DULUTH AIRPORT AUTHORITY



DULUTH AIRPORT AUTHORITY MEETING AGENDA JULY 20, 2021

AMATUZIO CONFERENCE ROOM DULUTH INTERNATIONAL AIRPORT

Click below to access meeting by Microsoft Teams: https://duluthairport.com/wp-content/uploads/2021/07/DAA-July-Board-Notice.pdf

I *EXECUTIVE DIRECTORS REVIEW

Information Letter to DAA Directors.

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

A. Approval of June 15, 2021 Meeting Minutes.

III *DAA CASH DISBURSEMENTS

A. Operating Cash Disbursement Sheets #22 #23, #24, #25 and #26, 2021. Construction Fund Disbursement Sheet #6, 2021

IV *CORRESPONDENCE

- A. July 1, 2021, E-Mail from Monaco Air Foundation with Summary of June 2021 Activities.
- B. July 10, 2021, Letter from Minnesota Council of Airports (MCOA) Regarding Selection of the Duluth Sky Harbor Airport: Runway 14/32 Realignment has been Selected as the MCOA's Intermediate General Aviation Airport Project of the Year 2020.
- C. Proposed Custom Airport Zoning Ordinance for Properties Surrounding Duluth International Airport.
- D. 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

None

DULUTH AIRPORT AUTHORITY



VII NEW BUSINESS

- A. Resolution to Accept and Approve Minnesota Agreement No. 1047712 for State Project No. A6901-203, Midfield Ramp Repair Design at the Duluth International Airport and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Grant Agreement and Any Amendments.
- B. Resolution to Approve Work Order 2021-6 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. (SEH, Inc) for Midfield Ramp Repair Design.
- C. Resolution to Approve Operating Policy #27 Agreements with Political Parties or Affiliations.
- D. Resolution to Approve the Sky Harbor Airport Land Lease Agreement Between the Duluth Airport Authority and Jon Messerer / William Bellemy.
- E. *May 2021 Financial Reports.
- F. *June 2021 Accounts Receivables.
- G. *June 2021 Airline (to be distributed at meeting), Cargo & Landline 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 on March 19, 2002).



Closer to everywhere.

DATE: July 20, 2021

TO: Duluth Airport Authority Board of Directors

FROM: Executive Director

SUBJECT: Executive Director's 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

Passenger statistics will be presented at the meeting

OPERATIONS/CONSTRUCTION/PLANNING

- Planning
 - o Master Plan Update
 - o Part 150 Noise Study Final Program Recommendations
- Construction
- Operations and Maintenance
 - o Security and IT Resiliency Presentation Citon
 - o Airshow Recap
 - o Terminal Roof Update
- Sky Harbor
 - o Building Area Master Plan Update
 - Runway 14/32 Realignment selected as MCOA's Intermediate General Aviation Airport Project of the Year 2020

BUSINESS/PROPERTY DEVELOPMENT

• 2020 MAG Reconciliation

FINANCIAL UPDATE

NSR

MARKETING/COMMUNICATIONS

NSR

LEGISLATIVE UPDATE

NSR

PRESENTATIONS/TOURS/TRAVEL RECAP

• AAAE National Airport Symposium

OTHER

• Joint Zoning Board Update

Submitted by,

Tom Werner, C.M. Executive Director



DULUTH INTERNATIONAL AIRPORT

Travel Globally. Fly Locally.

DraftMINUTES OF THE MEETING

DATE:

June 15, 2021

PLACE:

Amatuzio Conference Room

Duluth International Airport, Duluth, MN

DIRECTORS PRESENT:

Anna Tanski Craig Fellman Kim Maki Todd Fedora

DIRECTORS PARTICIPATING VIA ELECTRONICS

MEANS:

Elissa Hansen Jeff Anderson Don McIsaac

OTHERS PRESENT:

Tom Werner, Executive Director

Mary Ann Wittkop, Recording Secretary Steve Hanke, Assistant City Attorney Mark Papko, Director of Operations

Natalie Peterson, Director of Communications & Marketing

Jana Kayser, Business Development Manager Joelle Bodin, Director of Finance & Administration

Kaci Nowicki, SEH Shawn McMahon, SEH

Ryan Blazevic, 148th Fighter Wing Mark Wasserbauer, 148th FW Scott Prom, Lt. Col., 148th FW

OTHERS PARTICIPATING VIA ELECTRONICS

MEANS:

Scott Sannes, SEH

Jesse Baker, Landrum & Brown Don Monaco, Monaco Air

Kevin O'Brien

President Tanski welcomed everyone to the DAA June Board meeting and called it to order at 8:00 a.m. She explained that DAA is under the Federal mask mandate and noted Dir. Hansen as participating virtually due to a medical recovery; Dir. Anderson and Dir. McIsaac are participating virtually for discussion but are not able to vote. Mr. Tom Werner, Executive Director, updated on the Executive Director's review:

EXECUTIVE DIRECTOR'S REVIEW:

He reminded everyone to please mute any electronic devices as this meeting is using the Microsoft Teams platform. Mr. Werner recognized Pres. Tanski for being a part of this Board for these last six years, especially during this tremendous time of change. He expressed his appreciation for her perspective,

great DAA Minutes June 15, 2021 Page 2

great working relationship, leadership and all her contributions to this board and presented Pres. Tanski with an appreciation plaque. Pres. Tanski thanked DAA for the opportunity and conveyed her appreciation on the rewarding experience serving and working with all involved on this Board and the DAA team. Mr. Werner introduced Mr. Kevin O'Brien as the next Board member starting next month, Mr. O'Brien is looking forward to contributing to the Board.

- Air Service: Mr. Werner presented a slide show continuing to benchmark 2019 comparison -- highlighting total passengers, seats, air service national and local notes; questions followed.
- Operations:
 - Planning: Master Plan (MP) and Part 150 Noise Study -- Ms. Kaci Nowicki, SEH, reviewed the MP recent activities, upcoming meetings, and next steps all materials and summaries are posted to the project website. Part 150 noise study update Mr. Werner introduced Mr. Jesse Baker, Landrum & Brown to present on the final program recommendations. He overviewed and detailed on the planning studies, elements of the study, noise monitoring, existing and future baseline noise exposure contours. Explained the program screening process, land use mitigation alternatives and recommendations, funding, and next steps. Mr. Werner detailed further; questions and discussion followed.
 - Operations: Mr. Mark Papko, Director of Operations, spoke on the operations transition plan pausing and reevaluating the Airport Facilities Manager position; contingency plans are in place until September 1st. Annual FAA Part 139 inspection was held June 14th with zero discrepancies; kudos to the airfield team -- Mr. Werner thanked him for his leadership and efforts to reach these results. Mr. Papko updated on air show for next week, excited to welcome everyone, briefed on the updated guidelines allowing masks outdoors. Terminal roof hoping for a September start date, but there is a materials backlog, may be a chance that the project will get pushed back.
 - Sky Harbor -- Ms. Nowicki, SEH, updated on the Sky Harbor master plan project progress, next steps, and upcoming meetings; meeting materials and summaries are posted to the project website.
- Financials: Ms. Joelle Bodin, Finance and Administration Director, updated on the finance department transition, hope to have somebody in place by this fall. Updated on the annual budget cycle timeline, State M&O and putting together an operating policy for political party events, thanks to Dir. Anderson for his review.
- Marketing/Communications: Ms. Natalie Peterson, Director of Communications & Marketing, presented and overviewed on the key insights from the customer survey; questions followed.
- Legislative: Mr. Werner explained the LCCMR amendment is still out there, do not have a successful bill passage yet.
- Other: Mr. Papko briefed on the Joint Airport Zoning Board (JAZB) June meeting was cancelled, no significant updates at this time.

Questions and discussion followed on several of the Executive Director's review items. Dir. Fedora moved to approve the May 18, 2021 meeting minutes and consent items. Dir. Fellman seconded. Roll call, Dir. Hansen, Dir. Maki ayes, motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #18, #19, #20, and #21, 2021. Construction fund disbursement sheet #5 2021.

DAA Minutes June 15, 2021 Page 3

Response letter from Citizens Committee Environmental Concerns (CCEC) regarding follow-up FAA letter, June 15th deadline, FAA noise study review and review clarification.

Airport news -- AAAE Airport Legislative Alliance Airport Alert article "Biden Administration Releases FY22 Budget Request.

E-Mail from Monaco Air Foundation with summary of May 2021 Activities.

Notification letter of upcoming name change by Delta Global Services to DAL Global Services dba Unifi.Notice.

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

April 2021 financial report, May 2021 accounts receivables, and airport statistics.

OPPORTUNITY FOR PERSONS TO BE HEARD

None.

OLD BUSINESS

None.

NEW BUSINESS

Mr. Papko summarized on the Taxiway A Phase 1 phases and project. Dir. Fellman moved to approve the resolution for Work Order 2021-4 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. (SEH, Inc) for Taxiway A Phase 1. Dir. Maki seconded. Roll call – all ayes. Motion carried.

Mr. Papko reviewed the construction bid process. Questions followed. Dir. Fellman moved to approve the resolution to Award Taxiway A Phase 1 contract between Shafer Contracting and the Duluth Airport Authority. Dir Fedora seconded. Roll call – all ayes – motion carried.

Mr. Papko overviewed on the MnDOT end of the year extra funding and resulting project, Mr. Werner detailed further. Dir. Maki moved to approve the resolution to approve Work Order 2021-5 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. (SEH, Inc) for MnDOT Airfield Pavement Maintenance Project. Dir. Fellman seconded. Roll call – all ayes. Motion carried.

Mr. Papko expressed his thanks to the SEH turn for the quick turnaround for this resolution. Dir. Fedora moved to award MnDOT Airfield Pavement Maintenance Project contract between KGM Contractors, and the Duluth Airport Authority. Dir. Maki seconded. Roll call – all ayes. Motion carried.

Ms. Kayser briefed on the air show agreement and recommended approval. Dir. Maki moved to approve the resolution for the first amendment for the Duluth Air & Aviation Expo Air Show and Exhibition agreement between the Duluth Airport Authority and Kernz & Kompany, Inc. Dir. Fellman seconded. Roll call – all ayes. Motion carried.

Ms. Kayser reviewed operating agreement and recommended approval. Dir. Fedora moved to approve

DAA Minutes June 15, 2021 Page 4

the resolution for the operating agreement between the Duluth Airport Authority and Duluth Flying Club, LLC. Dir. Maki seconded. Roll call – all ayes. Motion carried.

Pres. Tanski moved back to Item F. Ms. Kayser noted that this was amendment number two and briefed on the agreement, she recommended approval. Dir. Maki moved to approve the resolution for the second amendment lease agreement between the Duluth Airport Authority and Hydro Solutions of Duluth, Inc. Dir. Fellman seconded. Questions followed. Roll call – all ayes. Motion carried.

Ms. Kayser spoke on the annual renewal agreement. Dir. Maki moved to approve the resolution for the Sky Harbor Airport float storage land lease agreement between the Duluth Airport Authority and Jonathan Aero. Dir. Fellman seconded. Roll call – all ayes. Motion carried.

Ms. Kayser overviewed the operating agreement and recommended approval. Dir. Fedora moved to approve the resolution for the Sky Harbor Lot 8 land lease agreement between the Duluth Airport Authority and Salter 11X LLC. Dir. Fellman seconded. Roll call – all ayes. Motion carried.

Pres. Tanski presented the new slate of officers – Dir. Fellman as President, Kim Maki Vice President and Jeff Anderson Secretary. Dir. Fedora moved the resolution to approve the selection of officers as presented. Dir. Maki seconded. Roll call – all ayes, motion carried. The Board thanked Pres. Tanski for her service, she will be missed. Dir. Maki expressed her appreciation to the whole team for capitalizing on the available MnDOT funding.

President Tanski adjourned the June 15th DAA board meeting at 10:16 a.m.

Respectfully submitted,

Mary Ann Wittkop Recording Secretary

Duluth Airport Authority DAA Operating Check Register #22-2021 June 10, 2021

Document Number From 10272 To 10299

E 700	DOC	ument Nun	nber From 10272 To 10299	
Document N	umbei Date	Transaction Type	Payee	Amount
10272	6/10/2021	BILLPMT	Advantage Emblem & Screen Printing	\$660.00
10273	6/10/2021	BILLPMT	Anderson, Derek	\$120.75
10274	6/10/2021	BILLPMT	Bodin, Joelle	\$60.00
10275	6/10/2021	BILLPMT	Dalco	\$149.88
10276	6/10/2021	BILLPMT	Denny's Lawn And Garden	\$149.99
10277	6/10/2021	BILLPMT	General Security Services Corporation	\$20,611.66
10278	6/10/2021	BILLPMT	Kaman Industrial Technologies	\$367.60
10279	6/10/2021	BILLPMT	Kayser, Jana	\$60.00
10280	6/10/2021	BILLPMT	Landrum and Brown, Incorporated	\$2,000.00
10281	6/10/2021	BILLPMT	Leon, Kathy	\$60.00
10282	6/10/2021	BILLPMT	MacQueen Equipment, Inc.	\$146.54
10283	6/10/2021	BILLPMT	Menards - Hermantown	\$286.93
10284	6/10/2021	BILLPMT	Menards - West Duluth	\$48.34
10285	6/10/2021	BILLPMT	Minnesota Power	\$24,173.62
10286	6/10/2021	BILLPMT	NAPA Auto Parts	\$41.07
10287	6/10/2021	BILLPMT	Northern States Supply, Inc.	\$8.29
10288	6/10/2021	BILLPMT	Papko, Mark	\$60.00
10289	6/10/2021	BILLPMT	Peterson, Natalie	\$60.00
10290	6/10/2021	BILLPMT	Praxair Distribution Inc.	\$107.44
10291	6/10/2021	BILLPMT	Sinnott, Paul	\$60.00
10292	6/10/2021	BILLPMT	Smith, Troy R	\$60.00
10293	6/10/2021	BILLPMT	St. Germain's Glass	\$495.00
10294	6/10/2021	BILLPMT	Taylor, Dan	\$60.00
10295	6/10/2021	BILLPMT	Timm, Kenneth	\$60.00
10296	6/10/2021	BILLPMT	Wabrowetz, Steve	\$60.00
10297	6/10/2021	BILLPMT	Welch, Ryan	\$60.00
10298	6/10/2021	BILLPMT	Werner, Thomas	\$60.00
10299	6/10/2021	BILLPMT	Wittkop, Mary Ann	\$60.00
			Total	\$50 147 11

2 Madaman

Airport Director

Airport Authority

Duluth Airport Authority DAA Operating Check Register #23-2021 June 18, 2021

Document Number From 10300 To 10319

Document Number	Date	Transaction Type	per From 10300 To 10319	
10300	6/18/2021	BILLPMT	Payee Arroughood Tay 11	Amount
10301	6/18/2021	BILLPMT	Arrowhead Tap House	\$72.68
10302	6/18/2021	BILLPMT	Barnum Companies, Inc.	\$720.00
10303	6/18/2021	BILLPMT	Best Oil Company	\$5,898.00
10304	6/18/2021	BILLPMT	Bodin, Joelle	\$1.00
10305	6/18/2021	BILLPMT	Century Link	\$334.88
10306	6/18/2021	BILLPMT	City Of Duluth Comfort Systems	\$6,300.55
10307	6/18/2021	BILLPMT	Dalco	\$471.39
10308	6/18/2021	BILLPMT	ESC Systems	\$294.00
10309	6/18/2021	BILLPMT	General Security Services Corporation	\$1,260.00
10310	6/18/2021	BILLPMT	Hermantown Hydraulics, LLC	\$566.05
10311	6/18/2021	BILLPMT	Jamar Company	\$7,675.00
10312	6/18/2021	BILLPMT	JobsHQ MacQuarter To 1	\$324.50
10313	6/18/2021	BILLPMT	MacQueen Equipment, Inc.	\$3,696.22
10314	6/18/2021	BILLPMT	Natalie Peterson	\$36.87
	6/18/2021	BILLPMT	Papko, Mark	\$993.09
	6/18/2021	BILLPMT	Peterson, Natalie	\$6.72
	6/18/2021	BILLPMT	Republic Parking System, LLC	\$1,100.00
40040	6/18/2021	BILLPMT	Spectrum Business Swim Creative	\$142.43
10319	6/18/2021	BILLPMT		\$300.00
		51221 1411	Waste Management of WI-MN	\$3,494.01
			Void Check #10303	-\$1.00
			Total	\$33,686.39

12 January 1

Airport Director

Airport Authority

Duluth Airport Authority DAA Operating Check Register #24-2021 June 25, 2021

Document Number From 10356 To 10375

Document Number	Date				
10356	6/25/2021	BILLPMT			Amount
10357	6/25/2021	BILLPMT	Best Oil Company		\$6,390.40
10358	6/25/2021		Citon		\$7,621.25
		BILLPMT	City Of Duluth, Minnesota		\$94,304.00
10359	6/25/2021	BILLPMT	Como Lube & Supplies		\$180.00
10360	6/25/2021	BILLPMT	Dalco		\$596.51
10361	6/25/2021	BILLPMT	Denny's Lawn And Garden		\$25.19
10362	6/25/2021	BILLPMT	Hotsy Minnesota		\$369.00
10363	6/25/2021	BILLPMT	iFIDS.com Inc.		\$125.00
10364	6/25/2021	BILLPMT	Ironhyde Arms & Machine		\$57.56
10365	6/25/2021	BILLPMT	Lumacurve Airfield Signs		\$3,453.09
10366	6/25/2021	BILLPMT	Marsh & McLennan Agency LLC		\$1,048.00
10367	6/25/2021	BILLPMT	Menards - Hermantown		\$222.17
10368	6/25/2021	BILLPMT	Menards - West Duluth		\$54.96
10369	6/25/2021	BILLPMT	Metro Sales, Inc.		\$297.18
10370	6/25/2021	BILLPMT	Minnesota State Auditor		\$19,130.50
10371	6/25/2021	BILLPMT	Northland Constructors Of Duluth, Inc.		\$6,140.50
10372	6/25/2021	BILLPMT	Transportation Security Clearinghouse		\$2,400.00
10373	6/25/2021	BILLPMT	Tri-State Auto Electric		\$249.00
10374	6/25/2021	СНК	WF Bus Payment Processing - Joelle		\$3,276.31
10375	6/25/2021	СНК	WF Bus Payment Processing - Tom		\$1,183.40
					\$147,124.02
			VOID Ck #10242	\$	(1,048.00)
			Total	Ψ	\$146,076.02
			i Qtai		Ψ1-10,010.0Z

Airport Director

Airport Authority

Duluth Airport Authority DAA Operating Check Register #25-2021 July 1, 2021

Document Number From 10376 To 10386

Document Number	Date	Transaction Type	Payee	Amount
10376	7/1/2021	BILLPMT	Alcola Solutions Group	\$151.50
10377	7/1/2021	BILLPMT	AT&T Mobility	\$798.91
10378	7/1/2021	BILLPMT	Fastenal Company	\$156.23
10379	7/1/2021	BILLPMT	Grainger	\$153.16
10380	7/1/2021	BILLPMT	Jamar Company	\$5,439.80
10381	7/1/2021	BILLPMT	Menards - Hermantown	\$926.18
10382	7/1/2021	BILLPMT	Menards - West Duluth	\$210.29
10383	7/1/2021	BILLPMT	Northern States Supply, Inc.	\$11.00
10384	7/1/2021	BILLPMT	Sam's Club	\$99.81
10385	7/1/2021	BILLPMT	Schindler Elevator Corp	\$1,307.46
10386	7/1/2021	BILLPMT	Trueman Welters	\$2,383.59
			Total	\$11,637.93

Airport Director

Airport Authority

Duluth Airport Authority DAA Operating Check Register #26-2021 July 9, 2021

Document Number From 10387 To 10394

Document Number	Date	Transaction Type	Payee	Amount
10387	7/9/2021	BILLPMT	Apex	\$1,250.00
10388	7/9/2021	BILLPMT	Citon	\$2,018.34
10389	7/9/2021	BILLPMT	City Of Duluth Comfort Systems	\$45.53
10390	7/9/2021	BILLPMT	General Security Services Corpo	\$20,148.83
10391	7/9/2021	BILLPMT	Landrum and Brown, Incorporate	\$2,000.00
10392	7/9/2021	BILLPMT	Minnesota Power	\$24,314.73
10393	7/9/2021	BILLPMT	Thanks Again, LLC	\$26.49
10394	7/9/2021	BILLPMT	Waste Management of WI-MN	\$3,501.29
			Total	\$53,305.21

Airport Director

Airport Authority

Duluth Airport Authority DAA Construction Check Register #6-2021 June 22, 2021

Document Number From 10320 To 10355

Document Date		Transaction Type	Payee	Amount
			Void ck #10320-10345	\$ -
10346	6/22/2021	BILLPMT	1 A.W. Kuettel & Son's, Inc.	\$18,240.00
10347	6/22/2021	BILLPMT	1 Becher Hoppe	\$3,200.00
10348	6/22/2021	BILLPMT	1 Brock White Company LLC	\$49,820.00
10349	6/22/2021	BILLPMT	1 Crysteel Truck Equipment	\$157,543.69
10350	6/22/2021	BILLPMT	1 Finance & Commerce, Inc.	\$565.05
10351	6/22/2021	BILLPMT	1 MediaUSA Adverising Inc	\$500.00
10352	6/22/2021	BILLPMT	1 Short Elliott Hendrickson	\$186,679.24
10353	6/22/2021	BILLPMT	1 Swim Creative	\$8,082.17
10354	6/22/2021	BILLPMT	1 The Jamar Company	\$104,500.00
10355	6/22/2021	BILLPMT	1 University of Minnesota	\$3,250.00
		. p.p. a saries de branche et complete a	То	tal \$532,380.15

Airport Director



Mary Ann Wittkop

From:

Don Monaco <donm@monacoairduluth.com>

Sent:

Thursday, July 1, 2021 7:11 AM Tom Werner; 'Craig Fellman'

To: Cc:

'Dave Gaddie (dgaddie@bell.bank)'; 'Greg Fox (gregandsheilafox@hotmail.com)'; 'Bill

King (BKing@cirrusaircraft.com)'; Michael A. Magni; 'Pat Mullen

(runtrailfree@gmail.com)'; 'Richard Stewart (RStewart@uwsuper.edu)'; 'Fedora, Todd P';

'Steve Overom (soverom@overomlaw.com)'; Mary Ann Wittkop

Subject:

June, 2021 Monaco Air Foundation Report

Tom and Craig,

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

Summary of June, 2021 Activities

Airport Tour Program: The Foundation continues to offer Duluth International Airport tours to groups of high school students and to other groups upon request. Tours have been suspended during the COVID-19 pandemic and will resume after groups begin requesting tours and procedures for safe conduct are in place.

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

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

<u>donm@monacoairduluth.com</u> <u>www.monacoairduluth.com</u>



Minnesota Council of Airports

644 Bayfield Street, Suite #120 St. Paul, MN 55107

Web: http://mnairports.org

July 10, 2020

Anna Tanski, President Duluth Airport Authority 4701 Grindon Drive Duluth, MN 55802

Dear Ms. Tanski:

I am happy to inform you that the Duluth Sky Harbor Airport: Runway 14/32 Realignment has been selected as the Minnesota Council of Airports' Intermediate General Aviation Airport Project of the Year 2020. Typically, we recognize the airport sponsor and consultant at the Minnesota Airports Conference. Unfortunately, again this year's conference was cancelled due to the COVID-19 pandemic. Plaques will be prepared for the award and sent to you in the future. Information about your project will be posted to MCOA's website, www.mnairports.org, after the virtual conference on July 14.

If you have any questions, you can reach me at 507.995.3051. Again, congratulations.

Sincerely,

Mark R. Knoff

Executive Director

CC: Tom Werner

Brian Madsen

Kaci Nowicki, SEH

Mary G. Knoff

IIC

DRAFT

DULUTH INTERNATIONAL AIRPORT ZONING ORDINANCE

CREATED BY THE DULUTH INTERNATIONAL AIRPORT

JOINT ZONING BOARD

Formed by and Comprised of:

CITY OF DULUTH
CITY OF HERMANTOWN
TOWNSHIP OF CANOSIA
CITY OF RICE LAKE
ST. LOUIS COUNTY

EFFECTIVE DATE:
THIS ORDINANCE AMENDS AND ENTIRELY REPLACES
DULUTH INTERNATIONAL AIRPORT ZONING ORDINANCE dated June 18, 1988
recorded in the Office of the St. Louis, Minnesota, County Recorder as Document
No

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DULUTH INTERNATIONAL AIRPORT ZONING ORDINANCE

CREATED BY THE

CITY OF DULUTH – CITY OF HERMANTOWN – CANOSIA TOWNSHIP CITY OF RICE LAKE – ST. LOUIS COUNTY JOINT AIRPORT ZONING BOARD

AN ORDINANCE REGULATING AND RESTRICTING THE HEIGHT OF STRUCTURES AND OBJECTS OF NATURAL GROWTH, AND OTHERWISE REGULATING THE USE OF PROPERTY, IN THE VICINITY OF THE DULUTH INTERNATIONAL AIRPORT BY CREATING THE APPROPRIATE ZONES AND ESTABLISHING THE BOUNDARIES THEREOF; PROVIDING FOR CHANGES IN THE RESTRICTIONS AND BOUNDARIES OF SUCH ZONES; DEFINING TERMS USED HEREIN; REFERRING TO THE DULUTH INTERNATIONAL AIRPORT ZONING MAPS WHICH ARE INCORPORATED IN AND MADE A PART OF THIS ORDINANCE; PROVIDING FOR ENFORCEMENT; ESTABLISHING A BOARD OF ADJUSTMENT; AND IMPOSING PENALTIES.

IT IS HEREBY ORDAINED BY THE DULUTH INTERNATIONAL AIRPORT JOINT AIRPORT ZONING BOARD COMPRISED OF THE CITY OF DULUTH – CITY OF HERMANTOWN – CANOSIA TOWNSHIP – CITY OF RICE LAKE – ST. LOUIS COUNTY PURSUANT TO THE AUTHORITY CONFERRED BY THE MINNESOTA STATUTES 360.061 – 360.074, AS FOLLOWS:

SECTION 1: PURPOSE AND AUTHORITY

The Duluth International Airport Joint Airport Zoning Board, created and established by joint action of the City Councils of Duluth, Rice Lake, and Hermantown, and the Board of County Commissioners of St. Louis County, and the Town Board of Canosia pursuant to the provisions and authority of Minnesota Statutes 360.063, hereby finds and declares that:

- A. The Duluth International Airport is an essential public facility.
- B. An Airport Hazard endangers the lives and property of users of the Duluth International Airport, and property or occupants of land in its vicinity, and also if the obstructive type, in effect reduces the size of the area available for the landing, takeoff, and maneuvering of aircraft, thus tending to destroy or impair the utility of the Duluth International Airport and the public investment therein.
- C. The creation or establishment of an Airport Hazard is a public nuisance and an injury to the region served by the Duluth International Airport.
- D. For the protection of the public health, safety, order, convenience, prosperity and general welfare, and for the promotion of the most appropriate use of land, it is necessary to prevent the creation or establishment of Airport Hazards.
- E. The prevention of these Airport Hazards and Aircraft Accidents should be accomplished, to the extent legally possible, by the exercise of the police power without compensation

SECTION 2: SHORT TITLE

This Ordinance shall be known as "Duluth International Airport Zoning Ordinance." Those sections of land affected by this Ordinance are indicated in "Exhibit A" which is attached to this Ordinance.

SECTION 3: DEFINITIONS

For the purposes of this Ordinance, the following words, terms, and phrases shall have the meanings herein given unless otherwise specifically defined by Minnesota Statutes Chapter 360 (Airports and Aeronautics), Section 360.013 (Definitions), and its successors.

<u>Abandoned Structure</u> – a Non-Conforming Structure that has not been legally occupied or used for any commercial or residential purpose for at least one consecutive year as determined by the Local Airport Zoning Administrator.

<u>Abandoned Use</u> – a Non-Confirming Use that has ceased to have been actively conducted for at least one (1) consecutive year as determined by the Local Airport Zoning Administrator.

<u>Agricultural Uses</u> - land used primarily for the production of crops or livestock including irrigated meadows, irrigated and dry pasture, irrigation ditches, stock drive routes, lands used for barns, corrals and storage of crops or agricultural products, but not including lands used primarily for the production of commercial timber; or

<u>Aircraft</u> - any contrivance now known or hereafter invented, used, or designed for navigation of or flight in the air, but excluding parachutes. (Minn. Stat. 360.013)

<u>Aircraft Accident</u> -an occurrence incident to flight in which, because of the operation of an aircraft, a person (occupant or non-occupant) receives fatal or serious injury or an aircraft receives substantial damage. Except as provided below, substantial damage means damage or structural failure that adversely affects the structural strength, performance, or flight characteristics of the aircraft, and which would normally require major repair or replacement of the affected component. Engine failure, damage limited to an engine, bent fairings or cowling, dented skin, small puncture holes in the skin or fabric, ground damage to rotor or propeller blades, damage to landing gear, wheels, tires, flaps, engine accessories, brakes, or wingtips are not considered substantial damage.

<u>Airport</u>- the Duluth International Airport lands located in Sections 1, 2, 3, 11, 12, Township 50, Range 15; Section 6, Township 50, Range 14; and Section 31, Township 51, Range 14 that is used, or intended for use, for the landing and take—off of aircraft, and any appurtenant areas that are used, or intended for use, for airport buildings or other airport facilities or rights of way, together with all airport buildings and facilities located thereon.

<u>Airport Boundary</u> - those lands including the property owned by the City of Duluth, by the Government of the United States, and by the State of Minnesota and their respective subdivisions which are used for aeronautical purposes and are contiguous with the runway and building area facilities. The airport boundaries are illustrated in the Airport Property Map of the approved set of Airport Layout Plans on file in the offices of the Duluth Airport Authority.

<u>Airport Elevation</u> -the established elevation of the highest point on the usable landing area which elevation is established to be 1,428 feet above mean sea level.

<u>Airport Hazard</u> -any structure, object of natural growth, or use of land, which obstructs the air space required for the flight of aircraft in landing or taking off at any airport or restricted landing area or is otherwise hazardous to such landing or taking off. (Minn. Stat. 360.013)

<u>Airport Safety Zone</u> - an area subject to land use zoning controls adopted under Minnesota Statutes sections 360.061 to 360.074 if the zoning controls regulate (1) the size or location of buildings, or (2) the density of population. (Minn. Stat. 394.22, Subd. 1(a))

<u>Airport Zoning Map</u> the Duluth International Airport Zoning Map prepared by RS&H, and adopted and attached hereto as Exhibit C of the Duluth International Airport Zoning Ordinance.

<u>Airspace Zones</u> – the Primary Zone, Horizontal Zone, Conical Zone, Approach Zone, Precision Instrument Approach Zone, and Transitional Zone, whose locations and dimensions are indicated on the Airport Zoning Map

<u>Airspace Surface or Imaginary Surface</u> - The imaginary areas in space and on the ground that are established by this Ordinance and/or the FAA in relation to the Duluth International Airport and its runways as the basis for regulating obstructions to air travel.

<u>Approach Zone</u> - All that land which lies directly under an imaginary approach surface longitudinally centered on the extended centerline at each end of the runway. The inner edge of the approach surface is at the same width and elevations as, and coincides with, the end of the primary surface; as illustrated in Airport Zoning Map.

<u>Board of Adjustment</u> – Board of Adjustment for the Duluth International Airport Joint Airport Zoning Board.

<u>Building</u> -Any structure designed or built for the support, enclosure, shelter or protection of persons, animals, chattels or property of any kind, and when separated by party or division walls without openings, each portion of such building so separated shall be deemed a separate building.

<u>Commissioner</u> - the commissioner of transportation of the State of Minnesota. (Minn. Stat. 360.013)

<u>Conical Zone</u> - all that land which lies directly under an imaginary conical surface extending upward and outward from the periphery of the horizontal surface at a slope of 20 to 1 for a horizontal distance of approximately 4,000 feet from the end of Runway 9-27 and Runway 3-21 as measured radially outward from the periphery of the horizontal surface; whose location and dimensions are indicated on the Airport Zoning Map

Department - the Minnesota Department of Transportation. (Minn. Stat. 360.013)

<u>Dwelling</u> - any building or portion thereof designed or used as a residence or sleeping place of one or more persons.

<u>Duluth Airport Authority ("DAA")</u> – A political subdivision of the State of Minnesota established pursuant to Minnesota Laws of 1969, Chapter 577 for the purpose of controlling and managing City of Duluth airport facilities. DAA has the exclusive power to receive, control, and order the expenditure of any and all moneys and funds in the control and management of the City of Duluth airport facilities.

<u>Duluth International Airport Joint Airport Zoning Board ("JAZB")</u> – The joint airport zoning board established pursuant to the authority conferred by Minnesota Statutes Sections 360.061-

360.074 comprised of appointed representatives of the St. Louis County, City of Duluth, City of Hermantown, Canosia Township, and the City of Rice Lake.

Entities or, individually, Entity – mean the Cities of Hermantown, Duluth, Rice Lake, Canosia Township and County of St. Louis, Minnesota.

<u>Federal Aviation Administration (FAA)</u> – A federal agency charged with regulating air commerce to promote its safety and development; encourage and develop civil aviation, air traffic control, and air navigation; and promoting the development of a national system of airports.

<u>Federal Aviation Regulations (FAR)</u> – Regulations established and administered by the FAA that govern civil aviation and aviation-related activities.

FAR Part 36 – Regulation establishing noise standards for the civil aviation fleet.

FAR Part 77 — Objects Affecting Navigable Airspace - Part 77 (a) establishes standards for determining obstructions in navigable airspace; (b) defines the requirements for notice to the FAA Administrator of certain proposed construction or alteration; (c) provides for aeronautical studies of obstructions to air navigation to determine their effect on the safe and efficient use of airspace; (d) provides for public hearings on the hazardous effect of proposed construction or alteration on air navigation; and (e) provides for establishing antenna farm areas.

<u>Group A Use</u> – means assembly, churches, restaurants, movie theaters, banquet halls, bars, art galleries, casinos, bowling alleys, dance halls, funeral parlors, gymnasiums, indoor pools/tennis courts, lecture halls, museums, arenas, skating rinks, bleachers, grandstands, stadiums as described in the 2018 International Building Code, as may be revised from time to time.

Group E Use – means education use of a building by six or more at any one time for educational purposes through twelfth grade, daycare facilities for more than five children older than two and one-half years old for fewer than twenty-four hours per day as described in the 2018 International Building Code, as may be revised from time to time.

<u>Group I-2 Use</u> – means buildings used for medical care on a twenty-four hour basis for more than five persons who are incapable of self-preservation. Examples include detoxification, foster care, hospital, nursing homes and other supervised living facilities as described in the 2018 International Building Code, as may be revised from time to time.

Group R-1 Use — means residential occupancies containing sleeping units where occupants are primarily transient. Examples include B&Bs with more than six guest rooms, boarding homes with more than ten occupants, and congregate living with more than ten units, and hotels/motels as described in the 2018 International Building Code, as may be revised from time to time.

<u>Hazard to Air Navigation</u> - any object that has a substantial adverse effect upon the safe and efficient use of navigable airspace. Any obstruction to air navigation is presumed to be a hazard to air navigation unless an FAA aeronautical study has determined otherwise.

<u>Height of Building</u> - the vertical distance measured from the highest ground elevation adjoining the front wall of the building to the highest point of thebuilding

<u>Height of Tower or Structure</u> - the vertical distance measured from the pre-existing grade level to the highest point on the tower or structure, even if said highest point is an antenna or lightening protection device.

<u>Horizontal Surface</u> - all that land which lies directly under an imaginary horizontal surface 150 feet above the established airport elevation; whose location and dimensions are indicated on the Airport Zoning Map.

Hospital - an institution that is built, staffed, and equipped for the diagnosis of disease; for the medical and surgical treatment of in-patients whether they be sick or injured and for their overnight housing during this process. Hospital services include the care and treatment of non-ambulatory patients, intensive care units and acute care services. Outpatient surgery and other treatment centers where overnight stays are provided are not hospitals for the purposes of this definition.

<u>Industrial Use</u> - the use of land or buildings for the production, manufacture, warehousing, storage, or transfer of goods, products, commodities or other wholesale items.

Land - Ground, soil, or earth, including structures on, above, or below the surface.

<u>Landing Area</u> - means the area of the airport used for the landing, taking off or taxiing of aircraft.

<u>Local Airport Zoning Administrator</u> - the person or position designated in the Local Airport Zoning Ordinance to administer and enforce the Local Airport Zoning Ordinance within their political subdivision

<u>Local Airport Zoning Ordinance</u> – means the ordinances as adopted by the City of Hermantown, City of Rice Lake, City of Duluth, Canosia Township, and St. Louis County and codified as a zoning ordinance of that political subdivision.

 $\underline{\text{Material Change in Use}}$ – means that there is a change in the purposes for which the circumstances in which a building or property is used.

<u>Material Expansion</u> – means an increase in the floor or building coverage area or volume of an existing building.

Navigable Airspace - airspace at and above the minimum flight altitudes prescribed in the FAR's including airspace needed for safe takeoff and landing (refer to FAR Part 77 and 91).

Non-Conforming Lot - a lot of record created prior to the Effective Date of this Ordinance that does not conform to the requirements of this Ordinance.

Non-Conforming Structure - any structure constructed, converted or adopted for a use prior to the Effective Date of this Ordinance that does not conform to the requirements of this Ordinance.

<u>Non-Conforming Use</u> - any use of a structure or land or arrangement of land and structures existing prior to the Effective Date of this Ordinance that does not conform to the requirements of this Ordinance.

Non-Precision Instrument Runway - a runway having an existing or Planned straight-in instrument approach procedure utilizing air navigation facilities with only horizontal guidance, and for which no precision approach facilities are Planned.

Ordinance- This Duluth International Airport Zoning Ordinance, including all exhibits, appendices, and maps attached hereto.

<u>Obstruction</u> - Any structure, tree, plant or other object of natural growth that penetrates one or more of the applicable Navigable Airspaces, imaginary surfaces, or imaginary zones defined and illustrated in this Ordinance.

<u>Permit</u>- type of written authorization that must be granted by a government or other regulatory body before any activity regulated by the Local Airport Zoning Ordinance can legally occur.

<u>Person</u> - any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof. (Minn. Stat. 360.013)

<u>Planned</u> - as used in this Ordinance refers only to those proposed future airport developments that are so indicated on a planning document having the approval of the Federal Aviation Administration, the Department of Transportation, Division of Aeronautics, and Duluth Airport Authority.

<u>Precision Instrument Approach Zone</u> - all that land which lies directly under an existing or Planned imaginary precision instrument approach surface longitudinally centered on the extended centerline at each end of Precision Instrument Runways 9-27 and 3-21, The inner edge of the precision instrument approach surface is at the same width and elevation as, and coincides with, the end of the primary surface. The precision instrument approach surface inclines upward and outward at a slope of 50:1 for a horizontal distance of approximately 10,000 feet expanding uniformly to a width of approximately 4,000 feet, then continues upward and outward for an additional horizontal distance of approximately 40,000 feet at a slope of 40:1 expanding uniformly to an ultimate width of approximately 16,000 feet; whose location and dimensions are indicated on the Airport Zoning Map

<u>Precision Instrument Runway</u> - a runway having an existing instrument approach procedure utilizing an Instrument Landing System (ILS), a Microwave Landing System (MLS), or a Precision Approach Radar (PAR), a Transponder Landing System (TLS), or a satellite-based system capable of operating to the same level of precision guidance provided by the other included systems. Also, a runway for which such a precision instrument approach system is Planned.

<u>Primary Zone</u> -All that land which approximately lies directly under an imaginary primary surface longitudinally centered on a runway and extending 200 feet beyond each end of Runways 9-27 and 3-21. The elevation of any point on the primary surface is the same as the elevation of the nearest point on the runway centerline; whose location and dimensions are indicated on the Airport Zoning Map

<u>Public Assembly Use</u> – A structure or outdoor facility where concentrations of people gather for purposes such as deliberation, education, shopping, business, entertainment, amusement, sporting events, or similar activities, but excluding air shows. "Public assembly use" does not include places where people congregate for relatively short periods of time, such as parking lots and bus stops, or uses approved by the FAA in an adopted airport master plan.

<u>Public</u>, <u>Civic</u> and <u>Institutional Uses</u> - uses of a public, quasi-public, nonprofit, or charitable nature generally providing a local service to the people of the community. Generally, these uses provide the service on-site or have employees at the site on a regular basis. The service is ongoing, not just for special events. This use category includes the following use types:

- a) Community centers or facilities that have membership provisions or are open to the general public to join at any time; and
- b) Facilities for the provision of public services, including governmental offices and public safety and emergency response services, such as police, fire and ambulance services. Such facilities often need to be located in or near the area where the service is provided.

Religious Assembly - a facility or area for people to gather for public worship, religious training or other religious activities including a church, temple, mosque, synagogue, convent, monastery or other structure, together with its accessory structures, including a parsonage or rectory. This use does not include home meetings or other religious activities conducted in a privately occupied residence. Accessory uses may include meeting rooms and childcare provided for persons while they are attending assembly functions.

Resource Extraction Use - uses involved in the process of (1) removing or extracting minerals and building stone from naturally occurring veins, deposits, bodies, beds, seams, fields, pools or other concentrations in the earth's crust, including the preliminary treatment of such ore or building stone; and (2) the extraction, exploration or production of oil or natural gas resources, including oil and gas wells and accessory offices, storage buildings, rig camps and gas transmission lines.

<u>Runway</u> - any existing or Planned paved surface or turf-covered area of the airport that is specifically designated and used or Planned to be used for aircraft landing and takeoff.

<u>Safety Zone</u> – The land use safety zones (Zones 1, 2 and 3) established by this Ordinance further illustrated in the Airport Zoning Map. *See also* Airport Safety Zone.

Site - a parcel or several adjoining parcels of land under common ownership.

Slope - an incline from the horizontal expressed in an arithmetic ratio of horizontal magnitude to vertical magnitude. (e.g., slope = 3:1 = 3 feet horizontal to 1 feet vertical).

<u>Structure</u> - Structure. Anything constructed or erected, the use of which requires a location on the ground, or attached to something having a location on the ground.

<u>Structural Alteration</u> - Any change in the supporting members of a building, such as bearing walls, columns, beams or girders, or any substantial changes in the roofs or exterior walls but not including openings in bearing walls as permitted by existing ordinances

<u>Substantial Damage</u> -Damage of any origin sustained by a Non-Conforming Structure where the cost of restoring the structure to its before damaged condition would equal or exceed 60 percent of the assessed market value of the structure as determined by the St. Louis County Assessor before the damage occurred. For flood plain management and flood hazard purposes, substantial damage shall occur when damage of any origin sustained by a structure, where the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent

of the assessed market value of the structure as determined by the St Louis County Assessor before the damage occurred.

<u>Substantially Damaged Structure</u> – means a Non-Conforming Structure that has sustained Substantial Damage.

<u>Transitional Zone</u> - All that land which lies directly under an imaginary transitional surface extending upward and outward at right angles to the runway centerline and the runway centerline extended at a slope of 7:1 from the sides of the primary surface and from the sides of the approach surface. Transitional surfaces for those portions of the instrument approach surface which project through and beyond the limits of the conical surface, extend a distance of approximately 5,000 feet measured horizontally from the edge of the instrument approach surface and at right angles to the extended instrument runway centerline; whose location and dimensions are indicated on the Airport Zoning Map.

<u>Traverse Ways</u> - roads, railroads, trails, waterways, or any other avenue of surface transportation.

<u>Utility Runway</u> - a runway that is constructed for and intended to be used by propeller-driven aircraft of 12,500 pounds maximum gross weight and less and which runway is less than 4,900 feet in length.

<u>Variance</u> — Any modification or variation of application of the this Ordinance to a real property structure or use approved in writing by the BOA.

<u>Visual Runway</u> - a runway intended solely for the operation of aircraft using visual approach procedures, with no existing or Planned instrument approach procedures.

Zoning – the partitioning of land parcels in a community by ordinance into zones and the establishment of regulations in the ordinance to govern the land use and the location, height, use and land coverage of buildings within each zone.

SECTION 4: AIRSPACE OBSTRUCTION ZONING

- A. **BOUNDARY LIMITATION:** The airspace obstruction height zoning restrictions set forth in this section shall apply for a distance not to exceed one-and-one-half (1.5) miles beyond the perimeter of the Airport boundary; said boundary location and dimensions are indicated on the Airport Zoning Map.
- B. AIRSPACE ZONES: Airspace Zones are established to regulate and protect aircraft from navigational hazards during landings and departures. In order to carry out the purposes of this Ordinance, the following Imaginary Airspace Zones are hereby established: Primary Zone, Horizontal Zone, Conical Zone, Approach Zone, Precision Instrument Approach Zone, and Transitional Zone, all whose locations and dimensions are indicated on the Airport Zoning Map.
- C. HEIGHT RESTRICTIONS: Except as otherwise provided in the Ordinance, or except as necessary and incidental to airport operations, no structure or tree shall be constructed, altered, maintained, or allowed to grow so as to project above any of the Imaginary Airspace surfaces described in this Section 4(B). Where an area is covered by more than one height limitation, the more restrictive limitations shall prevail.

SECTION 5: LAND USE SAFETY ZONING

SAFETY ZONE BOUNDARIES INTENT AND SCOPE: In order to carry out the purpose of this Ordinance, as set forth above, to restrict those uses which may be hazardous to the operational safety of aircraft operating to and from the Airport, and, furthermore, to limit population and building density in the runway approach areas, thereby creating sufficient open space to protect life and property in case of an accident, there are hereby created and established the following Safety Zones, which restrict land use:

- A. **SAFETY ZONE 1:** All land designated as Safety Zone 1 on the Airport Zoning Map and as legally described in Exhibit B.
- B. **SAFETY ZONE 2:** All land designated as Safety Zone 2 on the Airport Zoning Map and legally described in Exhibit B.
- C. SAFETY ZONE 2.5: All land designated as Safety Zone 2.5 on the Airport Zoning* Map and legally described in Exhibit B.
- C.D. SAFETY ZONE 3: All land designated as Safety Zone 3 on the Airport Zoning Map and legally described in Exhibit B.
- D.E.BOUNDARY LIMITATIONS: The land use zoning restrictions set forth in this Section 5 shall apply for a distance not to exceed one mile beyond the perimeter of the airport boundary and in the portion of an Airport Hazard Area under the approach zone for a distance not exceeding one and one-half (1½) miles from the airport boundary; said land use zoning boundary location and dimensions are indicated on the Airport Zoning Map.

E.F. USE RESTRICTIONS

In order to restrict those uses which may be hazardous to the operational safety of aircraft operating to and from the Duluth International Airport, and furthermore to limit population and building density in the runway approach areas, thereby creating sufficient open space so as to protect life and property in case of accident, the following use restrictions are applied to the land use Safety Zones:

- 1. ALL SAFETY ZONES: No use shall be made of any land in any of the Safety Zones which creates or causes interference with the operation of radio or electronic facilities on the airport or with radio or electronic communications between the airport and aircraft, makes it difficult for pilots to distinguish between airport lights and other lights, results in glare in the eyes of pilots using the airport, impairs visibility in the vicinity of the airport, or otherwise endangers the landing, taking off, or maneuvering of aircraft.
- 2. **SAFETY ZONE 1:** Areas designated as Safety Zone 1 shall contain no buildings, temporary structures, exposed transmission lines, or other similar above-ground land use structural hazards, and shall be restricted to those

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uses which will not create, attract, or bring together an assembly of persons thereon. Permitted uses may include Agricultural Use, Resource Extraction Use, horticulture, animal husbandry, raising of livestock, wildlife habitat, light outdoor recreation (non-spectator), cemeteries, and automobile parking.

3. SAFETY ZONE 2:

- 3.1 <u>Specific Prohibited Uses</u>. The following classifications of building and structures as to use and occupancy are prohibited in Safety Zone 2:
 - 3.1.1 Group A Uses;
 - 3.1.2 Group E Uses;
 - 3.1.3 Group I-2 Uses; and
 - 3.1.4 Group R-1 Uses.
- 3.2 <u>Density Limitation</u>. Other uses <u>not</u> specifically prohibited by Section 3.1 must be on a site whose area is at least two and one-half (2.5) acres. Each use shall not create, attract, or bring together a site population in excess of 20 persons per acre during the same time period; density as calculated pursuant to the 2020 Minnesota State Building Code, or its successor.

SAFETY ZONE 2.5;

- 4.1 Specific Prohibited Uses. The following classifications of building and structures as to use and occupancy are prohibited in Safety Zone 2.5:
 - 4.1.1 Childcare or daycare centers:
 - 4.1.2 State licensed residential care facilities and housing with service establishments serving 6 or fewer persons:
 - 4.1.3 State licensed adult daycare facility serving 12 or fewer persons:
 - 4.1.4 State licensed group family daycare facility serving 12 or fewer children:
 - 4.1.5 Public or private school.
 - 4.1.6 Public or private Hospital.
- 4.5. SAFETY ZONE 3: Areas designated as Safety Zone 3 are only subject to the restrictions set forth in this Section 5(E)(1).

SECTION 6: AIRPORT ZONING MAP

The Zones established in this Ordinance are shown on the Airport Zoning Map attached hereto as Exhibit C and made a part hereof. The Airport Zoning Map, together with map and all notations, references, elevation, data, zone boundaries, and other information thereon, shall be referred to in this Ordinance is hereby adopted in its entirety as part of this Ordinance.

SECTION 7: EXISTING USES AND STRUCTURES AS OF ENACTMENT

A. THIS ORDINANCE AND ANY LOCAL AIRPORT ZONING ORDINANCE NOT RETROACTIVE: The regulations prescribed by this Ordinance and any Local

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B. ACQUISITION IN SAFETY ZONES: The Airport is an essential public facility. The DAA or City of Duluth may acquire land at their own expense for the purposes of preventing and/or reducing Airport Hazards and Aircraft Accidents.

SECTION 8: PERMITS; AND ORDERS TO REMOVE USE OR STRUCTURE, OR TREE

- A. PERMIT STANDARDS. Permit applications shall be made in the manner and on the form established by the Local Airport Zoning Administrator pursuant to their applicable Local Airport Zoning Ordinance. Each Permit application shall indicate the purpose for which the Permit is desired, with sufficient information with respect to the proposed project to allow a determination as to whether it conforms to the applicable Local Airport Zoning Ordinance. If such determination is in the affirmative, the Permit shall be granted. Copies of applications for permits shall be provided to the DAA.
- B. **PERMIT REQUIRED.** The following structures or uses shall not be allowed in a Safety Zone 2 unless a Permit has first been submitted to and granted by the Local Airport Zoning Administrator for that jurisdiction:
 - 1. Material expansion of an Existing Structure or Use. Permit required.
 - 2. New structures or uses. Permit required.
 - 3. Abandoned Non-Conforming Structure. Permit required for structure to be reused, rebuilt or replaced.
 - Substantially Damaged Non-Conforming Structure. Permit required to rebuild, repair, or replace.
 - 5. Material Change in Non-Conforming Use. Permit required before material change in use may occur.
- C. ORDER TO REMOVE USE, STRUCTURE, OR TREE. Whether application is made for a Permit under this subdivision or not, the Local Airport Zoning Administrator may by appropriate action compel the owner of any Structure, use, or tree, at the owner's expense, to lower, remove, reconstruct, or equip the object as may be necessary to conform to the regulations of the applicable Local Airport Zoning Ordinance. If the owner of the Structure, use, or tree neglects or refuses to comply with the order for ten days after notice of the order, the Local Airport Zoning Administrator may take whatever lawful actions they deem necessary and appropriate to obtain compliance with the provisions of the applicable Local Airport Zoning Ordinance.

SECTION 9: VARIANCES

A. APPLICATION. Any person desiring to erect or increase the height of any Structure, permit the growth of any tree, or use property in a way prohibited by the applicable Local Airport Zoning Ordinance may apply to both the Local Airport Zoning Administrator and the BOA for a Variance from such regulations. Variance applications

shall be made in the manner and on the form established by the Local Airport Zoning Administrator. The Local Zoning Administrator may also establish, collect, and retain a Variance application fee. Variance applications shall be delivered to the Local Airport Zoning Administrator, who shall then deliver the Variance application to the BOA and DAA. The Variance applications may only be made after the Local Airport Zoning Administrator determines that a Variance is requiredCopies of Variance applications shall be provided to the DAA.

- B. FAILURE OF BOARD TO ACT ON VARIANCE. This Section 9B is intended to implement the provisions of Minnesota Statutes § 360.063, Subd. 6a and § 360.067, Subd. 2. If a person submits a complete application for a Variance by certified mail to both the Local Airport Zoning Administrator and the BOA, and they both fail to grant or deny the Variance within four (4) months after receipt of the application, the Variance shall be deemed to be granted by the BOA, unless the BOA has made its decision within a longer time period authorized in writing by applicant. When the Variance is granted by reason of the failure of the BOA to act on the Variance, the person receiving the Variance shall notify the BOA and the Commissioner, in writing by certified mail, that the Variance has been granted. The applicant shall include a copy of the original Permit and Variance applications with the notice. The Variance shall be effective sixty (60) days after this notice is received by the Commissioner subject to any action taken by the Commissioner pursuant to Minnesota Statutes Section 360.063, Subdivision 6(a).
- C. VARIANCE STANDARDS. The provisions of Minnesota Statutes § 360.067, Subd. 2 shall be applicable to an application for a Variance. Variances shall only be granted where it is duly found by the BOA that a literal application or enforcement of the regulations would result in practical difficulty, or undue hardship, and the relief granted would not be contrary to the public interest but do substantial justice and be in accordance with the spirit of the applicable Local Airport Zoning Ordinance provided any Variance so allowed may be subject to any reasonable conditions that the JAZB or Commissioner may deem necessary to effectuate the purpose of the applicable Local Airport Zoning Ordinance.

SECTION 10: HAZARD MARKING AND LIGHTING

The Local Airport Zoning Administrator or the BOA may condition any Permit or Variance granted so as to require the owner of the Structure or tree or use in question at their own expense, to install, operate, and maintain thereon such markers and lights as may be necessary to indicate to pilots the presence of an Airport Hazards.

SECTION 11: LOCAL AIRPORT ZONING ADMINISTRATOR

It shall be the duty of the Local Airport Zoning Administrator to enforce the regulations prescribed by the applicable Local Airport Zoning Ordinance. Regulations prescribed by the applicable Local Airport Zoning Ordinance for which a Permit is not required to be obtained under the Local Airport Zoning Ordinance shall be enforced and administered as determined by the Local Airport Zoning Administrator. Permit applications shall be made to the Local Airport Zoning Administrator for that jurisdiction. Copies of Permit applications shall be provided to the DAA. Permit applications shall be promptly considered and granted or denied pursuant to the regulations by the applicable Local Airport Zoning Ordinance. Variance applications shall be made to both the Local Airport Zoning Administrator for that Jurisdiction and the BOA. Copies of Variance applications shall be provided to the DAA.

SECTION 12: BOARD OF ADJUSTMENT FOR THE DULUTH INTERNATIONAL AIRPORT JOINT ZONING BOARD

- A. Establishment: The Board of Adjustment ("BOA") shall consist of five members, one member each appointed by:
 - 1. Canosia Township
 - 2. City of Duluth;
 - 3. City of Hermantown;
 - 4. City of Rice Lake; and
 - 5. Duluth Airport Authority.

Each member shall serve for a term of three years and until their successor is duly appointed and qualified. In the event of a vacancy, the vacancy for the unexpired term shall be filled in the same manner as the appointment was originally made. BOA members may be removed by the Entity which appointed such member at any time, with or without cause. JAZB members may also serve on the BOA.

- B. Powers: The BOA shall have and exercise the following powers:
 - (1) to hear and decide appeals from any order, requirement, decision, or determination made by the Local Airport Zoning Administrator in the enforcement of the Local Airport Zoning Ordinance;
 - (2) to hear and decide any special exceptions to the terms of the Local Airport Zoning Ordinance upon which the BOA may be required to pass under such Local Airport Zoning Ordinance; and
 - (3) to hear and decide Variances.
- C. <u>Majority Vote</u>: The concurring vote of a majority of the members of the BOA shall be sufficient for any action or any order, requirement, decision, or determination of the Local Airport Zoning Administrator, or to make a decision on any matter upon which it is required to pass under the Local Airport Zoning Ordinance or to make a decision on a Variance.
- D. Rules and Procedures: The BOA shall adopt rules in accordance with the provisions of this Ordinance. Upon their appointment the BOA members shall select a chair to act at the pleasure of the BOA. Meetings of the BOA shall be held at the call of the chair and at such other times as the BOA may determine. The chair, or if absent, the acting chair, may administer oaths and compel the attendance of witnesses. All hearings of the BOA shall be public. The BOA shall keep minutes of its proceedings, showing the vote of each member upon each question, or, if absent or failing to vote, indicating such fact, and shall keep records of its examinations and other official actions, all of which shall immediately be filed in the office of the BOA and shall be a public record.

SECTION 13: APPEALS

A. Who May Appeal:

Any Person directly affected by any decision of the Local Airport Zoning Administrator in connection with the administration of a Local Airport Zoning Ordinance may appeal that decision to the BOA. Such appeals may also be made by any governing body of the Entities.

B. Procedure:

All appeals hereunder must be commenced in writing within 10 business days of the issuance in writing of the decision by the Local Airport Zoning Administrator, by filing with the Local Airport Zoning Administrator and the BOA a notice of appeal specifying the grounds thereof and the applicable appeal filing and hearing fee set by the BOA. The Local Airport Zoning Administrator shall forthwith transmit to the BOA all data constituting the record upon which the action appealed from was taken. Copies of the data shall also be provided to the DAA.

C. Stay of Proceedings:

An appeal shall stay all proceedings in furtherance of the action appealed from, unless the Local Airport Zoning Administrator certifies to the BOA, after the notice of appeal has been filed with it, that by reason of the facts stated in the certificate finds that a stay would, in their opinion, cause imminent peril to life or property. In such case, proceedings shall not be stayed except by order of the BOA on written notice to the Local Airport Zoning Administrator and on due cause shown.

D. Hearing:

The BOA shall fix a time for hearing appeals, and then give public notice to the Entities and the DAA, and written notice by mail to the appellant. At the hearing, any party may appear in person or by agent or by attorney.

E. Decisions:

The BOA may, in conformity with the provisions of this ordinance, reverse or affirm, in whole or in part, or modify the order, requirement, decision or determination appealed from and may make such order, requirement, decision or determination, in writing with detailed findings, as may be appropriate under the circumstances, and to that end shall have all the powers of an Local Airport Zoning Administrator.

SECTION 14: JUDICIAL REVIEW

All decisions of the BOA are final. Any party aggrieved by a decision of the BOA may appeal as authorized by Minnesota law provided that such appeal is made within thirty (30) days of the date of the decision of the BOA.

SECTION 15: PENALTIES

A. CRIMINAL. Every person who shall construct, establish, substantially change, alter or repair any existing structure or use, or permit the growth of any tree without having complied with the provision of this Ordinance or who, having been granted a Permit or Variance under the provisions of this Ordinance, shall construct, establish, substantially change or substantially alter or repair any existing growth or structure or permit the growth of any tree, except as permitted by such Permit or Variance, shall be guilty of a misdemeanor and shall be punished by a fine of not more than \$1,000 or imprisonment for not more than 90 days or by both. Each day a violation continues to exist shall constitute a separate offense.

B. CIVIL. In addition, a Local Airport Zoning Administrator or the DAA may institute in any court of competent jurisdiction an action to prevent, restrain, correct, or abate any violation of the Local Airport Zoning Ordinance, or of any order or ruling made in connection with their administration or enforcement of this Ordinance, and the court shall adjudge to the plaintiff such relief, by way of injunction (which may be mandatory) or otherwise, as may be proper under all the facts and circumstances of the case.

SECTION 16: EXEMPTIONS - LAND USED FOR AERONAUTICAL PURPOSES

The restrictions of this Ordinance or any Local Airport Zoning Ordinance shall not control the use of land or the height of structures on land owned by the City of Duluth, the State of Minnesota, the Duluth Airport Authority, or the United States of America and used by the Duluth Airport Authority exclusively for aeronautical purposes.

SECTION 17: CONFLICTS

Where there exists a conflict between any of the regulations or limitations prescribed in this Ordinance and any other regulations applicable to the same area including but not limited to the Local Airport Zoning Ordinance, whether the conflict be with respect to the height of Structures or trees, the use of land, or any other matter, the more stringent limitation or regulation shall govern and prevail.

SECTION 18: SEVERABILITY

In any case in which the provisions of this Ordinance, although generally reasonable, are held by a court to interfere with the use or enjoyment of a particular Structure or parcel of land to such an extent, or to be so onerous in their application to such a Structure or parcel of land, as to constitute a taking or deprivation of that property in violation of the United States or State of Minnesota Constitutions, such holding shall not affect the application of this Ordinance as to other structures and parcels of land, and to this end the provisions of this Ordinance are declared to be severable.

SECTION 19: ADMINISTRATION

- A. Meetings and hearings of the JAZB and BOA shall be held at the Duluth International Airport.
- B. JAZB and BOA shall be supported administratively by the staff of the Duluth Airport Authority and Duluth City Attorney's Office.
- C. The BOA shall be supported by the staff and legal counsel provided by the Entity in whose jurisdiction the property affected by the Variance is located with respect to the requested Variance.
- D. The BOA shall be supported administratively by the staff of the Duluth Airport Authority and legal counsel provided by the Duluth Airport Authority in connection with any judicial review of any actions of the BOA pursuant to Section 14 hereof.
- E. The DAA shall provide reasonable technical advice and assistance to Local Zoning Administrators with respect to the administration and enforcement of a Local Zoning Ordinance upon request by a Local Zoning Administrator.

SECTION 20: LOCAL AIRPORT ZONING ORDINANCE

Each of the Entities shall consider the adoption of amendments to its comprehensive plan and thereafter amendments to the zoning for its jurisdiction that incorporate the applicable provisions of this Ordinance. Any such amendments to Entities' zoning shall become effective only after this Ordinance has been approved by the Commissioner.

SECTION 21: EFFECTIVE DATE

This Ordinance shall take effect upon recordation in the St. Louis County Recorder's Office, which shall occur after approval of the Ordinance by the Commissioner. Copies thereof shall be filed with the State of Minnesota Commissioner of Transportation, Division of Aeronautics, and the Entities.

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EXHIBIT A-SAFETY ZONE LEGAL DESCRIPTIONS

Safety Zone 1 of East End of Runway 9-27

That part of Section 6, Township 50, Range 14, St Louis County, Minnesota, described as follows:

Commencing at the northwest corner of the Southwest Quarter of said Section 6; thence on an assumed bearing of South 00 degrees 49 minutes 13 seconds East, along the west line of said Southwest Quarter, a distance of 935.43 feet to the intersection with the easterly extension of the centerline of Runway 9-27; thence South 88 degrees 23 minutes 44 seconds East, along last described easterly extension, a distance of 204,53 feet to the east end of the proposed runway 9-27; thence continuing South 88 degrees 23 minutes 44 seconds East, along last described easterly extension, a distance of 200.00 feet; thence South 01 degree 36 minutes 16 seconds West a distance of 500.00 feet to the actual point of beginning of Zone 1; thence North 01 degree 36 minutes 16 seconds East a distance of 1000.00 feet; thence North 83 degrees 04 minutes 25 seconds East a distance of 4180.09 feet to the intersection with the north line of the Northeast Quarter of the Southeast Quarter of said Section 6; thence North 89 degrees 17 minutes 03 seconds East, along last described north line, a distance of 705.98 feet to the westerly right of way line of Rice Lake Road; thence southerly, along last described right of way line, a distance of 2280.58 feet to the east line of the North Half of the South Half of the Southeast Quarter of the Southeast Quarter of said Section 6; thence South 01 degree 03 minutes 54 seconds East, along last described east line, a distance of 39.99 feet to the south line of said North Half of the South Half of the Southeast Quarter; thence South 89 degrees 00 minutes 30 seconds West, along last described south line, a distance of 457.54 feet to the intersection with a line bearing South 79 degrees 51 minutes 54 seconds East from said point of beginning; thence North 79 degrees 51 minutes 54 seconds West a distance of 4590.59 feet to said point of beginning.

Safety Zone 2 of East End of Runway 9-27

That part of Sections 5, 6, and 8, Township 50, Range 14, St Louis County, Minnesota, described as follows:

Commencing at the northwest corner of the Southwest Quarter of said Section 6; thence on an assumed bearing of South 00 degrees 49 minutes 13 seconds East, along the west line of said Southwest Quarter, a distance of 935.43 feet to the intersection with the easterly extension of the centerline of Runway 9-27; thence South 88 degrees 23 minutes 44 seconds East, along last described easterly extension, a distance of 204.53 feet to the east end of the proposed runway 9-27; thence continuing South 88 degrees 23 minutes 44 seconds East, along last described easterly extension, a distance of 200.00 feet; thence South 01 degree 36 minutes 16 seconds West a distance of 500.00 feet to a point hereinafter referred to as Point "A"; thence North 01 degree 36 minutes 16 seconds East a distance of 1000.00 feet; thence North 83 degrees 04 minutes 25 seconds East a distance of 4180.09 feet to a point on the north line of the Northeast Quarter of the Southeast Quarter of said Section 6 said point being the actual

point of beginning of Zone 2; thence North 89 degrees 17 minutes 03 seconds East, along last described north line, a distance of 705.98 feet to the westerly right of way line of Rice Lake Road; thence southerly, along last described right of way line, a distance of 2280.58 feet to the east line of the North Half of the South Half of the Southeast Quarter of said Section 6; thence South 01 degree 03 minutes 54 seconds East, along last described east line, a distance of 39.99 feet to the south line of said North Half of the South Half of the Southeast Quarter; thence South 89 degrees 00 minutes 30 seconds West, along last described south line, a distance of 457.54 feet to the intersection with a line bearing South 79 degrees 51 minutes 54 seconds East from said Point "A"; thence South 79 degrees 51 minutes 54 seconds East a distance of 4368.29 feet; thence North 00 degrees 07 minutes 11 seconds West a distance of 3643.14 feet to the intersection with a line bearing North 83 degrees 04 minutes 25 seconds East from said point of beginning; thence South 83 degrees 04 minutes 25 seconds West a distance of 4667.96 feet to said point of beginning.

Safety Zone 1 of North End of Runway 3-21

That part of Section 31, Township 51, Range 14, St Louis County, Minnesota, described as follows:

Commencing at the southwest corner of the Southwest Quarter of said Section 31; thence on an assumed bearing of North 89 degrees 22 minutes 07 seconds East, along the south line of said Southwest Quarter, a distance of 56.31 feet to the intersection with the northeasterly extension of the centerline of Runway 3-21; thence North 30 degrees 52 minutes 18 seconds East, along last described northeasterly extension, a distance of 1458.40 feet to the end of the proposed extension of Runway 3-21; thence continuing North 30 degrees 52 minutes 18 seconds East, along last described northeasterly extension, a distance of 200.00 feet; thence South 59 degree 07 minutes 42 seconds East a distance of 500.00 feet to the actual point of beginning of Zone 1; thence North 59 degrees 07 minutes 42 seconds West a distance of 1000.00 feet; thence North 22 degrees 20 minutes 27 seconds East a distance of 3933.06 feet to the intersection with the north line of the Northeast Quarter of the Northwest Quarter of said Section 31; thence North 89 degrees 06 minutes 56 seconds East, along last described north line, a distance of 470.64 feet to the west line of the East 200.00 feet of said Northeast Quarter of the Northwest Quarter; thence South 00 degrees 40 minutes 03 seconds East, along last described west line, a distance of 1323.05 feet to the south line of said Northeast Quarter of the Northwest Quarter; thence North 89 degrees 08 minutes 06 seconds East, along last described south line, a distance of 200.00 feet to the southeast corner of said Northeast Quarter of the Northwest Quarter; thence North 89 degrees 08 minutes 19 seconds East, along the south line of the Northwest Quarter of the Northeast Quarter of said Section 31, a distance of 990.90 feet to the west line of the East Half of the East Half of said Northwest Quarter of the Northeast Quarter; thence North 00 degrees 40 minutes 13 seconds West, along last described west line, a distance of 1323.39 feet to the north line of said Northeast Quarter of Section 31; thence North 89 degrees 07 minutes 22 seconds East, along last described north line, a distance of 990.84 feet to the east line of the West Half of the Northeast Quarter of the Northeast Quarter of said Section 31; thence South 00 degrees 40 minutes 22 seconds East, along last described east line, a distance of 185.61 feet to the intersection with a line bearing North 39 degrees 24 minutes 09 seconds East from said point

44 seconds West, along last described westerly extension, a distance of 817.84 feet to the end of the proposed extension of Runway 9-27; thence continuing North 88 degrees 23 minutes 44 seconds West, along last described westerly extension, a distance of 200.00 feet; thence South 01 degree 36 minutes 16 seconds West a distance of 500.00 feet to a point hereinafter referred to as Point "A"; thence North 01 degree 36 minutes 16 seconds East a distance of 1000.00 feet; thence North 79 degrees 51 minutes 54 seconds West a distance of 5093.17 feet to a point on the south line of the North Half of the North Half of the Southeast Quarter of the Northeast Quarter of said Section 4 said point being the actual point of beginning of Zone 2; thence South 89 degrees 17 minutes 28 seconds West, along last described south line, a distance of 612.03 feet to the west line of said Southeast Quarter of the Northeast Quarter; thence South 00 degrees 29 minutes 37 seconds East, along last described west line, a distance of 986.08 feet to the southwest corner of said Southeast Quarter of the Northeast Quarter; thence North 89 degrees 19 minutes 12 seconds East, along the south line of said Southeast Quarter of the Northeast Quarter, a distance of 1314.17 feet to the southeast corner of said Southeast Quarter of the Northeast Quarter; thence South 00 degrees 11 minutes 17 seconds West, along the east line of the Southeast Quarter of said Section 4, a distance of 1325.00 feet to the north line of the Southeast Quarter of the

Southeast Quarter of said Section 4; thence South 89 degrees 14 minutes 37 seconds West, along last said north line, a distance of 1304.68 feet to the northwest corner of said Southeast Quarter of the Southeast Quarter; thence South 00 degrees 13 minutes 11 seconds East, along the west line of said Southeast Quarter of the Southeast Quarter, a distance of 253.87 feet to the intersection with a line bearing South 83 degrees 04 minutes 25 seconds West from said Point "A"; thence South 83 degrees 04 minutes 25 seconds West a distance of 3932.53 feet; thence North 00 degrees 07 minutes 11 seconds West a distance of 3854.41 feet to the intersection with a line bearing North 79 degrees 51 minutes 54 seconds West from said point of beginning; thence South 79 degrees 51 minutes 54 seconds East a distance of 4576.98 feet to said point of beginning.

Safety Zone 1 of South End of Runway 3-21

That part of Sections 11 and 12, Township 50, Range 15, St Louis County, Minnesota, described as follows:

Commencing at the northeast corner of the Northwest Quarter of said Section 12; thence on an assumed bearing of South 89 degrees 22 minutes 46 seconds West, along the north line of said Northwest Quarter, a distance of 548.52 feet to the intersection with the southwesterly extension of the centerline of Runway 3-21; thence South 30 degrees 52 minutes 18 seconds West, along last described southwesterly extension, a distance of 349.89 feet to the end of proposed runway 3-21; thence continuing South 30 degrees 52 minutes 18 seconds West, along last described southwesterly extension, a distance of 200.00; thence South 59 degree 07 minutes 42 seconds East a distance of 500.00 feet to the actual point of beginning of Zone 1; thence North 59 degrees 07 minutes 42 seconds West a distance of 1000.00 feet; thence South 37 degrees 59 minutes 48 seconds West a distance of 3104.55 feet to the intersection with the northeasterly right of way line of Miller Trunk Highway; thence South 53 degrees 03 minutes 51 seconds East, along last said northeasterly right of way line, a distance of 739.20 feet to the east line of the Southeast Quarter of said Section 11; thence

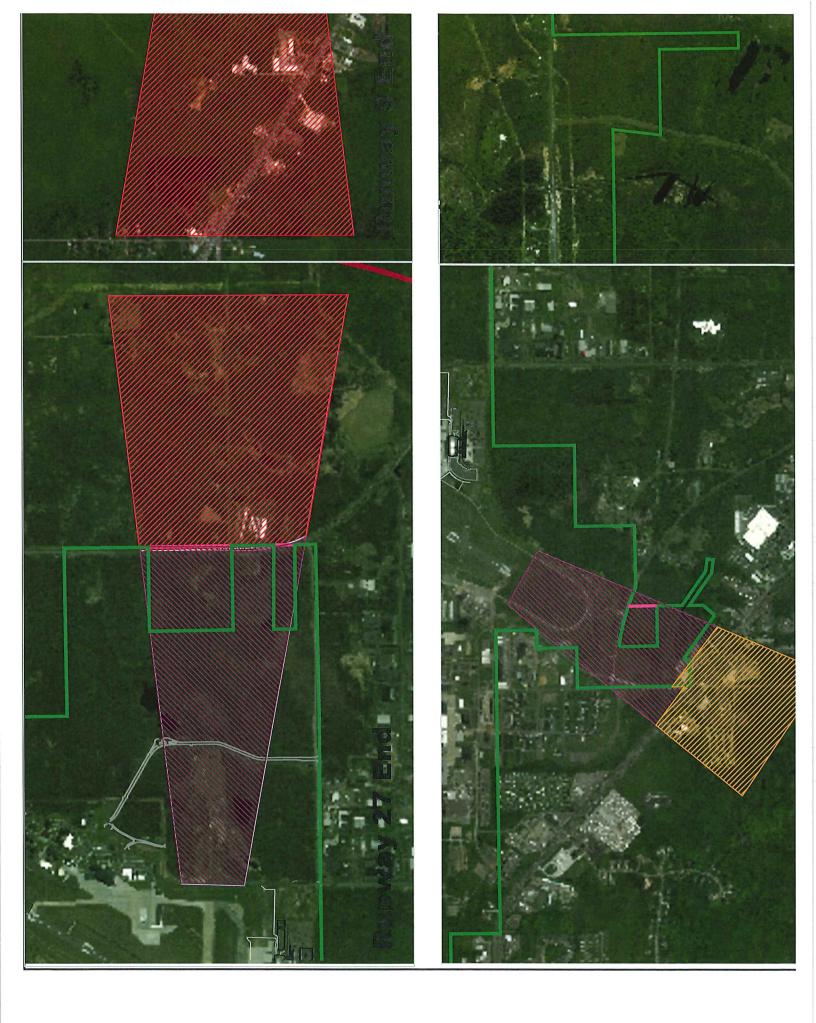
North 00 degrees 34 minutes 00 seconds West, along last described east line, a distance of 347.40 feet to the intersection with the northwesterly extension of the southwesterly line of Lot 4 of the recorded plat of "ANDERSON'S ACRE TRACTS" on file and of record in the office of the St Louis County Recorder; thence South 54 degrees 08 minutes 29 seconds East, along last described northwesterly extension and said southwesterly line of Lot 4 and the southeasterly extension of said southwesterly line of Lot 4, a distance of 1201.00 feet to the intersection with a line bearing South 23 degrees 51 minutes 10 seconds West from said point of beginning; thence North 23 degrees 51 minutes 10 seconds East a distance of 2989.06 feet to said point of beginning.

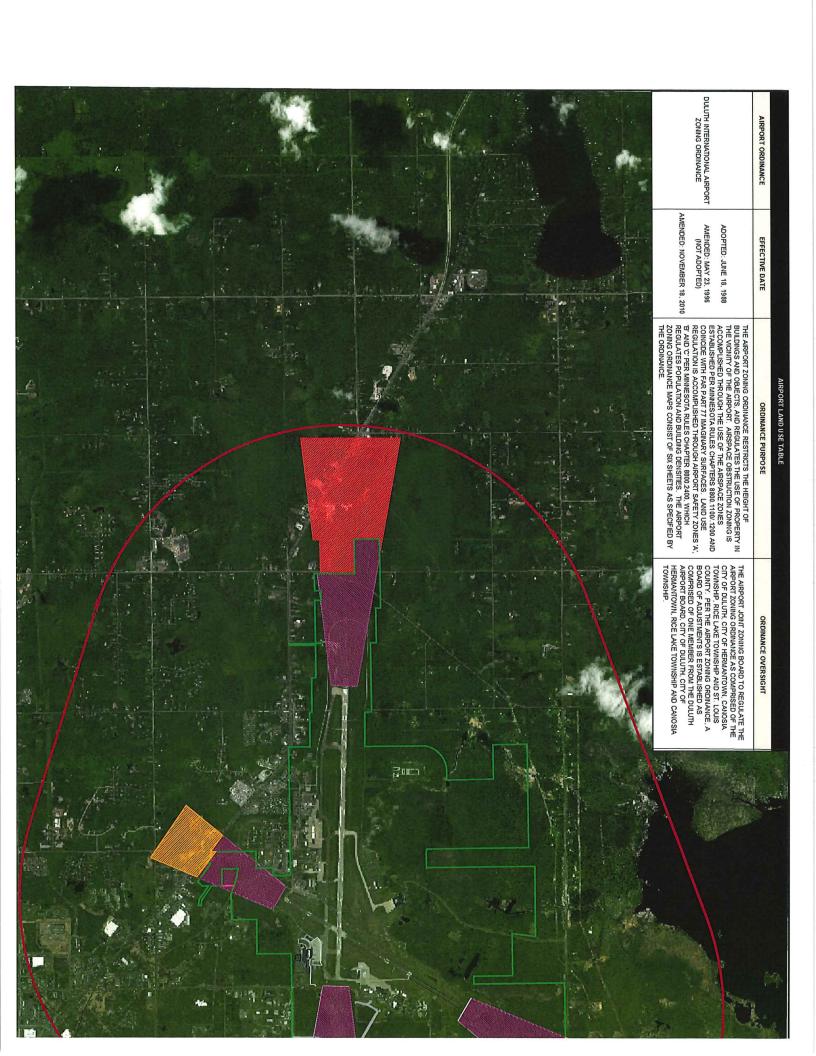
Safety Zone 2.5 of South End of Runway 3-21

That part of Sections 11, 12 and 13, Township 50, Range 15, St Louis County, Minnesota, described as follows:

Commencing at the northeast corner of the Northwest Quarter of said Section 12; thence on an assumed bearing of South 89 degrees 22 minutes 46 seconds West, along the north line of said Northwest Quarter, a distance of 548.52 feet to the intersection with the southwesterly extension of the centerline of Runway 3-21; thence South 30 degrees 52 minutes 18 seconds West, along last described southwesterly extension, a distance of 349.89 feet to the end of proposed runway 3-21; thence continuing South 30 degrees 52 minutes 18 seconds West, along last described southwesterly extension, a distance of 200.00; thence South 59 degree 07 minutes 42 seconds East a distance of 500.00 feet to a point hereinafter referred to as Point "A"; thence North 59 degrees 07 minutes 42 seconds West a distance of 1000.00 feet; thence South 37 degrees 59 minutes 48 seconds West a distance of 3104.55 feet to a point on the northeasterly right of way line of Miller Trunk Highway said point being the actual point of beginning of Zone 2.5; thence South 53 degrees 03 minutes 51 seconds East, along last said northeasterly right of way line, a distance of 739.20 feet to the east line of the Southeast Quarter of said Section 11; thence North 00 degrees 34 minutes 00 seconds West, along last described east line, a distance of 347.40 feet to the intersection with the northwesterly extension of the southwesterly line of Lot 4 of the recorded plat of "ANDERSON'S ACRE TRACTS" on file and of record in the office of the St Louis County Recorder; thence South 54 degrees 08 minutes 29 seconds East, along last described northwesterly extension and said southwesterly line of Lot 4 and the southeasterly extension of said southwesterly line of Lot 4, a distance of 1201.00 feet to the intersection with a line bearing South 23 degrees 51 minutes 10 seconds West from said Point "A"; thence South 23 degrees 51 minutes 10 seconds West a distance of 2068.80 feet; thence North 55 degrees 45 minutes 40 seconds West a distance of 2232.99 feet to the intersection with a line bearing South 37 degrees 59 minutes 48 seconds West from said point of beginning; thence North 37 degrees 59 minutes 48 seconds East a distance of 1822.30 feet to said point of beginning.

EXHIBIT B – AIRPORT ZONING MAPS





VII A

Duluth Airport Authority

Resolution to Accept State Grant Agreement for the 2021 Midfield Ramp Repair Project, at the Duluth International Airport, in the amount of \$95,830.00.

Terms:

- Estimated start date of July 20, 2021
- 365 calendar days

Agreement Overview:

The state grant agreement is for repair of the 2021 Midfield Ramp project. The eligible project costs are funded at 70 percent, with the terms presented as Minnesota Agreement No. 1047712 supporting State Project No. A6901-203 at the Duluth International Airport.

Background:

The state grant opportunity was offered by MnDOT Aeronautics to provide engineering design to prepare plans and specifications to repair pavement on the Midfield Ramp. The project is anticipated to be bid in 2022, with construction occurring in the summer of 2022.

The Midfield Ramp at the Duluth International Airport (DLH) is located adjacent to the Snow Removal Equipment Maintenance Facility, east of the Cirrus area. The Midfield Ramp is approximately 36,100 square yards and is intended to serve as parking for large transient aircraft, such as military cargo aircraft or commercial service aircraft that divert from other airports.

Some of the Midfield Ramp pavement has been rated lowest on the Airfield. The most recent pavement inspection completed by MnDOT Aeronautics in 2018 showed a portion of the pavement as "failed" and another portion in "very poor" or "fair" condition.

The proposed design project would analyze the pavement condition, prioritize repair areas, evaluate environmental contamination risks, and develop a phased approach for repair. The phased approach will include both cost and access factors.

This work scope includes the geotechnical analysis, environmental contamination evaluation, final design, plans and specifications development, and bidding documents. (Bidding, construction observation, administration, and closeout are excluded.) As part of the preliminary design effort, the project team will identify phasing for future Midfield Ramp repairs.





STATE OF MINNESOTA STATE AIRPORTS FUND GRANT AGREEMENT

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and the Duluth Airport Authority, 4701 Grinden Drive, Duluth, MN 55811 ("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 for an airport improvement project ("Project").
- 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, 2025, 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. Workers Compensation; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.
- 1.4 Plans, Specifications, Descriptions. Grantee has provided the State with the plans, specifications, and a detailed description of the Project (State Project 6901-203), which are on file with the State's Office of Aeronautics and are incorporated into this Agreement by reference.
- 1.5 Exhibits Exhibit A (Credit Application) is attached and incorporated into this agreement.

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. Any changes to 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 If the Project involves construction, Grantee will designate a registered engineer to oversee the Project work. If, with the State's approval, the Grantee elects not to have such services performed by a registered engineer, then the Grantee will designate another responsible person to oversee such work.
- 2.3 Grantee will notify State's Authorized Representative in advance of any meetings taking place relating to the Project.
- 2.4 Grantee will comply with all required grants management policies and procedures set forth through Minn.Stat.§16B.97, Subd. 4 (a) (1).
- 2.5 **Asset Monitoring.** If Grantee uses funds obtained by this agreement to acquire a capital asset, the Grantee is required to use that asset for a public aeronautical purpose for the normal useful life of the asset. Grantee may not sell or change the purpose of use for the capital asset(s) obtained with grant funds under this agreement without the prior written consent of the State and an agreement executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 2.6 Airport Operations, Maintenance, and Conveyance. Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (d) (1), the Grantee will operate the Airport as a licensed, municipally-owned public airport at all times of the year for a period of 20 years from the date the Grantee receives final reimbursement under this

Agreement. The Airport must be maintained in a safe, serviceable manner for public aeronautical purposes only. Without prior written approval from the State, Grantee will not transfer, convey, encumber, assign, or abandon its interest in the airport or in any real or personal property that is purchased or improved with State funds. If the State approves such a transfer or change in use, the Grantee 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.

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.

Cost and Payment

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

Item Description Federal Share State Share Grantee Share Midfield Ramp Repair - Design N/A 70% 30%

> \$0.00 Federal Committed: Federal Multiyear: \$0.00 State:

\$95,830.00 \$41,070.00 Grantee:

The federal multiyear amount is an estimate only. These funds are not committed and are only available after being made so by the U.S. Government. Federal funds for the Project will be received and disbursed by the State. In the event federal reimbursement becomes available or is increased for the 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 more than 95% of the amount due under this Agreement will be paid by the State until the State determines that the Grantee has complied with all terms of this Agreement and furnished all necessary records.

- 4.2 Travel Expenses. Reimbursement for travel and subsistence expenses actually and necessarily incurred by Grantee as a result of this agreement will not exceed \$0.00 provided that Grantee will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" promulgated by the Commissioner of Minnesota Management and Budget (MMB). Grantee will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out of state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- 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 \$95,830.00.

4.5 Payment

- 4.5.1 Invoices. Grantee will submit invoices for payment by email. Exhibit A (Credit Application), which is attached and incorporated into this agreement, is the form Grantee will use to submit invoices. The State's Authorized Representative, as named in this agreement, will review each invoice against the approved grant budget and grant expenditures to-date 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: upon the completion of services.
- 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 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.
- 4.5.7 **Closeout Deliverables.** At the close of the Project, the Grantee must provide the following deliverables to the State before the final payment due under this Agreement will be released by the State: (1) Electronic files of construction plans as a PDF and in a MicroStation compatible format; and (2) Electronic files of asbuilts as a PDF and in a MicroStation compatible format.
- 4.6 Contracting and Bidding Requirements. Prior to publication, Grantee will submit to State all solicitations for work to be funded by this Agreement. Prior to execution, Grantee will submit to State all contracts and subcontracts funded by this agreement between Grantee and third parties. State's Authorized Representative has the sole right to approve, disapprove, or modify any solicitation, contract, or subcontract submitted by Grantee. All contracts and subcontracts between Grantee and third parties must contain all applicable provisions of this Agreement. State's Authorized Representative will respond to a solicitation, contract, or subcontract submitted by Grantee within ten business days.

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:

Matthew Lebens, North Region Airport Engineer, 395 John Ireland Blvd, St Paul MN, 55155, Phone 612-422-4171, matthew.lebens@state.mn.us, or his 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:

Mark Papko, Director of Operations, Duluth Airport Authority, 4701 Grinden Drive, Duluth, MN 55811, Phone (218) 625-7767, mpapko@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.
- 7.5 **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.

8 Liability

In the performance of this agreement, and to the extent permitted by law, 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 six 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 Date 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.

10.2 Intellectual Property Rights.

10.2.1 **Intellectual Property Rights.** State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks and service marks in the Works and Documents created and paid for under this agreement. "Works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes and disks conceived, reduced to practice, created or originated by Grantee, its employees, agents and subcontractors, either individually or jointly with others in the performance of this agreement. Works includes Documents. "Documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks or other materials, whether in tangible or electronic forms, prepared by Grantee, its employees, agents or subcontractors, in the performance of this agreement. The Documents will be the exclusive property of State, and Grantee upon completion or cancellation of this agreement must immediately return all such Documents to State. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." Grantee assigns all right, title and interest it may have in the Works and the Documents to State, Grantee must, at the request of State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the Works and Documents.

10.2.2 Obligations

- 10.2.2.1 Notification. Whenever any invention, improvement or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by Grantee, including its employees and subcontractors, in the performance of this agreement, Grantee will immediately give State's Authorized Representative written notice thereof and must promptly furnish State's Authorized Representative with complete information and/or disclosure thereon.
- 10.2.2.2**Representation**. Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of State and that

neither Grantee nor its employees, agents or subcontractors retain any interest in and to the Works and Documents. Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless State, at Grantee's expense, from any action or claim brought against State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages, including but not limited to, attorney fees. If such a claim or action arises, or in Grantee's or State's opinion is likely to arise, Grantee must, at State's discretion, either procure for State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of State will be in addition to and not exclusive of other remedies provided by law.

11 Workers Compensation

The Grantee certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The Grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

12 Publicity and Endorsement

- 12.1 **Publicity.** Any publicity regarding the subject matter of this agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement. All projects primarily funded by state grant appropriation must publicly credit the State of Minnesota, including on the Grantee's website when practicable.
- 12.2 Endorsement. The Grantee must not claim that the State endorses its products or services.

13 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.

14 Termination; Suspension

- 14.1 **Termination by the State.** The State may terminate this agreement at any time, with or without cause, upon written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 14.2 **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.
- 14.3 Termination for Insufficient Funding. The State may immediately terminate this agreement if:
 - 14.3.1 It does not obtain funding from the Minnesota Legislature; or
 - 14.3.2 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.

14.4 **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.

15 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.

- 16 **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.
- 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.
- 18 **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.
- 19 **Title VI/Non-discrimination Assurances.** Grantee agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035. Grantee will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Grantee's compliance with this provision. The Grantee must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Grantee staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.

20 Additional Provisions

[Intentionally left blank.]

[The remainder of this page has intentionally been left blank.]

STATE ENCUMBRANCE VERIFICATION
Individual certifies that funds have been encumbered as required by
Minm. 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

	Airport Na	me	***************************************	
	State Project	et No.		
	Federal Pro	ject No.		
TION	Mn/DOT A	greemen	it No.	
laimed:				
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	Unit	Rate	Total Time	Amount
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(Complete Form On Reverse Side)

STATE OF				
COUNTY OF				
		, being f	irst duly sworn, deposes and	I says that he/she is the
	of the Mun	nicipality of		, in the County
of		_, State of Minnesota; that he	e/she has prepared the foreg	oing Credit Application,
knows the contents thereof, that the sa	me is a true and acc	curate record of disbursement	ts made, and that the same is	s true of his/her own
knowledge; and that this application is	s made by authority	of the municipal council (or	board) of said Municipality	
			Sig	nature
Subscribed and sworn to before me				
this day of	, 20			
NOTARY PUBLIC	3			
M. Cisis Faring				
My Commission Expires:				

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 Mi	nnesota Agreeme	ent No. <u>1047712</u> ,		
	"Grant Agreement	for Airport Impro	vement Excluding La	and Acquisition," for	
	State Project No. A	6901-203 at the <u>l</u>	Ouluth International	Airport is accepted.	
2.	That the	(Title)	and	(Title)	
	are	(Title)		(Title)	
	authorized to execu	te this Agreemer	t and any amendmen	ts on behalf of the	
	Duluth Airport A	<u>ıthority</u> .			
		CE	RTIFICATION		
STATE	OF MINNESOTA				
COUNT	ΓY OF				
	I certify that the ab	ove Resolution is	s a true and correct co	py of the Resolution adopte	d by the
		(Nan	ne of the Recipient)		W-707-01-10-10-10-10-10-10-10-10-10-10-10-10-
at an au	thorized meeting he	ld on the	day of		_ , 2020
as show	on by the minutes of	the meeting in m	y possession.		
			Signature:		
				(Clerk or Equivalent)	
(CORPORATE SEAL	/OR/	NO	TARY PUBLIC	
				res:	

VII B

Duluth Airport Authority Short Elliott Hendrickson Inc. (SEH) Work Order 2021-6 for Final Design for the Midfield Ramp Repair (Phase 1) Project at the Duluth International Airport

Terms:

- Estimated start date of July 21, 2021
- Estimated end date of May 31, 2022

Agreement Overview:

This work order includes final design and bidding services for the Midfield Ramp Repair (Phase 1) project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 1-21-2020) between the DAA and SEH remain in effect for this work order.

Background:

The Midfield Ramp at the Duluth International Airport (DLH) is located adjacent to the Snow Removal Equipment Maintenance Facility, east of the Cirrus area. The Midfield Ramp is approximately 36,100 square yards and is intended to serve as parking for large transient aircraft, such as military cargo aircraft or commercial service aircraft that divert from other airports.

Some of the Midfield Ramp pavement has been rated lowest on the Airfield. The most recent pavement inspection completed by MnDOT Aeronautics in 2018 showed a portion of the pavement as "failed" and another portion in "very poor" or "fair" condition.

The proposed design project would analyze the pavement condition, prioritize repair areas, evaluate environmental contamination risks, and develop a phased approach for repair. The phased approach will include both cost and access factors. The following figure shows the Priority Area 1 and 2 that will be analyzed during the design effort.

This work scope includes the geotechnical analysis, environmental contamination evaluation, final design, plans and specifications development, and bidding documents. (Bidding, construction observation, administration, and closeout are excluded.) As part of the preliminary design effort, the project team will identify phasing for the Midfield Ramp repair. The final design as part of this scope will include design of the Phase 1 portion of the Midfield Ramp Repair. It is understood the Midfield Ramp will be broken down into phases, and design work for subsequent phases is excluded.

The project schedule includes design in 2021 with anticipated bidding in late 2021 or Spring of 2022. Construction is anticipated to occur in 2022, dependent on the availability of state funding support.

MnDOT Aeronautics has indicated the pavement rehabilitation would be eligible for state grant funding. The state would cover 70 percent of eligible costs, while the DAA would assume the remaining 30 percent.



WORK ORDER No. 2021-6 Between

Dated: June 18, 2021

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

MIDFIELD RAMP REPAIR – PHASE 1 DULUTH INTERNATIONAL AIRPORT (DLH)

This work order includes preliminary design, environmental review, final design, and bidding documents for the repair of the Midfield Ramp at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 1-21-2020) between the DAA and SEH remain in effect for this work order.

Estimated start date is July 1, 2021; estimated end date is June 30, 2022.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$136,900.00.

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: Shawn McMahon, PE

APPROVED:	
Duluth Airport Authority (DAA)	Short Elliott Hendrickson Inc.
Title:	Title: Principal
Date:	Date:_June 18, 2021
Title	
Title:	
Date:	

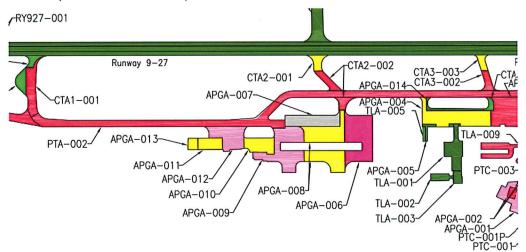
ATTACHMENT A Duluth International Airport (DLH)

Midfield Ramp Repair – Phase 1
Projected State Grant SP No. TBD
Scope of Work

(Environmental Material Review, Final Design, Plans and Specifications, and Bidding Documents)

General – The Midfield Ramp at the Duluth International Airport (DLH) is located adjacent to the Snow Removal Equipment Maintenance Facility, east of the Cirrus area. The Midfield Ramp is approximately 36,100 square yards and is intended to serve as parking for large transient aircraft, such as military cargo aircraft of commercial service aircraft that diverted from other airports.

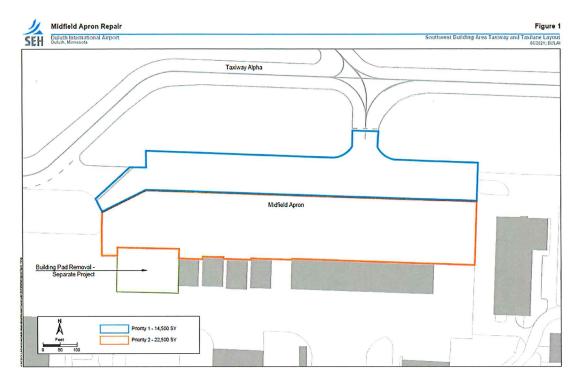
Some of the Midfield Ramp pavement has been rated as some of the worst on the Airfield. The most recent pavement inspection completed by MnDOT Aeronautics in 2018 showed a portion of the pavement as "failed" and another portion in "very poor" or "fair" condition. See the excerpt from the pavement condition report below.



	Failed	Very Poor	Poor	Fair	Good	Very Good	Excellent	
						\$15.IT		PCI INDEX
NS	0-10	11-25	26-40	41-55	56-70	71-85	86-100	INDEX

Figure 4. 2018 PCI Summary Map at Duluth International Airport (DLH).

The proposed design project would analyze the pavement condition, prioritize repair areas, evaluate environmental contamination risks, and develop a phased approach for repair. The phased approach will include both cost and access factors. The following figure shows the Priority Area 1 and 2 that will be analyzed during the design effort.



This work scope includes the geotechnical analysis, environmental contamination evaluation, final design, plans and specifications development, and bidding documents. (Bidding, construction observation, administration, and closeout are excluded.) As part of the preliminary design effort, the project team will identify phasing for the Midfield Ramp repair. The final design as part of this scope will include design of the Phase 1 portion of the Midfield Ramp Repair. It is understood the Midfield Ramp will be broken down into phases, and design work for subsequent phases is excluded.

The project schedule includes design in 2021 with anticipated bidding in late 2021 or Spring of 2022. Construction is anticipated to occur in 2022, dependent on the availability of state funding support.

Project Deliverables - The project deliverables of this scope include the following:

- 1. Project formulation
- 2. Preliminary engineering
- 3. Plan drawings for Midfield Ramp Repair
- 4. Construction bidding documents for Midfield Ramp Repair
- 5. Project management

This work scope includes:

Work Element 1: Project Formulation

Task 1.1 – Scoping, Review, and Coordination – Short Elliott Hendrickson (SEH and/or Consultant) will coordinate with the Duluth Airport Authority (DAA) (sponsor) to develop the appropriate scope of work. Additional coordination will include task definition and establishment of project goals and objectives. The scope of work will be presented to MnDOT Office of Aeronautics for review and will be updated based on input received.

Task 1.2 – Project Formulation – SEH will complete the project and grant preapplication documentation, environmental review submittals, cost breakdowns and eligibility determinations for the approved scope of work.

Work Element 2: Environmental Analysis

- Task 2.1 Topographic Survey A topographic survey will be completed in the proposed Midfield Ramp reconstruction. Survey will include all pavement grades, pavement edges, drainage structures, utility information, airfield lighting, and other necessary features. SEH will complete the survey work and provide escorting and oversight during the survey.
- Task 2.2 Geotechnical Analysis/Borings Eight (8) geotechnical borings will be drilled in the apron area. SEH will provide escorting and oversight during the drilling. The boring logs and narrative report will be used to develop the typical section for apron area. (See geotechnical scope of work, attached.)
- Task 2.3 Environmental Analysis SEH will collect eight samples throughout the project site to evaluate potential for contamination.
- Task 2.4 Report Summary SEH will complete a report summary of the findings from the geotechnical borings and environmental sampling and provide recommendations for remediation. This task does not include contaminated material removal plans, mitigation, remediation, or other unknown items. This task is intended to report what's there and outline the next steps for remediation if necessary.

Work Element 3: Plan Drawings for Midfield Ramp Repair

Final design and plan drawings for Midfield Ramp Repair, will be prepared in accordance with federal and state guidelines. FAA Advisory Circular (AC) 150/5300-13A, *Airport Design*, will be utilized in the development of the plan set. Other applicable ACs, FAA Orders, Regulations and Policy Memorandums will be used as needed. Specific tasks included with this work element include:

- **Task 3.1 Environmental Coordination and Permits** SEH will complete the and/or coordinate the following permits:
 - MPCA NPDES permit application
 - City of Duluth Haul Route Application
 - City of Duluth Stormwater permit
 - Stormwater Pollution Prevention Plan (SWPPP)
- Task 3.2 Construction Safety and Phasing Plan Development SEH will complete the Construction Safety and Phasing Plan (CSPP). SEH will meet with DAA staff, airfield tenants and users to evaluate potential risks and determine appropriate mitigation tactics. The preliminary CSPP will be enhanced to determine final phasing and sequencing, construction limits, haul routes, contractor staging areas, and anticipated impacts to airport users and airfield facilities. A final CSPP will be uploaded for FAA airspace review.
- Task 3.3 Detailed Final Design The final design will include design of the phase 1 portion of the Midfield Ramp Repair. It is understood the Midfield Ramp will be broken down into phases, and design work for subsequent phases is excluded. Detailed design will include development of pavement design, repair techniques, joint layout, and other necessary elements.
- Task 3.4 Construction Plan Sheets Specific plan sheets to be developed and included in the plan set are as follows:
 - Title Sheet
 - Construction Safety Plan
 - Construction Phasing Plan
 - Construction Signage Plan
 - Statement of Estimated Quantities
 - Details and Construction Notes
 - Utility Locations Plan
 - Typical Section(s)
 - Removal Plan

- Erosion Control Plan and Details
- Topography and Plan/Profile drawings for new pavement
- Alignment Plan
- Bituminous Pavement Jointing Plan and Details
- Concrete Pavement Joint Plan and Details
- Pavement Marking Plan and Details
- Standard Plates
- Cross Sections
- Task 3.5 Quality Control Site Visit SEH will conduct two quality control site visits during final design to verify base maps, utility locations, light locations, grades, and other relevant site features to ensure conformance to bidding documents.

Work Element 4: Construction Bidding Documents for Midfield Ramp Repair

Elements of the Construction Bidding Documents will be prepared in accordance with applicable FAA AC's, Orders, Regulations and Policy Memorandums. Specific tasks included with this work element include:

- Task 4.1 Construction Bidding Documents A bid proposal project manual will be prepared that will consist of a table of contents, advertisement for bids, proposal documents, schedule of prices, State and Federal requirements, wage rates, technical specifications and special provisions.
- Task 4.2 Quantity Calculations and Final Engineer's Estimate –This task includes finalization of quantities associated with the project for use in the bid package. A final engineer's estimate using these quantities is also included.
- Task 4.3 Quality Control Reviews –This task includes quality control reviews of the project plans and specifications, quantity determinations and construction cost estimates. An on-site plan review with DAA staff is included.

Work Element 5: Project Management – This task includes the overall project management of Work Elements 1 through 6 noted above. Project Management includes administration of the project, design team meetings, agency and Sponsor meetings, airfield user and tenant outreach meetings, and related project administration tasks.

- **Task 5.1 Design Team Meetings** –This task includes weekly meetings by the design team to discuss project elements, schedule, issues, and provide coordination between team members.
- Task 5.2 Agency Meetings –This task includes monthly meetings by the design team, MnDOT Office of Aeronautics, FAA ADO, DAA staff, and other individuals and agencies as needed, to discuss the project design development, schedule, and any other related items.
- Task 5.3 Public Involvement Meetings and Notifications This task includes specific meetings with airfield businesses, airfield tenants, terminal tenants, DAA staff meetings, and other critical stakeholders to provide updates on the status of the project and address any issues or concerns. This task also includes project mailing and notifications will be sent out to the stakeholders.
- **Task 5.4 Overall Project Management –**This task includes project coordination and administration, including Sponsor and agency communication, internal meetings, progress reports, budget updates and monthly invoices.

PROJECTED SUBMITTAL DATES:

The anticipated submittal dates are:

June 18, 2021

State grant application for design

July 20, 2021 February 1, 2022 Spring, 2022 March 2022 Board consideration of SEH's proposal 100% Bidding documents completion Bid opening State grant application for construction



Project Proposal

QTB141049

Proposed Hangar Demo Area Evaluation

Client:

Short Elliott Hendrickson, Inc. Shawn McMahon 3535 Vadnais Center Dr Saint Paul, MN 55110 Work Site Address:

Duluth International Airport 4701 Grinden Drive Duluth, MN 55811 Service Description:

Geotechnical / Environmental Evaluation Duluth International Airport

	Description	Quantity	Units	Unit Price	Extension
ase 1	Evaluation				
Activity 1.1	Drilling			Visional	\$1,710.00
9000	Truck Mounted Drilling Services, per hour	5.00	Each	300.00	\$1,500.00
205	Site layout and utility clearance	1.50	Hour	110.00	\$165.00
1862	Utility Trip Charge	1.00	Each	25.00	\$25.00
9738	Bituminous patch, per bag	2.00	Each	10.00	\$20.00
Activity 1.2	Environmental				\$1,190.00
310	Field Technician III (Monitor Borings)	5.00	Hour	100.00	\$500.0
1868	ENV Trip Charge	1.00	Each	25.00	\$25.00
5036	PID w/10.6 eV lamp, per day	1.00	Each	165.00	\$165.0
SUB	Analytical Lab Testing	4.00	Each	125.00	\$500.0
Activity 1.3	Project Management				\$2,130.00
138	Project Assistant	1.50	Hour	80.00	\$120.0
118	Staff Engineer	9.00	Hour	145.00	\$1,305.0
320	Staff Scientist	2.00	Hour	145.00	\$290.0
125	Project Control Specialist	0.50	Hour	150.00	\$75.0
128	Senior Engineer	1.00	Hour	175.00	\$175.0
129	Senior Project Manager	1.00	Hour	165.00	\$165.0
Leaven		Harris and the same of the sam	Ph	ase 1 Total:	\$5,030.00

Proposal Total:	\$5,030.00
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06/17/2021 02:07 PM Page 1 of 1



Project Proposal

QTB141297

Proposed Fuel Transfer Apron Area

Client:

Short Elliott Hendrickson, Inc. Shawn McMahon 3535 Vadnais Center Dr Saint Paul, MN 55110

Work Site Address:

Duluth International Airport 4701 Grinden Drive Duluth, MN 55811 Service Description:

Geotechnical/Enviornmental Evaluation Duluth International Airport

	Description	Quantity	Units	Unit Price	Extension			
ase 1	Geotechnical Evaluation							
Activity 1.1	Environmental Services			and the second	\$1,740.00			
310	Field Technician III (Soil Monitoring)	8.00	Hour	100.00	\$800.0			
1868	ENV Trip Charge	1.00	Each	25.00	\$25.0			
5036	PID w/10.6 eV lamp, per day	1.00	Each	165.00	\$165.0			
SUB	Analytical Lab Testing	6.00	Each	125.00	\$750.0			
Activity 1.2	Drilling Services				\$4,425.0			
9100	Flotation Tire Drill Rig and Crew, per hour	8.00	Each	315.00	\$2,520.0			
1465	Rapid set grout	8.00	Each	20.00	\$160.0			
205	Site layout and utility clearance	4.00	Hour	110.00	\$440.0			
1862	Utility Trip Charge	1.00	Each	25.00	\$25.0			
298	Concrete/Biutminous Coring	8.00	Hour	160.00	\$1,280.0			
Activity 1.3	Geotechnical Soil Tests							
1166	Loss by Washing Through #200 Sieve, per sample	4.00	Each	75.00	\$300.0			
1152	Moisture content, per sample	8.00	Each	20.00	\$160.0			
1320	Moisture Density Relationship (Modified), per sample	2.00	Each	180.00	\$360.0			
1734	California Bearing Ratio, per molded specimen	2.00	Each	315.00	\$630.0			
Activity 1.4	Evaluation/Analysis/Reports							
138	Project Assistant	3.00	Hour	80.00	\$240.0			
118	Staff Engineer	10.00	Hour	145.00	\$1,450.0			
320	Staff Scientist	2.00	Hour	145.00	\$290.0			
128	Senior Engineer	2.00	Hour	175.00	\$350.0			
125	Project Manager	1.00	Hour	150.00	\$150.0			
129	Senior Project Manager	1.00	Hour	165.00	\$165.0			
			Ph	ase 1 Total:	\$10,260.0			

Proposal Total: \$10,260.00

ATTACHMENT B ESTIMATED FEES AND EXPENSES MIDFIELD RAMP REPAIR - PHASE 1 ENVIRONMENTAL REVIEW, FIINAL DESIGN, PLANS AND SPECIFICATIONS, AND BIDDING DOCUMENTS DULUTH INTERNATIONAL AIRPORT (DLH) DULUTH, MN

lask	- 15 (1	Project	Project	Professional	Project	Project	Senior	Sr. Aviation	_	Admin
	Task Description	Director	Manager	Engineer	Engineer	Scientist	Technician	Planner	Surveyor	Technician
	t Formulation	-								
	Scoping, Review, and Coordination	2	4	4	2		2			
	Project Formulation	4	4	8	2	4	2	8		2
Prelim	inary Engineering									
2.1	Topographic Survey	***		2	4		1		16	
2.2	Geotechnical Analysis/Borings			2	12					
2.3	Environmental Analysis		4	8	8	40		8		
	Report Summary		4		20	20	1			
Plan D	rawings for Midfield Ramp Repair			***************************************				•		<u> </u>
3.1	Environmental Coordination and Permits	2	2	2		8	2	2		
	MPCA NPDES/SWPPP Permit			8	8	8				İ
3.2	Construction Safety and Phasing Plan Development		2	4	8		8			
3.3	Detailed Final Design		16	60	80					
3.4	Construction Plan Sheets		2	20	40		80			
3.5	Quality Control Site Visits		20	20	20					
Consti	uction Bidding Documents for Midfield Ramp Repair									
4.1	Construction Bidding Documents		2	16	20		6			4
4.3	Quantity Calculations and Final Engineer's Estimate		2	4	8		2		***	
4.4	Quality Control Reviews	2	4	4			Ī			
Projec	t Management								************	
	Design Team Meetings		12	12	12	6	l			1
	Agency Meetings	2	4	4	4					
5.3	Public Involvement Meetings and Notifications	2	4	4						2
5.4	Overall Project Management		8							
	Total hours per labor category	14	94	182	248	86	102	18	16	8

ESTIMATE OF LABOR COSTS:

Labor Category	Hours	Rate	Extension
Project Director	14	\$81.08	\$1,135.12
Project Manager	94	\$76.66	\$7,206.04
Professional Engineer	182	\$49.29	\$8,970.78
Project Engineer	248	\$40.46	\$10,034.08
Project Scientist	86	\$41.25	\$3,547.50
Senior Technician	102	\$42.39	\$4,323.38
Sr. Aviation Planner	18	\$76.52	\$1,377.36
Surveyor	16	\$34.00	\$544.00
Admin Technician	8	\$31.19	\$249.52

Total Direct Labor Costs: Direct Salary Costs plus Overhead (72%)

768

\$37,387.78 \$64,306.99

\$101,694.77

Fixed Fee on Labor Costs (15%)

\$15,254.22

ESTIMATE OF EXPENSES:

Total Labor Costs

THE PLANT MITTERS		
Direct Expenses	Quantity	Rate
Computer Charge	768	\$3.
Braun Geotechnical Borings	1	\$5,030
Braun Environmental Testing	1	\$10,260

Extension \$2,304.00 \$5,030.00 \$10,260.00 \$560.00 \$1,478.40 \$300.00 \$3.00 \$5,030.00 \$0,260.00 \$35.00 \$0.56 \$300.00 Survey Equipment
Employee Mileage
Reproductions / Miscellaneous 2,640

Total Expenses

\$19,932.40

SUMMARY: Total Labor Costs + Expenses + Fixed Fee

\$136,881.39

Estimated Total

\$136,900.00

MIC

Operating Policy #27 Executive Summary

Background: Donald J. Trump for President Campaign hosted a campaign event at the Duluth International Airport for which they did not pay the applicable fees per the agreement. The DAA board at the May board meeting approved the write-off of the expense with a request that a policy be developed requiring payment in advance of events in the future.

Purpose: To ensure that political organizations as defined by 26 U.S. Code § 527 and below, provide payment of event fees or other charges per contract for events held on airport property prior to holding an event.

Summary: Political organizations holding events at the airport in the future will be required to be under contract and to make advance payment of any fees 24 hours prior to holding any events at the airport.

Prepared by: Joelle Bodin

OPERATING POLICY #27

AGREEMENTS WITH POLITICAL ORGANIZATIONS

Initial Implementation Date: July 20th, 2021

PURPOSE: To ensure that political organizations as defined by 26 U.S. Code § 527 and below, provide payment of event fees or other charges per contract for events held on airport property prior to holding an event.

POLICY: It is the policy of the Duluth Airport Authority to ensure proper agreements and fees are in place to protect the interests of the Duluth Airport Authority. Political organizations, candidates, and elected officials who are currently campaigning are all required to pay all applicable fees in accordance with the agreement and the procedures set forth below. Elected officials who are visiting the airport on official business, unrelated to a campaign activity or a fundraiser will not be subject to the provisions of this policy. Duluth Airport Authority staff will follow the procedures of this policy as set forth below.

DEFINITIONS:

1. Political Organization: The term "political organization" means a party, committee, association, fund, or other organization (whether or not incorporated) organized and operated primarily for the purpose of directly or indirectly accepting contributions or making expenditures, or both, for an exempt function.

PROCEDURES:

- 1. The Duluth Airport Authority staff will draft an agreement for any lease, operation or event held on Airport property by a political organization to ensure all financial, legal, insurance and operating requirements are met.
- 2. The DAA will charge an event fee for events held on airport property requiring use of DAA controlled spaces, equipment, or personnel for the purpose of campaigning and/or hosting a public, media, or fundraising event. All aircraft parking, fuel flowage and landing fees, when applicable will be charged based on the current adopted airport rates and charges.
- 3. All fees are required to be paid in full 24-hours prior to the commencement of any activity on airport property.

DAA President	



Duluth Airport Authority Messerer-Bellamy Sky Harbor Lot 3 Land Lease

Terms:

• 10 year base term with one (1) additional five (5) year option term.

Background:

- Current lease set to expire.
- Messerer & Bellamy have been long time tenants at Sky Harbor.
- Messerer also has another hangar and has an operating agreement for aircraft maintenance.

Agreement Overview:

- Rate is consistent with other DYT Land Leases at \$.22 per square foot.
- All language is current and consistent with other DYT Land Leases.

HANGAR #3 LAND LEASE SKY HARBOR AIRPORT

Messerer/Bellamy

Parties to this Agreement are the DULUTH AIRPORT AUTHORITY, hereinafter called "Authority" and Jon Messerer and William Bellamy, hereinafter referred to as "Lessee".

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

- 1. Pursuant to Laws 1969, Chapter 577, the Authority is the operator of Duluth Sky Harbor Airport, located in the City of Duluth, State of Minnesota; and
- 2. Lessee is engaged in the non-commercial pursuit of aviation and desires to maintain a hangar building for its use on said Airport;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements contained herein, the parties agree as follows:

SECTION 1Definitions

The following terms, as used in this Agreement, shall have the meanings as ascribed to them hereunder.

- A. <u>Airport</u>: shall mean Sky Harbor Airport located in the City of Duluth, County of St. Louis, State of Minnesota.
- B. Consent or Approval of Authority and/or of Executive Director: where this Agreement calls for the consent or approval of the Authority, the same shall be in the form of a resolution approved by the Authority as provided by law; where the consent or approval of the Executive Director is required, the same shall be evidenced by a written document signed by him/her.
- C. Executive Director: shall refer to the Executive Director of the Authority or his/her designee.
- D. <u>Leased Premises</u>: shall refer to that portion of the Airport leased to Lessee for its exclusive use as further described in SECTION 3, Subparagraph A of this Agreement and **Exhibit A and Exhibit B** attached hereto and incorporated herein.
- E. <u>Leasehold Improvements</u>: shall refer collectively to all items located on, within, and attached to the Leased Premises provided or purchased by Lessee or a previous lessee, including such items as buildings, structures, insulation, utilities, systems, ramps and taxiways.

SECTION 2 Operations & Performance

Lessee is hereby authorized to utilize the Leased Premises only for the following purposes:

- A. To securely store and maintain aircraft in Lessee's hangar which aircraft is owned or controlled by Lessee for private and non-commercial aviation purposes.
- B. To provide pilots' lounge facilities, preflight briefing area, and related improvements.
- C. To safely store other personal property in Lessee's hangar as approved in writing by the Executive Director which approval will not be unreasonably withheld or delayed.

SECTION 3

Leased Premises & Use of Facilities

A. <u>Leased Premises</u>: During the term of this Agreement and any extensions thereof, Authority does hereby lease to Lessee for its exclusive use that tract of land lying in Parcel 6 of the REFEREE'S PLAT OF MINNESOTA POINT as recorded in the Office of the Register of Deeds in Book "G" of Plats, Page 38, labeled as Hangar 3 on Exhibit A and Exhibit B, more particularly described as follows:

Beginning at the southeasterly corner of the Duluth Airport Authority Hangar Concrete Ramp at Sky Harbor Airport; thence southeasterly along the northeast edge of the bituminous aircraft parking ramp 92 feet+ to the point of beginning of the line described. Then deflect 90° to the left and go 105' 0" to a point, then deflect 90° to the right and go 80' 0" to a point, then deflect 90° to the right and to 80' 0" to the point of beginning, consisting of 8,400 square feet, more or less.

B. <u>Use of Airport Facilities</u>: Authority does additionally hereby grant to Lessee a license for the use of all public facilities at the Airport to the same extent as other tenants, including, but not limited to, runways, ramps and taxiways.

SECTION 4

Rent, Taxes, Assessments, License Fees, and Utilities

A. Rent: For the Term of this Agreement, Lessee agrees to pay rent on the Leased Premises consisting of 8,400 square feet, more or less in the amount of \$.22 cents per square foot per year for a total yearly rent of \$1,848.00, payable on or before August 1 each year.

On August 1st of each subsequent year during the term of this Agreement, or any extension, renewal or holding over thereof, the annual rent shall increase to the amount calculated by multiplying the previous year's rent by the rate of increase, if any, of the most recent Consumer Price Index, U.S. City Average, published by the U.S. Bureau of Labor Statistics for the preceding twelve-month period.

- B. <u>Taxes</u>, <u>Assessments and License Fees</u>: Lessee shall be liable for the payment of all real property and personal taxes, assessments, license fees or other charges that may be levied or assessed during the term of this Agreement arising in any manner out of this Agreement, charged by any governmental agency and shall provide evidence of payment of any such taxes to Authority as such taxes shall become due. If Lessee shall fail or neglect to pay any of said taxes, assessments, license fees or other charges when the same become due, the Authority may pay the same, together with any cost or penalty which may be accrued thereon, and collect the entire amount so paid from Lessee, and Lessee hereby agrees to pay such entire amount due to the Authority upon demand therefor.
- C. <u>Utilities</u>: Lessee shall be responsible for providing and connecting any utilities to the Leased Premises covered by this Agreement at no cost to the Authority, including, but not limited to, electricity, gas, water, sewer, heat, telephone and garbage disposal. Lessee shall be responsible for paying the applicable monthly utility service charges and any other fees for use of the Leased Premises.

SECTION 5

Term

- A. <u>Base Term</u>: The term of this Agreement shall commence on August 1, 2021, and terminate on July 31, 2031, unless sooner or later terminated as herein provided.
- B. Option Term: The parties reserve the right to exercise one (1) additional five (5) year option term beyond the base term provided that the parties mutually agree to exercise the option term sixty (60) days prior to the end of the base term or any executed option term.

After the expiration of the base term and any exercised option terms, should Lessee have the Executive Director's written permission to remain in possession of the Leased Premises, then the tenancy shall be month to month under the same terms and conditions set forth in this Agreement subject to the right of either party to terminate said continuance of this Agreement upon twenty-eight (28) days' written notice to the other party. Lessee shall have the right, within 28 days prior to the end of the term of this Agreement, to meet and negotiate with Authority for a new lease; the terms and conditions of which are subject to negotiation. Authority shall not lease the Leased Premises to another party during this 28-day period without first offering to negotiate a new lease agreement with Lessee.

SECTION 6

Premises Maintenance

Lessee agrees to keep the Leased Premises in a clean, neat and orderly condition and in compliance with all laws and codes applicable to the Leased Premises. In the event that Lessee shall fail to so maintain any portion of the said Leased Premises, Authority shall have the right, but not the obligation, to itself perform or have performed said maintenance and to charge Lessee for said work plus a fifteen percent (15%) administrative fee, due and payable upon the date of the invoice. Lessee is responsible to perform all maintenance on its own personal property including the hangar bay doors and door operating equipment.

SECTION 7Construction

In the event that Lessee wishes to make any modifications or improvements on the Airport, it shall present its request to the Executive Director in writing together with design development or construction drawings showing all details of said improvement. No improvement shall be made on the Leased Premises without the prior written approval of the Executive Director which approval will not be unreasonably delayed and then only in conformance with the approved plans and this Section.

- A. <u>Design and Construction:</u> Design of proposed hangar must be compatible with structures currently at the Airport. The Airport is zoned AP for airport. All design and construction must meet local, State, and/or Federal building codes.
 - a. A paved apron connector to the proposed hangar is required and the sole responsibility of the Lessee.
 - b. The Lessee must provide a construction schedule.
 - c. The Lessee must complete and submit for approval by the FAA, the Notification of Proposed Construction or Alteration, FAA form 7460-1, prior to plans submittal. Form 7460-1 is attached as Exhibit E.
 - d. Proposed construction must be of an aviation hangar. Uses and design of the hangar will solely be for aviation uses in compliance with FAA regulations and minimum standards as maybe amended from time to time.

- B. <u>Construction Standards and Approvals</u>: All work done by Lessee, or under its direction, shall conform to all applicable regulations, building codes and health standards, as well as the following requirements:
 - a. All construction shall meet the requirement of Type I (fire resistant) construction as set forth in the Minnesota State Building Code (current edition) and the building standards for the Airport, where relevant.
 - b. Complete contract drawings and specifications on all work, including alterations, additions or replacements, must be submitted for and receive prior written approval of the Executive Director which will not be unreasonably withheld or delayed.
 - c. All work must be done by competent contractors in the time and manner approved by the Executive Director which will not be unreasonably withheld or delayed and coordinated with Executive Director. Lessee shall comply with the indemnity and insurance and bond requirements of this Agreement.
 - d. An authorized representative of Lessee shall be available at all reasonable times at the site to coordinate the work of the leasehold improvements.

C. Construction Bonds and Insurance:

- a. <u>Bonds</u>: During the term of this Agreement, when any modifications or improvements are constructed, installed or renovated, Lessee shall procure and furnish to Authority a contractors' bond or bonds written by a company or companies authorized to write such bonds in the State of Minnesota and who are acceptable to the Executive Director, in an amount not less than the cost of such construction, installation or renovation, for the use obligee, Lessee and the Authority and all persons doing work or furnishing skills, tools, machinery, materials, insurance premiums, equipment or supplies incident to such construction, installation or renovation, such bond or bonds to be conditioned for payment of claims as required and in full compliance with Minnesota Statutes Section 574.26. Further, during the term of this Agreement, for any construction, installation or renovation, and before the commencement of work thereon, Lessee shall furnish to Authority performance bonds, written by similarly qualified companies, covering all work to be performed thereunder guaranteeing the performance of all such work.
 - Notwithstanding the foregoing, Lessee may furnish Executive Director with a personal indemnity or other evidences, at the sole option of and satisfactory to the Executive Director, of its ability to complete construction without liens.
- D. <u>Contractor's Public Liability and Property Insurance</u>: Before commencing any improvement, work or equipment installation on the Airport, Lessee shall require all contractors and subcontractors to procure and maintain insurance during the life of such contracts, protecting both the Authority and the Lessee as follows:
 - a. Workers' Compensation Insurance.
 - b. Contractors Comprehensive Public Liability and Property Damage Insurance.
 - c. Contractors Automobile Liability and Property Damage Insurance, including automobile and non-ownership and hired cars.
 - d. Owners Protective Public Liability and Protective Property Damage Insurance.
 - e. Builders Risk Insurance (fire, extended coverage, vandalism and malicious mischief, including sprinkler leakage).

Amounts shall be not less than One Million Five Hundred Thousand Dollars (\$1,500,000) for injuries, including accidental death to any one person, and subject to same limit for each person, and in an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000) on account of any one accident, and property damage in an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000) aggregate for the policy. Insurance, as above

- provided, shall be kept intact and in force throughout the term of construction work and equipment installation on the Leased Premises. Such insurance shall be subject to the approval of the Executive Director and copies furnished to the Executive Director prior to the commencement of construction.
- E. <u>Subsequent Leasehold Improvements</u>: Any changes in, additions to or deletions from existing or later constructed leasehold improvements shall be at Lessee's sole expense and subject to the prior written approval of the Executive Director which will not be unreasonably delayed, and the Executive Director may impose such conditions as he/she shall deem necessary to protect and promote the Authority and the integrity of all operations at the Airport, including, but not limited to, bonding and insurance requirements. Exterior signs, color of building or roof, exterior construction materials and decorations are subject to the discretion, approval and regulation of the Executive Director which will not be unreasonably withheld or delayed.

SECTION 8Authority's Obligations

The Authority shall properly maintain, operate, and manage the Airport at all times in a safe manner consistent with the generally accepted good practices in the State of Minnesota for airports of similar size and character. If for any reason beyond the control of the Authority (including, without in any manner limiting the generality of the foregoing, war, strikes, riots, civil commotion's and similar causes), the Authority shall fail to properly maintain, operate and manage said Airport, such failure shall not operate as a breach of this Agreement or render the Authority liable in damages.

SECTION 9

Indemnity, Insurance and Waiver of Claims

- A. <u>Defense and Indemnity</u>: Lessee shall indemnify, save, hold harmless, and defend Authority and the City of Duluth (the "City"), their officials, agents and employees, successors and assigns, individually or collectively, (1) from and against any and all claims including a claim for contribution or indemnity, demands, causes of action, loss, injury, liability, costs and expenses of whatsoever kind or nature (including but not limited to reasonable attorneys' fees, disbursements, court costs, and expert fees) and damages for or related to injury to or death of persons or damage to property, and (2) from and against any fines in any way arising from or based upon the violation by Lessee, its agents, employees, successors and assigns of any federal, state, or municipal laws, statutes, resolutions, or regulations, including rules or regulations of the Authority now in effect or hereafter promulgated; all arising out of, resulting from, in conjunction with or incident to any act or omission of Lessee, its officials, agents or employees, successors or assigns, Lessee's performance of obligations under this Agreement, or the use and/or occupancy of the Leased Premises or of the Airport by Lessee, its officials, agents or employees, or successors or assigns, and on ten (10) days' written notice from the Authority, the Lessee shall appear and defend all claims and lawsuits against the Authority and/or the City growing out of any such injury or damage.
- B. Environmental Liability: In addition to the general indemnity stated above, and as part of it, it is specifically agreed between the parties that Lessee shall be responsible in all respects for the use of or generation of or release or threatened release of any petroleum based substance or product, or any volatile organic compound, or any substance classified as a pollutant, contaminant, toxic substance, solid waste or a "hazardous waste" by either the Environmental Protection Agency of the Government of the United States or the Minnesota Pollution Control Agency by Lessee, its officials, agents or employees, successors or assigns. Lessee shall specifically be responsible for the disposition of all such waste or substances and for the environmental response activities and costs, monitoring, or cleanup of any environmental

condition deemed by those agencies or either of them to require environmental response, monitoring or cleanup activities of any kind which arises directly or indirectly out of the use of or generation of such substances by Lessee, its officials, agents or employee, successors or assigns in its operations at the Airport; and Lessee specifically agrees that the obligations of Paragraph A above shall apply specifically to any costs or obligations of Authority arising out of any such disposition, cleanup, or environmental response.

- C. <u>Survival</u>: The provision of this Section shall survive the expiration, termination and early cancellation of this agreement.
- D. Insurance: Lessee shall carry and maintain in full force and effect during the term of this Agreement the minimum amounts of insurance set forth below. The Lessee shall carry workers' compensation insurance on all of its employees employed on the Airport. Lessee may request the Authority to approve alternative types of insurance providing at least equal protection. All such insurance shall be in at least the following amounts and shall be in a form acceptable to the Authority and approved by the City Attorney, shall name the Authority and the City of Duluth as additional insureds on each liability policy and shall provide for thirty (30) days' written notice to the Authority of any cancellation or modification thereof. Certified copies thereof or appropriate certificates of insurance evidencing the existence thereof shall be delivered to the Authority prior to the execution of this agreement. The Authority reserves the right and Lessee agrees to revisions upward or downward in the minimum insurance requirements hereinafter set forth. All insurance required under this Agreement shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the United States and licensed to do business in the State of Minnesota.
 - 1. Commercial general liability insurance, including contractual, completed operations, premises and operations and products liability coverage in an amount of not less than \$1,500,000 combined single limit or \$1,500,000 bodily injury per occurrence; \$1,500,000 property damage per occurrence and \$1,500,000 in aggregate.
 - 2. Owned, non-owned and hired vehicles in an amount not less than \$1,500,000 combined single limit or \$1,500,000 bodily injury per occurrence; \$1,500,000 per occurrence if Operator uses any vehicles.
 - 3. Aircraft Liability insurance from an admitted aviation insurance carrier in limits per each occurrence of not less than \$1,000,000 and Aircraft Passenger Liability insurance in limits of not less than \$100,000 for each passenger seat.
 - 4. Worker's Compensation insurance in accordance with the laws of the State of Minnesota.
- E. <u>Insurance Primary</u>: All insurance policies required above shall be primary and shall not require contribution from any coverage maintained by Authority and/or City.
- F. <u>Insurance Not Limitation</u>: It is understood that the specified amounts of insurance stated in this paragraph shall in no way limit the liability of Lessee under this Section.
- G. <u>Disclaimer</u>: Authority does not represent or guarantee that these types or limits of coverage are adequate to protect the Lessee's interests and liabilities. It shall be the obligation and responsibility of Lessee to insure, as it deems prudent, its own personal property, against damage. Authority does not have insurance coverage for Lessee's property and Authority expressly disclaims any and all liability for any and all losses, damage and/or claims to vehicles and/or personal possessions of Lessee.
- H. Authority's Fire Insurance: Lessee covenants that it will not do or permit to be done any act which:
 - a. will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereof; or

- b. will increase the rate of fire insurance on the Airport or any part thereof or upon the contents of any building thereof; or
- c. in the opinion of the Authority, will constitute a hazardous condition so as to increase the risks normally attendant upon the operations contemplated by this Agreement.

If, by reason of Lessee's failure to comply with the provisions of this section, any fire insurance rate on the Airport or any part thereof or upon the contents of any building thereof, at any time, be higher than it otherwise would be, then the Lessee shall, upon demand, reimburse the Authority for that part of all fire insurance premiums paid or payable by the Authority which shall have been charged because of Lessee's failure to comply with this section.

I. <u>Waiver of Claims</u>: Lessee waives all claims or causes of action against the Authority, its officers, agents or employees for any failure of the Authority to properly maintain, operate and manage the Airport at all times in a safe manner resulting from any reason or cause beyond the control of the Authority, including, but without the generality of the foregoing, war, strikes, riots, civil commotion and similar causes.

SECTION 10

Laws, Ordinances, Rules, And Non-Discrimination

- A. <u>Laws, Ordinances and Rules</u>: The Lessee agrees to observe and comply with all the laws, ordinances, rules and regulations of the United States of America, State of Minnesota, the City of Duluth, and their respective agencies now in effect or hereinafter promulgated which are applicable to its business at the Airport including all laws relating to unlawful discrimination, and further agrees to observe and comply with all Airport rules and regulations in existence at the execution of this Agreement and which may, from time to time, be promulgated by the Authority governing conduct on and operations at the Airport and the use of its facilities, as administered by the Executive Director. Further, Lessee agrees to fulfill its responsibilities pursuant to the Airport Security Plan approved by the Federal Aviation Administration and any amendments thereto.
- B. <u>Non-discrimination</u>: The Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant with the land that:
 - a. No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities; and
 - b. In the construction of any improvement on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
 - c. That the Lessee shall use the premises in compliance with all of the requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of I964, and as said Regulations may be amended.

SECTION 11

Authority's Rights Upon Default

A. <u>Rights</u>: If at any time Lessee shall be in default, as defined in this Section, with regard to the requirements of this Agreement, it shall be lawful for the Authority, and the Authority may at any time thereafter:

- 1. Immediately or at any time thereafter without further notice to Lessee, re-enter onto or upon the Leased Premises or any part thereof and take possession of the same fully and absolutely without such re-entry working a forfeiture of the charges to be paid and of the covenants, terms and conditions to be performed by Lessee for the full term of this Agreement, and in the event of such re-entry, the Authority may proceed with the collection of charges to be paid under this Agreement or to recover properly measured damages; or
- 2. Authority may at its election terminate this Agreement upon written notice in the manner hereinafter provided and re-enter upon said Leased Premises as of its former estate therein, and the Lessee covenants in case of such termination to indemnify the Authority against all loss of rents and expense which the Authority has suffered or paid by reason of such termination, during the residue of the term; or
- 3. The Authority shall further have all other rights and remedies including injunctive relief, ejectment or summary proceedings for unlawful detainer, and any and all legal remedies, actions and proceedings and all such remedies shall be cumulative.
- B. <u>Default Defined</u>: For the purposes of this Section only "default" shall be defined when any of the following circumstances exits:
 - 1. If the Lessee fails to pay rent, fees, taxes or other charges when due hereunder and such failure to pay shall continue for thirty (30) days after notice in writing in the manner hereinafter provided for.
 - 2. If Lessee fails to provide construction plans and specifications on or before April 1, 2021 or fails to complete construction of the airplane hangar on or before October 1, 2021, or
 - 3. If the Lessee fails in the observance or performance of any of the other terms, covenants and conditions of this Agreement and such failure shall continue for thirty (30) days after Authority has given Lessee written notice, or the Lessee shall have failed to commence the rectification of such failure within ten (10) days after such notice and to diligently prosecute the same where the same cannot be completed within thirty (30) days, or
 - 4. If a petition to reorganize the Lessee or for its arrangement of its unsecured debts shall be filed, or
 - 5. If the Lessee shall be adjudicated bankrupt, or
 - 6. If a receiver or trustee of the Lessee's property shall be appointed by any court, or
 - 7. If the Lessee shall make a general assignment for the benefit of creditors, or
 - 8. If all of the interest of the Lessee in its property shall be taken by garnishment, attachment, execution or other process of law, or
 - 9. If the Leased Premises shall be deserted or vacated.

SECTION 12

Termination by Lessee

- A. <u>Termination</u>: Lessee may terminate this Agreement prior to the end of its term, or any extension thereof, for the following reasons:
 - 1. Failure of the Authority to substantially perform its obligations hereunder, if such failure shall continue for sixty (60) days after Lessee has given Authority written notice or the Authority shall fail to commence the rectification of such failure within sixty (60) days after such notice and to diligently prosecute the same where the same cannot be completed within sixty (60) days.
 - 2. If the Authority shall commit any act or engage in any activity that prevents the Lessee from conducting its uses and activities as provided under the terms of this Agreement for a period of sixty (60) days without the consent of Lessee and after Lessee has given notice to the Authority as provided for herein.

- 3. If by any act or cause, whether by the Authority or not, Lessee is unable, by reason of change in regulation, termination of operation, or damage to the Leased Premises, to utilize the Leased Premises herein rented by Lessee for a period of six (6) months.
- B. Abatement in Lieu of Termination: In lieu of termination of this Agreement by the Lessee under the provisions of Paragraph A above, the Lessee may, at its option, declare a moratorium on rent payments, or any other payments provided hereunder to the Authority during the interruptions of Lessee's use of the Leased Premises and in such event, the term of this Agreement shall be extended for a period of such interruption, or interruptions, and the moratorium on any payments hereunder by Lessee shall continue until Lessee's use of the Leased Premises can be uninterruptedly continued.

SECTION 13 Force Majeure

If war, civil insurrection, natural disaster, change in law, action of the federal, state or city government, or other force beyond the control of the parties render the continuance of this Agreement impossible, then it shall terminate on thirty (30) days' notice to the other party.

SECTION 14 Waiver of Breach

The waiver by the Authority or the Lessee of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition herein contained.

SECTION 15 Real Property Upon Termination

- A. <u>Authority's Option to Buy</u>: At the termination of this Agreement, Authority shall have the option to purchase from Lessee any Leasehold Improvements on the Leased Premises that are then owned by Lessee. The purchase price for said Leasehold Improvements shall be determined by an appraisal of the fair market value thereof made by a board of three (3) appraisers, one of whom shall be named by the Authority, one of whom shall be named by the Lessee, and the third of whom shall be named by the two appraisers appointed respectively by the Lessee and the Authority. Upon approval of the Authority, said purchase price, as so determined, shall be paid by Authority to Lessee after completion of said appraisal upon Lessee's tendering to Authority good and marketable title to said Leasehold Improvements, free and clear of all encumbrances.
- B. Removal If Option Not Exercised: In the event that Authority does not exercise its option to purchase said Leasehold Improvements as provided for herein, and if Lessee shall have paid all taxes, assessments, rent or other charges by it payable under the terms of this Agreement, and shall have kept and performed all of the terms and conditions of this Agreement, then Lessee shall have the right to remove from Leased Premises all Leasehold Improvements thereon belonging to the Lessee, and shall restore Leased Premises to as good condition as they were in when they were entered upon by Lessee, provided that Lessee shall do so within sixty (60) days after the termination of this Agreement. If said Leasehold Improvements are not so removed, the Lessee hereby conveys the same absolutely to the Authority and title thereto, upon the expiration of said sixty (60) day period shall vest with the Authority without further act or conveyance; provided, however, that if Lessee demonstrates to Authority that for reasons beyond the control of Lessee such removal cannot be completed within said sixty (60) day period, then Executive Director may allow Lessee, in writing, a reasonable extension of time for such removal. In the event the Leasehold Improvements are not removed within said 60 day time period or such

extension thereof as may be allowed by the Executive Director, the Authority, at its sole option, may remove or demolish or cause the removal or demolition of the Leasehold Improvements or any portion thereof, at Lessee's sole cost and expense, and payment for said removal or demolition shall be made immediately upon receipt by Lessee of invoice therefor.

C. <u>Restore Premises</u>: In all events upon the termination of this Agreement, Lessee agrees to repair or restore any damage to the Leased Premises or diminution in the value thereof resulting from Lessee's operation on the Airport except normal wear and tear which are the natural and normal consequences of Lessee's operations at the Airport.

SECTION 16

Subleases and Assignments

The Lessee shall not assign, pledge, or transfer, in whole or in part, in any manner, this Agreement, nor any interest therein, nor permit the Agreement to become transferred by operation of law, including inheritance, or otherwise, nor do or suffer any acts to be done whereby the same may be or become assigned in whole or in part, unless the prior written consent of the Executive Director shall be obtained in each and every case of such underletting, assignment or transfer as shall from time to time occur or be desired. The parties expressly agree that a majority change in ownership of the controlling interest in Lessee, if any, shall be deemed to be an assignment hereunder. It is expressly agreed by the Lessee that in the event permission be granted by the Executive Director as herein provided, the sub-lessee or assignee shall be required to assume and agree to perform the covenants of this Agreement and that notwithstanding any such subletting or assignment, the Lessee shall be and remain liable for the payments of all rents and the performance of all covenants and conditions for the full term of this Agreement. The parties agree that Executive Director shall meet and confer in good faith with any party Lessee proposes as a sub-lessee or assignee of this Agreement for the purpose of reaching an accord on occupation of the Leased Premises.

SECTION 17 Erection of Signs

The Lessee shall be allowed to erect suitable signs on the Leased Premises to indicate its location or occupancy, but the form, type, size and method of installation of any such signs shall be subject to the prior written approval of the Executive Director which will not be unreasonably withheld or delayed.

SECTION 18 Governmental Commitments

Nothing herein shall be construed to prevent the Authority from making such commitments, as it determines is in its best interest, to the Government of the United States or to the State of Minnesota in order to qualify for the expenditure of Federal or State funds at the Airport or related in any manner to the operation thereof, and this Agreement shall be subordinate to the provisions of any existing or future agreement between the Authority and the Government of the United States or of the State of Minnesota relative to the operation or maintenance of the Airport.

SECTION 19 Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in force and effect and shall be binding upon the parties to this Agreement.

SECTION 20 Modification of the Agreement

Any of the terms of this Agreement may be changed upon the mutual consent of the Authority and the Lessee, but to be valid any such changes must be in writing, dated and must be executed with the same formalities as this Agreement.

SECTION 21 Notices

All notices to be given by Lessee to the Authority shall be deemed to have been given by depositing written notice in the United States Mail addressed to Authority at the Duluth International Airport, 470l Grinden Drive, Duluth, Minnesota, 558ll, Attn: Executive Director. All notices to be given by Authority to Lessee shall be deemed to have been delivered by depositing the same in writing in the United States Mail addressed to Jon Messerer at 200 West 8th Street Duluth, MN 55806, and William Bellamy at 2150 Lochaire Ave Duluth, MN 55803.

SECTION 22 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in "portable document format" (".pdf"), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

SECTION 23 Applicable Law

This Agreement, together with all of its articles, terms and provisions, is made in the State of Minnesota and shall be construed and interpreted according to the laws of the State of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota.

of

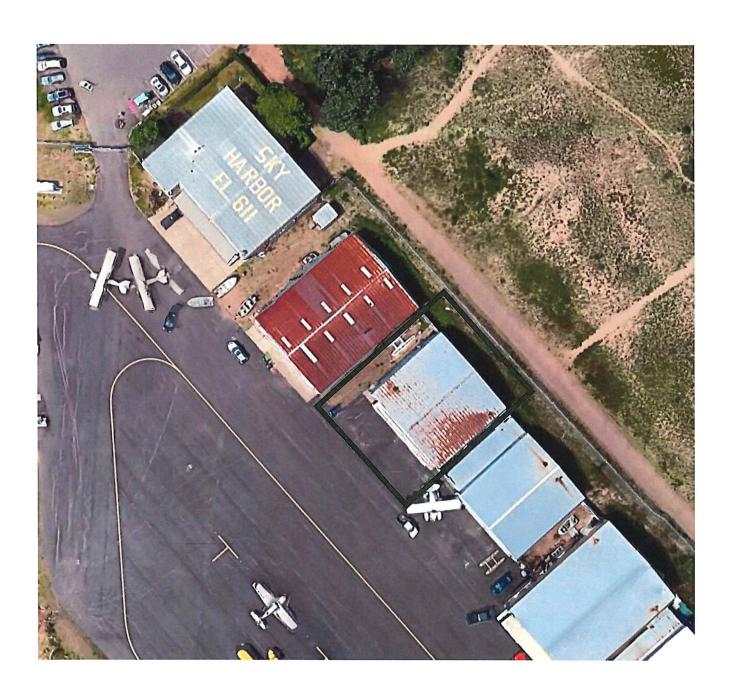
IN WITNESS WHEREOF, the parties h	ave hereunto set their hands this day
DULUTH AIRPORT AUTHORITY	JON MESSERER & WILLIAM BELLAMY
By Its President	Ву
By Its Secretary	Its
	By
	Ite

EXHIBIT A

That property in St. Louis County, Minnesota, Parcel 6 of the REFEREE'S PLAT OF MINNESOTA POINT as recorded in the Office of the Register of Deeds in Book "G" of Plats, Page 38, labeled as Hangar 3 on Exhibit A and Exhibit B, more particularly described as follows:

Beginning at the southeasterly corner of the Duluth Airport Authority Hangar Concrete Ramp at Sky Harbor Airport; thence southeasterly along the northeast edge of the bituminous aircraft parking ramp 92 feet+ to the point of beginning of the line described. Then deflect 90° to the left and go 105' 0" to a point, then deflect 90° to the right and go 80' 0" to a point, then deflect 90° to the right and go 105' 0" to a point, then deflect 90° to the right and to 80' 0" to the point of beginning, consisting of 8,400 square feet, more or less.

Exhibit B





DAA Board Packet Budget vs. Actual Summary From Jan 2021 to May 2021

Unaudited							
Financial Row	Prior Year Actual (Apr 2020 - May 2020)	Current Year Actual (Jan 2021 - May 2021)	Budget Amount (Jan 2021 - May 2021)	% of Budget	Variance from Prior Year Va	riance From Budget	Total Budget (Jar 2021 - Adjust 2021
Ordinary Income/Expense							
Income							
Non-Aeronautical Revenue	107,647	1,096,451	761,318	144.02%	988,804	335,133	1,865,240
Non-Passenger Aeronautical Revenue	207,644	568,404	562,425	101.06%	360,761	5,979	1,455,426
Passenger Airline Aeronautical Revenue	152,059	563,007	527,639	106.70%	410,948	35,368	1,281,878
Total - Income	467,349	2,227,862	1,851,383	120.34%	1,760,513	376,480	4,602,544
Gross Profit	467,349	2,227,862	1,851,383	120.34%	1,760,513	376,480	4,602,544
Expense							
Miscellaneous Expenses	3,468	28,972	13,666	212.01%	25,503	15,306	32,660
Personnel Compensation & Benefits	382,145	908,921	1,018,516	89.24%	526,776	(109,595)	2,460,392
Services and Charges	224,954	760,001	845,357	89.90%	535,047	(85,356)	1,877,099
Supplies	41,285	372,024	221,634	167.85%	330,739	150,390	574,230
Total - Expense	651,853	2,069,918	2,099,173	98.61%	1,418,065	(29,255)	4,944,381
Net Ordinary Income	(184,503)	157,945	(247,790)	-63.74%	342,448	405,735	(341,838)
Other Income and Expenses	,				,		, , ,
Other Income							
Non-Operating Revenue	15,520	184,006	151.731	121.27%	168.486	32,275	365,939
Total - Other Income	15,520	184,006	151,731	121.27%	168,486	32,275	365,939
Other Expense	,	, , , , , , , , , , , , , , , , , , , ,	,		,	,	,
Non-Operating Expense	45,743	103,602	136,935	75.66%	57,859	(33,333)	328,644
Total - Other Expense	45,743	103,602	136,935	75.66%	57,859	(33,333)	328,644
Net Other Income	(30,222)	80,404	14,796	543.41%	110,626	65.608	37,295
Net Income Exclusive of Project Expenses, Depreciation & Amortization		238,349	(232,994)	-102.30%	453,074	471,343	(304,543)
Projects/Grants	2,086,046	(2,118,398)	3,703,333	-57.20%	(4,204,445)	(5,821,732)	8,888,000
Depreciation & Amortization	(1,859,256)	0	(4,189,738)	0.00%	1,859,256	4,189,738	(10,055,370)
Net Income	12,064	(1,880,050)	(719,398)	261.34%	(1,892,114)	(1,160,651)	(1,471,913)

- This report is based on an allocated budget, which is seasonally adjusted. At this time the DAA is at a positive variance budget vs actual of over 471k.
- The positive variance is inflated due to the MAG reconciliation for the parking lot of \$330,923.82. Taking this out we would have a positive variance of nearly \$140,419k.
- · No CARES or CRSSA expense reimbursements have been requested in 2021.
- · The results of this report are expected to change slightly with audit adjustments as well as delayed revenue and expense postings.
- The largest variance from budget in revenues comes the parking concession MAG adjustment of \$330k and car rental concession which is up \$28k, while other concessions are very close to budget. Non-passenger aeronautical revenue is only \$6k off from budget and passenger airline aeronautical revenue is over budget due to increased landing fees of nearly \$35k.
- The largest variance from budget in expenses come from the boiler replacement project of \$110k, this will be rectified when capitalized to be removed from operating expenses in future financial updates. Expenses are \$39k under budget, removing the boiler costs expenses we would be 140k under budget.
- Non-operating income is close to budget with PFCs coming in higher than expected, while expenses are down due budgeted line of credit interest which hasn't been utilized for a total positive variance vs budget of over \$49k.
- Excluding the parking MAG adjustment as well as the boiler expense, the DAA is at a positive variance of only \$30k.

Duluth Airport Authority

Balance Sheet End of May 2021

Financial Row	Amount
ASSETS	
Current Assets	2/2011/10 1001 12 10 10 11 11 11 10 10 10 10 10 10 10 10
Bank	\$5,802,670.03
Accounts Receivable	
Accounts Receivable - Restricted PFC	\$78,661.75
Accounts Receivable Billed	\$1,122,277.81
Lottery Sales Receivable	(\$2,389.00)
Total Accounts Receivable	\$1,198,550.56
Other Current Asset	\$83,762.49
Total Current Assets	\$7,084,983.08
Fixed Assets	
Accumulated Depreciation	(\$131,246,853.74)
Capital Assets	\$251,814,679.12
Work in Progress	\$959,223.27
Total Fixed Assets	\$121,527,048.65
Other Assets	*
Accumulated Amortization	(\$1,984,854.42)
Airport Planning Projects - Contributed	\$3,733,532.07
Airport Planning Projects - Invested	\$526,847.41
Deferred Outflows - OPEB	\$22,744.00
Deferred Outflows - Pension	\$121,939.00
Total Other Assets	\$2,420,208.06
Total ASSETS	\$131,032,239.79
Liabilities & Equity	\$131,032,239.79
Current Liabilities	
Accounts Payable	
Accounts Payable	\$90 E41 EC
Contracts Payable	\$89,541.56
Lottery Payable	\$248,181.75 (\$4,020.04)
Total Accounts Payable	(\$1,029.91)
Credit Card	\$336,693.40
Credit Card	\$1,154.80
Other Current Liability	
Other Current Liability	#11 000 00
Accrued Expense	\$11,299.98
Accrued Expense Accrued Interest	\$103,601.60
Accrued Expense Accrued Interest Accrued Vacation	\$103,601.60 \$123,329.30
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities	\$103,601.60 \$123,329.30 \$155,208.00
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability Total Other Post Employment Benefit Liability	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19 \$6,495,000.00 \$1,175,111.00 \$2,907,972.87
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability Total Other Post Employment Benefit Liability	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19 \$6,495,000.00 \$1,175,111.00 \$2,907,972.87
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability Total Other Post Employment Benefit Liability Total Long Term Liabilities	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19 \$6,495,000.00 \$1,175,111.00 \$2,907,972.87 \$10,578,083.87
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability Total Other Post Employment Benefit Liability Total Long Term Liabilities Equity	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11
Accrued Expense Accrued Interest Accrued Vacation Deferred Inflows - OPEB Liabilities Deferred Inflows - Pension Loans Payable to City of Duluth Unearned Revenue - Current Unearned Revenue - Non Current Total Other Current Liability Total Current Liabilities Long Term Liabilities LT Loans Payable to City of Duluth Net Pension Liability Total Other Post Employment Benefit Liability Total Long Term Liabilities Equity Contributed Equity	\$103,601.60 \$123,329.30 \$155,208.00 \$72,479.00 \$965,000.00 \$429,500.00 \$192,348.11 \$2,052,765.99 \$2,390,614.19 \$6,495,000.00 \$1,175,111.00 \$2,907,972.87 \$10,578,083.87

Duluth Airport Authority

Income Statement

From Jan 2021 to May 2021

Financial Row	Amount
Ordinary Income/Expense	
Income	
Non-Aeronautical Revenue	
Advertising Income	\$3,275.00
Concession Revenue	
ATM	\$108.00
Car Rental Concession	\$129,221.62
Food & Beverage Concession	\$12,999.71
Lottery Concessions	\$514.90
Parking	\$577,159.57
Per Passenger Fee	\$3,089.00
Services/Other	\$250.00
TNC Per Trip Fee	\$1,860.00
Vending	\$2,408.92
Total - Concession Revenue	\$727,611.72
Customer Facility Charges	\$60,600.00
Miscellaneous Revenues	\$17,435.93
Parking	\$90,382.83
Permits	\$7,990.83
Plowing Services	\$4,725.00
Reimbursed Expenses	\$31,814.71
Rent	\$98,304.47
Sponsorship Income	\$50,000.00
State Aid	\$4,310.49
Total - Non-Aeronautical Revenue	\$1,096,450.98
Non-Passenger Aeronautical Revenue	
Aviation Gas	\$10,192.34
Concession Revenue	\$40,893.75
Landing Fees	\$14,025.24
Ramp Fees	\$7,748.40
Rent	\$454,542.99
Security Reimbursement	\$41,001.67
Total - Non-Passenger Aeronautical Revenue	\$568,404.39
Passenger Airline Aeronautical Revenue	
Landing Fees	\$106,571.07
Terminal Office/Space Rental	\$456,435.99
Total - Passenger Airline Aeronautical Revenue	\$563,007.06
Total - Income	\$2,227,862.43
Gross Profit	\$2,227,862.43
Expense	
Miscellaneous Expenses	\$28,971.90
Personnel Compensation & Benefits	
Benefit Administration Fees	\$61.20
Employer Contributions for Retirement	\$81,512.05
Employer Paid Insurance	\$153,401.24
Retiree Benefits	\$45,930.00
Wages & Salaries	\$628,016.58
Total - Personnel Compensation & Benefits	\$908,921.07
Services and Charges	
Advertising	\$1,009.50
Central Services Fee	\$11,299.98
Communications & Technology	\$124,006.78
Employee Development Services	\$17,710.44
Employee Physicals	\$586.00
Finance Charge	\$49.78
Marketing	\$52,151.73

Financial Row	Amount
Professional Services	\$135,808.90
Rentals	\$1,903.59
Repairs and Maintenance - Contractual/Services	\$194,761.48
Sponsorship Expenses	\$817.00
Transportation	\$43.00
Utility Services	\$219,852.91
Total - Services and Charges	\$760,001.09
Supplies	
Merchandise for Resale	\$7,075.80
Office Supplies	\$33,408.47
Operating Supplies	\$55,851.12
Repairs & Maintenance Supplies	\$275,688.44
Total - Supplies	\$372,023.83
Total - Expense	\$2,069,917.89
let Ordinary Income	\$157,944.54
Other Income and Expenses	
Other Income	
Capital Contributions	
Contributed Capital	\$1,156,191.02
Grants	(\$3,274,589.29)
Total - Capital Contributions	(\$2,118,398.27)
Non-Operating Revenue	
Interest Income	\$16,461.09
Passenger Facility Charges	\$167,544.51
Total - Non-Operating Revenue	\$184,005.60
	(\$1,934,392.67)
Total - Other Income	(Ψ1,004,002.01)
Total - Other Income Other Expense	(\$1,004,002.07)
	(ψ1,5001,002.01)
Other Expense	\$103,601.60
Other Expense Non-Operating Expense	
Other Expense Non-Operating Expense Interest Expense	\$103,601.60
Other Expense Non-Operating Expense Interest Expense Total - Non-Operating Expense	\$103,601.60 \$103,601.60

Duluth Airport Authority Duluth A/R Aging Report As of July 14, 2021

Filters: Transaction Type (equal to Invoice, Payment, Credit Memo)

CUSTOMER	TRANSACTION	TRANSACTION	TRANSACTION	DUE		CURRENT	6/14/2021 - 7/13/2021 (30)	5/15/2021 - 6/13/2021 (60)	4/15/2021 - 5/14/2021 (90)	BEFORE 4/15/2021 (>90)	TOTAL
	TYPE	DATE	NUMBER	DATE	AGE	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance
Avis Rent A Car	Invoice	12/31/2020	8040	1/30/2021	195	\$0.00	\$0.00	\$0.00	\$0.00	\$26,477.63	\$26,477.63
Bellamy Bill						\$0.00	\$157.40	\$87.97	\$0.00	\$0.00	\$245.37
Briden, Tom	Invoice	7/1/2021	8412	7/31/2021	13	\$0.00	\$196.81	\$0.00	\$0.00	\$0.00	\$196.81
Budget Rent A Car	Invoice	12/31/2020	8041	1/30/2021	195	\$0.00	\$0.00	\$0.00	\$0.00	\$22,923.95	\$22,923.95
Case, Ronald Jr.						\$0.00	\$0.00	\$0.00	\$0.00	(\$102.00)	(\$102.00)
Chad's Pad, LLC	Invoice	5/3/2021	8160	6/2/2021	72	\$0.00	\$0.00	\$0.00	\$1,800.00	\$0.00	\$1,800.00
Chandler, Daniel	Invoice	3/31/2021	8110	5/8/2021	105	\$0.00	\$0.00	\$0.00	\$0.00	\$102.00	\$102.00
Childs, Matthew	Invoice	4/5/2021	8159	5/5/2021	100	\$0.00	\$0.00	\$0.00	\$0.00	\$153.00	\$153.00
Churchill, Sean	Payment	6/9/2021	7403	6/9/2021	35	\$0.00	\$0.00	(\$773.40)	\$0.00	\$0.00	(\$773.40)
Cirrus Design Corporation						\$0.00	\$16,371.08	(\$6,309.52)	(\$14,264.61)	(\$7,152.19)	(\$11,355.24)
City of Duluth						\$0.00	\$1,645.57	\$1,645.57	\$1,645.57	\$1,020.57	\$5,957.28
Compudyne	Payment	7/8/2021	7475	7/8/2021	6	\$0.00	(\$50.00)	\$0.00	\$0.00	\$0.00	(\$50.00)
Delta Airlines						\$0.00	\$76,945.35	\$58,320.93	\$69,000.13	\$61,842.44	\$266,108.85
Divine Carriers						\$0.00	\$126.33	\$126.33	\$126.33	\$126.33	\$505.32
Duluth Economic Development Authority	Invoice	3/2/2021	7966	4/1/2021	134	\$0.00	\$0.00	\$0.00	\$0.00	\$2,025.00	\$2,025.00
Duluth Hangar, LLC	Invoice	7/1/2021	8394	7/31/2021	13	\$0.00	\$765.35	\$0.00	\$0.00	\$0.00	\$765.35
Enterprise Leasing Company						\$0.00	\$29,154.01	\$480.00	\$0.00	\$97,215.42	\$126,849.43
Ferrari, Matt	Payment	5/4/2021	7307	5/4/2021	71	\$0.00	\$0.00	\$0.00	(\$153.00)	\$0.00	(\$153.00)
General Services Administration						\$0.00	\$4,967.39	(\$61.20)	(\$61.20)	(\$61.20)	\$4,783.79
Goritchan Boris						\$0.00	\$0.00	\$0.00	\$0.00	\$879.00	\$879.00
Grimsbo, Gerald	Invoice	2/10/2020	6437	3/11/2020	520	\$0.00	\$0.00	\$0.00	\$0.00	\$412.00	\$412.00
GSSC						\$0.00	\$0.00	\$384.00	\$0.00	\$65.00	\$449.00
Hagberg, Rick						\$0.00	\$193.35	\$193.35	\$0.00	\$0.00	\$386.70
Hall John	Invoice	7/1/2021	8373	7/31/2021	13	\$0.00	\$277.39	\$0.00	\$0.00	\$0.00	\$277.39
Hatfield, Dan	Invoice	7/1/2021	8403	7/31/2021	13	\$0.00	\$193.35	\$0.00	\$0.00	\$0.00	\$193.35
Hermantown Hydraulics	Invoice	7/1/2021	8393	7/31/2021	13	\$0.00	\$656.21	\$0.00	\$0.00	\$0.00	\$656.21
Hertz-Overland West	Invoice	12/31/2020	8043	1/30/2021	195	\$0.00	\$0.00	\$0.00	\$0.00		\$56,383.56
Hillman Colin	Invoice	7/1/2021	8417	7/31/2021	13	\$0.00	\$215.00	\$0.00	\$0.00	\$0.00	\$215.00
Hydro Solutions, Inc.	Invoice	7/1/2021	8374	7/31/2021	13	\$0.00	\$3,466.75	\$0.00	\$0.00	\$0.00	\$3,466.75
Informa	Invoice	12/15/2020	7633	1/14/2021	211	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$2,000.00
Johnston, Paul	Invoice	7/1/2021	8411	7/31/2021	13	\$0.00	\$193.35	\$0.00	\$0.00	\$0.00	\$193.35
Kern & Kompany	Invoice	9/21/2020	7319	10/21/2020	296	\$0.00	\$0.00	\$0.00	\$0.00	\$65.00	\$65.00

CUSTOMER	TRANSACTION TYPE	TRANSACTION DATE	TRANSACTION NUMBER	DUE DATE	AGE	CURRENT Open	6/14/2021 - 7/13/2021 (30)	5/15/2021 - 6/13/2021 (60)	4/15/2021 - 5/14/2021 (90)	, ,	TOTAL Open
		D/112	NOMBER	D/ ((L		Balance	Open Balance	Open Balance	Open Balance	Open Balance	Balance
Lake Country Air, LLC						\$0.00	\$651.63	\$1,159.19	\$0.00	\$455.00	\$2,265.82
Lake Superior Helicopters						\$0.00	\$3,259.21	\$0.00	\$0.00	\$0.00	\$3,259.21
Love Creamery						\$0.00	\$30.00	\$30.00	\$30.00	\$0.00	\$90.00
M & M Light Transport						\$0.00	\$193.35	\$193.35	\$0.00	\$0.00	\$386.70
Magaard, Diana	Invoice	1/15/2021	7785	2/14/2021	180	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00	\$50.00
Messerer Jon						\$0.00	\$1,210.00	\$53.48	\$0.00	\$0.00	\$1,263.48
Miner's Outdoor Adventures, LLC	Payment	1/19/2021	6925	1/19/2021	176	\$0.00	\$0.00	\$0.00	\$0.00	(\$15.70)	(\$15.70)
Minnesota Air National Guard	Invoice	7/12/2021	8448	8/11/2021	2	\$0.00	\$377.50	\$0.00	\$0.00	\$0.00	\$377.50
Minnesota Power	Invoice	7/1/2021	8378	7/31/2021	13	\$0.00	\$446.18	\$0.00	\$0.00	\$0.00	\$446.18
Monaco Air Duluth	Invoice	7/1/2021	8379	7/31/2021	13	\$0.00	\$3,830.74	\$0.00	\$0.00	\$0.00	\$3,830.74
Mountain Air Cargo						\$0.00	\$1,549.68	\$1,549.68	\$0.00	\$0.00	\$3,099.36
Northland Constructors, Inc.	Invoice	7/1/2021	8381	7/31/2021	13	\$0.00	\$181.50	\$0.00	\$0.00	\$0.00	\$181.50
NorthPoint Aviation	Invoice	7/6/2021	8425	8/5/2021	8	\$0.00	\$940.38	\$0.00	\$0.00	\$0.00	\$940.38
Oakwells CR, LLC						\$0.00	\$6,416.94	(\$1,616.92)	\$0.00	\$55,375.86	\$60,175.88
Opack Matthew Jr.	Invoice	7/1/2021	8413	7/31/2021	13	\$0.00	\$196.81	\$0.00	\$0.00	\$0.00	\$196.81
Palmer, John	Invoice	7/1/2021	8414	7/31/2021	13	\$0.00	\$196.81	\$0.00	\$0.00	\$0.00	\$196.81
Parthe, Lance						\$0.00	\$250.35	\$250.35	\$250.35	\$751.05	\$1,502.10
Payne, Robert	Invoice	7/1/2021	8397	7/31/2021	13	\$0.00	\$250.35	\$0.00	\$0.00	\$0.00	\$250.35
QMS, INC.	Invoice	7/1/2021	8382	7/31/2021	13	\$0.00	\$250.00	\$0.00	\$0.00	\$0.00	\$250.00
Rathbun, David	Invoice	7/1/2021	8406	7/31/2021	13	\$0.00	\$193.35	\$0.00	\$0.00	\$0.00	\$193.35
Rehabilitation Counselors, Inc.	Payment	8/19/2019	5002	8/19/2019	695	\$0.00	\$0.00	\$0.00	\$0.00	(\$75.00)	(\$75.00)
Republic Parking System						\$0.00	\$0.00	\$417.69	\$0.00	\$330,923.82	\$331,341.51
RS&H	Invoice	7/1/2021	8395	7/31/2021	13	\$0.00	\$2,067.56	\$0.00	\$0.00	\$0.00	\$2,067.56
Safstrom Jon	Payment	3/3/2021	7092	3/3/2021	133	\$0.00	\$0.00	\$0.00	\$0.00	(\$167.00)	(\$167.00)
Saran, Rajiv	Payment	4/8/2021	7220	4/8/2021	97	\$0.00	\$0.00	\$0.00	\$0.00	(\$153.00)	(\$153.00)
Security Jewelers	Invoice	7/1/2021	8396	7/31/2021	13	\$0.00	\$250.00	\$0.00	\$0.00	\$0.00	\$250.00
Simplex Grinnell	Invoice	3/25/2021	8044	4/24/2021	111	\$0.00	\$0.00	\$0.00	\$0.00	\$115.00	\$115.00
Stevens, Mike	Invoice		8408	7/31/2021	13	\$0.00	\$193.35	\$0.00	\$0.00	\$0.00	\$193.35
Sydow Dan						\$0.00	\$250.35	\$0.00	\$0.00	\$250.35	\$500.70
The Jamar Company	Invoice	3/18/2021	8020	4/17/2021	118	\$0.00	\$0.00	\$0.00	\$0.00	\$115.00	\$115.00
The Landline Company						\$0.00	\$5,492.14	\$6,000.14	\$0.00	\$0.00	\$11,492.28
Transportation Security Administration	Invoice	6/15/2021	8351	7/15/2021	29	\$0.00	\$8,285.33	\$0.00	\$0.00	\$0.00	\$8,285.33
unifi						\$0.00	\$0.00	\$4,224.00	\$0.00	\$40.00	\$4,264.00
United Parcel Service	Invoice	3/18/2021	8027	4/17/2021	118	\$0.00	\$0.00	\$0.00	\$0.00	\$190.00	\$190.00
Werpy, Jonas						\$0.00	\$193.35	\$193.35	\$0.00	\$0.00	\$386.70
Wicklein, John	Invoice	3/31/2021	8139	5/14/2021	105	\$0.00	\$0.00	\$0.00	\$0.00	\$153.00	\$153.00
Williams, Ron			8409	7/31/2021	13	\$0.00	\$193.35	\$0.00	\$0.00	\$0.00	\$193.35

CUSTOMER	TRANSACTION		TRANSACTION	DUE	AGE	CURRENT	6/14/2021 - 7/13/2021 (30)	5/15/2021 - 6/13/2021 (60)	4/15/2021 - 5/14/2021 (90)	BEFORE 4/15/2021 (>90)	TOTAL
	TYPE	DATE	NUMBER	DATE	AGL	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance
Total			 A militar Clausian il and simurant il bassione conservation contraction contractions. 			\$0.00	\$172,824.90	\$66,548.34	\$58,373.57	\$652,383.89 \$	950,130.70

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Mountain Air Cargo / Fed Ex

2021		
Month	Freight In	Freight Out
January	82150	46860
February	67634	39061
March	100376	46569
April	119036	64834
May	131126	52951
June	121993	56469
July		
August		
September		
October		
November		
December		

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2021		
Month	Freight In	Freight Out
January	35536	16593
February	36473	20965
March	50449	24852
April	45976	19685
May	39518	19722
June	45261	25821
July		
August		
September		
October		
November		
December		

Combined	Combined
Total	Total

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Freight In	Freight Out				
117686	63453				
104107	60026				
150825	71421				
165012	84519				
170644	72673				
167254	82290				
0	0				
0	0				
0	0				
0	0				
0	0				
0	0				

2020	2020						
Freight In	Freight Out						
135483	58290						
135967	58836						
142951	59937						
174509	85534						
177242	79989						
157841	63263						
177782	73689						
149093	70256						
149564	75292						
148434	74170						
120236	70343						
149217	91579						
1818319	861178						

2021 Landline Passengers

	Arrivals Departures								
	Revenue	Non-Rev	<u>Total</u>	<u>Revenue</u>	Non-Rev	<u>Total</u>	Grand Total	<u>2020 Total</u>	Inc /Dec
January	206	7	213	265	23	288	501	1979	-1478
February	154	10	164	219	8	227	391	1161	-770
March	194	3	197	249	1	250	447	1341	-894
April	292	2	294	340	2	342	636	65	571
May	592	12	604	578	11	589	1193	151	1042
June	970	12	982	972	27	999	1981	615	1366
July									
August									
September							×		
October									
November									
December									
	2408	46	2454	2623	72	2695	5149	5312	-163