each partial estimate is true and correct, and that the costs have not been included on a previous estimate.
 - b. Following certification of the partial estimate, the Recipient will make partial payments to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s).
 - c. Following certification of the partial estimate, the Recipient may request reimbursement from the State for costs eligible

for federal and state participation. A copy of the partial estimate must be included with the Recipient's request for payment. Reimbursement requests and partial estimates should not be submitted if they cover a period in which there was no progress on the Project.

- d. Upon completion of the Project(s), the Recipient will prepare a final estimate in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s). The final estimate must be certified by the Recipient, Project Engineer and the contractor.
 - e. Following certification of the final estimate, the Recipient will make final payment to the contractor in accordance with the terms of the contract, special provisions, and standard specifications for the Project(s).
 - f. Following certification of the final estimate, the Recipient may request reimbursement from the State for costs eligible for federal and state participation. A request for final payment must be submitted to the State along with those project records required by the State.
7. For a Project which involves the purchase of equipment, the Recipient will be reimbursed by the State in one lump sum after the Recipient: (1) has acquired both possession and unencumbered title to the equipment; and (2) has presented proof of payment to the State, and (3) a certificate that the equipment is not defective and is in good working order. The Recipient will keep such equipment, properly stored, in good repair, and will not use the equipment for any purpose other than airport operations.
 8. If the Project involves force-account work or project donations, the Recipient must obtain the written approval of the State and Federal Aviation Administration (FAA). Force-account work performed or project donations received without written approval by the State will not be reimbursed under this Agreement. Force-account work must be done in accordance with the schedule of prices and terms established by the Recipient and approved by the State.
 9. Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (g) (1), the Recipient will operate its airport as a licensed, municipally-owned public airport at all times of the year for a period of 20 years from the date the Recipient receives final reimbursement under this Agreement. The Airport must be maintained in a safe, serviceable manner for public aeronautical purposes only. The Recipient will not transfer, convey, encumber, assign, or abandon its interest in the airport or in any real or personal property, which is purchased or improved with State aid funds without prior written approval from the State. If the State approves such transfer or change in use, the Recipient must comply with such conditions and restrictions as the State may place on such approval. The obligations imposed by this clause survive the expiration or termination of this Agreement.
 10. This Agreement may be terminated by the Recipient or State at any time, with or without cause, upon ninety (90) days written notice to the other party. Such termination will not remove any unfulfilled financial obligations of the Recipient as set forth in this Agreement. In the event of such a termination, the Recipient will be entitled to reimbursement for eligible expenses incurred for work satisfactorily performed on the Project up to the date of termination. The State may immediately terminate this Agreement if it does not receive sufficient funding from the Minnesota Legislature or other funding source, or such funding is not provided at a level sufficient to allow for the continuation of the work covered by this Agreement. In the event of such termination, the Recipient will be reimbursed for work satisfactorily performed up to the effective date of such termination to the extent that funds are available. In the event of any complete or partial state government shutdown due to a failure to have a budget approved at the required time, the State may suspend this Agreement, upon notice to the Recipient, until such government shutdown ends, and the Recipient assumes the risk of non-payment for work performed during such shutdown.
 11. Pursuant to Minnesota Rules 8800.2500, the Recipient certifies that (1) it presently has available sufficient unencumbered funds to pay its share of the Project; (2) the Project will be completed without undue delay; and (3) the Recipient has the legal authority to engage in the Project as proposed.
 12. Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the Recipient will maintain such records and provide such information, at the request of the State, so as to permit the Department of Transportation, the Legislative Auditor, or the State Auditor to examine those books, records, and accounting procedures and practices of the Recipient relevant to this Agreement for a minimum of six years after the expiration of this Agreement.
 13. The Recipient will save, defend, and hold the State harmless from any claims, liabilities, or damages including, but not limited to, its costs and attorneys' fees arising out of the Project which is the subject of this Agreement.
 14. The Recipient will not utilize any state or federal financial assistance received pursuant to this Agreement to compensate,

either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Recipient from utilizing these funds to pay any party who might be disqualified or debarred after the Recipient's contract award on this Project.

15. All contracts for materials, supplies, or construction performed under this Agreement will comply with the equal employment opportunity requirements of Minnesota Statutes Section 181.59.
16. The amount of this Agreement is limited to the dollar amounts as defined in Article 3 above. Any costs incurred above the amount obligated by the State is done without any guarantee that these costs will be reimbursed in any way. A change to this Agreement will be effective only if it is reduced to writing and is executed by the same parties who executed this Agreement, or their successors in office.
17. For projects that include consultant services, the Recipient and its consultant will conduct the services in accordance with the work plan indicated in the Recipient's contract for consultant services, which shall be on file with the State's Office of Aeronautics. The work plan is incorporated into this Agreement by reference. The Recipient will confer on a regular basis with the State to coordinate the design and development of the services.
18. The parties must comply with the Minnesota Government Data Practices Act, as it relates to all data provided to or by a party pursuant to this Agreement.
19. Minnesota law, without regard to its choice-of-law provisions, governs this Agreement. Venue for all legal proceedings arising out of this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.
20. For projects including federal funding, the Recipient must comply with applicable regulations, including, but not limited to, Title 14 Code of Federal Regulations, subchapter I, part 151; and Minnesota Rules Chapter 8800.
21. For all projects, the Recipient must comply, and require its contractors and consultants to comply, with all federal and state laws, rules, and regulations applicable to the work. The Recipient must advertise, let, and award any contracts for the project in accordance with applicable laws. The State may withhold payment for services performed in violation of applicable laws.
22. Under this Agreement, the State is only responsible for receiving and disbursing federal and state funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

State Encumbrance Verification

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05 _____

By: _____

Date: _____

MAPS Order No: _____

Recipient

Recipient certifies that the appropriate person(s) have executed the Agreement on behalf of the Recipient as required by applicable resolutions, charter provisions or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

Commissioner, Minnesota Department of Transportation

By: _____
Director, Office of Aeronautics

Date: _____

Mn/DOT Contract Management

as to form & execution

By: _____

Date: _____

**Office of Financial Management-Grant Unit
Agency Grant Supervisor**

By: _____

Date: _____

RESOLUTION

AUTHORIZATION TO EXECUTE MINNESOTA DEPARTMENT OF TRANSPORTATION GRANT AGREEMENT FOR AIRPORT IMPROVEMENT EXCLUDING LAND ACQUISITION

It is resolved by the Duluth Airport Authority as follows:

1. That the state of Minnesota Agreement No. 1033192,
"Grant Agreement for Airport Improvement Excluding Land Acquisition," for
State Project No. A6901A-47 at the Sky Harbor Airport and Seaplane Base is
accepted.
2. That the _____ and _____ are
(Title) (Title)
authorized to execute this Agreement and any amendments on behalf of the
Duluth Airport Authority.

CERTIFICATION

STATE OF MINNESOTA

COUNTY OF _____

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the

(Name of the Recipient)

at an authorized meeting held on the _____ day of _____, 2018

as shown by the minutes of the meeting in my possession.

Signature: _____
(Clerk or Equivalent)

CORPORATE SEAL

/OR/

NOTARY PUBLIC

My Commission Expires: _____



Building a Better World
for All of Us*

DITC

MEMORANDUM

TO: Blaine Peterson

FROM: Benita Crow, PE (Lic. MN, WI)

DATE: February 17, 2019

RE: Duluth Sky Harbor - Runway Pavement Width
SEH No. DULAI 135245 14.00

Background:

The Duluth Airport Authority (DAA) is in the process of a three phase runway realignment project at the Sky Harbor Airport (DYT) that involves relocating Runway 14/32 into Superior Bay to mitigate tree penetrations to the approach surface to the southeast end of the runway. Phase 1 of the project, which included filling 7.5 acres of Superior Bay for the new runway location, was completed in 2017. Phase 2 of the project, which involved placement of surcharge material to consolidate the soils under the new runway footprint, was completed in 2018. Final design for Phase 3, which includes construction of the new runway and associated taxiways, was initiated in December of 2018.

Initial design tasks included a review of environmental documentation associated with the project, including final design parameters such as runway length, width, and profile. This memo focuses on the runway width identified during the environmental process. Since the majority of aircraft using DYT are categorized as "small aircraft" by the Federal Aviation Administration (FAA), FAA funding was limited to a 60-ft pavement width. At the time of the Environmental Assessment (EA), the DAA had the option of increasing the width to 75 feet, however no funding source was available for the costs associated with the additional pavement width. Therefore, the DAA opted to accept the FAA design standard of 60 feet and this was reflected in the subsequent environmental and planning efforts.

As final design was initiated for Phase 3, which culminates in a new paved runway, pavement width was revisited to confirm that a runway width of 60 feet provides the most suitable long term condition for DYT. Final construction of the runway in 2019 provides the best opportunity to increase the pavement width to 75 feet, if desired. Future widening of the runway at a future date is possible, but would be more challenging and costly to construct.

The primary consideration for moving forward with 60 feet of pavement width during the environmental process was lack of a funding source and limited local funds for the additional 15 feet of pavement. Since that time, the climate around both state and local funding has changed. Recently, MnDOT has been recommending a minimum width of 75 feet for new runway pavements, which wasn't the case during the EA for DYT. And from a local funding perspective, securing \$6.6 million in a direct appropriation from the legislature for projects at both Sky Harbor and Duluth International has provided the DAA with more flexibility related to funding the local share for construction projects. Due to the critical timing of final design for Phase 3, and the changes in funding opportunities, it is prudent to revisit the runway width to make a final determination on how to proceed.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-5196

SEH is 100% employee-owned | sehinc.com | 651.490.2000 | 800.325.2055 | 888.908.8166 fax

Pavement Width Discussions:

SEH and DAA staff met on December 6, 2018, as a design team kick off meeting for Phase 3. As part of these discussions, SEH requested confirmation from the DAA of acceptance of 60 feet of runway pavement width, or if the DAA would like to pursue the feasibility of constructing 75 feet of pavement width as part of final design efforts. Due to the safety improvements associated with wider pavement, and since the most opportune time to address pavement width is during the design of Phase 3, the DAA directed SEH to initiate discussions with FAA and MnDOT Office of Aeronautics to research this issue. Two critical path items were identified, as follows:

1. **Environmental** - Initiate discussions with the FAA to address any necessary amendment to the previously completed EA to ensure that the additional pavement width does not invalidate the conditions of the environmental determination or permitting
2. **State Funding** - Confirm commitment of MnDOT Office of Aeronautics to issue a companion State grant to fund the additional pavement width at 70% State funding / 30% local funding.

Environmental Confirmation:

- **December 10, 2018:** SEH, DAA, and FAA met at the FAA offices in Minneapolis. As part of this discussion, SEH provided project background to the FAA and requested information regarding if construction of 75 feet is a viable option for 2019. FAA directed SEH and the DAA to coordinate this discussion with the FAA's environmental specialist.
- **December 17, 2018:** Conference call with Josh Fitzpatrick, FAA, regarding environmental implications and required action if the DAA would opt to pursue a runway width of 75 feet with state and local funding. During this initial discussion, the FAA indicated that a Supplemental EA would be required to validate that the increased width does not impact or affect the conditions of the previous environmental studies or permitting.
- **Government Shutdown:** *FAA internal discussions to confirm that a Supplemental EA is the appropriate course of action for moving forward with the additional pavement width were impacted by the government shutdown from December 22 until January 25.*
- **January 22, 2019:** Coordination meeting between FAA, MnDOT, DAA, and SEH. Several representatives from FAA and MnDOT were on the conference call to ensure everyone was in agreement with the path forward to accomplish the additional width, primarily agreeing that there are no obstacles related to the environmental process and confirming MnDOT's commitment for funding. Both agencies agreed to move forward with a Supplemental EA to address federal NEPA requirements. MnDOT confirmed funding support for the Supplemental EA and the additional construction costs.
- **January 25, 2019:** SEH submitted a scope of work for a Supplemental EA to FAA and MnDOT for review and comment.
- **January 26, 2019:** Scope approval received from MnDOT, together with confirmation of State funding for the study.
- **February 8, 2019:** Between January 25 and February 8, FAA conducted an internal review of the scope of work for the Supplemental EA and provided comments to SEH. SEH incorporated these comments and submitted a final scope of work, fee, and schedule to FAA for approval.
- **February 14, 2019:** Scope approval received from FAA

Funding:

SEH initiated conversations with MnDOT concurrently with FAA environmental to determine if MnDOT would financially support the additional pavement width. These conversations were in early January and culminated in MnDOT support of two separate grants for the additional pavement width:

State FY 2019

	TOTAL COSTS	STATE (70%)	LOCAL (30%)
Supplemental Environmental Assessment (EA)	\$ 20,000	\$ 14,000	\$ 6,000

State FY 2020

	TOTAL COSTS	STATE (70%)	LOCAL (30%)
Construction – Add'l 15 ft of Pavement	\$ 125,000	\$ 87,500	\$ 37,500
Construction Engineering	\$ 5,000	\$ 3,500	\$ 1,500
	\$130,000	\$ 91,000	\$39,000

- January 16, 2019: MnDOT formally offered a State grant (FY 2019) for the Supplemental EA. Additionally, in the same correspondence, MnDOT stated the following: *"This project is in anticipation of a state companion grant (to the FAA grant) to widen the runway to 75ft from the previously planned, and federally funded 60ft width and the widening is expected be performed in conjunction with the upcoming federal FY2019 runway paving project."*

Next Steps:

Based on the information noted above, together with the costs associated with the additional pavement width, the DAA needs to make a final determination on runway pavement width at Sky Harbor. If the DAA elects to pursue 75 feet of pavement with, work needs to commence on the Supplemental EA as soon as possible due to the EA preparation, required agency coordination, and comment and review periods. (SEH Work Order 2019-1 is attached for consideration.) If the DAA elects to move forward with 60 feet of pavement width, no further action is required at this time.

Enclosure – SEH Work Order 2019-1

c: Kaci Nowicki, SEH
Natalie White, SEH

WORK ORDER
No. 2019-1
Between

**The Duluth Airport Authority (DAA) (Owner) and
Short Elliott Hendrickson Inc. (SEH) (Consultant)**

Dated: February 18, 2019

**SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT (EA) – 75 FT RUNWAY WIDTH
DULUTH SKY HARBOR AIRPORT (DYT)**

This work order includes development of a Supplemental Environmental Assessment (EA) to study alternatives to the revised proposed action of increasing the runway pavement width from 60 feet to 75 feet as part of the 2019 Runway Realignment Project, Phase 3, at Sky Harbor Airport (DYT). The contract provisions included in the Master Agreement (dated 1-20-2015) between the DAA and SEH remain in effect for this work order.

Estimated start date is February 20, 2019; estimated end date is August 31, 2019.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$20,000.

A description of the services to be provided is included in Attachments A.

A detailed estimate of labor cost and expenses is included in Attachment B.

Point of Contact: Benita L. Crow, PE

APPROVED:

Duluth Airport Authority (DAA)

Short Elliott Hendrickson Inc.

Title: _____

Title: _____

Date: _____

Date: _____

Title: _____

Date: _____

Attachment A

Sky Harbor Airport (DYT)

Supplemental Environmental Assessment

Scope of Work Outline

General – The Duluth Airport Authority (DAA) proposes to reconstruct the runway at the Duluth-Sky Harbor Airport (“the Airport”) to provide a runway with an approach clear of tree obstructions. The project will provide a clear approach surface and put the Airport in sufficient compliance with state and federal rules to allow issuance of a Minnesota Airport License. Under contract with the DAA and in coordination with the Federal Aviation Administration (FAA) and Minnesota Department of Transportation (MnDOT) Office of Aeronautics, SEH prepared a joint Federal EA/State EAW to evaluate the proposed action of reconstructing a shortened, rotated runway to provide an approach clear of obstructions without removing trees. The FAA signed a Finding of No Significant Impact (FONSI) in May 2015. Since the FONSI, the DAA has recognized an opportunity to increase the proposed runway width from 60 feet to a more desirable 75 feet.

The supplemental EA will study alternatives to the revised proposed action of increasing the paved runway width.

Project Deliverables – The project deliverable of this scope is:

1. Supplemental Environmental Assessment

This work scope includes:

Study Element 1: Project Initiation, Meetings, Coordination and Administration

Task 1.1 – Project Scoping and Contract Development - Short Elliott Hendrickson (SEH and/or Consultant) will coordinate with the DAA, the FAA and MnDOT Aeronautics to develop the appropriate work scope, define tasks, lines of communication and establish project goals and objectives. Project fees will be prepared using the final Scope of Work. An agreement will be developed from the Final Scope of Work and approved fees.

Task 1.2 – Meetings – SEH will maintain continuous contact with the DAA (sponsor), MnDOT, and FAA through e-mail, regular mail, phone, working papers and deliverables. The sponsor, MnDOT, and FAA will have the opportunity to review and comment on the project deliverables. These subtasks include time to prepare, coordinate, meet, and build consensus. The following meetings are included:

Task 1.2.1 – Planning Team Meetings – This task includes meetings by the SEH team to discuss project elements, schedule, issues, and provide coordination between team members. SEH anticipates three (3) meetings.

Task 1.2.2 – Agency Meetings – This task includes meetings by the SEH planning team, MnDOT Aeronautics, FAA, airport staff, and other individuals and agencies as needed, to discuss the status of the Supplemental Environmental Assessment, receive feedback and any other related items. Up to three (3) meetings. Meeting topics will include review of the Supplemental Environmental Assessment as well as topic-specific meetings to discuss issues related to the project. The meetings may cover the following topics or decision points:

1. Purpose & Need, Alternatives
2. Final Draft Supplemental EA
3. Draft Supplemental EA Comment responses and Final Supplemental EA

These meetings will be accomplished either in person (at the FAA ADO or MnDOT) or via conference call.

Task 1.2.3 – Duluth Airport Authority Meetings –This task includes attendance at DAA meetings to provide project update presentations to the board members. Three (3) meetings anticipated. The various meetings may cover a mix of the following topics:

- Project kick-off and Supplemental EA process, alternatives and anticipated environmental consequences;
- Final Draft Supplemental EA and EA publication process
- Draft Supplemental EA Comment responses and Final Supplemental EA

Task 1.3 – Project Administration – SEH will provide project administration and management services as required to complete the project within the conditions of this agreement. Administration and management duties will include preparation of a budget and schedule, holding internal project meetings to monitor progress and budget, and preparing monthly invoices. SEH will prepare and submit FAA Quarterly Reports.

Task 1.4 – Quality Assurance and Control – SEH will implement and carry-out internal quality control for the project. Independent peer review will be conducted at each phase of the project to check content and product quality. Throughout the project, SEH will be responsible for draft and final proof-reading, final word processing, editing, graphics, reports and other products included in this Scope of Work.

Deliverable: Project scope, agreement, and meetings.

Study Element 2: Supplemental Environmental Assessment

The National Environmental Policy Act of 1969 (NEPA) process and preparation of the EA is defined by the Council on Environmental Quality (CEQ) regulations for implementing the provisions of NEPA, 40 Code of Federal Regulations (CFR) parts 1500-1508; Department of Transportation Order DOT 5610.1C, Procedures for Considering Environmental Impacts; and other related statutes and directives. FAA developed Order 1050.1F and Order 5050.4B to define FAA policy and procedures to ensure agency compliance with those requirements. The Supplemental EA will be prepared according to those requirements, using planning documentation and justification supporting the proposed airport action.

The following identifies the proposed work program for completion of the Supplemental Environmental Assessment

Task 2.1 – Revised Proposed Action and Alternatives – The project alternatives to meet the project purpose and need and all associated elements of the revision to the proposed action will be described in detail in this chapter. A no action alternative will be included and carried forward throughout the EA. The chapter will include explanation as to why dismissed alternatives (if any) were eliminated from further study, along with appropriate charts, graphs, and figures to aid in understanding the alternatives.

Task 2.3 – Affected Environment and Environmental Consequences – The environment on and around the airport will be described and used as the basis to describe the effects of the Revised Proposed Action and No Action alternatives. The section will include exhibits to describe the existing conditions of affected areas, existing and planned land uses, assumptions used to determine the secondary impacts, and other interrelated facility and procedural actions.

The purpose of the environmental consequences section is to examine each of the potential environmental impact categories as defined by FAA Order 1050.1F, Environmental Impacts: Policies and Procedures to determine the potential environmental consequences to environmental resources resulting from the preferred alternative development action.

1. Biological Resources (including fish, wildlife and plants): The supplemental EA will describe the fish and wildlife habitat, flora and fauna, and presence or habitat suitable for listed or proposed endangered or threatened species in the project area. The supplemental EA will include a description of the significance of impacts on biotic communities and water resources. As needed, consultation with appropriate local, state and federal agencies will be made for the purpose of determining possible impacts to wildlife resources (flora and fauna), including the U.S. Fish and Wildlife Service, and the Minnesota Department of Natural Resources. The results of this evaluation and consultation will be reported in the supplemental EA. A botanical survey, wildlife resource survey, or wildlife hazard assessment are not included in this Scope of Work.

2. Water Resources:

- a) Water Quality: The Supplemental EA will describe surface water resources in the project vicinity, and include sufficient description of planning design, mitigation measures and construction controls applicable to the proposed action to demonstrate that state water quality standards and federal, state and local permit requirements will be met. The supplemental EA will reflect the results of consultation with regulating and permitting agencies and with agencies that must review permit applications, such as the Minnesota Pollution Control Agency and the City of Duluth. Such factors as storm water design, erosion controls to prevent siltation, designs to preserve existing drainage, and location with regard to an aquifer or sensitive ecological area such as wetlands and streams will be considered to the extent applicable to the individual proposed action. The supplemental EA document will include recommendations for mitigation by avoidance and minimization of adverse impacts to water quality matters via conceptual design, construction and land management practices. The preparation of project design or preliminary engineering for water quality treatment and management is not included within this scope.

Task 2.4 – Cumulative Effects - Cumulative effects are impacts “on the environment which result from the incremental impact of the action when added to other past, present and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions (40 CFR § 1508.7).” Council on Environmental Quality (CEQ) regulations require assessment of cumulative effects when an EA is prepared and when the proposed action under review would have a direct and/or indirect effect on a specific natural, historic, or cultural resource or population. The level of analysis and scope of cumulative effect assessment are typically commensurate with the potential impacts, resources affected, project scale, and other factors. If no direct and/or indirect effect to a specific resource is suspected, there is no need to consider cumulative effects to that resource.

The EA will describe the potential future actions anticipated within the 20-year planning period as evaluated in the AMP along with the potential for impacts to known resources.

Task 2.5 - Draft Supplemental EA Report - The “draft” report containing all previously-described work tasks will be assembled into a Draft Supplemental EA document, including a cover sheet, list of acronyms, table of contents, list of preparers and appropriate appendices. The “draft” report will be substantially complete, including text and graphics, as necessary for a comprehensive agency review. SEH will respond to all ADO comments and provide a revised document for approval prior to Draft Supplemental EA publication. A final review Draft Supplemental EA will be submitted to the FAA prior to publication. Upon FAA approval, SEH will prepare, publish and distribute a draft Supplemental EA for publication. The Draft Supplemental EA reports will contain all necessary materials (text, figure, exhibits, drawings, coordination letters, appendices), and will be printed double-sided in black and white. Color figures will be used when needed to fully illustrate impacts.

The Draft Supplemental EA will be published and circulated for public and agency comment for a 30-day comment period. Public review copies will be made available at the airport, City

Hall and County Court House and Library. A notice of availability of the Draft Supplemental EA will be prepared by the SEH. The DAA will be responsible for publishing the notice in the official newspaper of the DAA and any other desired locations.

Task 2.6 – Opportunity for Public Hearing / Public Open House - A public meeting will be held to provide project information. This will also constitute a public hearing offered in accordance with 49 USC 47106(c)(1)(A)(i). SEH will prepare a "Notice of Opportunity for a Public Hearing." The notice will include a statement of the sponsor's intent to undertake the revised proposed action, a concise description of the revised proposed action, a concise statement that the hearing's purpose is to address the proposed actions, potential effects, and the project's consistency with the goals and objectives of each affected area's land use or planning strategy, and the locations and times where the Draft Supplemental EA will be available for public review. The DAA, with SEH support, will be responsible to arrange for the publication of the notice to appear in an area-wide or local newspaper having general circulation.

SEH will plan and facilitate the Public Hearing / Open House to provide an opportunity for informal public review of the revised proposed action, conversations with project staff, and a brief presentation.

While additional public outreach efforts are not included in this scope, public outreach pertaining to the EA will be accomplished through ongoing outreach efforts already included in the final design and Phase 2 construction administration projects. These outreach efforts include newsletters, attendance at stakeholders meetings and other public project meetings.

Task 2.7 - Responses to Comments/Final Supplemental EA Report – SEH will prepare a response to comments received during the comment period, and revisions will be made to the Supplemental EA as necessary. The Final Supplemental EA Report will be assembled, and will include all comments and responses generated. A "draft" Final Supplemental EA report, including public comments will be submitted to the DAA and FAA for review. SEH will respond to comments received by the FAA and prepare a Final Supplemental EA for publication.

The Final Supplemental EA reports will contain all necessary materials (text, figure, exhibits, drawings, coordination letters, appendices), and will be printed double-sided in black and white. Color figures will be used when needed to fully illustrate impacts. The Final Supplemental EA report will address all formal comments, and contain colored graphics and exhibit drawings.

The Final Supplemental EA and amended FONSI/ROD will be published in the Federal Register for a 60-day period. Public review copies will be made available at the same locations as the Draft Supplemental EA. SEH will prepare a notice of availability of the Final Supplemental EA. The DAA will be responsible for publishing the notice in the official newspaper and any other desired locations.

Task	Task Name	Duration	Start	Finish
1	Runway Widening	501	2/15/2019	6/30/2020
2	Supplemental Environmental Assessment	172	2/15/2019	8/6/2019
2.1	Contract	0	2/15/2019	2/15/2019
2.2	Draft Supplemental EA Preparation (including chapter reviews by ADO)	28	2/16/2019	3/16/2019
2.2.1	Agency Coordination (FAA Legal/Regional Review)	28	3/18/2019	4/15/2019
2.2.2	Publish notice of availability of Draft Supplemental EA	6	4/16/2019	4/22/2019
2.2.3	Draft Supplemental EA Public Comment Period	30	4/22/2019	5/22/2019
2.3	Comment Review & Final Supplemental EA Preparation	8	5/23/2019	5/31/2019
2.4	Amended FONSI/ROD Preparation	14	5/23/2019	6/6/2019
2.5	Publish notice of Amended FONSI/ROD in federal register	60	6/7/2019	8/6/2019
3	Project Bid and Construction	389	6/7/2019	6/30/2020
3.1	Bidding	0	6/7/2019	6/7/2019
3.2	Contract award	0	6/18/2019	6/18/2019
3.3	Grant Application	0	7/1/2019	7/1/2019
3.4	Construction	301	9/3/2019	6/30/2020

ESTIMATED FEES AND EXPENSES
ATTACHMENT B
Supplemental Environmental Assessment
Duluth - Sky Harbor Airport
Duluth, Minnesota

Task No.	Task Description	Principal	Senior Planner	Planner	Senior Project Engineer	Sr. Scientist	Scientist	GIS	FAA Doc. Specialist	Admin Technician	Task Total
1.0	Project Initiation, Meetings, Coordination and Administration										
1.1	Project Scoping/Contract Development	1	6		2				2	2	13
1.2	Meetings										
1.2.1	SEH Planning Team Meetings	1	2	2	2	2	2				11
1.2.2	Agency Meetings		6				6				12
1.2.3	Airport Authority Meetings		6				6				12
1.4	Project Administration	1	4								5
1.5	Quality Assurance and Control	2	2			2	2			2	10
2.0	Environmental Assessment (EA)										
2.1	Purpose and Need		1			1	3				5
2.2	Proposed Action and Alternatives		3	3	1	1	2				10
2.3	Affected Environment and Environmental Consequences										0
	Air Quality										0
	Biological Resources (Including Fish Wildlife and Plants)						1				1
	Climate										0
	Coastal Resources										0
	Department of Transportation Act, Section 4(f)										0
	Farmland										0
	Hazardous Materials, Pollution Prevention, and Solid Waste										0
	Phase I ESA										0
	Historical, Architectural, Archeological and Cultural Resources										0
	Land Use										0
	Natural Resources and Energy Supply										0
	Noise										0
	Socioeconomics, Environmental Justice, and Children's Health and Safety Risks										0
	Visual Effects Including Light Emissions										0
	Water Resources - Floodplains										0
	Water Resources - Water Quality					1	3				4
	Water Resources - Wetlands										0
	Water Resources - Wild and Scenic Rivers										0
2.4	Cumulative Impacts		1	1	1		2				5
2.5	Draft EA Report		2				4			4	10
2.6	Public Open House		2				4			2	8
2.7	Opportunity for a Public Hearing		2				4			2	8
2.8	Responses to Comments/Final EA Report		2				4				6
3.0	Closeout Report										0
Total hours per labor category		5	39	6	6	7	43	0	2	12	120

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Principal	5	\$71.03	\$355.15
Senior Planner	39	\$63.68	\$2,483.52
Planner	6	\$41.10	\$246.60
Senior Project Engineer	6	\$63.68	\$382.08
Sr. Scientist	7	\$50.13	\$350.91
Scientist	43	\$38.52	\$1,656.36
GIS	0	\$42.79	\$0.00
FAA Doc. Specialist	2	\$50.62	\$101.24
Admin Technician	12	\$26.24	\$314.88
Total Direct Labor Costs:	120		\$5,890.74
Labor and Administrative Overhead			\$10,249.89
Fee (15%)			\$2,421.09
Total Labor Costs			\$18,561.72

ESTIMATE OF EXPENSES:

Direct Expenses	Quantity	Rate	Extension
Computer Usage	120	\$3.00	\$360.00
ESA Expenses (File search, historical aerial photos, environmental lein search)	LS	\$400.00	
Meeting Materials	LS	\$200.00	\$200.00
Public Meeting Presentation Materials	1	\$100.00	\$100.00
Mailings	LS	\$150.00	\$150.00
Draft EA Reproductions	15	\$20.00	\$300.00
Final EA Reproductions	15	\$20.00	\$300.00
Total Expenses			\$1,410.00

SUMMARY:

Estimated Total	\$19,971.72
Total	\$20,000.00



DULUTH INTERNATIONAL AIRPORT

Closer to everywhere.

April 4, 2019

MEMORANDUM FOR RECORD

RE: Employee Incentive Recommendations

In accordance with Duluth Airport Authority's (DAA) Operating Policy 5 (OP 5), I have received a recommendation for a \$300 incentive award for each of the following employees:

Mr. Paul Sinnott	Mr. Wayne Fichtner
Mr. Dan Taylor	Mr. Roger Engelmeier
Mr. Matthew Johnson	Mr. Wade Cossalter
Mr. David Cooke	Mr. Derek Anderson
Mr. Michael Amlin	

I have investigated the circumstances resulting in the recommendation and support their submission to the DAA Board of Directors for consideration under OP 5. The following summary is submitted to support each of the recommended awards:

The 2018-2019 winter season brought significant challenges to the DAA airfield maintenance team. Near record cold temperatures in January tested the teams resolve in keeping the airfield open while snow removal equipment suffered from exposure to the actual -30 to -40 degree extremes plus additional wind chill temperatures. Despite the temperatures, SRE personnel kept Runway 09/27 and all Priority One surfaces open and usable 24/7 with no commercial flights cancelled due to runway conditions. Additionally, the airfield team continuously repaired airfield lighting systems to maintain ILS Category 2 standards, ensuring availability of precision approaches for aircraft in low visibility and low ceiling conditions. February set a record for snowfall at the Duluth Airport and presented the team with long hours and challenging conditions. The SRE team averaged nearly 50 hours of overtime during January and February including nights, weekends and holidays, all to ensure the airport was consistently ready and usable for its customers and tenants.

All the personnel listed above are dedicated to the mission and readily shift their work schedules and personal lives to meet the needs of the Airport. It is without question that the SRE team warrants recognition for their extraordinary efforts this winter.

Please refer questions regarding this recommendation to the undersigned.

Tom Werner

Executive Director

Duluth Airport Authority