



# DULUTH AIRPORT AUTHORITY

## NOTICE OF THE DULUTH AIRPORT AUTHORITY

### APRIL BOARD MEETING

### PURSUANT TO MINN. STAT. § 13D.02

NOTICE IS HEREBY GIVEN Duluth Airport Authority will hold its *regular* meeting on Tuesday, April 18th, at 8:00 a.m. in the Amatuzio Conference Room, Third Floor, in the Duluth International Airport Terminal Building, 4701 Grinden Drive, Duluth, MN 55811

**In accordance with the requirements of Minn. Stat. Section 13D.02, Director Jeff Anderson will appear remotely via interactive technology from the following public location: Hamilton Hotel, 1001 14<sup>th</sup> St NW, Washington, DC, 20005**

Members of the public may monitor the meeting by clicking below to access the meeting by Microsoft Teams: "Microsoft Teams Meeting" (information below).

#### Join on your computer or mobile app

[Click here to join the meeting](#)

Meeting ID: 239 185 077 47

Passcode: Smrvdg

[Download Teams](#) | [Join on the web](#)

#### Or call in (audio only)

[+1 646-680-9078](tel:+16466809078),30141335# United States, New York City

Phone Conference ID: 301 413 35#

[Find a local number](#) | [Reset PIN](#)

The public may express their comments for consideration by the Duluth Airport Authority prior to the meeting by email or in writing to [daa@duluthairport.com](mailto:daa@duluthairport.com) or to Duluth Airport Authority, 4701 Grinden Drive, Duluth, MN 55811.



# DULUTH AIRPORT AUTHORITY

## DULUTH AIRPORT AUTHORITY MEETING AGENDA APRIL 18, 2023

### AMATUZIO CONFERENCE ROOM DULUTH INTERNATIONAL AIRPORT

*In accordance with the requirements of Minn. Stat. Section 13D.02, Board Member Jeff Anderson will appear remotely via interactive technology from the following public location: Hamilton Hotel, 1001 14<sup>th</sup> St NW, Washington, DC, 20005*

#### I. \*EXECUTIVE DIRECTORS REVIEW

Information Letter to DAA Directors.

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

A. Approval of March 21, 2023, Meeting Minutes.

#### III. \*DAA CASH DISBURSEMENTS

A. Operating Check Register Sheets #6, #7 and #8 of 2023; Operating ACH Payment Registers #5, #6, #7 and #8 of 2023; Construction ACH Register #1 and Construction ACH Register #1 Pay.gov payment of 2023.

#### IV. \*CORRESPONDENCE

- A. E-Mail from Monaco Air Foundation with Summary of March 2023 Activities; April 2, 2023.
- B. Link for Metropolitan Airports Commission (MAC) Minutes --  
<https://metroairports.org/archived-commission-meetings>
- C. WDIO Article "Airport leaders excited about turnaround cruising and additional passengers" - Published March 28, 2023

#### V. OPPORTUNITY FOR PERSONS TO BE HEARD

#### VI. OLD BUSINESS

None

#### VII. NEW BUSINESS

- A. Resolution to Approve Operating Agreement by and between Quality Mechanical Services and Duluth Airport Authority.
- B. Resolution to Approve Ground Transportation and Operating Agreement Amendment One by and between The Landline Company and Duluth Airport Authority.
- C. Resolution to Approve the Retailer Concession Contract and Addendum Between the Duluth Airport Authority and Minnesota State Lottery.



# DULUTH AIRPORT AUTHORITY

- D. Resolution to Approve Work Order 2023 - 1 between the Duluth Airport Authority and Kraus Anderson Construction Company for Construction Phase Services as part of the Ranch Hangar project at Duluth International Airport (DLH).
- E. Resolution to Award the Following Contracts for the Ranch Hangar Construction Project, Bid Package 1 of 1:

Work Scope		Contractor, City, State		Bid Amount	
WS 01-A	Construction Testing & Inspections	WSB & Associates, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$15,852.50 \$0.00 \$15,852.50	
WS 03-A	Concrete	Northland Constructors of Duluth, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$281,600.00 \$0.00 \$281,600.00	
WS 08-D	Specialty Doors	Nordpal Corporation D/B/A Midland Door Solutions West Fargo, ND	Base Bid: Alternate #1: Total Contract:	\$115,950.00 \$0.00 \$115,950.00	
WS 10-B	Signage Package	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$16,203.00 \$0.00 \$16,203.00	
WS 13-G	Pre- Engineered Metal Building – Material Only	Radotich, Inc. Hibbing, MN	Base Bid: Alternate #1: Total Contract:	\$421,729.00 \$0.00 \$421,729.00	
WS 13-H	Pre- Engineered Metal Building – Erection Only	Radotich, Inc. Hibbing, MN	Base Bid: Alternate #1: Mandoor: Total Contract:	\$268,250.00 \$0.00 \$2,600.00 \$270,850.00	
WS 23-B	Combined Mechanical	A.G. O'Brien Plumbing and Heating Co. Duluth, WI	Base Bid: Alternate #1: Total Contract:	\$58,810.00 \$4,935.00 \$63,745.00	
WS 26-A	Electrical	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$99,343.00 \$3,900.00 \$103,243.00	
WS 31-A	Site Clearing and Earthwork	Ulland Brothers, Inc. Cloquet, MN	Base Bid: Alternate #1: Total Contract:	\$474,180.00 \$0.00 \$474,180.00	
<b>Total Base Bid:</b>				<b>\$1,754,517.50</b>	
<b>Total Alternate #1:</b>				<b>\$8,835.00</b>	
<b>Total Contracts Amount:</b>				<b>\$1,763,352.50</b>	

- F. Resolution to Approve Work Order 2023 – 2 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for Construction Support of the Ranch Hangar project at Duluth International Airport (DLH).



- G. Resolution to Approve Work Order 2023 – 5 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the Design of North Business Development Hangar Construction Project at Duluth International Airport (DLH).
- H. Resolution to Approve Work Order 2023 – 4 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the Design of Midfield Ramp Hangar 105 Redevelopment Construction Project at Duluth International Airport (DLH).
- I. Resolution Authorizing an Agreement to Insure Certain Duluth Airport Authority Property and Equipment Under the City of Duluth's Property and Boiler Insurance Policies.
- J. Resolution to accept and approve the MnDOT Grant Agreement No. 1053224 for Air Service Marketing State Project No. A6091-SM031 and to authorize the Duluth Airport Authority's President and Secretary to Execute the Grant and any amendments.
- K. \*February 2023 Financial Reports
- L. \*April 2023 Accounts Receivable
- M. \*March 2023 Airline Statistics, Landline Statistics

**VIII. DIRECTOR'S 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).**



# DULUTH AIRPORT AUTHORITY

**DATE: April 18, 2023**  
**TO: Duluth Airport Authority Board of Directors**  
**FROM: Executive Director**  
**SUBJECT: Executive Director's Review**

The following items will be discussed 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.
- Sun Country Meeting Recap

## **OPERATIONS/CONSTRUCTION/PLANNING**

- Planning:
  - ATCT Architecture and Engineering RFQ Update and Construction Delivery Method Discovery
- Construction:
  - 2023 Construction Season Update
- Operations and Maintenance:
  - VMS Software Change Over
- Sky Harbor:
  - Airport Terminal Program – Sky Harbor Airport Terminal Design

## **BUSINESS/PROPERTY DEVELOPMENT**

- LifeLinkIII Update
- Airline Consultant RFQ

## **FINANCIAL UPDATE**

- DAA FY 2022 Audit Update
- Vacant Position Update
- Grants Receivable Update

## **MARKETING/COMMUNICATIONS**

- Marketing RFQ

## **LEGISLATIVE UPDATE**

- Air Traffic Control Tower Legislative Funding Request
- State Bill Banning PFAS in Class B Firefighting Foam



- Construction contract indemnity

**PRESENTATIONS/TOURS/TRAVEL RECAP**

- Grand Rapids Chamber of Commerce Update

**OTHER**

- NSR

Submitted by,

Tom Werner, C.M.  
Executive Director



# DULUTH AIRPORT AUTHORITY

## DULUTH AIRPORT AUTHORITY MEETING MINUTES MARCH 21, 2023

**MEETING LOCATION:** **AMATUZIO CONFERENCE ROOM  
DULUTH INTERNATIONAL AIRPORT**

**DIRECTORS PRESENT:** Kim Maki  
Jeff Anderson – Participating via Electronic Means  
Kevin O'Brien  
Jason Crawford  
Michael Henderson  
Kevin O'Brien

**OTHERS PRESENT:** Jana Kayser, DAA Dir. of Business Development  
Joelle Bodin, DAA Dir. of Finance and Admin  
Natalie Baker, DAA Dir. of Communications & Marketing  
Steve Hanke, Assistant City Attorney  
Kaci Nowicki, SEH  
Shawn McMahon, SEH  
Scott Sannes, SEH

**OTHERS PARTICIPATING VIA ELECTRONIC MEANS:**  
Tom Werner, DAA Executive Director  
Mark Papko, DAA Dir. of Operations  
Don Monaco, Monaco Air Duluth  
Kathy Leon, DAA  
Mark Schramek, Cirrus  
Heather Fisher, Cirrus  
Paul Huston

**CALL TO ORDER:** Dir. Maki called the DAA March board meeting to order at 8:00 a.m. Roll call was performed:

- Present: Dir. Crawford, Dir. O'Brien, Dir. Henderson, Dir. Anderson – via electronic means
- Absent: Dir. Elissa Hansen, Dir. Markham

Dir. Maki invited Mr. Tom Werner to update on the Executive Director's review:

### **I. EXECUTIVE DIRECTORS REVIEW**

- **Air Service:** Mr. Werner provided an update on current air service. Mr. Werner presented that seat numbers for each airline and how they have been trending as they have trended upward. MSP seat count for April is 23% below 2019, Chicago 24% below 2019. EAS markets will be reducing capacity in their markets from 50 seat jets to 30 seat jets. Requested up gaging in capacity for the Great Lakes Excursions and Delta has responded. United is still considering their options. Sun Country market update will be in April. DAA will be pitching new service options and will see if Sun Country will consider service.
- **Operations/Construction/Planning:** Mr. Papko provided the following updates:
  - ATCT Architecture and Engineering RFQ has been posted. This RFQ will be posted through sometime in April and then this will come in front of the board for review in April.
  - Taxiway C North Reconstruction, we have been looking for alternative funding options and MnDOT was able to provide \$500,000 of funding to support this project. This construction will be completed this summer.



- Parking Technology Installation Update: Parking technology is up and running fairly smoothly. This project has been successful and taking the project in house is already proving to provide benefits to the DAA. More updates to come once we have a few months of data in our system.
- Aircraft Accident: The tragic incident of an Cirrus SR22 took off from DLH repositioning itself towards Superior and crashed in to the St. Louis River. Incident response outside the fence typically requires we inspect our runway to be sure that our runway was in clear and then test fuel to be sure that there was not a fuel concern. Runway and fuel at DLH were safe. Mr. Papko was driving home from work and was able to turn around and offer assistance to the incident commander.
- Sky Harbor Airport:
  - Airport Terminal Program Result: DYT received a \$1.2 Million offer at 95/5 as a part of IIAJ. This was our second application, last year we were unsuccessful and now we were.
  - DYT Staffing Update: Mr. Timm has decided to step away from aviation to move closer to family. From a cultural standpoint he has really turned that place around. He has resigned with his last day in early April. His position will be posted shortly.
  - Mr. Werner added that it is important that the board stay engaged in the Sky Harbor terminal project and encouraged board members to voice thoughts and get involved.
- **Business/Property Development:** Ms. Kayser provided an update on the following:
  - Cirrus Fuel Calibration Hangar: Ms. Kayser shared a map and location of a hanger which is currently leased by Cirrus. DAA has identified that area as a hangar that could be demoed and then rebuilt to be a fuel calibration hangar for Cirrus in support of their operations. DAA staff is working with Cirrus on the potential for this project. The DAA would be responsible for building the hangar and Cirrus would be responsible for tools and equipment needed within the hangar.
  - Stebner Road Development: Ms. Kayser shared an update on MN Power project on the north side of the airfield. Last week MN Power shared they have permission to continue to proceed on the project. MN Power is working through the design on the project. DAA staff will continue to work through the 163 release, EDA grant and utilities. Discrepancies were noted with the St. Louis County land map explorer, which the county will be correcting as a result of the research conducted for this project.
  - Ranch Hangar Construction Update: Ranch hangar construction has been delayed to complete independent fee evaluations which was required as a result of the Federal Funding. The bids came in above what was expected. DAA staff is analyzing options to ensure they are making the right decisions.
- **Financial Update:** Ms. Bodin provided an update on the following topics:
  - Ms. Bodin provided an update on the 2022 Financial Audit. Audit entrance meeting was last week. Dir. O'Brien was in attendance for a portion of the meeting and minutes will be sent to all directors. Auditors will conduct the majority of the audit remotely and will be in person for about two days. Audit is expected to be completed by the end of April with a report in May.
  - Ms. Bodin informed the board of two open positions within the DAA. The Executive Assistant role and a full-time finance position will be posted within the next week.
- **Marketing/Communications:** Ms. Baker provided an update on the following topics:
  - Marketing RFQ and Timeline: Ms. Baker shared the RFQ timeline. The timeline was schedule so there could be a overlap in marketing services.
  - Amsoil Sponsorship Contract: Amsoil is looking to renew their contract, we are working through some updates to their sponsorship agreement.
  - Dir. Maki asked if a board member will be included as a part of the marketing RFQ evaluation. Mr. Werner stated that a board member is always requested to be included for these evaluations. Dir. Anderson volunteered to be on the team.





- **Legislative:** Mr. Werner provided an update on the following topics:
  - City Code Chapter 4 Review and Update: Dir. Maki, Mr. Hanke and Mr. Werner met on the code updates for the City of Duluth code updates. Mr. Werner informed of some of the regulations and items that were evaluated as a part of this update. So far the updates have been received favorably.
  - Air Traffic Control Tower Legislative Funding Request: This went very well with no one opposing the project. There is strong support for this project. Dir. Anderson continues to work hard to get on the capital investment committee hearing docket to have the bill heard. We are expecting a second bill to be included in with our \$14 million request. If this funding is received, the DAA is positioned very well to receive the federal funding for the tower.
  - State Bill Banning PFAS in Class B Firefighting Foam: There are a couple of bills out there trying to limit use of firefighting foam. There have been some successes that a compliant firefighting foam needs to be readily available before this can be enacted.
  - Mr. Werner is working with Steve Hanke on the duty to defend indemnity bill which is in an effort to address a bill which would shift liability from the contractor to the political subdivision.
  - Mr. Werner is currently at the AAAE Legislative Conference working to align priorities as airports to get ready for FAA reauthorization. Mr. Werner continues to work with Congressman Stauber and two senators on these priorities.
- **Presentations/Tours/Travel Recap:** Mr. Werner Provided an update on the following topic:
  - UWS Transportation Management Class: Mr. Werner briefed the UWS transportation management class.
  - Township Association: Mr. Werner was able to share about the airport's vision for the future.
  - Mr. Werner briefed that the DAA will be awarded the 2022 Outstanding Leadership and Airport Planning Environment and Strategic Initiative award for the Vision 2040 Master Plan project and the Part 150 Noise Study and Master Plan. Mr. Werner thanked SEH and Landrum & Brown on their work on these planning projects.
  - Mr. Werner commented that all of the projects discussed during the briefs today are in effort to continue to support the master plan and strategic plans of the organization in an effort to strengthen revenue streams.
- Ms. Kayser added that interviews have been conducted for this summer's intern and the selected individual will be notified shortly. This intern will be introduced at the April Board Meeting.
- Dir. Maki Congratulated the DAA on the MCOA awards and thanked the project team and staff for their work on these projects.

## II. \*APPROVAL OF PREVIOUS MEETING MINUTES & OTHER CONSENT AGENDA ITEMS AS INDICATED BY

- - Dir. Maki thanked everyone for their reviews moved to item II of the agenda.
    - Motion: Dir. Henderson
    - Second: Dir. O'Brien
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.

## III. \*DAA CASH DISBURSEMENTS

## IV. \*CORRESPONDENCE

## V. OPPORTUNITY FOR PERSONS TO BE HEARD

- None



**VI. OLD BUSINESS**

- None

**VII. NEW BUSINESS**

- A. Resolution to Approve Master Service Agreement between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for Planning, Engineering, Environmental, and Design Services
- Mr. Papko shared that this resolution would have been on the previous agenda, but additional legal review was conducted. The cover sheet addresses the process and steps taken. The DAA is happy to be working with SEH the next 5 years.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. O'Brien
    - Second: Dir. Henderson
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye, Dir. Anderson abstained. This resolution was adopted.
- B. Resolution to Approve Work Order 2023 – 3 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the design of the new General Aviation Terminal at Sky Harbor Airport (DYT)
- Mr. Papko shared the rendering of the DYT Terminal and project description. Milestones are continuing to be developed to allow the board to provide input in the project. Staff is continuing to work on providing opportunities for tenants to provide input as well. Mr. Papko shared that the funding received for this project is beneficial to the DAA as there would have been no other source for funding.
  - Dir. O'Brien asked about the square footage footprint that the team is trying to stay within
  - Mr. Papko stated that the current plan is to stay closely within the current footprint to avoid environmental impacts.
  - Ms. Nowicki added that the new buildings is expected to be one-story and considers an outdoor patio to provide space for customers to enjoy future vending opportunities.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Crawford
    - Second: Dir. Henderson
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye, Dir. Anderson abstained. This resolution was adopted.
- C. Resolution to Approve Reimbursable Agreement between the Duluth Airport Authority and the Federal Aviation Administration for the Preliminary Design support of the Air Traffic Control Tower Replacement Project
- Mr. Papko shared this reimbursable agreement with the FAA to get through the initial stages of the air traffic control tower project. Another one will also come through for final design and construction of the tower. This is a bridge reimbursable agreement until we can get to the final so as not to slow down the project.
  - Dir. Maki entertained questions or a motion.
    - Motion: O'Brien
    - Second: Anderson
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
- D. Resolution to approve Addendum to Airport Ground Lease and Agreement by and between the Duluth Airport Authority and the City of Duluth
- Ms. Kayser shared documents to make the official recording with the county.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Crawford
    - Second: Dir. O'Brien



- Abstain: None
- Result: Votes were taken by roll call. This resolution was adopted unanimously.

**E. Resolution to Approve Sponsorship Agreement Between the Duluth Airport Authority and St. Luke's Hospital of Duluth**

- Ms. Baker shared that St. Luke's has been the Club DLH sponsor for the last two years and explained payment terms per the contract.
- Dir. O'Brien asked for clarification on the payment term adjustments per passenger counts which Ms. Baker provided.
- Dir. Maki asked if the business club is still being used and Ms. Baker provided that the users are still growing.
- Dir. Maki entertained questions or a motion.
  - Motion: Dir. Henderson
  - Second: Dir. Crawford
  - Abstain: None
  - Result: Votes were taken by roll call. This resolution was adopted unanimously.

**VIII. DIRECTOR'S REPORTS**

- Dir. Anderson reported that the Executive Compensation Committee has met to review and discuss executive director compensation. The committee is ready to provide a recommendation at the next board meeting and will work out the details on how that recommendation should be made.

**ADJOURN:** Dir. Maki entertained a motion to adjourn.

- Motion: Dir. Henderson
- Second: Dir. Crawford
- Abstain: None
- Result: Votes were taken by roll call. This resolution was adopted unanimously.
- Meeting was adjourned at 8:58 a.m.

Respectfully submitted,

Joelle Bodin  
Director of Finance & Administration

Tom  
Werner

Digitally signed by Tom Werner  
Date: 2023.03.24 09:04:05 -04'00'

APPROVED: \_\_\_\_\_

DATE: \_\_\_\_\_

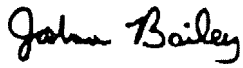
**Duluth Airport Authority  
DAA Operating Check Register 6-2023  
March 17, 2023**

**Document Number From 11760 through 11764**

Document Number	Date	Transaction Type	Payee	Amount
11760	3/17/2023	BILLPMT	Baker, Natalie M	\$1,200.17
11761	3/17/2023	BILLPMT	Duluth Area Chamber Of Commerce	\$253.00
11762	3/17/2023	BILLPMT	Minnesota Power	\$24,995.84
11763	3/17/2023	BILLPMT	Taylor, Dan	\$60.00
11764	3/17/2023	BILLPMT	The Development Association, Inc	\$300.00
			<b>Total</b>	<b><u>\$26,809.01</u></b>

  
\_\_\_\_\_  
Airport Director

\_\_\_\_\_  
Airport Authority

  
\_\_\_\_\_  
City Treasury

**Duluth Airport Authority**  
**DAA Operating Check Register #7-2023**  
**March 31, 2023**

**Document Number From 11765 through 11784**

Document Number	Date	Transaction Type	Payee	Amount
11765	3/31/2023	BILLPMT	Airport Signs & Graphics	\$120.00
11766	3/31/2023	CHK	Citi Cards	\$18,179.46
11767	3/31/2023	BILLPMT	City Of Duluth Comfort Systems	\$1,484.41
11768	3/31/2023	BILLPMT	Driveline Specialists	\$79.00
11769	3/31/2023	BILLPMT	Duluth Lawn & Sport	\$661.88
11770	3/31/2023	BILLPMT	iFIDS.com Inc.	\$125.00
11771	3/31/2023	BILLPMT	Kolar	\$83.28
11772	3/31/2023	BILLPMT	LBC, Inc.	\$1,395.00
11773	3/31/2023	BILLPMT	Locksmith Services	\$112.70
11774	3/31/2023	BILLPMT	Minnesota Pollution Control Agency	\$400.00
11775	3/31/2023	BILLPMT	NAPA Auto Parts	\$46.76
11776	3/31/2023	BILLPMT	Northern Tool & Equipment	\$51.97
11777	3/31/2023	BILLPMT	Papko, Mark	\$215.64
11778	3/31/2023	BILLPMT	Schindler Elevator Corp	\$393.41
11779	3/31/2023	BILLPMT	Spectrum Business	\$343.47
11780	3/31/2023	BILLPMT	Tennant Sales and Service Company	\$1,406.30
11781	3/31/2023	BILLPMT	Trueman Welters	\$1,117.00
11782	3/31/2023	BILLPMT	United States Postal Service	\$300.00
11783	3/31/2023	BILLPMT	United Truck Body Company, Inc.	\$582.95
11784	3/31/2023	CHK	WF Bus Payment Processing - Tom	\$2,207.57
<b>Total</b>				<b>\$29,305.80</b>

  
 \_\_\_\_\_  
 Airport Director

  
 \_\_\_\_\_  
 City Treasury

Joelle Bodin  
 \_\_\_\_\_  
 Finance Director

Tom Werner  
 \_\_\_\_\_  
 Executive Director

Kimberly J. Maki  
 \_\_\_\_\_  
 Board President

Signature:   
Joelle Bodin (Mar 30, 2023 14:38 CDT)  
 Email: jbodin@duluthairport.com

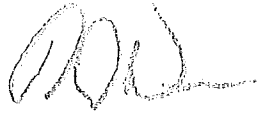
Signature: Tom Werner  
 Email: twerner@duluthairport.com

Signature:   
 Email: makik@stlouiscountymn.gov

**Duluth Airport Authority**  
**DAA Operating Check Register #8-2023**  
**April 7, 2023**

**Document Number From 11785 through 11794**

Document Number	Date	Transaction Type	Payee	Amount
11785	4/7/2023	BILLPMT	Apex	\$1,250.00
11786	4/7/2023	BILLPMT	City Of Duluth, Minnesota	\$81.60
11787	4/7/2023	BILLPMT	Innovative Office Solutions, LLC	\$100.05
11788	4/7/2023	BILLPMT	Motion Industries, Inc.	\$541.44
11789	4/7/2023	BILLPMT	NAPA Auto Parts	\$98.50
11790	4/7/2023	BILLPMT	Nextera Communications	\$1,238.80
11791	4/7/2023	BILLPMT	Norman & Associates, LLC	\$3,442.50
11792	4/7/2023	BILLPMT	NorthStar Ford	\$255.02
11793	4/7/2023	BILLPMT	Tri-State Auto Electric	\$499.00
11794	4/7/2023	BILLPMT	United Truck Body Company, Inc.	\$608.40
<b>Total</b>				<b><u>\$8,115.31</u></b>



Airport Director



City Treasury

\_\_\_\_\_  
Finance Director

\_\_\_\_\_  
Executive Director

\_\_\_\_\_  
Board President

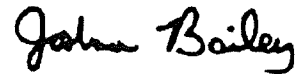
**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #5-2023**  
**March 10, 2023**

**Confirmation #0680257**

Document Number	Date	Transaction Type	Payee	Amount
00000061/1	3/10/2023	BILLPMT	ADB SAFEGATE	\$353.34
00000061/10	3/10/2023	BILLPMT	Jamar Company	\$14,162.00
00000061/11	3/10/2023	BILLPMT	Landrum and Brown, Incorporated	\$2,000.00
00000061/12	3/10/2023	BILLPMT	Menards - Hermantown	\$284.61
00000061/13	3/10/2023	BILLPMT	Menards - West Duluth	\$48.96
00000061/14	3/10/2023	BILLPMT	Northern Safety Technology, Inc.	\$748.19
00000061/15	3/10/2023	BILLPMT	Oakwells CR LLC	\$82.25
00000061/16	3/10/2023	BILLPMT	Oracle America, Inc.	\$14,858.66
00000061/17	3/10/2023	BILLPMT	Papko, Mark	\$2,361.06
00000061/18	3/10/2023	BILLPMT	Paul Bunyan Communications	\$3,410.00
00000061/19	3/10/2023	BILLPMT	Peterson Excavating & Landscaping	\$14,044.41
00000061/2	3/10/2023	BILLPMT	Benson Electric Company	\$18,817.88
00000061/20	3/10/2023	BILLPMT	Sweet Green Landscapes LLC	\$1,759.00
00000061/21	3/10/2023	BILLPMT	Twin Ports Paper Supply, Inc	\$1,065.38
00000061/22	3/10/2023	BILLPMT	Waste Management of WI-MN	\$1,890.98
00000061/23	3/10/2023	BILLPMT	Welch, Ryan	\$510.00
00000061/3	3/10/2023	BILLPMT	Border States	\$10.50
00000061/4	3/10/2023	BILLPMT	Caywood Oil, LLC	\$748.78
00000061/5	3/10/2023	BILLPMT	Century Link	\$144.00
00000061/6	3/10/2023	BILLPMT	Citon	\$8,320.97
00000061/7	3/10/2023	BILLPMT	Guardian Pest Solutions	\$201.78
00000061/8	3/10/2023	BILLPMT	H&L Mesabi	\$6,410.00
00000061/9	3/10/2023	BILLPMT	Inter City Oil (ICO)	\$100.85
<b>Total</b>				<b><u>\$92,333.60</u></b>

  
 \_\_\_\_\_  
 Airport Director


\_\_\_\_\_  
 Airport Authority

  
 \_\_\_\_\_  
 City Treasury

**Duluth Airport Authority  
DAA Operating ACH Payment Register #6-2023  
March 17, 2023**

**Confirmation #0750268**

Document Number	Date	Transaction Type	Payee	Amount
0000062/1	3/17/2023	BILLPMT	Bodin, Joelle	\$60.00
0000062/10	3/17/2023	BILLPMT	Leon, Kathy	\$60.00
0000062/11	3/17/2023	BILLPMT	Papko, Mark	\$60.00
0000062/12	3/17/2023	BILLPMT	Pomp's Tire Service, Inc.	\$1,141.75
0000062/13	3/17/2023	BILLPMT	Sinnott, Paul	\$60.00
0000062/14	3/17/2023	BILLPMT	Snell, Matthew J	\$60.00
0000062/15	3/17/2023	BILLPMT	Timm, Kenneth	\$60.00
0000062/16	3/17/2023	BILLPMT	Welch, Ryan	\$60.00
0000062/17	3/17/2023	BILLPMT	Werner, Thomas	\$60.00
0000062/2	3/17/2023	BILLPMT	Border States	\$252.23
0000062/3	3/17/2023	BILLPMT	Century Link	\$72.00
0000062/4	3/17/2023	BILLPMT	Century Link	\$72.00
0000062/5	3/17/2023	BILLPMT	Durfee, Tristan	\$127.96
0000062/6	3/17/2023	BILLPMT	Graves, John	\$60.00
0000062/7	3/17/2023	BILLPMT	Hermantown Hydraulics, LLC	\$165.32
0000062/8	3/17/2023	BILLPMT	Kayser, Jana	\$60.00
0000062/9	3/17/2023	BILLPMT	Landrum and Brown, Incorporated	\$4,582.44
<b>Total</b>				<b>\$7,013.70</b>



Airport Director

Kimberly J. Maki

Airport Authority



City Treasury

Signature: 

Email: makik@stlouiscountymn.gov




**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #7-2023**  
**March 31, 2023**

**Confirmation #0890220**

Document Number	Date	Transaction Type	Payee	Amount
00000064/1	3/31/2023	BILLPMT	Barnum Companies, Inc.	\$660.00
00000064/10	3/31/2023	BILLPMT	Inter City Oil (ICO)	\$25,305.46
00000064/11	3/31/2023	BILLPMT	Jamar Company	\$7,362.16
00000064/12	3/31/2023	BILLPMT	Kleen-Tech	\$20,909.00
00000064/13	3/31/2023	BILLPMT	MacQueen Equipment, Inc.	\$74.18
00000064/14	3/31/2023	BILLPMT	MB Companies inc.	\$24,415.72
00000064/15	3/31/2023	BILLPMT	Menards - Hermantown	\$505.20
00000064/16	3/31/2023	BILLPMT	Metro Sales, Inc.	\$243.74
00000064/17	3/31/2023	BILLPMT	Northern States Supply, Inc.	\$406.92
00000064/18	3/31/2023	BILLPMT	Pomp's Tire Service, Inc.	\$1,823.90
00000064/19	3/31/2023	BILLPMT	Techniques Inc	\$1,617.80
00000064/2	3/31/2023	BILLPMT	Batteries Plus	\$223.98
00000064/20	3/31/2023	BILLPMT	Turbo Diesel & Electric	\$1,116.34
00000064/21	3/31/2023	BILLPMT	Twin Ports Paper Supply, Inc	\$941.88
00000064/22	3/31/2023	BILLPMT	Ziegler, Inc.	\$12,815.07
00000064/3	3/31/2023	BILLPMT	Blueglobes LLC	\$2,052.67
00000064/4	3/31/2023	BILLPMT	Border States	\$239.68
00000064/5	3/31/2023	BILLPMT	Como Lube & Supplies	\$4,736.25
00000064/6	3/31/2023	BILLPMT	General Security Services Corporation	\$24,260.42
00000064/7	3/31/2023	BILLPMT	Goodin Company	\$20.54
00000064/8	3/31/2023	BILLPMT	Grainger, Inc.	\$479.38
00000064/9	3/31/2023	BILLPMT	Hermantown Hydraulics, LLC	\$159.90
<b>Total</b>				<b>\$130,370.19</b>

  
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 Airport Director

  
 \_\_\_\_\_  
 City Treasury

Joelle Bodin  
 Finance Director

Tom Werner  
 Executive Director

Kimberly J. Maki  
 Board President

Signature:   
Joelle Bodin (Mar 31, 2023 09:59 CDT)  
 Email: [jbodin@duluthairport.com](mailto:jbodin@duluthairport.com)

Signature: *Tom Werner*  
 Email: [twerner@duluthairport.com](mailto:twerner@duluthairport.com)

Signature:   
 Email: [makik@stlouiscountymn.gov](mailto:makik@stlouiscountymn.gov)

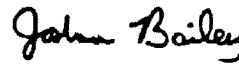
**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #8-2023**  
**April 10, 2023**

**Confirmation #0970132**

Document Number	Date	Transaction Type	Payee	Amount
00000065/1	4/10/2023	BILLPMT	Acme Tools	\$312.87
00000065/10	4/10/2023	BILLPMT	Northern Engine & Supply	\$37.05
00000065/11	4/10/2023	BILLPMT	Paul Bunyan Communications	\$3,410.00
00000065/12	4/10/2023	BILLPMT	SCS Interiors	\$427.50
00000065/13	4/10/2023	BILLPMT	Sweet Green Landscapes LLC	\$2,147.95
00000065/14	4/10/2023	BILLPMT	Voltaire Aviation Inc.	\$2,000.00
00000065/15	4/10/2023	BILLPMT	Waste Management of WI-MN	\$2,307.21
00000065/16	4/10/2023	BILLPMT	Ziegler, Inc.	\$14,508.41
00000065/2	4/10/2023	BILLPMT	Batteries Plus	\$50.38
00000065/3	4/10/2023	BILLPMT	Blueglobes LLC	\$3,423.25
00000065/4	4/10/2023	BILLPMT	Citon	\$9,472.18
00000065/5	4/10/2023	BILLPMT	Hagen's Glass and Paint	\$1,337.00
00000065/6	4/10/2023	BILLPMT	Hotsy Minnesota	\$964.42
00000065/7	4/10/2023	BILLPMT	Inter City Oil (ICO)	\$246.80
00000065/8	4/10/2023	BILLPMT	Menards - Hermantown	\$629.14
00000065/9	4/10/2023	BILLPMT	Menards - West Duluth	\$40.91
<b>Total</b>				<b><u>\$41,315.07</u></b>



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 Airport Director



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 City Treasury

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 Finance Director

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 Executive Director

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 Board President

**Duluth Airport Authority  
DAA Construction ACH Payment Register #1-2023  
March 31, 2023**

**Confirmation #0890069**

Document Number	Date	Transaction Type	Payee	Amount
00000063/1	3/31/2023	BILLPMT	1 Garver, LLC	\$3,000.00
00000063/10	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$1,276.80
00000063/11	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$9,606.00
00000063/12	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$4,275.00
00000063/13	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$5,400.00
00000063/14	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$20,026.00
00000063/15	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$25,750.00
00000063/16	3/31/2023	BILLPMT	1 Swim Creative	\$8,378.99
00000063/17	3/31/2023	BILLPMT	1 Townsquare Media Duluth	\$225.00
00000063/2	3/31/2023	BILLPMT	1 Garver, LLC	\$2,000.00
00000063/3	3/31/2023	BILLPMT	1 MediaUSA Adverising Inc	\$500.00
00000063/4	3/31/2023	BILLPMT	1 MediaUSA Adverising Inc	\$500.00
00000063/5	3/31/2023	BILLPMT	1 MediaUSA Adverising Inc	\$615.00
00000063/6	3/31/2023	BILLPMT	1 MediaUSA Adverising Inc	\$615.00
00000063/7	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$13,656.00
00000063/8	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$29,830.00
00000063/9	3/31/2023	BILLPMT	1 Short Elliott Hendrickson	\$3,115.00
<b>Total</b>				<b>\$128,768.79</b>

  
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Airport Director

  
\_\_\_\_\_  
City Treasury

Joelle N Bodin  
\_\_\_\_\_  
Finance Director

Tom Werner  
\_\_\_\_\_  
Executive Director

Kimberly J. Maki  
\_\_\_\_\_  
Board President

Signature:   
Joelle Bodin (Mar 30, 2023 10:00 CDT)  
Email: jbodin@duluthairport.com

Signature: *Tom Werner*  
Email: twerner@duluthairport.com

Signature:   
Email: makik@stlouiscountymn.gov

**Duluth Airport Authority**  
**DAA Construction ACH Pay.gov Register #1-2023**  
**March 31, 2023**

Document Number	Date	Transaction	Payee	Amount
ACH	3/31/2023	Pay.gov	Federal Aviation Administration	\$59,940.00
<b>Total</b>				<b>\$59,940.00</b>



\_\_\_\_\_  
Airport Director



\_\_\_\_\_  
City Treasury

Joelle Bodin

\_\_\_\_\_  
Finance Director

Tom Werner

\_\_\_\_\_  
Executive Director

Kimberly J. Maki

\_\_\_\_\_  
Board President

Signature:   
Joelle Bodin (Mar 31, 2023 14:56 CDT)

Email: [jbodin@duluthairport.com](mailto:jbodin@duluthairport.com)

Signature: *Tom Werner*

Email: [twerner@duluthairport.com](mailto:twerner@duluthairport.com)

Signature: 

Email: [makik@stlouiscountymn.gov](mailto:makik@stlouiscountymn.gov)

**From:** Don Monaco <[donm@monacoairduluth.com](mailto:donm@monacoairduluth.com)>

**Sent:** Sunday, April 2, 2023 9:41:51 AM

**To:** Tom Werner <[twerner@duluthairport.com](mailto:twerner@duluthairport.com)>; makik <[makik@stlouiscountymn.gov](mailto:makik@stlouiscountymn.gov)>

**Cc:** 'Bill King ([skykingpilot@gmail.com](mailto:skykingpilot@gmail.com))' <[skykingpilot@gmail.com](mailto:skykingpilot@gmail.com)>; 'Dave Gaddie ([dgaddie@bell.bank](mailto:dgaddie@bell.bank))' <[dgaddie@bell.bank](mailto:dgaddie@bell.bank)>; ehansen <[ehansen@northspan.org](mailto:ehansen@northspan.org)>; 'Greg Fox ([gregandsheilafox@hotmail.com](mailto:gregandsheilafox@hotmail.com))' <[gregandsheilafox@hotmail.com](mailto:gregandsheilafox@hotmail.com)>; Michael A. Magni <[mikem@monacoairduluth.com](mailto:mikem@monacoairduluth.com)>; 'Pat Mullen ([runtrailfree@gmail.com](mailto:runtrailfree@gmail.com))' <[runtrailfree@gmail.com](mailto:runtrailfree@gmail.com)>; 'Richard Stewart ([RStewart@uwsuper.edu](mailto:RStewart@uwsuper.edu))' <[RStewart@uwsuper.edu](mailto:RStewart@uwsuper.edu)>; 'Steve Overom ([soverom@overomlaw.com](mailto:soverom@overomlaw.com))' <[soverom@overomlaw.com](mailto:soverom@overomlaw.com)>;

Krista Busse <[kbusse@duluthairport.com](mailto:kbusse@duluthairport.com)>

**Subject:** March, 2023 Monaco Air Foundation Report

Tom and Kim,

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

#### Summary of March 2023 Activities

**Airport Tour Program:** The Foundation solicits and coordinates Duluth International Airport tours for groups of high school students and for other groups.

**Other Initiatives:** The Foundation welcomes 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*

[donm@monacoairduluth.com](mailto:donm@monacoairduluth.com)

[www.monacoairduluth.com](http://www.monacoairduluth.com)



# Airport leaders excited about turnaround cruising and additional passengers

By **WDIO**

Updated: March 28, 2023 - 5:52 PM

Published: March 28, 2023 - 2:43 PM



The city of Duluth will be welcoming cruise ships again in a couple of months.

And this season, there will be four turnaround cruises, which means people will start or end their voyage here.

ADVERTISEMENT

That means more passengers flying into the Duluth International Airport. And Delta and United are making adjustments to make sure they can get here.

Tom Werner, the Executive Director of the airport, said, "Each airline has responded in a different way. We're still under a nationwide pilot shortage, and it is really constraining the airline's ability to grow. But when we have a tremendous opportunity like this and the data to support it, which we do in this case, they respond with additional frequencies."

United will be adding a third frequency for the summer, he said. And Delta is using larger aircraft. This is just during the turnaround times. But as cruising grows, so will this service.



(WDIO)

"The opportunity for the community is a good one, because you'll have people here that maybe have never flown into Duluth before. We want them to come back. You know, not only is it a tremendous opportunity for that, for them to have a good vacation this time, but those return visits are equally as important. So we hope that they'll get a taste of what we're all about and they'll come back," Werner told us.

The excursion companies will be meeting people at the airport, to take care of luggage and provide transportation to the hotels.

ADVERTISEMENT

Here's the 2023 Cruise Schedule:

May 30, 2023: Viking Octantis — DECC Docking

June 4, 2023: Hanseatic Inspiration — Port Terminal

June 9, 2023: Ocean Navigator — Port Terminal

June 13, 2023: Viking Octantis — DECC Docking

June 23, 2023: Ocean Navigator — Port Terminal

June 24, 2023: Viking Polaris — DECC Docking (Turnaround cruise)

June 27, 2023: Hanseatic Inspiration — Port Terminal

July 11, 2023: Viking Octantis — DECC Docking

July 22, 2023: Viking Polaris — DECC Docking (Turnaround cruise)

## VII - A

### Operator Agreement Between Quality Mechanical Services, LLC and Duluth Airport Authority

***Terms:***

- 5 years

***Background:***

- Quality Mechanical Services (QMS) provides maintenance to Ground Service Equipment (GSE) for Delta & United Airlines at DLH.
- QMS has been a long standing operator at DLH.
- The current agreement is operating on a month-to-month basis.

***Agreement Overview:***

- Agreement updated with language consistent in like agreements.
- Concession rates remain unchanged and consistent with like operators.



**OPERATOR AGREEMENT**  
**Between**  
**QUALITY MECHANICAL SERVICES, LLC**  
**And**  
**DULUTH AIRPORT AUTHORITY**

PARTIES TO THIS AGREEMENT ARE the DULUTH AIRPORT AUTHORITY, an airport authority organized and existing under the Laws of Minnesota, 1969, Chapter 577, hereinafter referred to as "Authority", and Quality Mechanical Services, LLC, hereinafter referred to as "Operator".

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

1. The Authority is the operator of the Duluth International Airport and the Sky Harbor Airport, located in the City of Duluth, State of Minnesota and is in the business of promoting and managing aviation activity at these airports; and
2. Operator desires to operate as a Specialized Aviation Service Operator (SASO) doing maintenance on equipment owned or operated by Delta and/or United Airlines or its affiliates on said Airport; and
3. Authority rents space to Delta and United Airlines and its affiliates for use in scheduled airline service; and
4. The Authority desires to allow this service to be provided at Duluth International Airport.

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

**SECTION 1**  
**DEFINITIONS**

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

- A. Airport: shall mean the Duluth International Airport located in the City of Duluth, County of St. Louis, State of Minnesota.
- B. Consent or Approval of Authority and 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 dated and signed by him/her or by a person designated by him/her to sign such document.
- C. Executive Director: shall mean the Executive Director of the Authority, or designee.
- D. Leased Premises: shall refer to space leased by Delta and United Airlines and granted for use by Operator located at Duluth International Airport and described in Section 2.
- E. Leasehold Improvements: shall refer collectively to all items located on and within the Licensed Premises provided or purchased by Operator, including such items as decorations, partitions, wiring, lighting and plumbing fixtures, piping, finished ceilings, ventilation duct work, grills, floor and walls coverings, heaters, cabinets, lockers, sinks, counters, chairs, other furniture, and signs.

**SECTION 2  
LICENSED PREMISES AND OPERATIONS AT THE AIRPORT**

A. Licensed Premises and Operation

The agreement between Operator and Delta and United Airlines which gives Operator use and occupancy as approved. Delta and United Airlines remain liable for all obligations of its lease with the Authority. Operator must also abide by the terms of the lease between the Authority and Delta and United Airlines and by the terms of this Agreement. The airline space may be used for activities reasonably necessary to Operator's operation of equipment and aircraft maintenance business limited to Delta and United Airlines and their affiliates.

In the event that Operator desires to operate a service not specified heretofore set forth, it shall make timely request of the Executive Director which the Executive Director shall promptly consider. The parties agree to negotiate with respect to such additional activities by Operator and the Executive Director agrees not to unreasonably withhold its permission and consent for such additional uses.

B. Use of Facilities

Operator shall have the right to maintain and store tools, equipment, and supplies owned by it on the property leased by Delta and United Airlines; provided however, that Operator shall not permit the maintenance or storage of any aircraft not owned by Delta or United Airlines and affiliates and provided further, that neither Operator, its agents, contractors nor any other person shall store on the leased premises any petroleum-based fuel usable in any type of aircraft engine, nor shall Operator permit any person known to it to fuel aircraft at Duluth International Airport in violation of Duluth Airport Authority regulations and rules.

C. Common Premises

The Authority does grant to Operator and to its employees' access in common with the access granted to members of the general public to all public portions of the Airport, roads, dock and parking facilities.

D. Licenses

Operator shall comply with all applicable MnDOT and Federal Aviation Administration laws, rules, regulations and certifications.

**SECTION 3  
EQUIPMENT**

Operator agrees to provide or cause to be provided equipment needed for its business. The Authority will not be responsible for Operator's equipment. Equipment must be kept on leased premises.

**SECTION 4  
FEES, TAXES AND OTHER CHARGES**

A. Operator Fee: Operator agrees to pay the Authority a quarterly fee of:

1. One percent (1%) of gross sales and services derived from sale of parts or accessories, repair, maintenance, modifications and labor charges.
  2. One percent (5%) of gross sales derived from other sales and services not listed in A, 1 above.
- B. "Gross Sales" Defined: The term "Gross Sales", for the purposes of this Agreement, shall include all monies paid or payable to the Operator for sales made and for services rendered at the Airport pursuant to this Agreement; provided, however, that any sales taxes or similar taxes imposed by law which are separately stated and paid by the consumer or customer and which are directly payable to the taxing Authority by Operator shall be excluded therefrom.
- C. Quarterly Statements: Within fifteen (15) days of the month following the end of the quarter in which Gross Sales are received, Operator shall submit to the Authority a quarterly statement, showing the amount of Gross Sales for the preceding quarter and an itemization of all claimed exclusions therefrom. This duty shall survive termination of this Agreement.
- D. Payment Dates: All payments of the quarterly consideration referred to in Paragraph A.1, A.2 and A.3. above shall be due and payable within fifteen (15) days of the month following the quarter in which Gross Sales arose. All other payments required by this Agreement shall be due and payable immediately upon being billed to Operator by the Authority. If Operator is delinquent for thirty (30) days or longer in paying any amounts owed to the Authority under this Agreement, Operator shall pay to the Authority a late payment charge assessed on the delinquent amount at the Authority's then-prevailing rate on delinquent accounts (the rate at the date of execution of this Agreement is one and one-half percent (1½%) per month). The late payment charge shall accrue from the date the delinquent amount was due until paid. The remedy provided by this Section is in addition to all the other remedies the Authority may have for a breach of this Agreement by Operator, and nothing in this Section shall be deemed to be a waiver by the Authority or prevent the Authority from asserting any other remedy.
- E. Utilities: No utilities will be provided by the Authority as part of this Agreement.
- F. Refuse and Garbage: Operator assumes all responsibility at its sole cost for the disposal of refuse and garbage generated by its operations on the Licensed Premises during the term this Agreement.
- G. Fee for Failure to Maintain: Operator agrees to keep the Licensed Premises and the Airport in a clean, neat, orderly and sanitary condition. In the event that Operator fails to keep the Licensed Premises in a neat, clean, orderly and sanitary condition and the Executive Director has issued a written notice of such deficiency and provided a reasonable cure period as determined solely by the Executive Director, Authority may itself clean or cause to be cleaned those portions of the Licensed Premises not so kept, and Operator agrees to reimburse the Authority for the direct and indirect costs incurred by the Authority for the performance of said work plus a fifteen percent (15%) administrative fee, due and payable upon receipt.
- H. Fee for Repair and Replacement: Operator shall promptly repair or replace any property of the Authority lost, destroyed or damaged by its operations hereunder. If Operator fails to promptly repair or replace such property following written notice by the Executive Director of such deficiency and a reasonable cure period as determined solely by the Executive Director, Authority may repair or replace it and Operator agrees to reimburse for the direct and indirect costs incurred by the Authority for such repair or replacement plus a fifteen (15%) percent administrative fee, due and payable upon receipt.
- I. Fee for Unpaid Licenses, Fees, Taxes, and Assessments: Operator shall be liable for the payment of all 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, or on account of the transaction of business thereon by Operator, charged by any governmental

agency and to provide evidence of payment of any of such taxes, assessments, license fees or other charges when the same become due. Should Operator fail to pay such amounts following written notice of such deficiency and a reasonable cure period as determined solely by the Executive Director, it is expressly agreed that the Authority may pay the same on behalf of Operator, and Operator agrees to reimburse the Authority for said amounts paid plus a fifteen percent (15%) administrative fee due and payable upon receipt.

- J. Payment Obligations Unconditional: The obligations of Operator to pay any amounts due to the Authority under this Lease Agreement in accordance with the terms hereof shall be absolute and unconditional, irrespective of any defense or rights of set off, recoupment or counterclaim which may at any time be available against the Authority. Such payments shall be due without notice or demand therefore except as specifically provided for herein.
- K. Books and Records: Operator shall maintain full and accurate financial books of accounts and records conforming to sound and accepted accounting principles consistently applied from which Gross Sales can be determined. These books of accounts and records shall be kept at the Airport or at a convenient location which Operator shall designate within the City of Duluth. Any and all books and records shall be kept, maintained and preserved by the Operator throughout the course of this Agreement and for not less than six (6) years after the termination or expiration of this Agreement. The records so required to be kept and maintained shall include all federal, state and local tax returns; records of daily bank deposits of the entire receipts from transactions at the Airport; sales slips; daily dated cash register tapes; sales books; duplicate bank deposit slips, and bank statements. Until the end of the six-year period, the Authority shall have the right to inspect and audit all books and records and all other papers and files of the Operator relating to Gross Sales. Any such inspection or audit shall be conducted during regular business hours and Operator shall produce the appropriate books and records upon the request of the Authority. In the event any audit discloses that the amount of Gross Sales on any statement was understated by one percent (1%) or more of Gross Sales for any month, the Operator shall pay to the Authority the cost of its audit and investigation, plus any arrearage in fees due to the Authority under this Agreement.

## **SECTION 5 TERM**

Notwithstanding the date of execution of this agreement, the term of this Agreement shall be for five (5) years beginning January 1, 2023 through December 31, 2028 unless sooner or later terminated as herein provided. Either party may terminate without cause upon thirty (30) days written notice.

Following the expiration of the term of this Agreement or any extension thereof as called for herein, the terms and conditions of the Agreement will be continued on a month-to-month basis until a new Agreement is reached, subject to the right of either party to terminate without cause upon fifteen (15) days' written notice to the other party.

## **SECTION 6 OPERATOR'S OBLIGATIONS**

- A. Diligent Operation: Operator covenants and agrees that it shall be diligent in the prosecution of its business, including the activities listed in Section 2, on the Airport and do all things reasonably necessary and advisable to serve the customer adequately and fairly and to

conduct its business in such a manner as will not reflect discredit upon the Authority or cause Authority loss or damages and will furnish prompt and efficient service as shall be adequate to meet the demands of the customers.

- B. Maintenance of Structures and Facilities: Operator agrees to keep the Airport in a clean, neat and orderly condition. Operator agrees to perform all janitorial services and all maintenance on any structure or portion thereof and other Airport facilities and agrees to make no attachment to, change of, or redecoration or modification in said premises without the prior written consent of the Authority. In the event that Operator shall fail to so maintain any portion of said premises as stated above, Authority shall have the right, but not the obligation, to itself perform or have performed said maintenance and to charge Operator therefor, which charge Operator shall be obliged to promptly pay.
- C. Fair and Nondiscriminatory Services: Operator, in the conduct of its authorized activities on the Airport, shall furnish good, prompt and efficient service adequate to meet the demands for its services at the Airport, and shall furnish such service on a fair, equal and not unjustly discriminatory basis to all users thereof, and shall charge fair, reasonable, and not unjustly discriminatory prices for each such unit of sale or service; provided, however, that Operator shall be allowed to make reasonable and non-discriminatory discounts, rebates, or other similar types or price reductions to volume purchasers.
- D. Authority's Fire Insurance: Operator covenants that it will not do or permit to be done any act which:
  - 1. 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
  - 2. will increase the rate of any fire insurance on the Airport or any part thereof or upon the contents of any building thereof
  - 3. 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 Operator'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 Operator 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 such violation by the Operator.
- E. Airport Promotion: Operator agrees to use its best efforts to actively promote the Airport and its utilization by members of the flying public.

## **SECTION 7 INDEMNITY**

- A. Defense and Indemnity: Operator 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 Operator, its officials, agents or employees, successors or assigns, Operator's performance of obligations under this

Agreement, or the use and/or occupancy of the Licensed Premises or of the Airport by Operator, its officials, agents or employees, or successors or assigns, and on ten (10) days' written notice from the Authority, the Operator shall appear and defend all claims and lawsuits against the Authority and/or the City growing out of any such injury or damage. The provisions of this paragraph shall survive the expiration, termination or early cancellation of this Agreement.

- B. Environmental Liability: In addition to the general indemnity stated above, and as part of it, it is specifically agreed between the parties that Operator 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 Operator, its officials, agents or employees, successors or assigns. Operator 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 Operator, its officials, agents or employee, successors or assigns in its operations at the Airport; and Operator 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. Survival: The provision of this Section shall survive the expiration, termination and early cancellation of this agreement.

## **SECTION 8 INSURANCE**

- A. Insurance: Operator shall carry and maintain in full force and effect during the term of this Agreement the minimum amounts of insurance set forth below. The Operator shall carry workers' compensation insurance on all of its employees employed on the Airport. Operator 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 Operator 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. All insurance policies required below shall be primary and shall not require contribution from any coverage maintained by the Authority and/or the City.
  - 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.
  3. Worker's Compensation insurance in accordance with the laws of the State of Minnesota.
- B. Insurance Primary. All insurance policies required above shall be primary and shall not require contribution from any coverage maintained by Authority and/or City.
- C. Insurance Not Limitation: It is understood that the specified amounts of insurance stated in this paragraph shall in no way limit the liability of Operator under this Section.
- D. Disclaimer: Authority does not represent or guarantee that these types or limits of coverage are adequate to protect the Operator's interests and liabilities. It shall be the obligation and responsibility of Operator to insure, as it deems prudent, its own personal property, against damage. Authority does not have insurance coverage for Operator'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 Operator.

**SECTION 9  
LAWS, ORDINANCES, RULES AND NON-DISCRIMINATION**

- A. Laws, Ordinances and Rules: The Operator 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, Operator agrees to fulfill its responsibilities pursuant to the Airport Security Plan approved by the Federal Aviation Administration and any amendments thereto.
- B. Non-discrimination: The Operator 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:
1. 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
  2. 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
  3. That the Operator 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 1964, and as said Regulations may be amended; and
  4. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code and any regulations and executive orders which may be affected with regard thereto.

**SECTION 10  
INDEPENDENT CONTRACTOR**

Operator is an independent contractor and not an employee of the Authority or the City. Operator shall not be considered an employee of the DAA or City, and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of Operator while so engaged and any and all claims whatsoever on behalf of Operator arising out of employment or alleged employment, including without limitation, claims of discrimination against the DAA or City, or its officers, agents, contractors or employees shall in no way be the responsibility of the DAA or City. Operator and its officers and employees shall not be entitled to any compensation or rights or benefits of any hospital care, sick leave and vacation pay, Workers' Compensation, Unemployment Insurance, disability pay or severance pay.

**SECTION 11  
AUTHORITY'S RIGHTS UPON DEFAULT**

- A. Authority's Rights: If at any time Operator 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 Operator, re-enter into or upon the Licensed 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 Operator 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
  2. Authority may at its election terminate this Agreement upon written notice in the manner hereinafter and the Operator covenants in case of such termination to indemnify the Authority against all loss of all operator fees, rents, revenues and expenses which the Authority has suffered or paid by reason of such termination, during the residue of the term
  3. The Authority shall further have all other rights and remedies including injunctive relief, ejectment or summary proceedings for unlawful detainer, and any or all legal remedies, actions and proceedings and all such remedies shall be cumulative.
- B. Default Defined: For the purposes of this Section only, "Default" shall be defined when any of the following circumstances exist:
1. If the Operator has failed to pay rent, operator fees, taxes or other charges when due hereunder and such failure to pay shall continue for ten (10) days after notice in writing to the Operator in the manner hereinafter provided for.
  2. If the Operator 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 Operator written notice, or the Operator shall have failed to commence the rectification of such failure within thirty (30) days after such notice and to diligently prosecute the same where the same cannot be completed within thirty (30) days
  3. If a petition to reorganize the Operator or for its arrangement of its unsecured debts shall be filed



4. If the Operator shall be adjudicated bankrupt
  5. If a receiver or trustee of the Operator's property shall be appointed by any court
  6. If the Operator shall make a general assignment for the benefit of creditors
  7. If all of the interest of the Operator in its property shall be taken by garnishment, attachment, execution or other process of law, or
  8. If the Licensed Premises shall be deserted or vacated.
- C. Attorneys' Fees: In the event Authority shall prevail in any action or suit or proceeding brought by Authority to enforce compliance with this Agreement or for the failure to observe any of the covenants of this Agreement, Operator agrees to pay Authority such sums as the court may adjudge reasonable as attorneys' fees and costs to be allowed in such action, suit or proceeding.

## **SECTION 12 WAIVER OF BREACH**

The waiver by the Authority 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 13 ASSIGNMENTS**

The Operator shall not assign or transfer this Agreement in whole or in part, in any manner, nor any interest therein, nor permit the foregoing agreement to become transferred by operation of law 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 written consent of the Executive Director shall first be obtained in each and every case of assignment or transfer. It is expressly agreed by the parties that a change in ownership of the controlling share of stock in Operator, if any, shall be deemed to be an assignment hereunder. It is expressly agreed by the Operator that in the event consent is granted by the Executive Director as herein provided, the assignee or transferee shall be required to assume and agree to perform the covenants of this Agreement.

## **SECTION 14 WAIVER OF CLAIMS**

Operator 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 15 NON-EXCLUSIVE RIGHTS**

Operator shall have the non-exclusive right and privilege of engaging in and conducting a limited service on the premises of the Airport under the terms and conditions as set forth herein. However, this Agreement shall not be construed in any manner to grant Operator or those claiming under it

the exclusive right to the use of the premises and facilities of said Airport. The parties to this Agreement do not intend to create any rights in any third party beneficiary.

## **SECTION 16 GOVERNMENTAL COMMITMENTS**

This Agreement shall be subordinate to the provisions of and requirements of any existing or future agreements between the Authority and the United States, or other governmental authorities, relative to the development, operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal funds, or other governmental authority funds, for the development of the Airport, to the extent that the provisions of any such existing or future agreements are generally required by the United States, or other governmental authorities, of other civil airports receiving such funds.

## **SECTION 17 SPONSOR ASSURANCES**

Should the FAA determine that any term or provision of this Agreement results in, or could result in, a violation by the Authority of its obligations as an airport sponsor under grant assurances contained or incorporated in any grant agreement, existing or future, to which the Authority is a party ("Sponsor Assurances"), Operator and the Authority unconditionally agree to modify or amend this Agreement to remedy any such violation, or potential violation, and bring this Agreement into strict compliance with the Authority's Sponsor Assurances.

## **SECTION 18 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 19 MODIFICATION OF THE AGREEMENT**

Any of the terms of this Agreement may be changed upon the mutual consent of the Authority and the Operator, but to be valid any such changes must be in writing, dated and duly executed by the parties.

## **SECTION 20 NOTICES**

All notices to be given by Operator 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, 4701 Grinden Drive, Duluth, Minnesota, 55811. All notices to be given by Authority to Operator shall be deemed to have been delivered by depositing the same in writing in the United States Mail addressed to Operator at 6540 Allen Rd Sobieski, WI 54171.

**SECTION 21  
IMMUNITY**

Nothing in this Agreement shall be construed as a waiver by the Authority or the City of any immunities, defenses, or other limitations on liability to which the Authority or the City is entitled by law, including but not limited to the maximum monetary limits on liability established by Minnesota Statutes, Chapter 466.

**SECTION 22  
APPLICABLE LAW**

This Agreement, together with all of its sections, 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 will be those courts located in St. Louis County, Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota.

**SECTION 23  
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 24  
RECORDS**

- A. Establishment and Maintenance of Records. Records shall be maintained by Operator in accordance with requirements prescribed by Authority and with respect to all matters covered by this Agreement. Such records shall be maintained for a period of six (6) years after receipt of final payment under this Agreement.
- B. Documentation of Costs. Operator will ensure that all costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.
- C. Reports and Information. Operator shall be responsible for furnishing to Authority records, data and information as City may require pertaining to matters covered by this Agreement.
- D. Audits and Inspections. Operator shall ensure that at any time during normal business hours and as often as Authority may deem necessary, there shall be made available to Authority for examination, all of its records with respect to all matters covered by this Agreement. Operator will also permit Authority to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials,

payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

- E. Confidentiality of Information. All reports, data, information, documentation and material given or prepared by the Operator pursuant to this Agreement will be confidential and will not be released by Authority without prior authorization from Operator except as required for the performance of Operator’s services or as required by law.
- F. Ownership of Data. All reports, records and other data prepared under this Agreement shall become the property of Authority upon completion or termination of the services of Operator.

**SECTION 25  
ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties and supersedes all prior written and oral agreements and negotiations between the parties relating to the subject matter hereto. There are no representations, warranties, or stipulations either oral or written not herein contained.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

**DULUTH AIRPORT AUTHORITY**

**QUALITY MECHANICAL SERVICES,  
LLC**

By \_\_\_\_\_  
President

By \_\_\_\_\_

By \_\_\_\_\_  
Secretary

Its \_\_\_\_\_

## VII - B.

Duluth Airport Authority  
The Landline Company  
Amendment #1  
Ground Transportation Lease and Operating Agreement

**Terms:**

- Term remains unchanged.

**Background:**

- The Landline agreement began in 2019 and the leased premises was located on the 2<sup>nd</sup> floor.
- Landline now performs above wing ground handling service for Sun Country which is located at ticket counter.
- 2<sup>nd</sup> floor Terminal space is no longer utilized by Landline.

**Agreement Overview:**

- This amendment modifies the leased premises to remove 2<sup>nd</sup> floor terminal space and add 1<sup>st</sup> floor ticket counter space as well as a small storage area.
- This amendment also changes the per passenger fee to a new rate of \$4.00 per enplaning revenue passenger.
- This amendment also adds a per departure fee for each Landline vehicle that departs DLH.

**Why were the changes in key terms needed/wanted?**

- The Landline operation had significantly changed since the agreement was started in 2019. Amendment more accurately reflects current operations.

**GROUND TRANSPORTATION LEASE AND OPERATOR AGREEMENT  
BY AND BETWEEN  
DULUTH AIRPORT AUTHORITY AND THE LANDLINE COMPANY  
FIRST AMENDMENT**

The parties to this First Amendment are the DULUTH AIRPORT AUTHORITY, a governmental body organized and existing under Chapter 577 of the Laws of Minnesota, 1969, (the "DAA"), and The Landline Company, (a C corporation incorporated in the State of Delaware) hereinafter referred to as "Operator."

WHEREAS, on February 19, 2019, Operator and the DAA entered into a Ground Transportation Lease and Operator Agreement (the "Agreement") at the Duluth International Airport controlled by the DAA in order for Operator to provide ground transportation services to the public;

WHEREAS, the parties desire to amend the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties covenant and agree for themselves and their successors and assigns as follows:

Definitions. Each of the terms defined in the Agreement, unless otherwise defined in this First Amendment, shall have the same meaning when used herein.

1. The first paragraph of SECTION 5, Leased Premises (Exclusive): is hereby replaced as follows:
  - a. Leased Premises: Use of approximately 160 square feet of ticket counter space and approximately 10.22 square feet of luggage cart storage space on the first floor of the Terminal, at a location designated on Exhibit A-1, attached hereto and made a part hereof. The space shall be used for the processing and ticketing of passengers and storage of luggage cart.
2. The second paragraph of SECTION 5, Leased Premises (Non-Exclusive): is hereby removed.
3. Beginning on March 1, 2023, all references to Exhibit A are hereby replaced with Exhibit A-1 attached hereto and incorporated herein.
4. Beginning on March 1, 2023, Section 6, Subsection A, is hereby replaced as follows:
  - a. For the use of 160 square feet of ticket counter space, the rental fee will be paid to the Authority in the sum of \$42.31 per square foot per year or \$564.13 per month. The first payment of rent in the amount of \$564.13 shall be due and payable beginning March 31, 2023 and monthly thereafter until the end of the term.
  - b. For the use of 10.22 square feet of luggage cart storage space, the rental fee will be paid to the Authority in the sum of \$42.31 per square foot per year or \$36.03 per month. The first payment of rent in the amount of \$36.03 shall be due and payable beginning March 31, 2023 and monthly thereafter until the end of the term.
5. Beginning on March 1, 2023, Section 6, Subsection B, is hereby removed.
6. Beginning on March 1, 2023, Section 6, Subsection D, is hereby replaced as follows:
  - a. Operator agrees to pay the Authority a fee in the amount of \$4.00 per boarded revenue passenger leaving from the Airport ("Per Passenger Fee"). Landline

employees traveling from the Airport on Landline will not be considered a revenue passenger. Any and all other boarded passengers will be considered revenue passengers as it pertains to this section, included but not limited to other airline employees.

7. Beginning on March 1, 2023, Section 6, Subsection I, is hereby added as follows:
  - a. For each Landline vehicle departure a "Per Departure Fee" shall be paid at a rate of \$5 per each van departure per month and \$10 per each bus departure per month. All departures need to be included in monthly reporting to Authority and separated by vehicle type.
8. Except as provided for in this First Amendment, the terms and conditions of the Agreement shall remain in force and effect.
9. This First Amendment 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 First Amendment 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 First Amendment, shall have the same effect as physical delivery of the paper document bearing the original signature.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date shown below.

DATE: \_\_\_\_\_

DULUTH AIRPORT AUTHORITY

THE LANDLINE COMPANY

By: \_\_\_\_\_  
President

By: \_\_\_\_\_

By: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

## VII - C.

### Duluth Airport Authority MN Lottery Retailer Concession Contract & Addendum

***Terms:***

- 1 year

***Agreement Overview:***

- Retailer Contract for MN Lottery vending machines (2) located in the terminal
- MN Lottery installs the machines and is responsible for their maintenance
- DAA staff handles day to day operation of machines
- Machines do not pay out cash; tickets must be brought to local retailer such as gas station or mailed in
- Concession rates to be paid to the DAA are:
  - 5.5% of sales on Lotto
  - 6% for each pack of scratch tickets sold
  - 1.5% of the value of Lottery tickets redeemed and validated at machines

***Addendum Overview:***

- Liability and Indemnification language suggested to be replaced in contract with addendum by City of Duluth Legal Department





TO: Retailer

FROM: Retailer Contracting

SUBJECT: **Annual Contract Renewal**

**Renewal Date: MAY 15<sup>TH</sup>, 2023**

Enclosed are the materials needed to renew your contract to sell lottery tickets for the next year. Please complete and return the forms before your renewal date.

These forms must be signed by an authorized OWNER or OFFICER of the business.

#### **WHAT YOU NEED TO DO:**

1. Complete and sign the "Retailer Renewal Application".
2. Sign the "Retailer Contract".
3. Once the application and contract are completed, click on the "Click to Sign" button in the bottom right corner of your screen. This will automatically return the documents to the MN Lottery.

#### **WHAT WE WILL DO:**

- Once we receive your documents, and your annual security check is completed, we will email you a copy of your new approved, signed contract.
- After your renewal date, we will sweep your EFT account \$20 for the annual renewal fee. Please be sure that you have the funds to cover this transaction.
- Lottery retailers must have a Lottery Certificate posted in an area visible to your customers. If you need a new certificate, please call Retailer Contracts at the below number.

#### **QUESTIONS, COMMENTS, CONCERNS?**

If you have any questions or concerns about the renewal process, please call Retailer Contracts at (651) 635-8119 or toll free at 1-888-LOTTERY (1-888-568-8379) ext 8119.



# MINNESOTA STATE LOTTERY RETAILER RENEWAL APPLICATION

Retailer Number  
131185

Renewal Date: May 15, 2023

## SECTION I – Retailer Name and Physical Address

DULUTH AIRPORT AUTHORITY  
4701 GRINDEN DR  
DULUTH MN 55811

## SECTION II – Tax Information

Please check business type, list business name, and fill in tax ID numbers:

Sole Proprietor     Partnership     Corporation

Legal Business Name: \_\_\_\_\_

Federal Tax ID: \_\_\_\_\_ State Tax ID: \_\_\_\_\_

## SECTION III – Ownership

Please include: (1) Anyone owning more than 5% of business; (2) all directors of the business; (3) all officers of the business; and (4) If a sole proprietorship, the sole proprietor's spouse (optional).

Type owner information     Attach separate owner file     Municipal/Tribal owned entity

LAST NAME	FIRST NAME	MIDDLE NAME	M/F	BIRTH DATE	SOCIAL SECURITY #
HOME ADDRESS		CITY	STATE	ZIP CODE	PHONE NUMBER

LAST NAME	FIRST NAME	MIDDLE NAME	M/F	BIRTH DATE	SOCIAL SECURITY #
HOME ADDRESS		CITY	STATE	ZIP CODE	PHONE NUMBER

LAST NAME	FIRST NAME	MIDDLE NAME	M/F	BIRTH DATE	SOCIAL SECURITY #
HOME ADDRESS		CITY	STATE	ZIP CODE	PHONE NUMBER

LAST NAME	FIRST NAME	MIDDLE NAME	M/F	BIRTH DATE	SOCIAL SECURITY #
HOME ADDRESS		CITY	STATE	ZIP CODE	PHONE NUMBER

**The \$20.00 renewal fee will be withdrawn from your EFT Account after your renewal date.**

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**SECTION IV - Compliance**

Please answer the following questions and check appropriate box.

- 1) Is anyone on the list above in Section III, under the age of eighteen (18)?  YES  NO
- 2) Is the business solely in the business of selling Lottery tickets or a currency exchange?  YES  NO
- 3) Does the business, or anyone on the list above, owe more than \$500 in delinquent taxes to the State of Minnesota?  
 YES  NO
- 4) Within the last five (5) years, has anyone on the list above been convicted of a felony, gross misdemeanor, or any crime involving fraud, misrepresentation, or gambling?  YES  NO
- 5) Is anyone on the list above an immediate family member (residing in the same household) of the Director of the Lottery or an employee of the Lottery?  YES  NO
- 6) Is the business owned in whole or in part by the Director of the Lottery or an employee of the Lottery, or an immediate family member (residing in the same household) of the Director of the Lottery or an employee of the Lottery?  YES  NO
- 7) Has anyone on the list above ever owned five percent (5%) or more of a business that has had a Lottery contract canceled or suspended by the Minnesota State Lottery?  YES  NO
- 8) Has the business, or anyone on the list above, been bankrupt or in receivership within the past seven (7) years?  
 YES  NO

IF ANY OF THE ABOVE QUESTIONS HAVE BEEN ANSWERED YES, PLEASE ATTACH A SEPARATE DETAILED EXPLANATION.

---

**SECTION V – Next Annual Renewal**

How would you like to complete your next annual Retailer Renewal paperwork?

- Complete electronically  Complete paper copy

Email Address: \_\_\_\_\_

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**DISCLOSURE OF SOCIAL SECURITY NUMBERS / NOTICE OF INTENDED USE OF PRIVATE DATA**

Pursuant to Minnesota statutes, section 13.04, subdivision 2, you are hereby informed that the social security number(s) provided in this application will be used by the Minnesota State Lottery to verify your eligibility to be a Lottery Retailer. You have the right to refuse to supply your social security number(s). However, if you refuse to supply your social security number(s), the Minnesota State Lottery may not be able to verify your application, and as a consequence, may refuse to enter into a contract with you authorizing you to sell lottery tickets in Minnesota. If you supply the information requested, the Minnesota State Lottery will be able to process your application promptly.

After you have supplied your social security number(s), the social security number(s) will be considered private data on individuals under the state law and will be available only to the following persons without your permission: employees or agents of the Minnesota State Lottery whose work assignment requires that they have access to the information; parties to judicial proceedings pursuant to a court order; other individuals or agencies that may be specifically authorized by state statute or federal law to have access to such information; and individuals and agencies for which law or legal order authorizes a new use or sharing of the information after this Notice was given.

I am the owner or person authorized to continue our contract with the Minnesota State Lottery as a retail outlet for the sale of lottery games. I certify that the information I have provided to the Minnesota State Lottery is true and complete. I UNDERSTAND THAT MAKING A MATERIALLY FALSE OR MISLEADING STATEMENT OR MATERIAL OMISSION IN INFORMATION SUBMITTED TO THE MINNESOTA STATE LOTTERY IS A FELONY. I authorize a State Agency to conduct investigations into criminal history, financial and credit information, delinquent taxes and other matters pertaining to the authenticity of statements made in this renewal. I understand this Application and the resulting Retailer Contract may be executed electronically or handwritten in two or more counterparts. I agree my electronic signature is the legal equivalent of my handwritten signature.

\_\_\_\_\_  
Print Full Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



Retailer Number  
131185

## MINNESOTA STATE LOTTERY RETAILER CONTRACT

THIS AGREEMENT is entered into this 15<sup>th</sup> day of May, 2023, by and between the MINNESOTA STATE LOTTERY (hereinafter referred to as the "MSL" or the "Lottery") and, DULUTH AIRPORT AUTHORITY, a CORPORATION, whose business address is 4701 GRINDEN DR, DULUTH, MN 55811 (hereinafter referred to as the "Retailer").

In signing this agreement, the parties acknowledge that they have read and understood the terms of this Contract and agree to be bound thereby.

THE MINNESOTA STATE LOTTERY

DULUTH AIRPORT AUTHORITY

By: \_\_\_\_\_  
Lottery Signature

By: \_\_\_\_\_  
Retailer Signature

Title: Lottery Director

Title: \_\_\_\_\_

Date: May 15, 2023

Date: \_\_\_\_\_

### 1. Definitions

- a. "Accounting Week" - The start of business on Tuesday through the end of business on the subsequent Monday.
- b. "Business Location" - The site, as described by the address stated in this Contract, where the Retailer is authorized to sell Lottery Tickets.
- c. "Contract" - This agreement between the Retailer and the MSL authorizing the Retailer to sell Lottery Tickets.
- d. "Director" - The Director of the Minnesota State Lottery or the Director's designee.
- e. "Lottery Games" - Lotto Games and Scratch Games.
- f. "Lottery Tickets" - Lotto Game Tickets and Scratch Game Tickets.
- g. "MSL" - The Minnesota Lottery.
- h. "Lotto Game" - A lottery game sold to the public through the use of a Lotto Game Terminal.
- i. "Lotto Game Terminal" - A terminal installed by the MSL at the Retailer's Business Location that is connected to a MSL system for the purpose of selling and redeeming Lotto Game Tickets and Scratch Game Tickets.
- j. "Lotto Game Ticket" - A ticket purchased for participation in a Lotto Game.
- k. "Retailer" - The business authorized by the MSL to sell Lottery Tickets.
- l. "Scratch Game" - A lottery game sold to the public on pre-printed tickets containing play data under a latex coating.
- m. "Scratch Game Ticket" - A pre-printed ticket purchased for participation in a Scratch Game.

## 2. **Scope of the Contract; Term**

This Contract authorizes the Retailer to sell Lottery Tickets for the MSL according to the terms of this Contract. The Retailer agrees to only sell Lottery Tickets at the Retailer's Business Location. This Contract is subject to the terms and provisions of Minnesota Statutes, chapter 349A, Minnesota Rules, chapter 7856, and the game procedures adopted by the Director for each Lottery Game and the Retailer agrees to comply and be bound by any applicable law, rule, instruction and order issued by the Lottery. This Contract is effective on the date it is finally executed by both parties and shall remain in effect for one year, from May 15, 2023 until midnight on May 14, 2024 unless canceled or suspended by either party. This Contract is not assignable or transferable to any person or entity, nor is it transferable to any location. The Retailer shall not conduct any business or hold itself out as a Lottery Retailer unless a renewal Contract has been timely granted.

## 3. **Sale and Redemption of Lottery Tickets**

- a. The Retailer must offer for sale all Lotto Games offered by the MSL and must offer for sale a minimum number of Scratch Games set by the MSL.
- b. The Retailer may not sell Lottery Tickets to any person under the age of 18 years or redeem a prize for a person under the age of 18 years.
- c. The Retailer must prominently display the most current odds posters for Lottery Games supplied by the MSL.
- d. The Retailer must display the problem gambling helpline sticker supplied by the MSL at or near the point where Lottery Tickets are sold.
- e. The Retailer must display at its Business Location, the certificate to sell Lottery Tickets issued by the MSL.
- f. The Retailer must mount a decal provided by the MSL in a prominent place near the entrance to its Business Location.
- g. The Retailer must sell Lottery Tickets only for coin, currency, money orders, debit/check cards or checks.
- h. The Retailer must only sell Lottery Tickets at a price set by the Director pursuant to the game procedures adopted for each Lottery Game.
- i. The Retailer must not condition the sale of Lottery Tickets on the purchase of any other item or service or impose any similar restriction upon the sale of a Lottery Ticket.
- j. The Retailer must make the purchase of Lottery Tickets convenient and readily accessible to the public and make Lottery Tickets available for purchase during normal business hours.
- k. The Retailer must begin the sale of Scratch Game Tickets on the date set by the MSL for each Scratch Game and must cease selling Scratch Game Tickets for a particular Scratch Game on the date set by the MSL.
- l. The Retailer must validate and pay all prizes from winning Lottery Tickets up to \$600, consistent with the Retailer's normal business hours and cash on hand policies or as agreed to between the MSL and the Retailer. The Retailer may be responsible for redeemed Lottery Tickets that are not validated prior to payment to a player.
- m. The Retailer must settle packs of Scratch Game Tickets to activate billing according to procedures established by the MSL.
- n. The Retailer acknowledges that funds received from the sale of Lottery Tickets constitute a trust fund until paid to the MSL and that the Retailer is personally liable for those funds.
- o. The Retailer must maintain a bank account for payment of proceeds to the MSL.
- p. The Retailer must deposit in its designated bank account all funds due the MSL from the previous Accounting Week prior to the Thursday following the end of the accounting week. The amount due to the MSL will be electronically taken from this bank account by the MSL each Thursday.
- q. Failure to timely pay the MSL all amount due from a particular Accounting Week may subject the Retailer to a penalty of \$20 and interest as designated by rule. The Retailer agrees that it may be liable for costs incurred by the MSL to collect any amount due to the MSL under this Contract, including attorney's fees.

## 4. **Compensation/Payments to Retailers**

The MSL will pay the Retailer a commission of 5½% for lotto sold by the Retailer, a 6% commission for each pack of scratch tickets sold by the Retailer, and pay the Retailer a commission of 1½% of the value of Lottery Tickets redeemed and validated by the Retailer. The MSL will reimburse the Retailer for all prizes paid by the Retailer according to the procedures established by the MSL.

**5. Marketing Requirements**

The Retailer agrees to comply with all MSL marketing requirements and to display MSL provided point-of-purchase materials and signage in a prominent area of its Business Location according to instructions issued by the MSL. Retailer agrees to utilize Scratch ticket dispensers (including any in-counter dispensers) provided by the MSL in the manner prescribed by the MSL. The Retailer agrees to abide by all promotional guidelines adopted by the MSL.

**6. Security Deposit**

The MSL may require the Retailer to maintain a security deposit in the amount set by the Director if the Retailer does not have a favorable credit history, has repeated accounting problems and/or NSF's, or has no credit history. The security deposit must be in a form as set out in Minnesota Statutes, section 349A.06, subdivision 3.

**7. Minimum Sales**

The MSL has the right to set a minimum sales level for a Retailer. If the MSL sets a minimum sales level for a retailer, the Retailer must maintain that sales level in order to remain a Lottery Retailer.

**8. Property Provided by MSL**

All property provided to the Retailer by the MSL, or a vendor under Contract with the MSL, is, and shall remain the property of the MSL or its vendors. The MSL or its vendors shall have the right to enter the property of the Retailer during regular business hours to install and remove any and all such property at any time. The Retailer agrees not to relocate, repair, or modify any property of the MSL or its vendors without the prior written agreement of the MSL. The MSL will provide the Retailer with dispensers to be utilized to sell Scratch Game Tickets and a Lotto Game Terminal. The Retailer must provide sufficient counter space for the Lotto Terminal and Scratch Game Ticket dispensers. The Retailer must provide appropriate electrical utilities for MSL provided equipment. Upon expiration of this Contract, the Retailer shall return, or allow MSL employees or vendors to remove, all MSL property.

**9. Responsibility for Tickets**

The Retailer agrees that all Scratch Game Tickets accepted from the MSL or its distributor are deemed to have been purchased by the Retailer at the price established by the MSL less appropriate Retailer commission, unless the unsold tickets are returned to the MSL according to procedures established by the MSL. The Retailer agrees that all Lotto Game Tickets issued by the Retailer's Lotto Game Terminal are deemed to have been purchased by the Retailer unless canceled as authorized by the MSL game procedures. The Retailer will exercise diligence in the storage of Lotto Game Ticket stock and to provide physical security and control of the Lotto Game Ticket stock. The Retailer agrees not to borrow or lend Lotto Game Ticket stock or Scratch Game Tickets to/or from another Retailer or location. The Retailer is responsible for lost, stolen, or missing Lottery Tickets.

**10. Audit of Retailers**

The Retailer must maintain current and accurate records of all lottery transactions and make them available for inspection or audit by employees of the MSL and to employees of the Department of Public Safety, Alcohol and Gambling Enforcement Division. The Director may select an auditor to perform the audit and the Retailer may be required to pay the costs of the audit.

**11. Cancellation, Suspension and Refusal to Renew Contract**

- A. This Contract may be cancelled by the Retailer at any time upon notice to the MSL.
- B. The Director must cancel this Contract or prohibit the sale of Lottery Tickets if the Retailer has:
  - a) been convicted of a felony, gross misdemeanor, or a gambling related offense;
  - b) a person that owns more than 5% of the Retailer, or an officer or director of the Retailer that has been convicted of a felony, gross misdemeanor, or gambling related offense;
  - c) committed fraud, misrepresentation, or deceit;
  - d) provided false or misleading information to the MSL;
  - e) acted in a manner prejudicial to the public confidence in the integrity of the MSL;
  - f) owes \$500 or more in delinquent taxes to the State of Minnesota; or
  - g) been conducting business solely to sell Lottery Tickets.

- C. The Director may cancel, suspend, or non-renew this Contract, or prohibit the sale of Lottery Tickets if the Retailer has:
  - a) ceased conducting business at the Business Location;
  - b) failed to comply with any provision of this Contract;
  - c) failed to accurately account for the proceeds from the sale of Lottery Tickets;
  - d) failed to remit to the MSL on a timely basis the proceeds from the sale of Lottery Tickets;
  - e) failed to account for Lottery Tickets received from the MSL;
  - f) acted in a manner such that the Retailer's participation as a Retailer is inconsistent with the public interest, convenience and necessity;
  - g) experienced a material change in any factor considered by the Director in entering into this Contract;
  - h) failed to maintain a security deposit as required by the MSL;
  - i) failed to maintain a minimum level of Lottery Ticket sales as set by the MSL;
  - j) retained an employee involved in the sale of Lottery Tickets who has been convicted of a gambling-related offense or a crime involving moral turpitude;
  - k) bartered, furnished, or given alcoholic beverages to a person under 21 years of age in violation of Minnesota law, two or more times within a two-year period;
  - l) experienced a change so that it no longer has the financial stability or responsibility to act as a Retailer;
  - m) experienced a substantial change in ownership;
  - n) committed an act which impairs the Retailer's reputation for honesty and integrity;
  - o) sold Lottery Tickets to a person that the Retailer knows or has reason to know will re-sell the Lottery Tickets to another person;
  - p) conducted illegal gambling at the Business Location or has allowed illegal gambling to be conducted by others at the Business Location;
  - q) violated a provision of Minnesota Statutes, chapter 349A or Minnesota Rules, chapter 7856, game procedures, order or directive issued by the Director; or
  - r) experienced any material change in any of the qualifications for a Retailer under Minnesota Statutes, section 349A.06, subdivision 2 or Minnesota Rules part 7856.2020.
- D. The Director may temporarily suspend this Contract or prohibit the sale of Lottery Tickets at the Business Location without prior notice to the Retailer, for any reason specified in this Contract, provided that pursuant to Minnesota Statutes, section 349A.06, subdivision 11(e), a hearing is conducted within seven days after a request for a hearing is made by the Retailer.
- E. The cancellation, suspension, or non-renewal of this Contract, or the prohibition of the sale of Lottery Tickets is a contested case under the Administrative Procedures Act (Minnesota Statutes, Chapter 14).

**12. Liability and Indemnification**

The Retailer agrees that in its capacity as a contractor to sell Lottery Tickets, the Retailer is not acting on behalf of the MSL or the State of Minnesota as an agent, officer, or employee, but is acting in the capacity of an independent contractor. The Retailer agrees to release, indemnify and hold harmless the MSL and the State of Minnesota, its officers, directors, employees and agents from and against any and all loss, claims, damages, expenses and costs (including attorney fees) arising out of or resulting from any and all acts or omissions of the Retailer, its owners, employees or agents arising in the connection with conducting the sale of Lottery Tickets. The Retailer further agrees that any contractual or tortious liability incurred by the Retailer in connection with the sale of Lottery Tickets shall be the Retailer's sole responsibility.

**13. Miscellaneous**

The Retailer agrees that if they fail to comply with any term of this Contract, the Lottery may temporarily stop delivery of additional Scratch Game Tickets and prohibit the use of the Retailer's Lotto Game Terminal and pursue any other appropriate remedy to protect its interests and property.

**14. Applicable Law and Venue**

This Contract and all matters related to it shall be governed by and interpreted by the laws of the State of Minnesota. Any matter arising under this Contract shall be brought in a court of competent jurisdiction in Ramsey County, Minnesota.

**Duluth Airport Authority  
Addendum to the Minnesota State Lottery  
Retailer Contract**

This Addendum (“Addendum”) is made and entered into with respect to the Minnesota State Lottery Retailer Contract (“Contract”) dated [\_\_\_\_\_] by and between Duluth Airport Authority, a government body organized and existing under Chapter 577 of the Laws of Minnesota, 1969, (“DAA”) (“Retailer”) and the Minnesota State Lottery (“MSL”).

The following provision applies to the Contract between Retailer and MSL regarding the sale of lottery tickets within the state of Minnesota. The capitalized terms used in this Addendum shall have the same meaning as in the Contract. **To the extent that anything in this Addendum conflicts with the Contract, this Addendum shall control.**

12. **Liability and Indemnification:**

Each party will be responsible for its own acts and the results thereof. Neither Retailer nor MSL waives their respective immunities under state or federal law.

The provisions in this Addendum are agreed to by:

**The Minnesota State Lottery**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Duluth Airport Authority**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## VII - D.

Duluth Airport Authority  
Kraus-Anderson Construction Company  
Work Order KACC 2023-01

**Terms:**

- Estimated start date of May 15, 2023
- Estimated end date of September 29, 2023

**Agreement Overview:**

- Work Order 2023-01 is the third work order under the Construction Management-Agency (CM-A) Agreement with Kraus-Anderson Construction Company (preceded by two Work Orders in 2022).
- Work Order 2023-01 is for Construction-Phase Services only for the Ranch Hangar Development. Preconstruction-Phase Services were approved in a previous Work Order.
- Construction-Phase Services for this project will be billed monthly based on contracted rates, not to exceed \$190,084.00.

**Background:**

- This project consists of a 5-unit Ranch Hangar at the Duluth International Airport. The building will allow for additional aircraft hangars to accommodate increased demand for aircraft storage at the airport. Each individual bay will be approximately 45'-0" wide and 40'-0" deep. Additional project elements include site preparation, drainage improvements, and hangar apron construction.
- The design and construction of the project is eligible for 90 percent funding from the FAA Bipartisan Infrastructure Law funding.
- The scope of Construction-Phase Services includes, but is not limited to: administrative management of awarded Contractors, schedule preparation and coordination, construction meetings, processing submittals and samples, structuring sequence and phasing of work, quality oversight, budget tracking and reporting, cash flow reporting, project accounting, pay application management, safety oversight, requests for information, reviewing requested change orders from Contractors, progress reporting, document control, and all other services as described in Section 2 of the Agreement.

**EXHIBIT A**  
**WORK ORDER KACC 2023-01**  
**KACC PROJECT**  
**Dated: April 12, 2023**

Pursuant to the Construction Management Agreement for Construction Projects at the Duluth International Airport dated August 01, 2022 between the Duluth Airport Authority (the Owner), and Kraus-Anderson® Construction Company (the Construction Manager), all of which terms and conditions are incorporated herein by reference, the Owner and Construction Manager hereby establish this Work Order for the Project to provide **Construction-Phase Services** for the **2022 Ranch Hangar** project located at 4701 Grinden Drive, Duluth, MN 55811 as follows:

Project Location: Duluth International Airport, 4701 Grinden Drive, Duluth, MN 55811

Project Description: Ranch Hangar Development

Owner Contact/Project Coordinator: Jana Kayser, Mark Papko

Construction Manager Project Manager: Dustin Wick

Scope of Services: Provide Construction-Phase Services as described in Section 2 of the Agreement for the 2022 Ranch Hangar, and as per the attached Exhibits A-1 "Hourly Rates" and A-2 "Fee Schedule" dated March 13, 2023.

Schedule: Services are for a duration of 4.5 Months (19.5 Weeks), anticipated to commence on May 15, 2023 and complete by September 29, 2023.

Total Compensation: Construction-Phase Services for the Ranch Hangar Development shall be billed monthly, with a total fee not to exceed \$190,084.00 (One-hundred-ninety-thousand-eighty-four and 00/100).

Any additional Construction Management services required beyond the scope of work identified in this Work Order shall be approved in advance by the Duluth Airport Authority Executive Director.

DATE: **April 12, 2023**

OWNER: Duluth Airport Authority

CONSTRUCTION MANAGER:  
Kraus-Anderson® Construction Company

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

## EXHIBIT A-1

### Hourly Rates

The CM will perform various tasks for pre-construction and construction services as set forth in the Work Orders for specific Projects under the Agreement. The following hourly rates will apply for these services and are applicable through December 31, 2023. Rates will be updated annually on January 2 of each subsequent year of this Agreement.

Project Director	\$ 172 / HR
Senior Project Manager	\$ 150 / HR
Project Manager	\$ 135 / HR
Director of Preconstruction	\$ 150 / HR
Precon Mgr/Estimator	\$ 135 / HR
Assistant Estimator	\$ 95 / HR
Assistant PM	\$ 105 / HR
Project Engineer	\$ 97 / HR
Project Intern	\$ 53 / HR
Project Coordinator/Accounting	\$ 66 / HR
General Superintendent	\$ 142 / HR
Project/Field Superintendent	\$ 133 / HR
Safety Director	\$ 140 / HR
Safety Engineer	\$ 123 / HR
VDC/BIM	\$ 115 / HR
MEP Specialist	\$ 135 / HR
Computer/IT	\$ 88 / HR
Quality Director	\$ 160 / HR
Quality Manager	\$ 135 / HR

EXHIBIT A-2

SCOPE OF SERVICES BREAKDOWN															
Project:		<b>Ranch Hangar Development</b>													
Location:		Duluth, MN		Project Size		SF		Project Duration							
PM:		Dustin Wick		New Construction		9,000		Phase		Months		Weeks		Hours	
Architect:		S.E.H.		Remodeling				Pre-Construction		0.0		0.0		0	
Date:		13-Mar-23		Total project		9,000		Construction		4.5		19.5		779	
Section	Cost Type	Description	Qty	Unit	Unit Cost	Material	Unit Cost	Labor	Unit Cost	Subs	Total				
<b>ADMINISTRATIVE/PROJECT MANAGEMENT</b>															
	0%	Project Director	0.0	HRS		0		0	165	0	0				
	5%	Sr. Proj Manager	39.0	HRS		0		0	150	5,846	5,846				
	0%	Project Manager	0.0	HRS		0		0	135	0	0				
	0%	Dir of Preconstruction	0.0	HRS		0		0	150	0	0				
	0%	Precon Mgr/Estimator	0.0	HRS		0		0	135	0	0				
	0%	Assistant Estimator	0.0	HRS		0		0	95	0	0				
	40%	Assistant Project Manager	175.0	HRS		0		0	120	21,000	21,000				
	0%	Project Engineer	0.0	HRS		0		0	97	0	0				
	0%	Project Intern	0.0	HRS		0		0	53	0	0				
	10%	Project Coordinator	77.9	HRS		0		0	66	5,144	5,144				
	5%	General Superintendent	20.0	HRS		0		0	142	2,840	2,840				
	100%	Project Superintendent	564.0	HRS		0		0	133	75,012	75,012				
	0%	Safety Director	0.0	HRS		0		0	140	0	0				
	5%	Safety Engineer	20.0	HRS		0		0	123	2,460	2,460				
	0%	VDC/BIM	0.0	HRS		0		0	115	0	0				
	0%	MEP Specialist	0.0	HRS		0		0	135	0	0				
	0%	Computer/IT	0.0	HRS		0		0	88	0	0				
	0%	Quality Director	0.0	HRS		0		0	160	0	0				
	0%	Quality Manager	0.0	HRS		0		0	135	0	0				
	5%	Project Accountant	39.0	HRS		0		0	66	2,572	2,572				
<b>Subtotal</b>											<b>114,874</b>				
<b>JOBSITE OFFICES</b>															
	2	Site office trailer - Primary 8x36	4.0	MTH		0		0	775	3,100	3,100				
	2	Delivery/Setup - Primary 8x36	0.0	EA		0		0		0	0				
	2	Skirting - Primary 8x36	0.0	EA		0		0		0	0				
	2	Elect. Security - Primary 8x36	4.0	MTH		0		0		0	0				
	2	Monthly cleaning Primary 12x60	4.0	MTH		0		0		0	0				
	2	Site office trailer - Arch 10x36	4.0	MTH		0		0		0	0				
	2	Delivery/Setup - Arch 10x36	0.0	EA		0		0		0	0				
	2	Skirting - Arch 10x36	0.0	EA		0		0		0	0				
	2	Elect. Security - Arch 10x36	4.5	MTH		0		0		0	0				
	2	Monthly cleaning Arch 10x36	4.5	MTH		0		0		0	0				
	2	Office Trailer - Owner/Arch.	4.5	MTH		0		0		0	0				
	1	Connecting links / Improvements	4.5	MTH		0		0		0	0				
	2	Connecting links / Improvements	4.5	MTH		0		0		0	0				
	2	Office Furniture	4.5	MTH		0		0		0	0				
	2	Office equip for site office	4.5	MTH		0		0		0	0				
	2	Office supplies for site office	4.5	MTH		0		0		0	0				
	2	Blueprinting (shop drawings)	4.5	MTH		0		0	150	675	675				
	2	Postage & courier	4.5	MTH		0		0		0	0				
	2	Copy / Postage / Supplies	4.5	MTH		0		0	375	1,688	1,688				
	2	Telephones (cable to site office)	0.0	LS		0		0			0				
	2	Telephones (monthly site and cell)	4.5	MTH		0		0	400	1,800	1,800				
	2	Trailer Utilities	4.5	MTH		0		0		0	0				
	2	Printer / Computer	4.5	MTH		0		0		0	0				
	2	On-Site D/P Equip. w/Supplies	4.5	MTH		0		0		0	0				
	2	Fax Machine	4.5	MTH		0		0		0	0				
	2	Video Conferencing Equipment	4.5	MTH		0		0		0	0				
	2	Communication Link	4.5	MTH		0		0		0	0				
	2	Video Site Monitoring	4.5	MTH		0		0		0	0				
	2	Courier Service	4.5	MTH		0		0		0	0				
<b>Subtotal</b>											<b>7,263</b>				
<b>CLEAN-UP</b>															
	1	Continuous Cleaning (KA labor)	16.0	HRS		0		0	86	1,376	1,376				
	2	Continuous Cleaning supplies	4.5	MTH		0		0		0	0				
	1	Final Cleaning		HRS		0		0		0	0				
	2	Final Cleaning	0.0	SF		0		0		0	0				
	2	Dumpsters	4.0	EA		0		0	475	1,900	1,900				
	1	Trash Chute		HRS		0		0		0	0				
	2	Trash Chute		MTH		0		0		0	0				
	2	Compactor		MTH		0		0		0	0				
	1	Floor Sweeper		HRS		0		0		0	0				
	2	Floor Sweeper		MTH		0		0		0	0				
	2	Cleaning Supplies		LS		0		0		0	0				
	2	Power wash paving surfaces		LS		0		0		0	0				
<b>Subtotal</b>											<b>3,276</b>				
<b>CONSTRUCTION FACILITIES</b>															
	2	Property Lease (For trailers)	0.0	SF		0		0		0	0				

2	Storage trailer	4.5	MTH		0		0		0	0
2	Mobilize storage trailer	0.0	LS		0		0		0	0
2	Sanitation / Temp. Toilets	4.5	MTH		0		0	225	1,013	1,013
2	Constr. Water (site office)	4.5	MTH		0		0		0	0
2	Constr. Water (construction)	4.5	MTH		0		0		0	0
2	Construction Electrical Services	0.0	LS		0		0		0	0
2	Electrical energy for construction	4.5	MTH		0		0		0	0
2	Constr. Fire Protection (Fire Ext)	4.5	MTH		0		0		0	0
2	Constr. Light Plant/Gen Set	4.5	MTH		0		0		0	0
2	Constr. Trailer Area Maint.	4.5	MTH		0		0		0	0
2	Temp. Access Road Maint	0.0	CYS		0		0		0	0
1	Temp. Sidewalk Enclosure	0.0	HRS		0		0		0	0
2	Temp. Sidewalk Enclosure	0.0	MTH		0		0		0	0
1	Fall Protection	0.0	HRS		0		0		0	0
2	Fall Protection	0.0	LF		0		0		0	0
2	* Flat Roofs, sloped roofs, multiple floors, roof openings	0.0	LF		0		0		0	0
2	Floor Protection (rosin paper)	0.0	SF		0		0		0	0
2	Floor Protection (masonite)	0.0	SF		0		0		0	0
2	Temp. Roof Protection	0.0	SF		0		0		0	0
2	Temp. Doors	0.0	EA		0		0		0	0
2	Temp. Roof Drains	0.0	LF		0		0		0	0
<b>Subtotal</b>										<b>1,013</b>
<b>VERTICAL &amp; HORIZONTAL TRANSPORTATION</b>										
2	Tower Crane Rental	0.0	MTH		0		0		0	0
2	Crane - Erect/Jack/Dismantle	0.0	MTH		0		0		0	0
2	Crane Foundation	0.0	LS		0		0		0	0
1	Landing Platforms	0.0	HRS		0		0		0	0
2	Landing Platforms	0.0	MTH		0		0		0	0
1	Crane Operator	0.0	HRS		0		0		0	0
2	Crane Operator	0.0	MTH		0		0		0	0
1	Crane Streetman	0.0	HRS		0		0		0	0
1	Mobile Crane Operator	0.0	HRS		0		0		0	0
2	Mobile Crane Service	0.0	MTH		0		0		0	0
2	Exterior 4WD Forklift	0.0	MTH		0		0		0	0
2	Scissor lift	0.0	MTH		0		0		0	0
2	Articulating Lift (JLG)	0.0	MTH		0		0		0	0
1	Lift Operator	0.0	MTH		0		0		0	0
2	Hoist - Erect/Jack/Dismantle	0.0	MTH		0		0		0	0
2	Hoist Foundation	0.0	MTH		0		0		0	0
1	Hoist Platforms	0.0	HRS		0		0		0	0
2	Hoist Platforms	0.0	MTH		0		0		0	0
1	Hoist Operator	0.0	HRS		0		0		0	0
1	Trucking (Yard Labor)	0.0	HRS		0		0	120	0	0
2	Supt Truck (w/ tools and laptop)	19.5	WKS		0		0	400	7,794	7,794
2	Towing Service	19.5	WKS		0		0		0	0
2	1-Ton Dump Truck	19.5	WKS		0		0		0	0
<b>Subtotal</b>										<b>7,794</b>
<b>MISC. CONDITIONS</b>										
2	Coordination Plan Consultant	0.0	LS		0		0		0	0
2	IT/Technology Cost	4.5	MTH		0		0	1,050	4,725	4,725
2	Legal Services	0.0	LS		0		0		0	0
2	Project signage	1.0	LS		0		0	400	400	400
2	Progress Photos	19.5	WKS		0		0		0	0
1	Street Cleaning (Operator)	19.5	WKS		0		0		0	0
2	Street Cleaning (Equipment)	19.5	WKS		0		0		0	0
7	KA Yard - Equipment Rental	0.0	MTH		0		0	1,250	0	0
7	KA Yard - Consumables	4.5	MTH		0		0	1,250	5,625	5,625
7	KA Yard - Small Tools	0.0	MTH		0		0	1,250	0	0
2	Miscellaneous Expenses	1.0	LS		0		0	500	500	500
2	Travel & Mileage	19.5	WKS		0		0	65	1,267	1,267
2	Gas & Oil	19.5	WKS		0		0	100	1,949	1,949
2	Safety, Security & Badging	0.0	MTH		0		0		0	0
1	Construction Access (Labor)	1.0	MTH		0		0		0	0
2	Construction Access (Matl)	19.5	WKS		0		0		0	0
1	Punch List	19.5	WKS		0		0		0	0
2	Punch List	19.5	WKS		0		0		0	0
1	LEED monitoring & certification	0.0	HRS		0		0		0	0
<b>Subtotal</b>										<b>14,465</b>
<b>Total General Conditions</b>										<b>148,684</b>
<b>CONSTRUCTION MANAGEMENT FEE</b>										
Const Management Fee										41,400
<b>TOTAL COMPENSATION</b>										
Total Lump Sum Compensation										190,084

## VII - E.

### Duluth Airport Authority Ranch Hangar Individual Work Scope Construction Contracts Duluth International Airport

**Overview:** Contracts included for each work scope of Ranch Hangar Construction project of which Kraus Anderson Construction Company is acting as Construction Manager for the Duluth Airport Authority.



April 18, 2023

Mr. Mark Papko, A.A.E  
Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

**RE: 2023 Ranch Hangar at the Duluth International Airport (DLH)  
Contract Award Letter**

Dear Mr. Papko:

This letter is concerning the contract awards for the above referenced project that was bid on March 2<sup>nd</sup>, 2023.

Kraus-Anderson has verified bidders and we submit the following lowest responsible bidders and their total bid amount:

<b>Work Scope</b>		<b>Contractor, City, State</b>		<b>Bid Amount</b>	
WS 01-A	Construction Testing & Inspections	WSB & Associates, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$15,852.50 \$0.00 \$15,852.50	
WS 03-A	Concrete	Northland Constructors of Duluth, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$281,600.00 \$0.00 \$281,600.00	
WS 08-D	Specialty Doors	Nordpal Corporation D/B/A Midland Door Solutions West Fargo, ND	Base Bid: Alternate #1: Total Contract:	\$115,950.00 \$0.00 \$115,950.00	
WS 10-B	Signage Package	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$16,203.00 \$0.00 \$16,203.00	
WS 13-G	Pre- Engineered Metal Building – Material Only	Radotich, Inc. Hibbing, MN	Base Bid: Alternate #1: Total Contract:	\$421,729.00 \$0.00 \$421,729.00	
WS 13-H	Pre- Engineered Metal Building – Erection Only	Radotich, Inc. Hibbing, MN	Base Bid: Alternate #1: Mandoor: Total Contract:	\$268,250.00 \$0.00 \$2,600.00 \$270,850.00	

WS 23-B	Combined Mechanical	A.G. O'Brien Plumbing and Heating Co. Duluth, WI	Base Bid: Alternate #1: Total Contract:	\$58,810.00 \$4,935.00 \$63,745.00
WS 26-A	Electrical	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid: Alternate #1: Total Contract:	\$99,343.00 \$3,900.00 \$103,243.00
WS 31-A	Site Clearing and Earthwork	Ulland Brothers, Inc. Cloquet, MN	Base Bid: Alternate #1: Total Contract:	\$474,180.00 \$0.00 \$474,180.00
			<b>Total Base Bid:</b>	<b>\$1,754,517.50</b>
			<b>Total Alternate #1:</b>	<b>\$8,835.00</b>
			<b>Total Contracts Amount:</b>	<b>\$1,763,352.50</b>

If you have any questions regarding this information, please do not hesitate to contact me at 218-348-1983.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager





April 18, 2023

Chad DeMenge  
WSB & Associates, Inc.  
2314 West Michigan Street  
Duluth, MN 55806

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Chad DeMenge:

We are pleased to confirm that you have been awarded the Work Scope 01A – Construction Testing & Inspections Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$15,852.50

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.

- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com).**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish

# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## **Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition**

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
(*In words, indicate day, month, and year.*)

**BETWEEN** the Owner:  
(*Name, legal status, address, email address and other information*)

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
(*Name, legal status, address, email address and other information*)

WSB & Associates, Inc.  
2314 West Michigan Street  
Duluth, MN 55806

for the following Project:  
(*Name, location, and detailed description*)

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
(*Name, legal status, address, email address and other information*)

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
(*Name, legal status, address, email address and other information*)

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

## TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

### ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

### ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 01-A: Construction Testing & Inspections per plans, specifications, and addenda enumerated herein.

### ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:  
*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 01-A Construction Testing & Inspections	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be Fifteen Thousand Eight Hundred Fifty-Two and 50/100 (\$ 15,852.50 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A

Unit Price 2: Class 5 Gravel	CY	N/A
Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to



substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

## § 5.2 Final Payment

### § 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum

§ 5.2.1.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232–2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

§ 5.2.1.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

## § 5.2.2 NOT USED

*(Paragraphs deleted)*

## ARTICLE 6 DISPUTE RESOLUTION

### § 6.1 Initial Decision Maker

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232–2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

### § 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232–2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232–2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

## ARTICLE 7 TERMINATION OR SUSPENSION

### § 7.1 Where the Contract Sum is a Stipulated Sum

§ 7.1.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232–2019.

*(Paragraphs deleted)*

§ 7.1.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019.

**§ 7.2 NOT USED**

*(Paragraphs deleted)*

**§ 7.3 Suspension**

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

**§ 8.1** Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

**§ 8.2** The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
[mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

**§ 8.3** The Contractor's representative:

*(Name, address, email address, and other information)*

Chad DeMenge, Director of Northern Region  
WSB & Associates, Inc.  
2314 West Michigan Street  
Duluth, MN 55806  
[cdemenge@wsbeng.com](mailto:cdemenge@wsbeng.com)

**§ 8.4** Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

**§ 8.5 Insurance and Bonds**

**§ 8.5.1** The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

**§ 8.5.2** The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

**§ 8.6** Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

**§ 8.7 NOT USED**

**§ 8.8** Other provisions:

Init.

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4

*(Paragraphs deleted)*

Reserved.

- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Drainage Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

- .6 Specifications

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023

00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

*(Paragraphs deleted).* **9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232–2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor’s bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**WSB & Associates, Inc.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*



April 18, 2023

Craig Ploetz  
Northland Constructors of Duluth, Inc.  
4843 Rice Lake Road  
Duluth, MN 55803

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Craig Ploetz:

We are pleased to confirm that you have been awarded the Work Scope 03A – Concrete Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$281,600.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.



- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com).**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish

# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## ***Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition***

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
(*In words, indicate day, month, and year.*)

**BETWEEN** the Owner:  
(*Name, legal status, address, email address and other information*)

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
(*Name, legal status, address, email address and other information*)

Northland Constructors of Duluth, Inc.  
4843 Rice Lake Rd  
Duluth, MN 55803

for the following Project:  
(*Name, location, and detailed description*)

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
(*Name, legal status, address, email address and other information*)

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
(*Name, legal status, address, email address and other information*)

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

## TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

### ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

### ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 03-A: Concrete per plans, specifications, and addenda enumerated herein.

### ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:

*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 03-A: Concrete	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be Two Hundred Eighty-One Thousand Six Hundred & 00/100 Dollars (\$ 281,600.00 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A
Unit Price 2: Class 5 Gravel	CY	N/A

Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.  
*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to

substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:  
*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

**§ 5.2 Final Payment**

**§ 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.2.1.1** Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232-2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

**§ 5.2.1.2** The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

**§ 5.2.2 NOT USED**

*(Paragraphs deleted)*

**ARTICLE 6 DISPUTE RESOLUTION**

**§ 6.1 Initial Decision Maker**

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232-2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

**§ 6.2 Binding Dispute Resolution**

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232-2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232-2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

**ARTICLE 7 TERMINATION OR SUSPENSION**

**§ 7.1 Where the Contract Sum is a Stipulated Sum**

**§ 7.1.1** The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232-2019.

*(Paragraphs deleted)*

**§ 7.1.2** The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232-2019.



§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
mpapko@duluthairport.com

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

Craig Ploetz, Vice President  
Northland Constructors of Duluth, Inc.  
4843 Rice Lake Rd  
Duluth, MN 55803  
craig.ploetz@northlandconstructors.us

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Draintile Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

**.6 Specifications**

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023

00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**  
(Check all boxes that apply and include appropriate information identifying the exhibit where required.)

(Table deleted)  
(Paragraphs deleted)

(Paragraphs deleted). **.9 Other documents, if any, listed below:**  
(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232-2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**NORTHLAND CONSTRUCTORS OF DULUTH,  
INC.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

Init.



April 18, 2023

Jason Myrvik  
Midland Door Solutions  
1021 – 7<sup>th</sup> St. NE  
West Fargo, ND 58078

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Jason Myrvik:

We are pleased to confirm that you have been awarded the Work Scope 08-D – Specialty Doors Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$115,950.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.

- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com) .**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish



# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## ***Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition***

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
*(In words, indicate day, month, and year.)*

**BETWEEN** the Owner:  
*(Name, legal status, address, email address and other information)*

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
*(Name, legal status, address, email address and other information)*

Nordpal Corporation D/B/A Midland Door Solutions  
1021 7<sup>th</sup> St. NE  
West Fargo, ND 58078

for the following Project:  
*(Name, location, and detailed description)*

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
*(Name, legal status, address, email address and other information)*

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
*(Name, legal status, address, email address and other information)*

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**TABLE OF ARTICLES**

- 1 THE CONTRACT DOCUMENTS**
- 2 THE WORK OF THIS CONTRACT**
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**
- 4 CONTRACT SUM**
- 5 PAYMENTS**
- 6 DISPUTE RESOLUTION**
- 7 TERMINATION OR SUSPENSION**
- 8 MISCELLANEOUS PROVISIONS**
- 9 ENUMERATION OF CONTRACT DOCUMENTS**  
*(Paragraphs deleted)*

**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 08-D: Specialty Doors per plans, specifications, and addenda enumerated herein.

**ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**

**§ 3.1** The date of commencement of the Work shall be:

*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

**§ 3.2** The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 08-D: Specialty Doors	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be One Hundred Fifteen Thousand Nine Hundred Fifty and 00/100 Dollars (\$ 115,950.00), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A
Unit Price 2: Class 5 Gravel	CY	N/A

Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.  
*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to

substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

**§ 5.2 Final Payment**

**§ 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.2.1.1** Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232–2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

**§ 5.2.1.2** The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

**§ 5.2.2 NOT USED**

*(Paragraphs deleted)*

**ARTICLE 6 DISPUTE RESOLUTION**

**§ 6.1 Initial Decision Maker**

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232–2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

**§ 6.2 Binding Dispute Resolution**

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232–2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232–2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

**ARTICLE 7 TERMINATION OR SUSPENSION**

**§ 7.1 Where the Contract Sum is a Stipulated Sum**

**§ 7.1.1** The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232–2019.

*(Paragraphs deleted)*

**§ 7.1.2** The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
**mpapko@duluthairport.com**

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

Jason Myrvik, COO  
Nordpal Corporation D/B/A Midland Door Solutions  
1021 7<sup>th</sup> St NE  
West Fargo, ND 58078  
jason@midlanddoorsolutions.com

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4

*(Paragraphs deleted)*

Reserved.

- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Draintile Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

- .6 Specifications

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023



00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

**(Paragraphs deleted).9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232-2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**NORDPAL CORPORATION D/B/A MIDLAND  
DOOR SOLUTIONS**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

Init.



April 18, 2023

Rick Hart  
Duluth Electrical Contracting, Inc.  
5051 Miller Trunk Hwy  
Duluth, MN 55811

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Rick Hart:

We are pleased to confirm that you have been awarded the Work Scope 10-B – Signage Package Contract and the Work Scope 26-A – Electrical Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Work Scope 10-B Signage Package Contract Amount: \$16,203.00

Work Scope 26-A Electrical Contract Amount: \$99,343.00

Alternate 1 Amount: \$3,900.00

Grand Total: \$119,446.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.
- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMa and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMa and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.

- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

***Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com).***

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.  
Each Accident: **\$100,000**  
Disease- Policy Limit **\$500,000**  
Disease - Each Employee **\$100,000**
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish

# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## ***Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition***

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
*(In words, indicate day, month, and year.)*

**BETWEEN** the Owner:  
*(Name, legal status, address, email address and other information)*

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
*(Name, legal status, address, email address and other information)*

Duluth Electrical Contracting, Inc.  
5051 Miller Trunk Hwy  
Duluth, MN 55811

for the following Project:  
*(Name, location, and detailed description)*

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
*(Name, legal status, address, email address and other information)*

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
*(Name, legal status, address, email address and other information)*

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**TABLE OF ARTICLES**

- 1 THE CONTRACT DOCUMENTS**
- 2 THE WORK OF THIS CONTRACT**
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**
- 4 CONTRACT SUM**
- 5 PAYMENTS**
- 6 DISPUTE RESOLUTION**
- 7 TERMINATION OR SUSPENSION**
- 8 MISCELLANEOUS PROVISIONS**
- 9 ENUMERATION OF CONTRACT DOCUMENTS**  
*(Paragraphs deleted)*

**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 10-B: Signage Package per plans, specifications, and addenda enumerated herein.  
Complete Work Scope 26-A: Electrical per plans, specifications, and addenda enumerated herein.

**ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**

**§ 3.1** The date of commencement of the Work shall be:  
*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

**§ 3.2** The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*



**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 10-B: Signage Package	October 13 <sup>th</sup> , 2023
Work Scope 26-A: Electrical	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be One Hundred Fifteen Thousand Five Hundred Forty-Six and 00/100 Dollars (\$ 115,546.00 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$3,900.00

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A
Unit Price 2: Class 5 Gravel	CY	N/A
Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

**§ 5.1.4.2** Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

**§ 5.1.4.3** In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

**§ 5.1.4.3.1** The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

**§ 5.1.4.3.2** The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

**§ 5.1.5 NOT USED**

*(Paragraphs deleted)*

**§ 5.1.6 NOT USED**

*(Paragraphs deleted)*

**§ 5.1.7 Retainage**

**§ 5.1.7.1** For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

**§ 5.1.7.1.1** The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

**§ 5.1.7.2** Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

Init.

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

## § 5.2 Final Payment

### § 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum

§ 5.2.1.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232–2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

§ 5.2.1.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

### § 5.2.2 NOT USED

*(Paragraphs deleted)*

## ARTICLE 6 DISPUTE RESOLUTION

### § 6.1 Initial Decision Maker

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232–2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

### § 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232–2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232–2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

## ARTICLE 7 TERMINATION OR SUSPENSION

### § 7.1 Where the Contract Sum is a Stipulated Sum

§ 7.1.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232–2019.

*(Paragraphs deleted)*

§ 7.1.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
[mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

Rick Hart, President  
Duluth Electrical Contracting, Inc.  
5051 Miller Trunk Hwy  
Duluth, MN 55811  
[rick@duluthelctrical.com](mailto:rick@duluthelctrical.com)

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

Init.

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Draintile Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

- .6 Specifications

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023

00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023
00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7** Addenda, if any:

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8** Other Exhibits:

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

*(Paragraphs deleted).* **.9** Other documents, if any, listed below:

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232–2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor’s bid or proposal, portions of Addenda relating to bidding or proposal*

*requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals, are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**DULUTH ELECTRICAL CONTRACTING, INC.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

Init.

/





April 18, 2023

John Radotich  
Radotich, Inc.  
505 W 37<sup>th</sup> Street  
Hibbing, MN 55746

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear John Radotich:

We are pleased to confirm that you have been awarded the Work Scope 13-G – Pre-Engineered Metal Building- Material Only Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$421,729.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.

- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com).**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish

 **AIA® Document A132® – 2019****Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition**

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
(In words, indicate day, month, and year.)

**BETWEEN** the Owner:  
(Name, legal status, address, email address and other information)

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
(Name, legal status, address, email address and other information)

Radotich, Inc.  
505 W 37<sup>th</sup> St  
Hibbing, MN 55746

for the following Project:  
(Name, location, and detailed description)

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
(Name, legal status, address, email address and other information)

Kraus-Anderson® Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
(Name, legal status, address, email address and other information)

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

**ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132™–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232™–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**TABLE OF ARTICLES**

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 13-G: Pre-Engineered Metal Building – Material Only per plans, specifications, and addenda enumerated herein.

**ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**

§ 3.1 The date of commencement of the Work shall be:  
*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 13-G: Pre-Engineered Metal Building – Material Only	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be Four Hundred Twenty-One Thousand Seven Hundred Twenty-Nine and 00/100 Dollars (\$ 421,729.00 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A

Init.

Unit Price 2: Class 5 Gravel	CY	N/A
Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.  
*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to



substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

## § 5.2 Final Payment

### § 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum

§ 5.2.1.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232–2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

§ 5.2.1.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

### § 5.2.2 NOT USED

*(Paragraphs deleted)*

## ARTICLE 6 DISPUTE RESOLUTION

### § 6.1 Initial Decision Maker

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232–2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

### § 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232–2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232–2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

## ARTICLE 7 TERMINATION OR SUSPENSION

### § 7.1 Where the Contract Sum is a Stipulated Sum

§ 7.1.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232–2019.

*(Paragraphs deleted)*

§ 7.1.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
[mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

John Radotich, President  
Radotich, Inc.  
505 W 37<sup>th</sup> St.  
Hibbing, MN 55746  
[john@radotich.com](mailto:john@radotich.com)

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Drainage Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

**.6 Specifications**

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023

00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

**(Paragraphs deleted).9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232–2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor’s bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

Duluth Airport Authority Form ST-3 Certificate of Exemption

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**RADOTICH, INC.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

# Form ST3, Certificate of Exemption

**Purchaser:** Complete this certificate and **give it to the seller.**

**Seller:** If this certificate is not completed, you must charge sales tax. Keep this certificate as part of your records.

This is a blanket certificate, unless one of the boxes below is checked. This certificate remains in force as long as the purchaser continues making purchases or until otherwise cancelled by the purchaser.

Check if this certificate is for a single purchase and enter the related invoice/purchase order # \_\_\_\_\_.

If you are a contractor and have a purchasing agent agreement with an exempt organization, check the box to make purchases for a specific job. Enter the exempt entity name and specific project:

Exempt entity name \_\_\_\_\_ Project description \_\_\_\_\_

Name of Purchaser  
**Duluth Airport Authority**

Business Address City State ZIP code  
**4701 Grinden Drive Duluth MN**

Purchaser's Tax ID Number State of Issue  
**1984650 Minnesota**

If no tax ID number, FEIN Driver's license number/State issued ID number  
Enter one of the following: State of Issue Number

Name of seller from whom you are purchasing, leasing, or renting

Seller's Address City State ZIP code

**Type of Business**

- |  |   |
|--|---|
| <input type="checkbox"/> 01 Accommodation and food services            | <input type="checkbox"/> 11 Transportation and warehousing                      |
| <input type="checkbox"/> 02 Agricultural, forestry, fishing, hunting   | <input type="checkbox"/> 12 Utilities   |
| <input type="checkbox"/> 03 Construction                               | <input type="checkbox"/> 13 Wholesale trade                                     |
| <input type="checkbox"/> 04 Finance and insurance                      | <input type="checkbox"/> 14 Business services                                   |
| <input type="checkbox"/> 05 Information, publishing and communications | <input type="checkbox"/> 15 Professional services                               |
| <input type="checkbox"/> 06 Manufacturing                              | <input type="checkbox"/> 16 Education and health-care services                  |
| <input type="checkbox"/> 07 Mining                                     | <input type="checkbox"/> 17 Nonprofit organization                              |
| <input type="checkbox"/> 08 Real estate                                | <input checked="" type="checkbox"/> 18 Government                               |
| <input type="checkbox"/> 09 Rental and leasing                         | <input type="checkbox"/> 19 Not a business (explain) _____                      |
| <input type="checkbox"/> 10 Retail trade                               | <input checked="" type="checkbox"/> 20 Other (explain) <u>Airport Authority</u> |

**Reason for Exemption (See Instructions)**

- |   |  |
|---|--|
| <input type="checkbox"/> A Federal government (department) _____  | <input type="checkbox"/> J Agricultural production   |
| <input checked="" type="checkbox"/> B Specific government exemption<br><u>Local Government</u>                                      | <input type="checkbox"/> K Industrial production/manufacturing   |
| <input type="checkbox"/> C Tribal government (name) _____   | <input type="checkbox"/> L Direct pay authorization  |
| <input type="checkbox"/> D Foreign diplomat # _____   | <input type="checkbox"/> M Multiple points of use (services, digital goods, or computer software delivered electronically) |
| <input type="checkbox"/> E Charitable organization # _____  | <input type="checkbox"/> N Direct mail   |
| <input type="checkbox"/> F Educational organization # _____   | <input type="checkbox"/> O Other (enter number from instructions) _____  |
| <input type="checkbox"/> G Religious organization # _____   | <input type="checkbox"/> P Percentage exemption  |
| <input type="checkbox"/> H Resale   | <input type="checkbox"/> Advertising (enter percentage) _____%   |
| <input type="checkbox"/> I Qualifying capital equipment (see instructions when equipment claimed is part of a construction project) | <input type="checkbox"/> Utilities (enter percentage) _____%   |
|   | <input type="checkbox"/> Electricity (enter percentage) _____%   |

*I declare that the information on this certificate is correct and complete to the best of my knowledge and belief. (PENALTY: If you try to evade paying sales tax by using an exemption certificate for items or services that will be used for purposes other than those being claimed, you may be fined \$100 under Minnesota law for each transaction for which the certificate is used.)*

Sign: Joelle N. Bodin Print Name Here: **Joelle N Bodin** Title: **Dir. of Fin** Date: **2/7/22**





# Form ST3 Instructions

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Fact sheets and industry guides are available on our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

## Purchasers

Complete this certificate and give it to the seller. Include your Minnesota tax identification number if you have one. Do not send it to the Minnesota Department of Revenue.

**Note:** You are responsible for knowing if you qualify to claim exemption from tax and will be held liable for any use tax, interest and possible penalties due if the items you purchased are not eligible for exemption.

## Sellers

Keep this certificate as part of your records. Accepting a completed exemption certificate relieves you from collecting the tax. If this certificate is not completed, you must charge sales tax. You may be required to provide this exemption certificate (or the data elements required on the form) to the state to verify this exemption.

## Exemption Descriptions

Use these descriptions to complete the **Reason for Exemption** section.

- A. Federal government** — Enter the name of the department. The seller must obtain a purchase order, payment voucher, work order, a completed Form ST3 or similar documentation to show the purchase was from the federal government. See the *Government - Federal Government Industry Guide*.
- B. Specific government exemptions** — Enter the specific exemption from the list below.
- Ambulance services
  - Biosolids processing equipment
  - Bullet-resistant body armor
  - Chore/homemaking services
  - Correctional facility meals or drinks
  - Emergency rescue vehicle repair and replacement parts
  - Emergency vehicle accessory items
  - Firefighter equipment
  - Hospitals
  - Libraries
  - Local Governments
  - Metropolitan Council
  - Nursing homes
  - Petroleum products used by government
  - Regionwide public safety radio communication system
  - Solid waste disposal facility
  - State or local government agency from another state
  - Transit program vehicles
  - Water used directly in providing fire protection
- See *Fact Sheet 142, Sales to Governments, Fact Sheet 135, Fire Fighting, Police and Emergency Equipment, Government - Local Governments Industry Guide*, and *Fact Sheet 139, Libraries*.
- C. Tribal government** — All sales to tribal governments are exempt. Enter the name of the tribe. See *Fact Sheet 160, Tribal Governments and Members*.
- D. Foreign diplomat** — Sales tax exemption cards are issued to some foreign diplomats and consular officials stationed in this country. Enter the number issued to the foreign diplomat. See the *Government - Federal Government Industry Guide*.
- E. Charitable organizations** — Must be operated exclusively for charitable purposes. You must apply for and receive exempt status authorization from the department. Some nonprofit organizations do not qualify for sales tax exemption. This exemption may not be used for the purchase of lodging or prepared food. See the *Nonprofit Organizations Industry Guide*.
- F. Educational organizations** — Educational organizations operated exclusively for educational purposes must use Form ST3 on qualifying purchases. Organizations such as nonprofit professional and trade schools, scouts, youth groups, youth athletic and recreational programs, etc., operated exclusively for educational purposes must apply for exempt status authorization from the department and use Form ST3 on qualifying purchases. This exemption may not be used for the purchase of lodging or prepared food. See the *Nonprofit Organizations Industry Guide*.

## Form ST3 instructions (continued)

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- G. Religious organizations** — Churches and other religious organizations operated exclusively for religious purposes can use Form ST3 without exempt status authorization or may apply for exempt status authorization from the department. This exemption may not be used for the purchase of lodging or prepared food. See the *Nonprofit Organizations Industry Guide*.
- H. Resale** — Items or services must be purchased for resale in the normal course of business. You may not use this exemption if the vendor is restricted by federal or state law from selling certain products for resale. **Liquor retailers cannot sell alcoholic beverages exempt for resale.** *M.S.340A.505*
- I. Qualifying Capital Equipment** — Machinery and equipment purchased or leased primarily for manufacturing, fabricating, mining, or refining tangible personal property to be sold ultimately at retail if the machinery and equipment are essential to the integrated production process.
- Additional information needs to be provided when the CE exemption is claimed for a construction project that would normally be considered an improvement to real property. The purchaser must provide documentation to the contractor to identify the exempt portion of the project.
- See *Fact Sheet 103, Capital Equipment* and *Fact Sheet 128, Contractors*.
- J. Agricultural production** — Materials and supplies used or consumed in agricultural production of items intended to be sold ultimately at retail. Does not cover furniture, fixtures, machinery, tools (except qualifying detachable tools and special tooling) or accessories used to produce a product. See the *Agricultural and Farming Industry Guide*.
- K. Industrial production** — Materials and supplies used or consumed in industrial production of items intended to be sold ultimately at retail. Does not cover furniture, fixtures, machinery, tools (except qualifying detachable tools and special tooling) or accessories used to produce a product. See *Fact Sheet 145, Industrial Production*.
- L. Direct pay** — Allows the buyer to pay sales tax on certain items directly to the state instead of to the seller. Applicants must be registered to collect sales tax in order to qualify and must apply for and receive direct pay authorization from the department. The State of Minnesota (all state agencies) has direct pay authorization. This means state agencies pay sales tax directly to the department, rather than to the seller. Direct pay authorization may not be used for meals and drinks; lodging or related lodging services; admissions to places of amusement or athletic events, or use of amusement devices; motor vehicles; certain services; or memberships to sports and athletic facilities. If you sell any of the excluded items, you should charge sales tax.
- M. Multiple points of use** — Taxable services, digital goods, or electronically delivered computer software that is concurrently available for use in more than one taxing jurisdiction at the time of purchase. Purchaser is responsible for apportioning and remitting the tax due to each taxing jurisdiction.
- N. Direct mail** — Allows the buyer to pay sales tax on direct mail directly to the state instead of to the seller. Direct mail is printed material that meets the three following criteria:
- It is delivered or distributed by U.S. Mail or other delivery service.
  - It is sent to a mass audience or to addresses on a mailing list provided by the purchaser or at the direction of the purchaser.
  - The cost of the items is not billed directly to recipients.
- O. Other exemptions** —
- 1. Aggregate delivered by a third party hauler to be used in road construction.** Charges for delivery of aggregate materials by *third party haulers* are exempt if the aggregate will be used in road construction.
  - 2. Airflight equipment.** The aircraft must be operated under Federal Aviation Regulations, parts 91 and 135. See the *Aircraft Industry Guide*.
  - 3. Ambulance services** — privately owned (leases of vehicles used as an ambulance or equipped and intended for emergency response). Must be used by an ambulance service licensed by the EMS Regulatory Board under section 144E.10. See *Fact Sheet 135, Fire Fighting, Police, and Emergency Equipment*.
  - 4. Aquaculture production equipment.** Qualifying aquaculture production equipment, and repair or replacement parts used to maintain and repair it. See the *Agricultural and Farming Industry Guide*.
  - 5. Automatic fire-safety sprinkler systems.** Fire-safety sprinkler systems and all component parts (including waterline expansions and additions) are exempt when installed in an existing residential dwelling, hotel, motel or lodging house that contains four or more dwelling units.
  - 6. Coin-operated entertainment and amusement devices** are exempt when purchased by retailers who (1) sell admission to places of amusement, or (2) make available amusement devices. See *Fact Sheet 158, Vending Machines and Other Coin-Operated Devices*.
  - 7. Construction exemption for special projects under M.S. 297A.71.** Certain purchases for the construction of a specific project or facility are exempt under M.S. 297A.71, such as waste recovery facilities. This exemption does not apply to projects for which you must pay sales or use tax on qualifying purchases and then apply for a refund.
  - 8. Exempt publications.** Materials and supplies used or consumed in the production of newspapers and publications issued at average intervals of three months or less. Includes publications issued on CD-ROM, audio tape, etc. See *Fact Sheet 109, Printing Industry*.

## Form ST3 Instructions (continued)

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9. **Farm machinery.** Qualifying farm machinery, and repair or replacement parts (except tires) used to maintain and repair it. See the *Agricultural and Farming Industry Guide*.
10. **Handicapped accessible (residential building materials).** Building materials and equipment purchased by nonprofit organizations if the materials are used in an existing residential structure to make it handicapped accessible, and the homeowner would have qualified for a refund of tax paid on the materials under M.S. 297A.71, subd. 11 or subd. 22. Nonprofit organizations include those entities organized and operated exclusively for charitable, religious, educational or civic purposes; and veteran groups exempt from federal taxation under IRC 501(c)(19).
11. **Handicapped accessible (vehicle costs).** Conversion costs to make vehicles handicapped accessible. Covers parts, accessories and labor.
12. **Herbicides for use on invasive aquatic plants.** Starting July 1, 2019, herbicides used under an invasive aquatic plant management permit are exempt from sales tax. The exemption only applies to herbicides labeled for use in water and registered with the Department of Agriculture for use on invasive aquatic plants. The herbicides must be purchased by lakeshore property owners, a lakeshore property association, or a contractor hired to provide invasive aquatic plant management.
13. **Horse materials.** Covers consumable items such as feed, medications, bandages and antiseptics purchased for horses. Does not cover machinery, tools, appliances, furniture and fixtures. See the *Veterinary Practice Industry Guide*.
14. **Hospitals and outpatient surgical centers.** Sales to a hospital and outpatient surgical center are exempt if the items purchased are used in providing hospital or outpatient surgical services. (M.S. 297A.70, subd. 7)
15. **Instructional materials** required for study courses by college or private career school students (M.S. 297A.67, subd. 13a)
16. **Logging equipment.** Qualifying logging equipment, and repair or replacement parts (except tires) used to maintain and repair it. See *Fact Sheet 108, Logging Equipment*.
17. **Materials used for business outside Minnesota** in a state where no sales tax applies to such items; or for use as part of a maintenance contract. This exemption applies only if the items would not be taxable if purchased in the other state (e.g., a state that does not have sales tax).
18. **Materials used to provide certain taxable services.** Materials must be used or consumed directly in providing services taxable under M.S. 297A.61, subd. 3(g)(6).
19. **Medical supplies for a health-care facility.** Purchases by a licensed health care facility, outpatient surgical center or licensed health-care professional of medical supplies used directly on a patient or resident to provide medical treatment. The exemption does not apply to equipment, lab or radiological supplies, etc. See *Fact Sheet 172, Health Care Facilities*.
20. **Motor carrier direct pay (MCDP).** Allows motor carriers to pay tax directly to the state when they lease mobile transportation equipment or buy certain parts and accessories. Applicants must be registered for sales tax in order to apply. You must apply for and receive MCDP authorization from the Department of Revenue. See the *Motor Vehicle Industry Guide*.
21. **Nonprofit snowmobile clubs.** Certain machinery and equipment is exempt when used primarily to groom state (or grant-in-aid) trails. Prior certification from DNR must be received.
22. **Nursing homes and bonding care homes.** Sales to nursing homes and boarding care homes are exempt. Nursing homes must be licensed by the state. Boarding care homes must be certified as a nursing facility.
23. **Packing materials.** Packing materials used to pack and ship household goods to destinations outside of Minnesota.
24. **Poultry feed.** The poultry must be for human consumption.
25. **Preexisting construction bids and contracts.** Tangible personal property or services purchased in relation to a preexisting construction bid or contract are exempt from a new local tax or a tax rate increase for six months from the effective date of the new local tax or rate increase. This exemption is only for the change in tax on items or services purchased during the transitional period. The preexisting bid must be submitted and accepted before the effective date of the tax change and the building materials or services must be used pursuant to an obligation of the bid. A construction contract must have documentation of a bona fide written lump-sum or fixed price construction contract in force from before the effective date of the tax change.
26. **Prizes.** Items given to players as prizes in games of skill or chance at events such as community festivals, fairs and carnivals lasting fewer than six days.
27. **Purchasing agent.** Allows a business who has been appointed as a purchasing agent by an exempt organization to make purchases exempt from sales tax. All documentation pertaining to the purchasing agent agreement is kept by the purchasing agent to verify exemption.
28. **Repair or replacement parts used in another state or country** as part of a maintenance contract. This does not apply to equipment or tools used in a repair business.
29. **Resource recovery facilities.** Applies to equipment used for processing solid or hazardous waste (after collection and before disposal) at a resource recovery facility. You must apply for and receive approval from the department.

## Form ST3 Instructions (continued)

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30. **Rolling-stock for railroad use.** Railroad businesses involved in interstate or intrastate commerce can buy certain rolling-stock items exempt. See the *Transportation Service Providers Industry Guide*.
  31. **Senior citizen groups.** Groups must limit membership to senior citizens age 55 or older, or under 55 but physically disabled. They must apply for and receive exempt status authorization from the department.
  32. **Ship repair or replacement parts and lubricants.** Repair or replacement parts and lubricants for ships and vessels engaged principally in interstate or foreign commerce. See the *Transportation Service Providers Industry Guide*.
  33. **Ski areas.** Items used or consumed primarily and directly for tramways at ski areas, or in snowmaking and snow-grooming operations at ski hills, ski slopes or ski trails. Includes machinery, equipment, water additives and electricity used in the production and maintenance of machine-made snow.
  34. **Solar energy system** means a set of devices whose primary purpose is to collect solar energy and convert and store it for useful purposes including heating and cooling buildings or other energy using processes, or to produce generated power by means of any combination of collecting, transferring, or converting solar-generated energy.
  35. **Taconite production items.** Mill liners, grinding rods and grinding balls used in taconite production if purchased by a company taxed under the in-lieu provisions of M.S. 298 if they are substantially consumed in the production of taconite. See *Fact Sheet 147, Taconite and Iron Mining*.
  36. **Telecommunications, cable television and direct satellite equipment** used directly by a service provider primarily to provide those services for sale at retail. See *Fact Sheet 119, Telecommunications, Pay Television, and Related Services*. **This exemption was not in effect from July 1, 2013 through March 31, 2014.**
  37. **Textbooks** required for study to students who are regularly enrolled.
  38. **Tribal government construction contract.** Materials purchased on or off the reservation by tribal government or non-tribal government contractors and subcontractors for use in construction projects on the reservation when the tribe or a tribally owned entity is a party to the contract, and the contract is being undertaken for the purpose of the tribe's welfare. It does not extend to the purchase or lease of equipment or tools for use on the project.
  41. **TV commercials.** Covers TV commercials and tangible personal property primarily used or consumed in preproduction, production or post-production of a TV commercial. Includes rental equipment for preproduction and production activities only. (Equipment purchased for use in any of these activities is taxable.) See *Fact Sheet 163, TV Commercials*.
  42. **Veteran organizations.** Limited exemption applies to purchases by veteran organizations and their auxiliaries if they are organized in Minnesota and exempt from federal income tax under IRC Section 501(c)(19); and the items are for charitable, civic, educational or nonprofit use (e.g. flags, equipment for youth sports teams, materials to make poppies given for donations).
  43. **Waste-management containers and compactors** purchased by a waste-management service provider to use in providing waste-management services that are subject to solid-waste management tax.
  44. **Wind energy systems.** Wind energy conversion systems and materials used to construct, install, repair or replace them.
- P. Percentage Exemptions —**
- **Advertising materials:** Percentage exemptions may be claimed for advertising materials for use outside of Minnesota or local taxing area. Purchaser must enter exempt percentage on Form ST3. See *Fact Sheet 133, Advertising*.
  - **Utilities:** Exemption applies to percent of utilities used in agricultural or industrial production. General space heating and lighting is not included in the exemption. Purchaser must enter exempt percentage on Form ST3. See the *Agricultural and Farming Industry Guide* and *Fact Sheet 129, Utilities Used in Production*.
  - **Electricity:** Exemption applies to percent of electricity used to operate enterprise information technology equipment, or used in office and meeting spaces, and other support facilities in support of enterprise information technology equipment. Purchaser must enter exempt percentage on Form ST3. See *Revenue Notice 16-07: Sales Tax – Exemptions – Qualified Data Centers*.

### Forms and Information

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

Email: [SalesUse.Tax@state.mn.us](mailto:SalesUse.Tax@state.mn.us)

Phone: 651-296-6181 or 1-800-657-3777



April 18, 2023

John Radotich  
Radotich, Inc.  
505 W 37<sup>th</sup> Street  
Hibbing, MN 55746

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear John Radotich:

We are pleased to confirm that you have been awarded the Work Scope 13-H – Pre-Engineered Metal Building- Erection Only Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$270,850.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.

- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com).**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.  
Each Accident: **\$100,000**  
Disease- Policy Limit **\$500,000**  
Disease - Each Employee **\$100,000**
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish



# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## **Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition**

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
(*In words, indicate day, month, and year.*)

**BETWEEN** the Owner:  
(*Name, legal status, address, email address and other information*)

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
(*Name, legal status, address, email address and other information*)

Radotich, Inc.  
505 W 37<sup>th</sup> St  
Hibbing, MN 55746

for the following Project:  
(*Name, location, and detailed description*)

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
(*Name, legal status, address, email address and other information*)

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
(*Name, legal status, address, email address and other information*)

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

**TABLE OF ARTICLES**

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

**ARTICLE 1 THE CONTRACT DOCUMENTS**

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

**ARTICLE 2 THE WORK OF THIS CONTRACT**

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 13-H: Pre-Engineered Metal Building – Erection Only per plans, specifications, and addenda enumerated herein.

**ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION**

§ 3.1 The date of commencement of the Work shall be:  
*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

**§ 3.4.1** Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

**§ 3.4.2** Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 13-H: Pre-Engineered Metal Building – Erection Only	October 13 <sup>th</sup> , 2023

**§ 3.4.3** If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

**§ 4.1** The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor’s performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

**§ 4.2.1** The Contract Sum shall be Two Hundred Seventy Thousand Eight Hundred Fifty and 00/100 Dollars (\$ 270,850.00 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

**§ 4.2.2.1** Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

**§ 4.2.2.2** Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.  
*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

**§ 4.2.3** Allowances, if any, included in the Contract Sum:  
*(Identify each allowance.)*

Item	Price
N/A	N/A

**§ 4.2.4** Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A

Unit Price 2: Class 5 Gravel	CY	N/A
Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to

substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Init.

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

**§ 5.2 Final Payment**

**§ 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.2.1.1** Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232–2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

**§ 5.2.1.2** The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

**§ 5.2.2 NOT USED**

*(Paragraphs deleted)*

**ARTICLE 6 DISPUTE RESOLUTION**

**§ 6.1 Initial Decision Maker**

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232–2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

**§ 6.2 Binding Dispute Resolution**

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232–2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232–2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

**ARTICLE 7 TERMINATION OR SUSPENSION**

**§ 7.1 Where the Contract Sum is a Stipulated Sum**

**§ 7.1.1** The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232–2019.

*(Paragraphs deleted)*

**§ 7.1.2** The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor’s Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner’s representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
mpapko@duluthairport.com

§ 8.3 The Contractor’s representative:

*(Name, address, email address, and other information)*

John Radotich, President  
Radotich, Inc.  
505 W 37<sup>th</sup> St.  
Hibbing, MN 55746  
john@radotich.com

§ 8.4 Neither the Owner’s nor the Contractor’s representative shall be changed without ten days’ prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Drainage Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

**.6 Specifications**

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023



00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

***(Paragraphs deleted).*9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232-2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**RADOTICH, INC.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

Init.

/



April 18, 2023

Chris Adette  
A.G.O'Brien Plumbing and Heating Co.  
4907 Lightning Drive  
Duluth, MN 55811

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Chris Adette:

We are pleased to confirm that you have been awarded the Work Scope 23-B –Combined Mechanical Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$58,810.00

Alternate No. 1: \$4,935.00

Grand Total: \$63,745.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.

- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.
- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.
- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com) .**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish



# AIA<sup>®</sup> Document A132<sup>®</sup> – 2019

## ***Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition***

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
*(In words, indicate day, month, and year.)*

**BETWEEN** the Owner:  
*(Name, legal status, address, email address and other information)*

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
*(Name, legal status, address, email address and other information)*

A.G. O'Brien Plumbing and Heating Co.  
4907 Lightning Dr.  
Duluth, MN 55811

for the following Project:  
*(Name, location, and detailed description)*

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
*(Name, legal status, address, email address and other information)*

Kraus-Anderson<sup>®</sup> Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
*(Name, legal status, address, email address and other information)*

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

### **ADDITIONS AND DELETIONS:**

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232<sup>™</sup>–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132<sup>™</sup>–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232<sup>™</sup>–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

## TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

### ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

### ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 23-B: Combined Mechanical per plans, specifications, and addenda enumerated herein.

### ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:

*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*

*(Paragraphs deleted)*



**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 23-B: Combined Mechanical	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be Fifty-Eight Thousand Eight Hundred Ten and 00/100 Dollars (\$ 58,810.00 ), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$4,935.00

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.

*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:

*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	N/A
Unit Price 2: Class 5 Gravel	CY	N/A

Unit Price 3: Excavation & Haul Off-Site	CY	N/A
Unit Price 4: Import and Placement of Approved Granular Fill	CY	N/A
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	N/A

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.  
*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to

substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

## § 5.2 Final Payment

### § 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum

§ 5.2.1.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232-2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

§ 5.2.1.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

## § 5.2.2 NOT USED

*(Paragraphs deleted)*

## ARTICLE 6 DISPUTE RESOLUTION

### § 6.1 Initial Decision Maker

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232-2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

### § 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232-2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232-2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

## ARTICLE 7 TERMINATION OR SUSPENSION

### § 7.1 Where the Contract Sum is a Stipulated Sum

§ 7.1.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232-2019.

*(Paragraphs deleted)*

§ 7.1.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232-2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
mpapko@duluthairport.com

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

Chris Adatte, President  
A.G. O'Brien Plumbing and Heating Co.  
4907 Lightning Dr.  
Duluth, MN 55811  
chris@agobrien.com

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

## ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Draintile Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

### .6 Specifications

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023

00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

*(Paragraphs deleted).* **.9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232-2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor's bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**A.G. O'BRIEN PLUMBING AND HEATING CO.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*





April 18, 2023

Jeff Carlson  
Ulland Brothers, Inc.  
PO Box 340.  
Cloquet, MN 55720

RE: 2023 Ranch Hangar, Duluth Airport Authority  
Duluth, MN

Dear Jeff Carlson:

We are pleased to confirm that you have been awarded the Work Scope 31-A –Site Clearing and Earthwork Contract for the above project. We look forward to working with you and we anticipate the timely and successful completion of this project.

To properly start the project, we invite your careful review of various requirements, including the provisions of Division 1-General Requirements of the project specifications. Your cooperation in the prompt completion of submittals and other General Conditions items will expedite the work and will be appreciated. We are concerned that requests for payment are not delayed pending receipt of required submittals. We comment on some of these matters herein, which can serve as a checklist.

1) Contract Information:

Contract Form: AIA Document A132/CMA, 2019 Edition

Contract Amount: \$474,180.00

Contract Date: April 18, 2023

Owner: Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

Project Identification: 2023 Ranch Hangar, Duluth International Airport  
4701 Grinden Drive Duluth, MN 55811

Architect: Short Elliot Hendrickson Inc.

Construction Manager: Kraus-Anderson® Construction Company

- 2) Contract: The proposed Contract is enclosed for your review and execution. After signing, return both copies to this office. We will return one fully executed copy to you.

- 3) Notice to Proceed: On behalf of the Owner and Construction Manager, this letter shall serve as your "Notice to Proceed." However, do not start work at the site until proper insurance evidence has been provided and the work coordinated with the Owner's Construction Manager.
- 4) Permits: The Owner will provide the project building permit.
- 5) Performance Bond and Payment Bond: Submit one copy of required bonds to this office before starting work at the site. Refer to the General Conditions for bond specifications.
- 6) Insurance: Submit one copy of required insurance evidence to this office before starting work at the site. Refer to the General Conditions for insurance specifications (**see attached Insurance Requirements**).
- 7) Schedule of Values: Submit detailed breakdown within 10 days, with labor and material shown separately for each line item. Breakdown should be on AIA Request for Payment forms, G732/CMA and G703.
- 8) Request for Payment: Email one pdf of the request for payment on AIA Forms G732/CMA and G703 to [accounting@krausanderson.com](mailto:accounting@krausanderson.com). The cost breakdown must be accepted before any request for payment will be considered. No payment will be made until materials are delivered to the site and work at the site has commenced.

Contractors **must** submit to Kraus-Anderson **within 10 days** after award of the Contract the following documents:

- 1) Signed Contracts.
- 2) Performance and Payment Bonds.
- 3) Insurance Certificate (Need before any on-site work can begin).
- 4) Necessary Licenses and Permits.
- 5) Shop Drawings.

NOTE: Applications for Payment will not be processed for those Contractors who have not submitted (and have been approved) the above information.

- 9) Completion: Time is an essential condition of the Contract and the substantial and final completion dates must be adhered to as specified in the documents. We look forward to continuous and timely progress so the project is completed within the contract time.
- 10) Contractor's Construction Schedule: Coordinate with your subcontractors and submit a progress schedule for the project within 14 days. Copies of the schedule showing actual progress are to be submitted monthly with the request for payment. Scheduling of the work will be coordinated with the Owner's Construction Manager.
- 11) Record Set of Drawings: A complete set is to be maintained at the job site to record all changes.
- 12) Samples and Tests: All samples and tests noted or specified will be required, and must be taken or provided in sufficient time for evaluation of reports prior to

proceeding with subsequent work. Coordinate with the Owner's testing laboratory as required by the project specifications.

- 13) Shop Drawings: Refer to Section 01 2100 – Instructions to Bidders and 013 300 - Submittals of the Project Manual.
- 14) Drawings and Specifications: An electronic supply has been, or will be, forwarded to you upon request. We will issue only to you as the Prime Contractor for your distribution to your subcontractors.

We urge that all orders for materials be placed promptly after the review of the list of subcontractors and materials and that subcontractors also place their orders promptly. It will be your responsibility to confirm the timely placement of orders, including those by subcontractors, to insure materials are available when needed to meet the schedule. We advise we will not accept substitutions of materials because of alleged non-availability when orders have been delayed.

We advise of the following staff members to contact regarding the project:

Dustin Wick	Project Manager
Wade Engebretson	Project Superintendent
Sarah Byers	Project Coordinator
TBD	Project Accountant
Anne Grubish	Risk Manager (Insurance)

We are most interested in expediting the project to successful completion at the earliest possible date with a prompt and complete project closeout. Should you have any questions on the work, we will welcome your contacting us.

Very truly yours,

KRAUS-ANDERSON® CONSTRUCTION COMPANY



Dustin Wick  
Project Manager

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**INSURANCE REQUIREMENTS  
FOR  
Duluth Airport Authority 2023 Ranch Hangar**

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**\*\*Refer to Insurance Specifications in Bid Documents for further information**

**Please have your insurance company issue a Certificate of Insurance using the guidelines outlined below. The Certificate is to be sent to Kraus-Anderson Construction Company for approval. Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404 or email to [subSinsurance@krausanderson.com](mailto:subSinsurance@krausanderson.com) .**

- Certificate Holder:  
Owner: DAA c/o Kraus-Anderson Construction  
Address: 501 South 8<sup>th</sup> Street, Minneapolis MN 55404
- Project Name:  
Name of Project: Duluth Airport Authority 2023 Ranch Hangar  
Address of Project: 4701 Grinden Drive, Duluth MN 55811
- Additional Insured & Wording:  
Owner: Duluth Airport Authority  
Construction Manager: Kraus-Anderson® Construction Company  
Architect: Short Elliott Hendrickson Inc.  
Kraus-Anderson® Construction Company, Duluth Airport Authority and Short Elliott Hendrickson Inc. are additional insureds for ongoing operations and completed operations, as set forth in the contract, under the Commercial General Liability coverage as pertains to the contract for this Project with Duluth Airport Authority. Such insurance is primary insurance without recourse to or contribution from any similar insurance carried by Kraus-Anderson® Construction Company, Duluth Airport Authority, Short Elliott Hendrickson Inc. and/or other persons that are named as additional insureds.
- Cancellation: 30 days written notice for cancellation  
Include the following language in the "Description of Operations/Special Provisions" fill-in box at the bottom of the certificate: "Kraus-Anderson Construction Company, as an additional insured, shall be provided with 30-days' prior written notice (or such shorter period required by applicable law, if any) should any of the above policies be canceled or materially changed, as set forth in the contract."
- General Liability Limits:
- |   |                    |
|---|--------------------|
| General Aggregate                       | <b>\$2,000,000</b> |
| Products/Completed Operations Aggregate | <b>\$2,000,000</b> |
| Personal Injury                         | <b>\$2,000,000</b> |
| Each Occurrence                         | <b>\$2,000,000</b> |
- Automobile Liability Limits:  
Comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of **\$1,000,000.**
- Worker's Compensation and Employer's Liability:  
The box "Included" should be checked.
- |                         |                  |
|-------------------------|------------------|
| Each Accident:          | <b>\$100,000</b> |
| Disease- Policy Limit   | <b>\$500,000</b> |
| Disease - Each Employee | <b>\$100,000</b> |
- Umbrella Excess Liability: **May be used to achieve limits listed above**
- Professional Design Liability: **If a contractor is required to provide professional services as part of the work, \$1,000,000 limit per occurrence policy is required**
- Pollution Liability: **If the work involves the transport, dissemination, use or release of pollutants or hazardous materials, \$1,000,000 limit per occurrence policy is required**

Reviewed by:     Anne Grubish

 **AIA® Document A132® – 2019****Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition**

**AGREEMENT** made as of the Eighteenth day of April in the year 2023  
(*In words, indicate day, month, and year.*)

**BETWEEN** the Owner:  
(*Name, legal status, address, email address and other information*)

Duluth Airport Authority  
4701 Grinden Drive  
Duluth, MN 55811

and the Contractor:  
(*Name, legal status, address, email address and other information*)

Ulland Brothers, Inc.  
PO Box 340  
Cloquet, MN 55720

for the following Project:  
(*Name, location, and detailed description*)

2023 Ranch Hangar at the Duluth International Airport (DLH)  
4701 Grinden Drive  
Duluth, MN 55811

The Construction Manager:  
(*Name, legal status, address, email address and other information*)

Kraus-Anderson® Construction Company  
3716 Oneota Street  
Duluth, MN 55807

The Architect:  
(*Name, legal status, address, email address and other information*)

Short Elliot Hendrickson, Inc.  
3535 Vadnais Center Drive  
St. Paul, MN 55110

The Owner and Contractor agree as follows.

**ADDITIONS AND DELETIONS:**  
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This document is intended to be used in conjunction with AIA Documents A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition; B132™–2019, Standard Form of Agreement Between Owner and Architect, Construction Manager as Adviser Edition; and C132™–2019, Standard Form of Agreement Between Owner and Construction Manager as Adviser. AIA Document A232™–2019 is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

## TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS  
*(Paragraphs deleted)*

### ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement, and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations, or agreements, either written or oral. An enumeration of the Contract Documents, other than Modifications, appears in Article 9.

### ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

Complete Work Scope 31-A: Site Clearing and Earthwork per plans, specifications, and addenda enumerated herein.

### ARTICLE 3 DATE OF COMMENCEMENT AND DATES OF SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:

*(Check one of the following boxes.)*

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:  
*(Insert a date or a means to determine the date of commencement of the Work.)*

On or about May 15<sup>th</sup>, 2023, but within 5 days of notice to proceed as directed by the Construction Manager.

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

§ 3.2 The Contract Time shall be measured from the date of commencement of the Work.

*(Table deleted)*  
*(Paragraphs deleted)*

**§ 3.4 When the Work of this Contract, or any Portion Thereof, is Substantially Complete**

§ 3.4.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall substantially complete the entire Work of this Contract:

*(Check one of the following boxes and complete the necessary information.)*

Not later than ( ) calendar days from the date of commencement of the Work.

By the following date: October 13<sup>th</sup>, 2023

§ 3.4.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work of this Contract are to be substantially complete prior to when the entire Work of this Contract shall be substantially complete, the Contractor shall substantially complete such portions by the following dates:

Portion of Work	Date to be substantially complete
Work Scope 31-A: Site Clearing and Earthwork	October 13 <sup>th</sup> , 2023

§ 3.4.3 If the Contractor fails to substantially complete the Work of this Contract, or portions thereof, as provided in this Section 3.4, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

**ARTICLE 4 CONTRACT SUM**

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be one of the following:

*(Check the appropriate box.)*

Stipulated Sum, in accordance with Section 4.2 below  
*(Paragraphs deleted)*

**§ 4.2 Stipulated Sum**

§ 4.2.1 The Contract Sum shall be Four Hundred Seventy-Four Thousand One Hundred Eighty and 00/100 Dollars (\$474,180.00), subject to additions and deductions as provided in the Contract Documents.

**§ 4.2.2 Alternates**

§ 4.2.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
Alternate 01	\$0

§ 4.2.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.  
*(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)*

Item	Price	Conditions for Acceptance
N/A	N/A	N/A

§ 4.2.3 Allowances, if any, included in the Contract Sum:  
*(Identify each allowance.)*

Item	Price
N/A	N/A

§ 4.2.4 Unit prices, if any:

*(Identify the item and state the unit price, and quantity limitations, if any, to which the unit price will be applicable.)*

Item	Units and Limitations	Price per Unit (\$0.00)
Unit Price 1: Asphalt Paving	Ton	\$115.00

Unit Price 2: Class 5 Gravel	CY	\$48.00
Unit Price 3: Excavation & Haul Off-Site	CY	\$26.00
Unit Price 4: Import and Placement of Approved Granular Fill	CY	\$33.00
Unit Price 5: 6" Diameter, 10' High Concrete Filled Bollard	EA	\$5,000

**§ 4.3 NOT USED**

*(Paragraph deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.4 NOT USED**

*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*  
*(Table deleted)*  
*(Paragraphs deleted)*

**§ 4.5 Liquidated damages, if any:**

*(Insert terms and conditions for liquidated damages, if any, to be assessed in accordance with Section 3.4.)*

The Contractor acknowledges and agrees that if the Contractor fails to achieve Substantial Completion of the Work as a whole on or before the required date for achieving Substantial Completion of the Work, as specified in this Agreement, and subject to adjustments of the Contract Time as provided in the Contract Documents, the Owner shall be entitled to retain or recover from the Contractor an amount equal to One Hundred and 00/100 Dollars (\$100.00) for each day thereafter that Substantial Completion is delayed beyond the required date for achieving Substantial Completion of the Work.

**§ 4.6 Other:**

*(Insert provisions for bonus, cost savings or other incentives, if any, that might result in a change to the Contract Sum.)*

N/A

**ARTICLE 5 PAYMENTS**

**§ 5.1 Progress Payments**

**§ 5.1.1** Based upon Applications for Payment submitted to the Construction Manager by the Contractor, and Certificates for Payment issued by the Construction Manager and Architect, the Owner shall make progress payments on account of the Contract Sum, to the Contractor, as provided below and elsewhere in the Contract Documents.

**§ 5.1.2** The period covered by each Application for Payment shall be one calendar month ending on the last day of the month.

**§ 5.1.3** Provided that an Application for Payment is received by the Construction Manager not later than the 25th day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the last day of the following month. If an Application for Payment is received by the Construction Manager after the application date fixed above, such Application for Payment will be processed with the next month's Application for Payment.

*(Federal, state or local laws may require payment within a certain period of time.)*

**§ 5.1.4 Progress Payments Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.1.4.1** Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to



substantiate its accuracy, as the Construction Manager and Architect may require. This schedule of values shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 5.1.4.2 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.4.3 In accordance with AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition, and subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

§ 5.1.4.3.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified.

§ 5.1.4.3.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A232–2019;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A232–2019; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.5 NOT USED

*(Paragraphs deleted)*

§ 5.1.6 NOT USED

*(Paragraphs deleted)*

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to when the Work of this Contract is substantially complete, the Owner may withhold the following amount, as retainage, from the payment otherwise due:

*(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)*

5%

§ 5.1.7.1.1 The following items are not subject to retainage:

*(Insert any items not subject to the withholding of retainage, such as general conditions, insurance, etc.)*

N/A

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

*(If the retainage established in Section 5.1.7.1 is to be modified prior to when the entire Work of this Contract is substantially complete, including modifications for completion of portions of the Work as provided in Section 3.4.2, insert provisions for such modifications.)*

N/A

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, when the Work of this Contract is substantially complete, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for

Payment pursuant to this Section 5.1.7. The Application for Payment submitted when the Work of this Contract is substantially complete shall not include retainage as follows:

*(Insert any other conditions for release of retainage when the Work of this Contract is substantially complete, or upon Substantial Completion of the Work of all Contractors on the Project or portions thereof.)*

As set forth in the AIA A232-2019 General Conditions.

**§ 5.2 Final Payment**

**§ 5.2.1 Final Payment Where the Contract Sum is Based on a Stipulated Sum**

**§ 5.2.1.1** Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Article 12 of AIA Document A232-2019, and to satisfy other requirements, if any, which extend beyond final payment; and
- .2 a final Certificate for Payment or Project Certificate for Payment has been issued by the Architect.

**§ 5.2.1.2** The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the final Certificate for Payment or Project Certificate for Payment.

**§ 5.2.2 NOT USED**

*(Paragraphs deleted)*

**ARTICLE 6 DISPUTE RESOLUTION**

**§ 6.1 Initial Decision Maker**

The Architect will serve as Initial Decision Maker pursuant to Article 15 of AIA Document A232-2019, unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

*(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*

**§ 6.2 Binding Dispute Resolution**

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A232-2019, the method of binding dispute resolution shall be as follows:

*(Check the appropriate box.)*

Arbitration pursuant to Article 15 of AIA Document A232-2019.

Litigation in a court of competent jurisdiction.

*(Paragraphs deleted)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

**ARTICLE 7 TERMINATION OR SUSPENSION**

**§ 7.1 Where the Contract Sum is a Stipulated Sum**

**§ 7.1.1** The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A232-2019.

*(Paragraphs deleted)*

**§ 7.1.2** The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232-2019.

§ 7.2 NOT USED

*(Paragraphs deleted)*

§ 7.3 Suspension

The Work may be suspended by the Owner as provided in Article 14 of AIA Document A232–2019; in such case, the Contract Sum and Contract Time shall be increased as provided in Article 14 of AIA Document A232–2019, except that the term "profit" shall be understood to mean the Contractor's Fee as described in Section 4.3.2 or 4.4.2, as applicable, of this Agreement.

**ARTICLE 8 MISCELLANEOUS PROVISIONS**

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A232–2019 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:

*(Name, address, email address, and other information)*

Mark Papko, Operations Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
mpapko@duluthairport.com

§ 8.3 The Contractor's representative:

*(Name, address, email address, and other information)*

Jeff Carlson, President  
Ulland Brothers, Inc.  
PO Box 340  
Cloquet, MN 55720  
jcarlson@ulland.com

§ 8.4 Neither the Owner's nor the Contractor's representative shall be changed without ten days' prior notice to the other party.

§ 8.5 Insurance and Bonds

§ 8.5.1 The Owner and the Contractor shall purchase and maintain insurance as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.5.2 The Contractor shall provide bonds as set forth in Article 11 of AIA Document A232–2019, as modified, and elsewhere in the Contract Documents.

§ 8.6 Notice in electronic format, pursuant to Article 1 of AIA Document A232–2019, may be given in accordance with AIA Document E203™–2013, Building Information Modeling and Digital Data Exhibit, if completed, or as otherwise set forth below:

*(If other than in accordance with AIA Document E203–2013, insert requirements for delivering notice in electronic format such as name, title, and email address of the recipient and whether and how the system will be required to generate a read receipt for the transmission.)*

To the email address of the Owner, Contractor, Construction Manager and Architect set forth in this Agreement.

§ 8.7 NOT USED

§ 8.8 Other provisions:

Init.

**ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS**

§ 9.1 This Agreement is comprised of the following documents:

- .1 AIA Document A132™–2019, Standard Form of Agreement Between Owner and Contractor, Construction Manager as Adviser Edition
- .2 Reserved.
- .3 AIA Document A232™–2019, General Conditions of the Contract for Construction, Construction Manager as Adviser Edition
- .4  
(Paragraphs deleted)  
Reserved.
- .5 Drawings

Number	Title	Date
G0.00	Title Sheet	02/08/2023
G0.01	Construction Safety Plan Notes	02/08/2023
G0.02	Construction Safety Plan	02/08/2023
G0.03	Construction Safety Plan – Phasing	02/23/2023
G0.04	Temporary Airfield Security Fence	02/08/2023
G1.00	General Notes	02/08/2023
G1.01	General Notes & Quantities	02/08/2023
G2.00	Typical Section	02/08/2023
G2.01	Drainage Details	02/08/2023
G2.02	Storm Sewer Details	02/08/2023
C0.00	Erosion Control Plan	02/08/2023
C0.01	Erosion Control Details	02/08/2023
C0.02	SWPPP	02/08/2023
C0.03	SWPPP	02/08/2023
C1.00	Existing Conditions & Removal Plan	02/08/2023
C2.00	Proposed Site Plan	02/23/2023
C3.00	Storm Sewer Plan	02/23/2023
C4.00	Grading Plan	02/23/2023
C5.00	Pavement Marking Plan	02/08/2023
S0.01	General Structural Abbreviations, Symbols, and Tables	02/08/2023
S0.02	General Structural Notes	02/08/2023
S1.00	Foundation Plan	02/23/2023
S1.01	Details	02/08/2023
A1.00	Hangar Code Analysis and Plan	02/23/2023
A2.00	Floor Plan, Roof Plan, Door Information	02/27/2023
A3.00	General Exterior Elevations	02/27/2023
M0.01	Mechanical Symbols and Abbreviations	02/08/2023
M1.00	Mechanical Plan, Schedules & Details	02/23/2023
E0.01	Symbols, Abbreviations & Notes	02/08/2023
E1.00	Electrical Site Plan	02/08/2023
E1.01	Electrical Plans	02/23/2023
E1.02	Electrical Schedules	02/23/2023
E1.03	Electrical Details	02/08/2023

- .6 Specifications

Section	Title	Date
00 01 01	Title Page	02/08/2023
00 01 05	Certification	02/08/2023
00 01 08	Project Directory	02/08/2023
00 01 10	Table of Contents	02/08/2023
00 11 10	Advertisement for Bids	02/08/2023

00 21 00	Instructions to Bidders	02/08/2023
00 31 32	Geotechnical Data	02/08/2023
00 41 00	Bid Form	02/08/2023
00 45 49	Buy American Certificate for Total Facility	02/08/2023
00 51 10	List of Contract Forms	02/08/2023
00 51 10-1	AIA A132 CMA Agreement	02/08/2023
	FAA General Provisions	02/08/2023
00 72 00	AIA A232 General Conditions	02/08/2023
00 73 30	Additional Special Provisions for Federally-Funded Contracts	02/08/2023
00 73 36	State Funded Contract Special Provisions Division A	02/08/2023
00 73 43	Wage Determination	02/08/2023
00 73 45	Minnesota Labor and Wage Rate Requirements	02/08/2023
00 73 50	Disadvantaged Business Enterprises (DBE) Special Provisions	02/08/2023
Division 01	General Requirements	02/08/2023
Division 02	Existing Conditions	02/08/2023
Division 03	Concrete	02/08/2023
Division 04-06	Not Used	02/08/2023
Division 07	Thermal and Moisture Protection	02/08/2023
Division 08	Openings	02/08/2023
Division 09	Not Used	02/08/2023
Division 10	Specialties	02/08/2023
Division 11-12	Not Used	02/08/2023
Division 13	Special Construction	02/08/2023
Division 14-22	Not Used	02/08/2023
Division 23	Heating, Ventilating, and Air Conditioning (HVAC)	02/08/2023
Division 24-25	Not Used	02/08/2023
Division 26	Electrical	02/08/2023
Division 27-30	Not Used	02/08/2023
Division 31	Earthwork	02/08/2023
Division 32	Exterior Improvements	02/08/2023
Division 33-40	Not Used	02/08/2023
	FAA Technical Specifications	02/08/2023

**.7 Addenda, if any:**

Number	Date	Pages
One	02/15/2023	16
Two	02/23/2023	135
Three	02/27/2023	18

Portions of Addenda relating to bidding or proposal requirements are not part of the Contract Documents unless the bidding or proposal requirements are also enumerated in this Article 9.

**.8 Other Exhibits:**

*(Check all boxes that apply and include appropriate information identifying the exhibit where required.)*

*(Table deleted)*

*(Paragraphs deleted)*

**(Paragraphs deleted).9 Other documents, if any, listed below:**

*(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A232–2019 provides that the advertisement or invitation to bid, Instructions to Bidders, sample forms, the Contractor’s bid or proposal, portions of Addenda relating to bidding or proposal requirements, and other information furnished by the Owner in anticipation of receiving bids or proposals,*

*are not part of the Contract Documents unless enumerated in this Agreement. Any such documents should be listed here only if intended to be part of the Contract Documents.)*

This Agreement is entered into as of the day and year first written above.

**DULUTH AIRPORT AUTHORITY**

**ULLAND BROTHERS, INC.**

\_\_\_\_\_  
**OWNER** *(Signature)*

\_\_\_\_\_  
**CONTRACTOR** *(Signature)*

\_\_\_\_\_  
*(Printed name and title)*

\_\_\_\_\_  
*(Printed name and title)*

## VII - F

### Duluth Airport Authority Short Elliott Hendrickson Inc. (SEH) Work Order 2023-2 for Construction Administration Services for the Ranch Hangar Construction Project at the Duluth International Airport

**Terms:**

- Estimated start date of April 20, 2023
- Estimated end date of December 31, 2024

**Agreement Overview:**

This work order includes construction administration, observation, and closeout for the Ranch Hangar project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-2023) between the DAA and SEH remain in effect for this work order.

**Background:**

This project consists of designing a 5-unit ranch hangar at the Duluth International Airport. The hangar will allow for additional aircraft hangars to accommodate increased demand for aircraft storage at the airport. Each individual bay will be approximately 45 wide and 40 feet deep. Additional project elements include site preparation, drainage improvements, and hangar apron construction. The project was developed during the Master Plan to increase revenue generating opportunities at the airport, increased based aircraft, and decrease demand on the airport's hangar waiting list.

This scope of engineering services includes construction administration services to support the construction management firm, and includes preconstruction activities, construction support, record drawings, and project closeout, as well as public outreach and project management.

Construction administration services for the scope of work are anticipated to be funded at a 90 percent rate by the Federal Aviation Administration (FAA) as part of the Bipartisan Infrastructure Law. The anticipated local share is 10 percent.

**WORK ORDER  
No. 2023-2  
Between**

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

**Dated: April 19, 2023**

---

**RANCH HANGAR CONSTRUCTION – CONSTRUCTION ADMINISTRATION SERVICES  
DULUTH INTERNATIONAL AIRPORT (DLH)**

This work order includes completion of the Ranch Hangar Construction (Construction Administration Services) Project at the Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-23) between the DAA and SEH remain in effect for this work order.

Estimated start date is April 20, 2023; estimated end date is June 30, 2024.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$53,200.00.

Descriptions of the services to be provided are included in Attachments A. Detailed estimates of labor cost and expenses are included in Attachments B.

Point of Contact: Shawn McMahon, Principal

**APPROVED:**

**Duluth Airport Authority (DAA)**

**Short Elliott Hendrickson Inc.**

\_\_\_\_\_



\_\_\_\_\_

Title: \_\_\_\_\_

Title: Principal Date: \_\_\_\_\_

Date: \_\_\_\_\_

April 19, 2023 \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

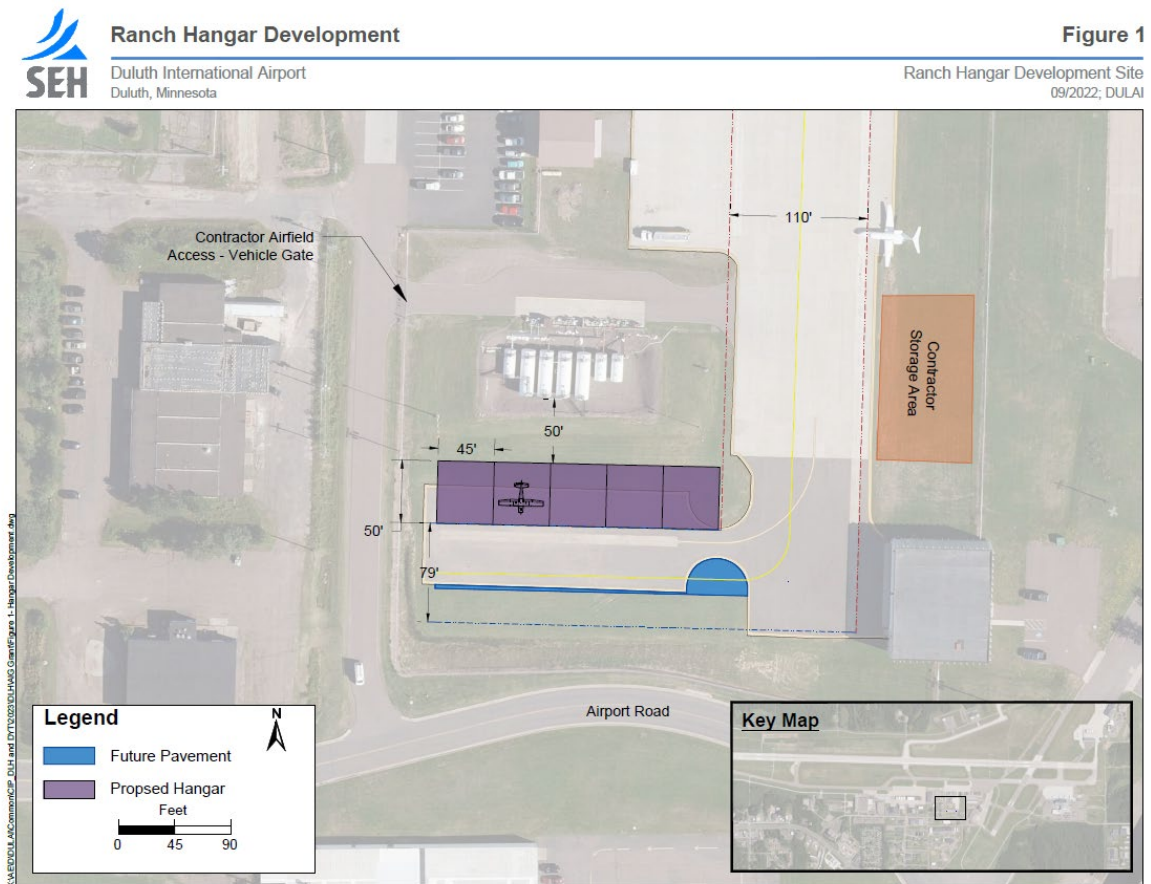


# ATTACHMENT A

## PROPOSAL FOR ENGINEERING SERVICES RANCH HANGAR CONSTRUCTION – CONSTRUCTION ADMINISTRATION DULUTH INTERNATIONAL AIRPORT DULUTH, MINNESOTA

### PROJECT SCOPE:

This project consists of construction administrative services for a 5-unit heated ranch hangar at the Duluth International Airport. The hangar will allow for additional aircraft hangars to accommodate increased demand for aircraft storage at the airport. Each individual bay will be approximately 45 wide and 40 feet deep. Additional project elements include site preparation, drainage improvements, and hangar apron construction.



### SCOPE OF SERVICES:

Services to be provided include preconstruction activities, shop drawing review, meetings, record drawings, closeout, and project management. Deliverables will include as-built drawings and closeout documents. (On-site construction observation, pay applications, contractor coordination, and inspections are all assumed to be responsibility of construction manager)

Specific tasks to be performed by the Consultant are as follows:

1. **Preconstruction Activities.** A preconstruction conference will be held prior to beginning construction to outline and discuss project requirements, administration procedures, and other construction related information. SEH will participate in the preconstruction conference. The

Proposal for Engineering Services  
Duluth International Airport

conference will be led by the construction manager, to include meeting notices, minutes, and documentation. The meeting will be attended in-person by the project manager and a project engineer.

2. Submittal and Shop Drawing Review. SEH will review product and material data, shop drawings, building layout, foundation and slab review, material samples, concrete mixture design, bituminous mix designs, and other items required to be submitted by the contractors.
3. Progress Meetings. It is anticipated that weekly progress meetings will be scheduled during construction. The progress meeting will be attended either in person or by conference call by SEH, including the project manager, and/or other staff as needed or required. It is anticipated SEH will attend 12 meetings, 8 virtually and 4 in-person.
4. Construction Observation. SEH will provide three (3) site visits in addition to the four (4) in-person progress meetings during key parts of the site preparation and building construction schedule. SEH will complete site summary notes and share with the project team following all seven (7) site visits.
5. Record Drawings. Record drawings will incorporate any modifications or additions that occurred during construction. A final plan set will be plotted and distributed to the County for their records.
6. FAA Project Closeout Report. The Consultant will prepare a "Project Closeout Report" as required by the FAA and using "Sponsors Guide to Quality Project Closeout Report Requirements" (FAA Publication).
7. Final Inspection / Punchlist. A final inspection will be conducted by SEH after completion of the project. SEH will issue notifications and prepare a punchlist of any outstanding items needing correction.
8. Mechanical Design / HVAC Systems. SEH will design an extended gas line with 5 individual meters for each hangar bay. The HVAC systems for each bay will be sized appropriately and specified on mechanical plansheets as part of the project documents.
9. Coordination with City of Duluth. SEH will coordinate with City of Duluth staff for required processing of forms to address requirement that an airport parcel boundary be realigned to accommodate the position of the proposed Ranch Hangar facility. As well, SEH will coordinate with City of Duluth staff for required processing of forms to address requirement that utility easements for utilities previously removed from the project site be extinguished
10. Project Management. Time required for the overall administering of the project, including preparing contract modifications, reviewing quality control and testing results, and coordination with the Airport, Construction Manager, Contractor, FAA, Mn/DOT, and other regulatory agencies and utilities. Eight coordination meetings with construction manager are anticipated.

The following work will not be performed by SEH:

- Surveying
- Contractor coordination
- Meeting coordination
- Contractor pay application
- Scheduling
- Utility coordination
- Construction material testing

Subconsultants performing work under this proposal include the following:

1. None.

**ESTIMATED FEES AND EXPENSES**  
**ATTACHMENT B**  
**RANCH HANGAR CONSTRUCTION - CONSTRUCTION ADMINISTRATION**  
**CONSTRUCTION ADMINISTRATION SERVICES**  
**DULUTH INTERNATIONAL AIRPORT**

Task No.	Task Description	Principal	Project Manager	Project Engineer	Mechanical Engineer	Electrical Engineer	Structural Engineer	Admin Technician
1.	Preconstruction Activities	2	2	2				
2.	Submittal and Shop Drawing Review		4	4	4	4	8	
3.	Progress Meetings		36	18				
4.	Construction Observation		24	12				
5.	Record Drawings		2	16	2	2	4	
6.	Project Closeout Report		4	8		2		
7.	Final Inspection/Punchlist		8	4				
8.	Mechanical Design / HVAC Systems		4	2	30			
9.	Coordination with City of Duluth		8	8				
10.	Project Management	4	24			2		
	<b>Total hours per labor category</b>	<b>6</b>	<b>116</b>	<b>74</b>	<b>36</b>	<b>10</b>	<b>12</b>	<b>0</b>

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Principal	6	\$83.13	\$498.77
Project Manager	116	\$69.99	\$8,119.19
Project Engineer	74	\$46.60	\$3,448.33
Mechanical Engineer	36	\$71.12	\$2,560.19
Electrical Engineer	10	\$51.30	\$513.03
Structural Engineer	12	\$61.04	\$732.44
Admin Technician	0	\$34.07	\$0.00
Total Direct Labor Costs:	254		\$15,871.95
Direct Salary Costs plus Overhead (66.03%)			\$26,352.19
<b>Total Labor Costs</b>			<b>\$42,224.14</b>

Fee (15%) \$6,333.62

**ESTIMATE OF EXPENSES:**

Direct Expenses	Quantity	Rate	Extension
Employee Mileage	2100	\$0.65	\$1,365.00
Employee Per Diem	7	\$50.00	\$350.00
Employee Auto Allowance	7	\$16.00	\$112.00
Equipment Usage	254	\$5.80	\$1,473.20
Permitting Fees (easement vacating, boundary line adjustment)	1	\$1,278.00	\$1,278.00
Reproductions / Miscellaneous	1	\$100.00	\$100.00
<b>Total Expenses</b>			<b>\$4,678.20</b>

**SUMMARY:**

Total Labor Costs + Expenses \$53,235.96

**Not to Exceed Amount** **\$53,200.00**

## VII - G.

### Duluth Airport Authority Short Elliott Hendrickson Inc. (SEH) Work Order 2023-5 for Design for the North Business Development Hangar Construction Project at the Duluth International Airport

**Terms:**

- Estimated start date of April 20, 2023
- Estimated end date of September 15, 2023

**Agreement Overview:**

This work order includes the engineer's design report, geotechnical analysis, final design, and bidding document creation for the North Business Development Area Hangar Construction project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-2023) between the DAA and SEH remain in effect for this work order.

**Background:**

This project consists of designing a roughly 7,200 square foot hangar building at the Duluth International Airport. The building will consist of an approximately 2,400 square foot living and alter crew area next to an approximately 4,800 square foot hangar to accommodate emergency medical airlift operational aircraft. The hangar and living space will be insulated, provided with gas heat, water service, and sanitary sewer service. The hangar will include a bifold door. The living space will include a mezzanine level to maximize space.

The design and construction of FAA eligible portions of the project are eligible for 90 percent funding from the FAA Bipartisan Infrastructure Law funding.

This scope of engineering services includes engineer's design report, geotechnical analysis, final design, and bidding document creation, as well as public outreach and project management. Project construction is scheduled to start in the fall of 2023 pending contractor and material availability.

**WORK ORDER  
No. 2023-5  
Between**

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

**Dated: April 19, 2023**

---

**NORTH BUSINESS DEVELOPMENT AREA HANGAR DESIGN (ENGINEER'S DESIGN REPORT,  
FINAL DESIGN, PLANS AND SPECIFICATIONS, BIDDING DOCUMENTS, BIDDING)  
DULUTH INTERNATIONAL AIRPORT (DLH)**

This work order includes design of the North Business Development Area Hangar Construction (Preliminary Design, Engineer's Design Report, Final Design, Plans and Specifications, Bidding Documents) Project at the Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-23) between the DAA and SEH remain in effect for this work order.

Estimated start date is April 20, 2023; estimated end date is October 1, 2023.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$229,300.00

Descriptions of the services to be provided are included in Attachments A. Detailed estimates of labor cost and expenses are included in Attachments B.

Point of Contact: Shawn McMahon, Principal

**APPROVED:**

**Duluth Airport Authority (DAA)**

**Short Elliott Hendrickson Inc.**

\_\_\_\_\_



Title: \_\_\_\_\_

Title: Principal \_\_\_\_\_

Date: \_\_\_\_\_

Date: April 19, 2023 \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## ATTACHMENT A-2

### Duluth International Airport (DLH) 2023 CONSTRUCT LIFE LINK HANGAR BUILDING DESIGN Scope of Work

#### ***Engineer's Design Report, Final Design, Plans and Specifications, Bidding Documents***

**General** – The project consists of designing a roughly 7,200 square foot new hangar building at the Duluth International Airport (DLH). The building will consist of an approximately 2,400 square foot living and alert crew area next to an approximately 4,800 square foot hangar to accommodate the Life Link operational aircraft.

The hangar and living space will be insulated, provided with gas heat, water service, and sanitary sewer service. The hangar will include a bifold door. The living space will include a mezzanine level to maximize space. An elevator should not be required, and design is not anticipated.

**See Figure 1 for a project sketch.** *(The Construction Administration scope items will be included in a subsequent work order including project closeout)*

#### **Proposed project schedule:**

April 18, 2023	DAA Board considers Design contract
May 30, 2023	60% Submittal
May 30, 2023	FAA EDR Submittal & Review
May 30, 2023	60% Project Review Meeting with DAA and City of Duluth
June 28, 2023	90% Submittal
June 28, 2023	90% Project Review Meeting with DAA
July 15, 2023	Issued for Bid Submittal (City of Duluth Purchasing Office)
July 16, 2023	Advertise for Bid
August 8, 2023	Bid Opening
August 15, 2023	Contract Award Recommendation
September 1, 2023	Final Grant Request Application Submittal to FAA
September 15, 2023	Construction Notice to Proceed

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

1. Project Formulation
2. Preliminary Design
3. Engineer's Design Report
4. Plan Drawings (60%, 90% and Final) for Hangar Construction
5. Construction Bidding Documents for Hangar Construction
6. FAA Construction Plans and Specifications Review
7. Quality Control Reviews
8. Project Management and Meetings

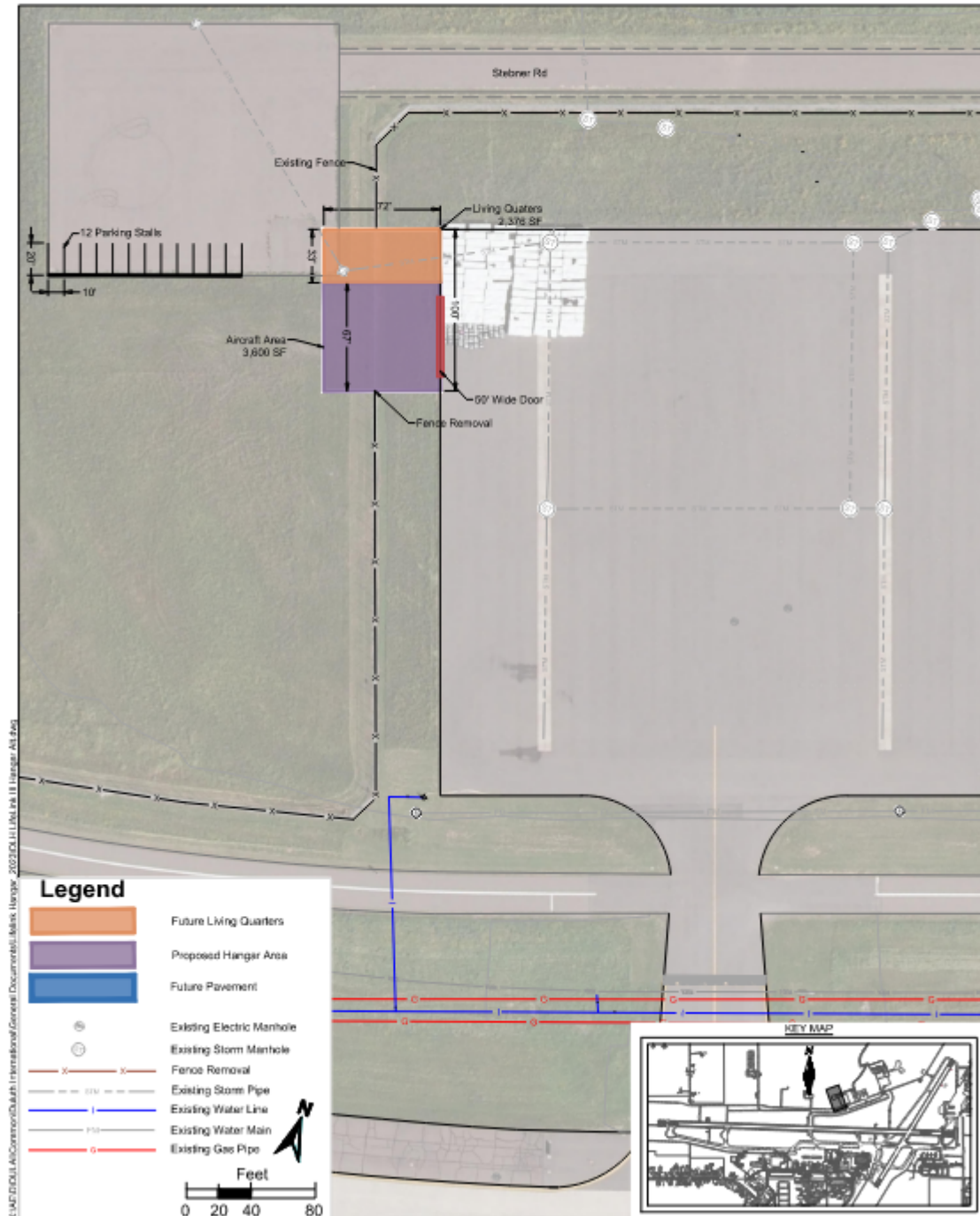


# Life Link III Hangar Buildout

Duluth International Airport  
Duluth Minnesota

# Figure 1

Sketch  
01/2023; DULAI



**This work scope includes:**

**1. Project Formulation**

- 1.1. **Scoping, Review and Project Coordination:** Short Elliott Hendrickson (SEH) will coordinate with the Duluth Airport Authority (Client) to develop the appropriate scope of work. Work includes task definition and establishment of project goals and objectives. This task also includes stormwater management research which entails researching archives for records of previous projects at the airport to provide guidance from past stormwater management design approaches. It also includes meeting with appropriate agencies to understand stormwater design and permitting requirements and develop a suitable stormwater design scope. The scoping will include review and coordination with MnDOT, FAA, City of Duluth, and other regulatory agencies. The scope will be updated as needed based on input received.
- 1.2. **Project Formulation:** SEH will complete the project scoping and grant application, cost breakdowns, and eligibility determinations for the approved scope of work. Additional coordination and administration of additional funding sources beyond Federal Funding, is not included in this scope of work.
- 1.3. **Environmental Considerations:** SEH will prepare and submit the required NEPA determination to the FAA for approval. A categorical exclusion checklist is anticipated to be required.
- 1.4. **Engineer's Design Report:** SEH will complete the FAA required Engineer's Design Report (EDR) per FAA requirements. An initial draft version of the EDR will be completed and sent to the FAA for review and comment at 60% submittal. Comments provided by the FAA will be addressed and resubmitted as the final design report. The EDR will include the general project scope, site photographs, construction safety overview, environmental considerations, permitting, pavement design, drainage design, pavement markings, Disadvantaged Business Enterprise (DBE) participation, a project schedule, an Engineer's Estimate to complete the work and a preliminary project budget and planned funding sources.
- 1.5. **DBE Program and DBE Goals:** SEH will prepare a Disadvantaged Business Enterprise (DBE) Program and project specific goals in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26.

**2. Project Design:**

- 2.1. **Topographic Survey:** SEH will complete a comprehensive field survey to obtain topographical information including existing pavement, existing utilities, and relevant ground elevations. Task also includes airfield escorting staff in addition to data processing and review of the survey data.
- 2.2. **Geotechnical Investigation:** Borings will be taken at the new building location to aid with the structural design of the building foundation and pavement design. See attached scope of work from geotechnical consultant. Task includes Consultant supervision during investigation and review of the final geotechnical report.
- 2.3. **Stormwater Modeling:** Model existing and proposed conditions at the airport to develop a hydrologic model. The model will be used to ensure the necessary volume and rate control requirements are met in the final design.
- 2.4. **Utility modeling and connections:** SEH will complete a site evaluation and conduct a field visit to connect required utilities to existing water, waste water, gas, and electrical systems. *Travel time for field evaluation is broken out as separate sub-task.*
- 2.5. **Construction Safety Plan / Airspace Analysis:** SEH will prepare a construction safety and phasing plan, as well as a construction safety plan narrative, for the project and submit to the FAA. This plan and analysis are required to be completed to proceed with construction. This work element will evaluate the final building structure and associated height within the FAA 7460 airspace review.



- 2.6. **Detailed Design:** Detailed design includes site preparation, civil site work, erosion control landscaping, the hangar building structure, including structural, architectural, electrical, mechanical, onsite stormwater management to meet the required stormwater rules, and demolition of the old structure. Structural design will be completed by Northland Consulting. Mechanical and electrical design will be completed by the Design Group.

Structural detailed design will associate the structural elements of the project. The major structural elements included in this task includes floor slab design, roof framing design, and design loads for walls, roof, and foundation elements.

Civil site design will be based on as-built drawings, survey information, soil boring/geotechnical report data and surface drainage analysis.

Existing well & site evaluation is not required for this project.

- 2.7. **Building Renderings:** SEH will prepare and create building renderings that will depict the Clients desired look of the proposed hangar building. This task will include up to a total of (3) building rendering throughout the project. One round of revisions would be included in each rendering deliverable.

2.8. **Construction Plan Sheets:**

- 2.8.1. *60% Plan Sheets:* Preparation of 60% construction drawings.

Upon completion of the 60% design, all disciplines will be released to proceed with 90% design. No significant changes to the programming shall occur. This includes mechanical, structural, electrical, architectural, and civil design.

- 2.8.2. *90% Plan Sheets:* Preparation of 90% construction drawings.

- 2.8.3. *Final Construction Plan Sheets:* Preparation of construction drawings consisting of approximately the following plan sheets.

- Title Sheet
- Construction Safety and Phasing Plan
- Statement of Estimated Quantities
- Erosion Control Plan and Details
- Demolition Plan for Site
- Stormwater Design Plan and Details
- Typical Section
- Civil Site Grading Plan
- Architecture / Structural (See Subconsultant Scope of Work for Detailed Structural Description)
  - Building Code Plan and Analysis
  - Floor, Ceiling and Roof Plans
  - Foundation Plans and Details
  - Roof Framing Plans and Details
  - Exterior Building Elevations
  - Walls Sections
  - Interior Elevations, and Finish Schedules
- Plumbing (See Subconsultant Scope of Work for Detailed Description)
  - Sanitary, Waste, and Vent Plans including below grade and above grade sanitary piping and plumbing vent piping. This includes SSTS plans.
  - Domestic water and gas plans including above grade domestic cold water, hot water, and recirculated hot water as well as propane distribution piping.
- HVAC (See Subconsultant Scope of Work for Detailed Description)
  - Heating with gas supply, Ventilation, and Air Conditioning (HVAC) plans for the building.
  - Enlarged scale mechanical room HVAC plans as well as sections and isometrics.
- Electrical (See Subconsultant Scope of Work for Detailed Description)
  - Lighting plans including interior and exterior lighting layouts.

- Power plans showing receptacles, equipment connections, and electrical service and panel locations.
- Power Distribution including One-line Diagram
- Data/Communications systems plans to include Fire Alarm System and Data/Communications and security outlet and rack locations.
- Electrical Site plans with utility transformer and power and communications service conduit provisions.
- Representative Sections and Details
- Standard Plates
- Construction Notes including material strengths and grades and geotechnical criteria

### 3. **Quality Control Review:**

- 3.1. **Quantity Calculations and Engineer and Architectural Opinion of Probable Cost Estimate:** SEH will calculate final quantities for use in the bid package. A final engineer's opinion of probable cost estimate using these quantities is also included.
- 3.2. **Quality Control Review:** SEH will perform quality control review of the project drawings and specifications as well as quantity determination and engineer and architectural opinion of probable cost estimate. This task includes the time required to perform the review, internal meetings, and coordination with the DAA, FAA, MnDOT, City of Duluth, and other regulatory agencies and utilities, as needed. This task also includes quality control review of the subconsultants efforts by internal structural and MEP disciplines. The review will take place at 90% milestone.

### 4. **Construction Bidding Documents:**

- 4.1. **Construction Bidding Documents:** SEH will prepare a bid proposal project manual consisting of a table of contents, advertisement for bids, proposal documents, bid form, state and federal requirements, wage rates, technical specifications, and special provisions. The basis of this proposal is assuming one bid proposal package for all the work items necessary to complete the project. Bidding documents will be edited individually and sent to the City of Duluth Purchasing Office for review. This task includes coordination with the City of Duluth Purchasing Office to advertise the project for bid.
- 4.2. **Bidding Services:** The design team will take questions from contractors throughout the bidding process and if needed, will clarify questions with an addendum.
- 4.3. **Bid Review and Recommendation:** After bids are opened, engineer will review for completed bids, develop a bid tab for bid comparison, and make a contractor recommendation to the DAA for award of the bid.

### 5. **Project Management:**

- 5.1. **Overall Project Management:** Overall administration of the project, review of design data and deliverables, email coordination of plan and specification review with the DAA, MnDOT Office of Aeronautics, FAA, and other regulatory agencies as required. Monthly invoices will be prepared and submitted to DAA.
- 5.2. **City of Duluth Coordination:** SEH will coordinate with the City of Duluth representatives as the project progresses. This coordination will include up to (4) project meetings to discuss the elements with code officials. These meetings are expected to include 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only). This task will also include correspondence and communications outside of the allotted meetings. It is anticipated two of the four meetings will be held in coordination with the Cirrus Fuel Calibration project.
- 5.3. **Subconsultant Coordination:** Scheduling, coordination and administration, and review of subconsultant deliverables, including subcontracts, reports, design data, and pay applications. The work will be performed in coordination with the Cirrus Fuel Calibration project.

**5.4. Meetings:** SEH will coordinate and prepare project meetings for the following:

- 5.4.1. Duluth Airport Authority: Design Kick Off meeting. This meeting will be a kickoff to review a preliminary floorplan, discuss project goals and obtain DAA feedback on design preferences. This meeting is expected to include Project Principal, Project Manager and Architect for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only). The meeting will be held at the same time as the Midfield Redevelopment project.
- 5.4.2. Duluth Airport Authority: 60% (Virtual), 90% (Virtual) and IFB (Virtual) meetings. These meetings are expected to include Project Principal & Project Manager for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only).
- 5.4.3. FAA/MnDOT Project Meetings: Two (2) virtual meetings with the FAA and MnDOT are anticipated to discuss project progress and design and eligibility reviews. These meetings are expected to include Project Principal & Project Manager for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only). The meeting will be held at the same time as the Midfield Redevelopment project.
- 5.4.4. SEH/Sub-Consultant Coordination: 6-total internal. These virtual meetings are expected to include 1-hr for meeting for one team member from each discipline and 1-hr for recording of meeting minutes (for Project Manager only). These meetings will cover both this project and the Fuel Calibration Hangar project.
- 5.4.5. Stakeholder Engagement: Stakeholder engagement will be included as part of the Cirrus Facility outreach. A nominal effort will be required to prepare materials specific to the Lifelink facility.

Subconsultants performing work under this proposal include the following:

- 1. Braun Intertec: Geotechnical investigation will be performed by Braun Intertec. See attached proposal dated March 10, 2023.
- 2. The Design Group, Inc.: Mechanical and Electrical work elements will be performed by The Design Group, Inc. See attached proposal dated April 4, 2023.
- 3. Northland Consulting Engineers: Structural Engineering work elements for the hangar. See attached proposal dated April 4, 2023.

March 10, 2023

Proposal QTB174157

Shawn McMahon, PE  
SEH, Inc.  
3535 Vadnais Center Drive  
Saint Paul, MN 55110

Re: Proposal for a Geotechnical Evaluation  
Proposed Life Link III Hangar  
Duluth International Airport  
4701 Grinden Drive  
Duluth, Minnesota

Dear Shawn:

Braun Intertec Corporation respectfully submits this proposal to complete a geotechnical evaluation for design and construction of the proposed Life Link III Hangar at the referenced site.

## **Project Information**

Per our correspondence with you, we understand the proposed project will include the construction of a new Life Link III Hangar. The hangar is planned to be located on the north side of the airport, with landside access from Stebner Road. The hangar is planned to be a single-story, slab-on-grade structure, with an approximate footprint of 100' x 72' and includes a living quarters area. The locations of the soil borings will be selected and staked by SEH. We request SEH provide location coordinates and elevations for inclusion in our report.

## **Purpose**

The purpose of our geotechnical evaluation will be to characterize subsurface geologic conditions at selected exploration locations, evaluate their impact on the project, and provide geotechnical recommendations for the design and construction of the hangar.

## **Scope of Services**

We propose the following tasks to help achieve the stated purpose. If we encounter unfavorable or unforeseen conditions during the completion of our tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming our services.

## **Site Access**

Based on aerial photographs and your description, it appears that the site is accessible to a float tire-mounted drill rig. We assume there will be no cause for delays in accessing the exploration locations. We are not including debris or obstruction removal, grading of navigable paths, or snow plowing.

AA/EOE

Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility. Our drilling activities may also impact the vegetation and may rut the surface to access boring locations. Restoration of vegetation and turf is not part of our scope of services.

### **Utility Clearance**

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification of the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You, or your authorized representative, are responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

### **Penetration Test Borings**

As requested, we will drill 4 standard penetration test borings for the proposed hangar, extending each to a depth of 24 1/2 feet. We will perform standard penetration tests at 2 1/2-foot vertical intervals to a depth of 15 feet and at 5-foot vertical intervals at greater depths.

If the borings encounter groundwater during or immediately after drilling each boring, we will record the observed depth on the boring logs.

If the intended boring depths do not extend through unsuitable material, we will extend the borings at least 5 feet into suitable material at greater depths. The additional information will help evaluate such issues as excavation depth, consolidation settlement, and foundation alternatives, among others. If we identify a need for deeper (or additional) borings, we will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.

### **MDH Sealing Record**

We are planning the deepest borings to be at least 15 feet and less than 25 feet. Therefore, the Minnesota Statutes require us to complete a Sealing Record after our completion of the borings. Our proposal includes the fees for the Minnesota Department of Health (MDH) Sealing Record.

In the event we extend our borings to a depth of 25 feet or greater, the MDH requires us to complete and submit a Sealing Notification Form for the project. The submission of the Sealing Notification Form will require a signature from the property owner (or agent). If we extend our borings to a depth of 25 feet or greater, we will forward on to you a copy of the form for signature and increase our total fees by \$100.

### **Borehole Abandonment**

We will backfill our exploration locations immediately after completing the drilling at each location. Minnesota Statutes require sealing temporary borings that are 15 feet deep or deeper. Based on our proposed subsurface characterization depths, we will seal 98 linear feet of borings with grout. Our lump sum fee includes those fees associated with the sealing.

Sealing boreholes with grout will prevent us from disposing of auger boring cuttings in the completed boreholes. Unless you direct us otherwise, we intend to thin-spread the cuttings around the boreholes. If we cannot thin-spread cuttings, we will put them in a container left on site. We can provide off-site disposal of the cuttings for an additional fee.

Over time, subsidence of borehole backfill may occur, requiring releveling of surface grades. We are not assuming responsibility for re-leveling after we complete our fieldwork.

### **Sample Review and Laboratory Testing**

Recovered samples will be returned to our laboratory, where they will be visually classified and logged by a geotechnical engineer. To help classify the materials encountered and estimate their engineering properties, we have budgeted to perform moisture content tests, mechanical analyses (through a #200 sieve only), and Atterberg limits tests. We will adjust the actual number and type of tests based on the results of our borings.

### **Engineering Analyses**

We will use data obtained from the subsurface exploration and laboratory tests to evaluate the subsurface profile and groundwater conditions, and to perform engineering analyses related to structure design and performance.

### **Report**

We will prepare a report including:

- A sketch showing the exploration locations.
- Logs of the borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion identifying the subsurface conditions that will impact design and construction.
- Discussion regarding the reuse of on-site materials during construction.
- Recommendations for preparing structure subgrades, including excavation support, and the selection, placement and compaction of excavation backfill and structural fill.
- Recommendations for the design of spread footing foundations and grade supported slabs.

We will only submit an electronic copy of our report to you unless you request otherwise. At your request, we can also send the report to additional project team members.

## Schedule

We anticipate performing our work according to the following schedule.

- Drill rig mobilization – within about 4 weeks following receipt of written authorization
- Field exploration – 1 day on site to complete the work
- Classification and laboratory testing – within 2 weeks after completion of field exploration
- Preliminary results – within 1 week after completion of field exploration
- Final report submittal – within 4 weeks after completion of field exploration

If we cannot complete our proposed scope of services according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

## Fees

We will furnish the services described in this proposal for a lump sum fee of \$7,955. Please note that our drilling/field services were budgeted to occur within our normal work hours of 7:00 a.m. to 5:00 p.m., Monday through Friday. If conditions occur that require us to work outside of these hours, we will request additional fees to cover our additional overtime costs. Our work may extend over several invoicing periods. As such, we will submit partial progress invoices for work we perform during each invoicing period.

## General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. Please sign and return a copy to us in its entirety.

We based the proposed fee on the scope of services described and the assumptions that you will authorize our services within 30 days and that others will not delay us beyond our proposed schedule.

We will provide our services under the terms of the Master Subcontract Agreement dated July 2, 2008.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Aaron Tast at 320.980.3504 or Colin Anderson at 320.305.0628.

Sincerely,

BRAUN INTERTEC CORPORATION



Colin L. Anderson, PE  
Project Engineer



Joseph C. Butler, PE  
Business Unit Leader, Senior Engineer

---

The proposal is accepted, and you are authorized to proceed.

---

**Authorizer's Firm**

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**Authorizer's Signature**

---

**Authorizer's Name (please print or type)**

---

**Authorizer's Title**

---

**Date**



# Structural Engineering Fee Proposal

April 4, 2023 Proposal #: SEH - 1-2023  
 Project Title: Cirrus Hanger and Life Link 3 - Hanger

Project Location: Duluth, MN  
 Company: Short Elliott Hendrickson Inc. (SEH)  
 Client Contact: Tiffany VanDenBroeke, PE  
 Full Address: 418 W Superior Street 3200, Duluth, MN 55802



Client Email: [tvanderbroeke@sehinc.com](mailto:tvanderbroeke@sehinc.com)  
 Office Phone: 651.490.2000  
 Cell Phone: 651.210.7957

## Project Description

**Two Proposed New Buildings:**  
**#1 - New Construction - New Aircraft hanger for Cirrus Aircraft - 9000 SF** Pre-engineered steel building. No interior mezzanines are indicated.  
**#2 - New Construction - New Aircraft Hanger, crew quarters and interior mezzanine -** Single Story 7200 SF Pre-engineered steel -aircraft hanger including crew quarters with an additional 2300 SF mezzanine. We assume the building and the mezzanine are pre-engineered by others.  
 The foundation systems are presumed to be frost depth ground supported, or shallow ground supported, frost protected concrete footings (pending geotechnical investigation by others). The floor slabs are assumed to be ground supported. NCE will serve as the Structural Engineer of Record for the project. We will be responsible for specification of the design loads for the building superstructure(s), review of the certified pre-engineered metal building shop drawings and design of the foundation system documents suitable for bidding and construction. It is our understanding that we will also be responsible for estimating loads and framing systems to design the foundation system for bidding, but then revising the foundation system based on final loads and structural layout received from the successful pre-engineered metal building supplier.

## Scope of Structural Engineering Services

1. Meetings, Communications with the Architect , MEP and Civil team.
2. Structural Analysis, design and drafting of construction documents for the foundation system based on estimated preliminary Anchor Bolt Layout and reactions
3. CA Phase, limited, Shop Drawing Review, Communications, (1) Site visit is included in the fee proposal for each building Plus services to revise the foundation design used for bidding each building to match the successful pre-engineered metal building supplier loads and layout. Additional site visits can be performed during construction, but would be billed on a per trip basis.

Proposed Fee Calculation Table	Estimated Hours / Hourly Rates			Extended Cost
	Principal	PE	Tech.	
<b>Design Engineering Services - #1 Cirrus Project</b>	\$185.00	\$145.00	\$85.00	
<b>Schematic Design Phase:</b> Communications, Consulting, red-line schematic framing systems for coordination, Coordinate and review geotechnical information and review geotechnical investigation results provided by others	4	8	0	\$ 1,900.00
<b>Design Phase:</b> Final Structural Analysis, design and drafting of foundation system, edit specifications of structural sections by Architect.	8	12	32	\$ 5,940.00
<b>#1 Cirrus Project-Subtotal</b>				<b>\$ 7,840.00</b>
<b>Construction Engineering Services- Limited - #1 Cirrus Project</b>				
Communications during Construction, shop drawing review for structural items , revise for final loads and layout, (1) site visit	6	8	8	\$ 2,950.00
<b>#1 Cirrus Project Subtotal</b>				<b>\$ 2,950.00</b>
<b>Total Proposed NCE Fee - #1 Cirrus Project</b>				<b>\$ 10,790.00</b>
<b>Design Engineering Services - #2 Life Link 3 Project</b>				
<b>Schematic Design Phase:</b> Communications, Consulting, red-line schematic framing systems for coordination, Coordinate and review geotechnical information and review geotechnical investigation results provided by others	4	12	0	\$ 2,480.00
<b>Design Phase:</b> Final Structural Analysis, design and drafting of foundation system, edit specifications of structural sections by Architect.	8	16	32	\$ 6,520.00
<b>#2 Life Link 3 Project - Subtotal</b>				<b>\$ 9,000.00</b>
<b>Construction Engineering Services- Limited - #2 Life Link 3 Project</b>				
Communications during Construction, shop drawing review for structural items , revise for final loads and layout, (1) site visit	8	8	8	\$ 3,320.00
<b>#2 Life Link 3 Project</b>				<b>\$ 3,320.00</b>
<b>Total Proposed NCE Fee - #2 Life Link 3 Project</b>				<b>\$ 12,320.00</b>
<b>Total Proposed NCE Fee</b>				<b>\$ 23,110.00</b>

**Assumptions**

- 1. Compensation for limited services described above will be performed on a Lump-Sum-Fee basis, based on the overall project description and limited scope of services listed above.
- 2. Site visits during construction will be performed on an as needed / or as requested basis. Visits will not be performed without written authorization from the client. The fee for NCE to visit the site including a field report is proposed to be a lump-sum-fee = \$370.00 per visit.
- 3. Additional Services may be required. Additional services will be performed only upon written approval by the client and billed on an hourly rate basis in accordance with NCE current rate schedule.
- 4. It is our understanding that If acceptable, this proposal along with the attached NCE fee schedule will be attached to a standard AIA Contract between SEH and NCE for this project, that NCE can review for the contract for the project. (alternatively, NCE can provide a short-form contract for review)
- 5. Exclusions: any service not listed in the scope, including on site meetings, Redesign due to lack of timely or accurate information from other disciplines.

**Submitted By**

**Accepted By**

 04/04/2023  
 \_\_\_\_\_  
 Signature Date

\_\_\_\_\_

Jon E. Aamodt P.E.  
 Principal Partner  
 Northland Consulting Engineers LLP

Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Representing \_\_\_\_\_

## Basis of Compensation - 2023

### Fee Schedule

The compensation of Northland Consulting Engineers for professional services is based upon straight hourly rates as indicated below.



Classification	Hourly Rates
Partner Engineer	\$185.00
Registered Project Engineer (Civil / Structural)	\$145.00
Principal	\$185.00
Expert Witness / Testimony - PE	\$210.00
Engineer	\$130.00
Structural Engineer Technician	\$85.00
Civil / Structural Drafting	\$85.00
Secretary / Clerical	\$60.00

### Reimbursable Expenses

Expenses connected with the work such as, but not limited to, travel, vehicle rental, equipment rental, meals, lodging will be charged at cost. Outside consultants, material testing and geotechnical services (if included in our scope) will be charged at cost plus 10 percent. Vehicle

Reproduction expenses will be charged as follows:

Copy or Scan (large format)	\$4.00 / sheet
Copy or Scan (up to 11x17)	\$0.25 / each

Effective 12/1/2022



1711 East 13th Street  
Suite 201  
Hibbing, MN 55746  
PH: 218.262.1959  
FX: 218.262-1976  
www.thedgroup.org

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April 4, 2023

Short Elliot Hendrickson, Inc.  
Attn: Tiffany VanDenBroeke, PE (HI)  
Sr. Engineer I, Project Manager

**RE: Life Link Building DLH – Duluth, MN**

Tiffany,

The Design Group, Inc. is pleased to submit this proposal for MEP engineering services related to the design of the new Life Link Building at the DLH Airport. Our work will be centered on providing Mechanical and Electrical engineered drawings and specifications for this reconstruction. Below are the services you requested from MEP for this project.

**Plumbing**

- Sanitary, Waste, and Vent Plans including below grade and above grade sanitary piping and plumbing vent piping. This includes SSTS plans.
- Domestic water and gas plans including above grade domestic cold water, hot water, and recirculated hot water as well as propane distribution piping.

**HVAC**

- Heating with gas supply, Ventilation, and Air Conditioning (HVAC) plans for the building.
- Enlarged scale mechanical room HVAC plans as well as sections and isometrics.

**Electrical**

- Lighting plans including interior and exterior lighting layouts.
- Power plans showing receptacles, equipment connections, and electrical service and panel locations.
- Power Distribution including One-line Diagram
- Data/Communications systems plans to include Fire Alarm System and Data/Communications and security outlet and rack locations.
- Electrical Site plans with utility transformer and power and communications service conduit provisions.

Other items to include in the proposal (this is for both hangars together, not for each hangar)

**Project Management** (Including coordination with SEH)

- (2) Virtual Project Review Meetings
- (6) Virtual Project Meetings with SEH
- City of Duluth Coordination related to MEP
- Plumbing Plan Submittal
- Project Site Visit to evaluate existing site

The Design Group proposes to charge a lump sum fee of Twenty Four Thousand Seven Hundred dollars (\$24,700.00) for the work described above. These fees will cover all costs incurred by the Design Group including telephone calls, postage, etc. Not included in this proposal are plan review fees. Additional services can be provided at an hourly rate or as agreed to prior to beginning the additional work. Thank you for the opportunity to submit this proposal!

#### **ADDITIONAL SERVICES:**

Any Additional Services beyond the Basic Services outlined above will be performed only upon your instruction and will be billed at the following hourly rates:

- Sr. Professional Engineer - \$145.00
- Sr. Technical Designer - \$95.00

#### **TERMS AND CONDITIONS:**

The Design Group, Inc. (TDG) shall perform the services outlined in this agreement for the stated fee arrangement.

#### **Fee**

The total fee, except stated lump sum, shall be understood to be an estimate, based upon Scope of Services, and shall not be exceeded by more than ten percent, without written approval of the Client. Where the fee arrangement is to be on an hourly basis. The rates shall be those that prevail at the time services are rendered.

#### **Billings/Payments**

Invoices will be submitted monthly for services and reimbursable expenses and are due when rendered. Invoice shall be considered PAST DUE if not paid within thirty (30) days after the invoice date and TDG may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of the service. Retainers shall be credited on the final invoice. A service charge will be charged at 1.5% (or the legal rate) per month on the unpaid balance. In the event any portion of an account remains unpaid ninety (90) days after billing, the Client shall pay cost of collection, including reasonable attorneys' fees.

#### **Access to Site**

Unless otherwise stated, TDG will have access to the site for activities necessary for the performance of the services. TDG will take precautions to minimize damage due to these activities, but has not included in the fee the cost of restoration of any resulting damage.

#### **Termination of Services**

This agreement may be terminated upon ten (10) days written notice by either party should the other fail to perform his obligations hereunder. In the event of termination, the Client shall pay TDG for all services rendered to the date of termination, all reimbursable expenses, and reasonable termination expenses.

#### **Ownership Documents**

All documents produced by the TDG under this agreement shall remain the property of TDG and may not be used by the Client for any other endeavor without the written consent of TDG.

## Dispute Resolution

Any claim or dispute between the Client and TDG shall be submitted to non-binding mediation, subject to the parties agreeing to a mediator(s). The laws of the principal place of business of TDG shall govern this agreement.

Sincerely,



The Design Group, Inc.  
Otto W. Maki, Principal

## VII - H.

### Duluth Airport Authority Short Elliott Hendrickson Inc. (SEH) Work Order 2023-4 for Design for the Midfield Ramp Hangar 105 Redevelopment Construction Project at the Duluth International Airport

**Terms:**

- Estimated start date of April 20, 2023
- Estimated end date of September 15, 2023

**Agreement Overview:**

This work order includes the engineer's design report, geotechnical analysis, final design, and bidding document creation for the Midfield Ramp Hangar 105 Redevelopment project at Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-2023) between the DAA and SEH remain in effect for this work order.

**Background:**

This project consists of designing a roughly 9,000 square foot hangar building at the Duluth International Airport. The hangar will allow for additional storage space to accommodate increased demand for tenants such as Cirrus to accomplish production and testing operations. Additional project elements include demolition of the current hangar on site, additional site preparation, hangar insulation, gas heat, and electrical utility service. Water and wastewater connections are not anticipated. The hangar will be served with a bifold door suitable for future tenant needs. Environmental and regulated materials testing will be completed as part of the project.

The design and construction of the project is eligible for 90 percent funding from the FAA Bipartisan Infrastructure Law funding.

This scope of engineering services includes engineer's design report, geotechnical analysis, final design, and bidding document creation, as well as public outreach and project management. Project construction is scheduled to start in the fall of 2023 pending contractor and material availability.

**WORK ORDER  
No. 2023-4  
Between**

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

**Dated: April 19, 2023**

---

**MIDFIELD RAMP HANGAR 105 REDEVELOPMENT DESIGN (ENGINEER'S DESIGN REPORT, FINAL DESIGN, PLANS AND SPECIFICATIONS, BIDDING DOCUMENTS, BIDDING)  
DULUTH INTERNATIONAL AIRPORT (DLH)**

This work order includes completion of the Midfield Ramp Hangar 105 Redevelopment Design (Preliminary Design, Engineer's Design Report, Final Design, Plans and Specifications, Bidding Documents) Project at the Duluth International Airport (DLH). The contract provisions included in the Master Agreement (dated 3-21-23) between the DAA and SEH remain in effect for this work order.

Estimated start date is April 20, 2023; estimated end date is October 1, 2023.

Compensation by the Owner to the Consultant shall be a lump sum amount of \$169,500.00.

Descriptions of the services to be provided are included in Attachments A. Detailed estimates of labor cost and expenses are included in Attachments B.

Point of Contact: Shawn McMahon, Principal

**APPROVED:**

**Duluth Airport Authority (DAA)**

**Short Elliott Hendrickson Inc.**

\_\_\_\_\_



\_\_\_\_\_

Title: \_\_\_\_\_

Title: Principal \_\_\_\_\_

Date: \_\_\_\_\_

Date: April 19, 2023 \_\_\_\_\_

\_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## ATTACHMENT A

### Duluth International Airport (DLH) 2023 CONSTRUCT MIDFIELD RAMP HANGAR 105 REDEVELOPMENT DESIGN Scope of Work

#### ***Engineer's Design Report, Final Design, Plans and Specifications, Bidding Documents, Bidding***

**General** – The project consists of designing a roughly 9,000 square-foot hangar building at the Duluth International Airport (DLH) in addition to demolishing an existing hangar building within the proposed footprint. The hangar will allow for additional storage space to accommodate increased demand for Cirrus Fuel operations.

The proposed building is anticipated to include insulation, gas heat, and electrical utility service. Water and wastewater connections are not anticipated. The hangar will be served with a bifold door suitable for future tenant needs.

**See Figure 1 for a project sketch.** *(The Construction Administration scope items will be included in a subsequent work order including project closeout)*

#### **Proposed project schedule:**

April 18, 2023	DAA Board considers Design contract
May 30, 2023	60% Submittal
May 30, 2023	FAA EDR Submittal & Review
May 30, 2023	60% Project Review Meeting with DAA and City of Duluth
June 28, 2023	90% Submittal
June 28, 2023	90% Project Review Meeting with DAA
July 15, 2023	Issued for Bid Submittal (City of Duluth Purchasing Office)
July 16, 2023	Advertise for Bid
August 8, 2023	Bid Opening
August 15, 2023	Contract Award Recommendation
September 1, 2023	Final Grant Request Application Submittal to FAA
September 15, 2023	Construction Notice to Proceed

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

1. Project formulation
2. Preliminary design
3. Engineer's Design Report
4. Plan drawings (60%, 90% and final) for hangar demolition and new hangar construction
5. Construction bidding documents and bidding for hangar demolition and new hangar construction
6. FAA Construction Plans and Specifications Review
7. Quality control reviews
8. Project management and meetings

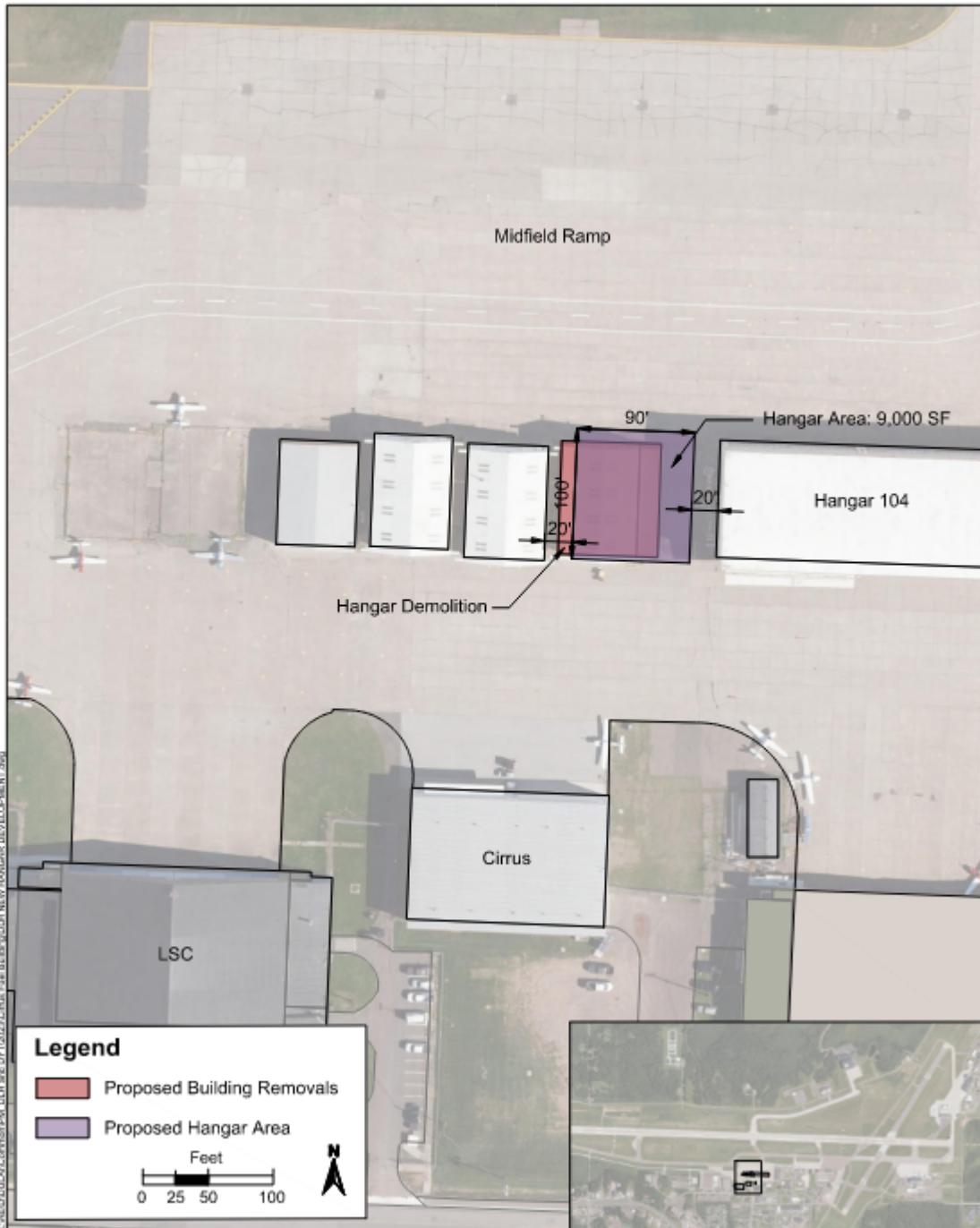


# Cirrus Hangar Buildout

Duluth International Airport  
Duluth, Minnesota

## Figure 1

Sketch  
03/2023; DULAI



**This work scope includes:**

**1. Project Formulation**

- 1.1. **Scoping, Review and Project Coordination:** Short Elliott Hendrickson (SEH) will coordinate with the Duluth Airport Authority (Client) to develop the appropriate scope of work. Work includes task definition and establishment of project goals and objectives. The scoping will include review and coordination with MnDOT, FAA, City of Duluth, and other regulatory agencies. The scope will be updated as needed based on input received.
- 1.2. **Project Formulation:** SEH will complete the project scoping and grant application, cost breakdowns, and eligibility determinations for the approved scope of work. Additional coordination and administration of additional funding sources beyond Federal Funding, is not included in this scope of work.
- 1.3. **Environmental Considerations:** SEH will prepare and submit the required NEPA determination to the FAA for approval. It is anticipated this project will qualify for a categorical exclusion.
- 1.4. **Engineer's Design Report:** SEH will complete the FAA required Engineer's Design Report (EDR) per FAA requirements. An initial draft version of the EDR will be completed and sent to the FAA for review and comment at 60% submittal. Comments provided by the FAA will be addressed and resubmitted as the final design report. The EDR will include the general project scope, site photographs, construction safety overview, environmental considerations, permitting, pavement design, drainage design, pavement markings, Disadvantaged Business Enterprise (DBE) participation, a project schedule, an Engineer's Estimate to complete the work and a preliminary project budget and planned funding sources.
- 1.5. **DBE Program and DBE Goals:** SEH will prepare a Disadvantaged Business Enterprise (DBE) Program and project specific goals in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26.
- 1.6. **Building demolition permit and coordination.** SEH will coordinate requirements for building demolition permit with the City of Duluth. It is anticipated to include approximately 8 hours of effort by the project manager to submit permit materials, including utility coordination, regulated materials/asbestos disposal, and meetings.

**2. Project Design:**

- 2.1. **Topographic Survey:** SEH will complete a comprehensive field survey to obtain topographical information including existing pavement, existing utilities, and relevant ground elevations. Task also includes airfield escorting staff in addition to data processing and review of the survey data.
- 2.2. **Geotechnical Investigation:** Borings will be taken at the new building location to aid with the structural design of the building foundation and pavement design. Borings will occur outside the existing building footprint. See attached scope of work from geotechnical consultant (Braun Intertec). Task includes Consultant supervision and escort during investigation and review of the final geotechnical report.
  - 2.2.1. **Environmental Sampling:** During advancement of the geotechnical soil borings, SEH will conduct environmental screening and sampling to evaluate potential soil impacts at the site. In the field, soil samples will be screened for organic vapors with a photoionization detector and observations regarding indications of contamination will be made. Up to eight depth-stratified soil samples will be collected for chemical analyses for volatile organic compounds (VOCs) using United States Environmental Protection Agency (EPA) Method 8270, polynuclear aromatic hydrocarbons (PAHs) using EPA Method 8270, the 8 Resource Conservation and Recovery Act (RCRA) Metals using EPA Methods 6010 and 7471, and diesel range organics (DRO) using the Minnesota Department of Natural Resources (DNR) Method with silica gel cleanup. Following receipt of the analytical testing results, SEH will

prepare a report presenting the data collected in the field investigation. The report will include figures, tables, boring logs, laboratory reports, conclusions and recommendations.

- 2.3. **Stormwater Modeling:** Model existing and proposed conditions at the airport to develop a hydrologic model. The model will be used to ensure the necessary volume and rate control requirements are met in the final design.

2.4. **Asbestos Inspection & Regulated Waste Assessment:**

Minn. R. 7035.0805 requires that project owners or parties authorizing the renovation or demolition of a building remove regulated materials before starting a renovation or demolition project. All items and materials removed must be properly characterized, tested, managed, and disposed of and reused or recycled in accordance with applicable standards.

SEH will provide a Minnesota Certified Asbestos Inspector to collect an estimated 50 bulk samples of potential asbestos containing material (ACM). The asbestos inspection will be conducted in accordance with Minnesota Department of Health (MDH) asbestos inspection and assessment rules (Section 4620.3460) and U.S. Environmental Protection Agency (USEPA) guidance documents. The asbestos inspection is intended to meet the requirements of the National Emission Standard for Hazardous Air Pollutants (NESHAP) Subpart M – National Emission Standard for Asbestos. The Minnesota Pollution Control Agency (MPCA) enforces the NESHAP regulation in Minnesota.

As part of the asbestos inspection, the ACM identified within the structures will be quantified and locations documented for future abatement prior to demolition.

*Regulated Waste Assessment.* SEH will complete a walk-through of the property and an inspection of the structures located on the subject property to determine the presence and location of regulated materials at the site or contained within the building materials. This assessment includes preparing an inventory of fluorescent bulbs/ballasts, mercury containing switches, CFCs, containers, and other items included in Minn. R. 7035.0805 Subp. 5. If peeling paint is identified during the assessment, up to 2 paint samples will be collected and analyzed for lead. Our proposal also includes collection of 1 caulk sample for analyses for polychlorinated biphenyls (PCBs).

*Reporting.* SEH will prepare a summary report identifying ACM or potential ACM, locations, approximate quantities, a figure depicting ACM locations that were identified, and a summary of regulated materials that were identified.

*Limitations.* In any building the potential exists for hazardous material to be located inside walls, above ceilings, under floors, buried underground, and other inaccessible areas. This inspection will attempt to identify hazardous material in these inaccessible areas. However, it is not feasible to inspect 100 percent of these areas. Therefore, SEH cannot be held responsible for the presence of any such hidden materials. Demolition and other contractors involved in the project should be made aware of this potential. If previously unidentified suspect hazardous material is exposed during their activities, they should be sampled and analyzed for content prior to any disturbance.

Sampling of materials for asbestos content involves the collection of a small piece of that material. Some damage is inevitable. However, every effort will be made to limit cuts and holes to discreet locations. Our representative will not be responsible for repairing materials damaged during sampling. SEH has assumed no roofing materials will be sampled at the time of the inspection.

Permitted and non-permitted required confined spaces are exempted from this scope of work.

- 2.5. **Construction Safety Plan / Airspace Analysis:** SEH will prepare a construction safety and phasing plan, as well as a construction safety plan narrative, for the project and submit to the FAA. This plan and analysis are required to be completed to proceed with construction. This

work element will evaluate the final building structure and associated height within the FAA 7460 airspace review.

- 2.6. **Project Site Visits:** SEH and/or consultant(s) will conduct initial project site visits to evaluate the existing structure for removal with minimizing impacts to the structural function of the adjacent hangar buildings. The project design elements will incorporate the information gathered by the site visit and include the demolition strategy. SEH will also document how the proposed hangar will comply with fire code permitting including distances required between facilities. It is anticipated one (1) site visit will take place by the Structural & Architectural disciplines. *Travel time for each discipline is broken out as separate sub-task.*
- 2.7. **Detailed Design:** Detailed design includes site preparation, civil site work, erosion control,, the hangar building structure, including structural, architectural, electrical, mechanical, onsite stormwater management to meet the required stormwater rules, and demolition of the old structure. Structural design will be completed by Northland Consulting. Mechanical and electrical design will be completed by The Design Group.

Structural detailed design will associate the structural elements of the project. The major structural elements included in this task includes floor slab design, roof framing design, and design loads for walls, roof, and foundation elements.

Civil site design will be based on as-built drawings, survey information, soil boring/geotechnical report data and surface drainage analysis.

- 2.8. **Building Renderings:** SEH will prepare and create building renderings that will depict the Clients desired look of the proposed hangar building. This task will include up to a total of (1) building rendering throughout the project. Requested revisions to a building rendering would count towards the number of renderings provided.
- 2.9. **Construction Plan Sheets:**
- 2.9.1. **60% Plan Sheets:** Preparation of 60% construction drawings.  
Upon completion of the 60% design, all disciplines will be released to proceed with 90% design. No significant changes to the programming shall occur. This includes mechanical, structural, electrical, architectural, and civil design.
- 2.9.2. **90% Plan Sheets:** Preparation of 90% construction drawings.
- 2.9.3. **Final Construction Plan Sheets:** Preparation of construction drawings consisting of approximately the following plan sheets.
- Title Sheet
  - Construction Safety and Phasing Plan
  - Statement of Estimated Quantities
  - Erosion Control Plan and Details
  - Demolition Plan of Existing Hangar Building
  - Typical Section
  - Civil Site Grading Plan
  - Architecture / Structural (See Subconsultant Scope of Work for Detailed Structural Description)
    - Building Code Plan and Analysis
    - Floor, Ceiling and Roof Plans
    - Foundation Plans and Details
    - Roof Framing Plans and Details
    - Exterior Building Elevations
    - Walls Sections
    - Interior Elevations, and Finish Schedules
  - HVAC (See Subconsultant Scope of Work for Detailed Description)
    - Heating with gas supply, Ventilation, and Air Conditioning (HVAC) plans for the building.
    - Enlarged scale mechanical room HVAC plans as well as sections and isometrics.

- Electrical (See Subconsultant Scope of Work for Detailed Description)
  - Lighting plans including interior and exterior lighting layouts.
  - Power plans showing receptacles, equipment connections, and electrical service and panel locations.
  - Power Distribution including One-line Diagram
  - Electrical Site plans with utility transformer and power and communications service conduit provisions.
- Representative Sections and Details
- Standard Plates
- Construction Notes including material strengths and grades and geotechnical criteria

### **3. Quality Control Review:**

- 3.1. **Quantity Calculations and Engineer and Architectural Opinion of Probable Cost Estimate:** SEH will calculate final quantities for use in the bid package. A final engineer's opinion of probable cost estimate using these quantities is also included.
- 3.2. **Quality Control Review:** SEH will perform quality control review of the project drawings and specifications as well as quantity determination and engineer and architectural opinion of probable cost estimate. This task includes the time required to perform the review, internal meetings, and coordination with the DAA, FAA, MnDOT, City of Duluth, and other regulatory agencies and utilities, as needed. This task also includes quality control review of the subconsultants efforts by internal structural and MEP disciplines. The review will take place at 90% milestone.

### **4. Construction Bidding Documents:**

- 4.1. **Construction Bidding Documents:** SEH will prepare a bid proposal project manual consisting of a table of contents, advertisement for bids, proposal documents, bid form, state and federal requirements, wage rates, technical specifications, and special provisions. The basis of this proposal is assuming one bid proposal package for all the work items necessary to complete the project. Bidding documents will be edited individually and sent to the City of Duluth Purchasing Office for review. This task includes coordination with the City of Duluth Purchasing Office to advertise the project for bid.
- 4.2. **Bidding Services:** The design team will take questions from contractors throughout the bidding process and if needed, will clarify questions with an addendum.
- 4.3. **Bid Review and Recommendation:** After bids are opened, engineer will review for completed bids, develop a bid tab for bid comparison, and make a contractor recommendation to the DAA for award of the bid.

### **5. Project Management:**

- 5.1. **Overall Project Management:** Overall administration of the project, review of design data and deliverables, email coordination of plan and specification review with the DAA, MnDOT Office of Aeronautics, FAA, City of Duluth, and other regulatory agencies as required. Monthly invoices will be prepared and submitted to DAA.
- 5.2. **City of Duluth Coordination:** SEH will coordinate with the City of Duluth representatives as the project progresses. This coordination will include up to (4) project meetings to discuss the elements with code officials. These meetings are expected to include 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only). This task will also include correspondence and communications outside of the allotted meetings.
- 5.3. **Subconsultant Coordination:** Scheduling, coordination and administration, and review of subconsultant deliverables, including subcontracts, reports, design data, and pay applications.
- 5.4. **Meetings:** SEH will coordinate and prepare project meetings for the following:

- 5.4.1. Duluth Airport Authority: Design Kick Off meeting. This meeting will be a kickoff to review a preliminary floorplan, discuss project goals and obtain DAA feedback on design preferences. This meeting is expected to include Project Principal, Project Manager and Architect for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only).
- 5.4.2. Duluth Airport Authority: 60% (Virtual), 90% (Virtual) and IFB (Virtual) meetings. These meetings are expected to include Project Principal & Project Manager for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only).
- 5.4.3. FAA/MnDOT Project Meetings: Two (2) virtual meetings with the FAA and MnDOT are anticipated to discuss project progress and design and eligibility reviews. These meetings are expected to include Project Principal & Project Manager for 1-hr of preparation time, 1-hr for meeting and 1-hr for recording of meeting minutes (for Project Manager only).
- 5.4.4. SEH/Sub-Consultant Coordination: 6-total internal. These virtual meetings are expected to include 1-hr for meeting for one team member from each discipline and 1-hr for recording of meeting minutes (for Project Manager only).
- 5.4.5. Stakeholder Engagement: Attend two Duluth International Airport tenant meetings (Project Principal & Project Manager) to provide a project overview and update. Each meeting is expected to include 1-hr of preparation time, 1-hr for meeting. *Travel time for Project Principal and Project Manager is broken out as separate sub-task.*

Subconsultants performing work under this proposal include the following:

1. Braun Intertec: Geotechnical investigation will be performed by Braun Intertec. See attached proposal dated April 10, 2023.
2. The Design Group, Inc.: Mechanical and Electrical work elements will be performed by The Design Group, Inc. See attached proposal dates April 4, 2023.
3. Northland Consulting Engineers: Structural Engineering work elements for the hangar. See attached proposal dated April 4, 2023.

**ESTIMATED FEES AND EXPENSES**  
**ATTACHMENT B**  
**2023 Midfield Ramp Hangar 105 Redevelopment Design**  
**Duluth International Airport (DLH)**

Task No.	Task Description	Project Principal	Project Manager	Project Engineer	Airport Planner	Biologist	Sr. Scientist	Staff Scientist	Water Resources Engineer	Architect	Architect Technician	Survey Crew Chief	APD Senior Technician	Administrative Assistant
<b>Project Formulation</b>														
1.1	Scoping, Review and Project Coordination	1	4	4		1	2		1	2				1
1.2	Project Formulation	1	4	4						4			2	
1.3	Environmental Considerations		1	1	4	4								
1.4	Engineer's Design Report		4	16		1	1		1	4			4	1
1.5	DBE Program and DBE Goals		1											2
1.6	Building Demolition Permit and Coordination		8											
<b>Project Design</b>														
2.1	Topographic Survey			8								8	2	
2.1.1	Travel to Survey			4								4		
2.2	Geotechnical Investigation			8									4	
2.2.1	Environmental Sampling			2			8	24						
2.3	Stormwater Modeling								6					
2.4	Regulated Materials Assessment & Asbestos Evaluation						2	22						
2.5	Construction Safety Plan & Airspace Analysis			2										4
2.6	Project Site Visit		2	4						4				
2.6.1	Travel for Architectural			4						4				
2.7	Detailed Design		4	24					4	24			8	
2.8	Building Renderings (1 Total)		1							4	16			
2.9	Construction Plan Sheets													
2.9.1	60% Plan Sheets		4	12						12	40		40	
2.9.2	90% Plan Sheets		2	6						6	20		12	
2.9.3	Final Construction Plan Sheets	1	1	6						4	8		8	
<b>Quality Control Review</b>														
3.1	Quantity Calculations and Engineer and Architectural Opinion of Probable Cost Estimate		2	4					1	4				
3.2	Quality Control Reviews	4	8							8				
<b>Construction Bidding Documents</b>														
4.1	Construction Bidding Documents	2	4	20						8	16			6
4.2	Bidding Services		2	4						4				
4.3	Bid Review and Recommendation	1	2	2										
<b>Project Management</b>														
5.1	Project Management	2	20	8						8				4
5.2	City of Duluth Coordination	2	20	4	2					4				
5.3	Subconsultant Coordination		16	4						8				
5.4	Meeting(s)													
5.4.1	Duluth Airport Authority Kick-Off (1 Total)	1	3	2	2					2				
5.4.2	Duluth Airport Authority (3 Total)	3	9											
5.4.3	FAA/MnDOT (2 Total)	2	6											
5.4.4	Internal Design (6 Total)		12	6						6			6	
5.4.5	Stakeholder Engagement (2 Total)	2	2		2									
5.4.5.1	Travel for Project Manager			8										
<b>Total hours per labor category</b>		<b>22</b>	<b>150</b>	<b>159</b>	<b>10</b>	<b>6</b>	<b>13</b>	<b>46</b>	<b>13</b>	<b>120</b>	<b>100</b>	<b>12</b>	<b>90</b>	<b>14</b>

**ESTIMATE OF LABOR COSTS:**

Labor Category	Hours	Rate	Extension
Project Principal	22	\$ 80.75	\$ 1,776.50
Project Manager	150	\$ 59.16	\$ 8,874.00
Project Engineer	159	\$ 45.27	\$ 7,197.93
Airport Planner	10	\$ 48.86	\$ 488.60
Biologist	6	\$ 43.51	\$ 261.06
Sr. Scientist	13	\$ 64.80	\$ 842.40
Staff Scientist	46	\$ 29.69	\$ 1,365.74
Water Resources Engineer	13	\$ 69.12	\$ 898.56
Architect	120	\$ 65.37	\$ 7,844.40
Architect Technician	100	\$ 37.77	\$ 3,777.00
Survey Crew Chief	12	\$ 39.25	\$ 471.00
APD Senior Technician	90	\$ 45.24	\$ 4,071.60
Administrative Assistant	14	\$ 33.10	\$ 463.40
<b>Total Direct Labor Costs:</b>	<b>755</b>		<b>\$ 38,332.19</b>
<b>Direct Salary Costs plus Overhead (70.00%)</b>			<b>\$ 65,164.72</b>
<b>Total Labor Costs</b>			<b>\$ 103,496.91</b>
<b>Fee (15%)</b>			<b>\$ 15,524.54</b>

**ESTIMATE OF EXPENSES:**

Direct Expenses	Quantity	Rate	Extension
Computer Charge	755	\$ 5.80	\$ 4,379.00
Employee Mileage	2,540	\$ 0.65	\$ 1,651.00
Survey - Field Truck	12	\$ 4.90	\$ 58.80
Survey - GPS Equipment	12	\$ 45.00	\$ 540.00
Asbestos Lab Test	1	\$ 1,150.00	\$ 1,150.00
Asbestos - Equipment	1	\$ 100.00	\$ 100.00
Analytical Laboratory Soil Sampling (Eurofins)	1	\$ 3,200.00	\$ 3,200.00
Subconsultant Geotechnical Evaluation - Braun Intertec	1	\$ 9,035.00	\$ 9,035.00
Subconsultant Mech/Elec - The Design Group	1	\$ 22,400.00	\$ 22,400.00
Subconsultant Structural - Northland Consulting	1	\$ 7,840.00	\$ 7,840.00
Reproductions / Miscellaneous	1	\$ 200.00	\$ 200.00
<b>Total Expenses</b>			<b>\$ 50,553.80</b>

Total (Labor Costs + Fee + Expenses) \$ 169,575.25

**SUMMARY:**

**Estimated Total** **\$ 169,500.00**



April 10, 2023

Proposal QTB175833

Tiffany VanDenBroeke, PE  
SEH, Inc.  
3535 Vadnais Center Drive  
Saint Paul, MN 55110

Re: Proposal for a Geotechnical Evaluation  
Proposed Cirrus Hangar  
Duluth International Airport  
4701 Grinden Drive  
Duluth, Minnesota

Dear Tiffany:

Braun Intertec Corporation respectfully submits this proposal to complete a geotechnical evaluation for design and construction of the proposed Cirrus Hangar at the referenced site.

## **Project Information**

Per our correspondence with you, we understand the proposed project will include demolition of an existing hangar and construction of a new Cirrus Hangar. The hangar is planned to be located on the south side of the airport, with landside access from Stebner Road. The hangar is planned to be a single-story, slab-on-grade structure, with an approximate footprint of 100' x 90' area. The locations of the soil borings will be selected and staked by SEH. We request SEH provide location coordinates and elevations for inclusion in our report.

## **Purpose**

The purpose of our geotechnical evaluation will be to characterize subsurface geologic conditions at selected exploration locations, evaluate their impact on the project, and provide geotechnical recommendations for the design and construction of the hangar foundations and slabs.

## **Scope of Services**

We propose the following tasks to help achieve the stated purpose. If we encounter unfavorable or unforeseen conditions during the completion of our tasks that lead us to recommend an expanded scope of services, we will contact you to discuss the conditions before resuming our services.

## **Site Access**

Based on aerial photographs and your description, it appears that the site is accessible to a float tire-mounted drill rig. We assume there will be no cause for delays in accessing the exploration locations. We are not including debris or obstruction removal or snow plowing.

Depending on access requirements, ground conditions or potential utility conflicts, our field crew may alter the exploration locations from those proposed to facilitate accessibility.

### **Utility Clearance**

Prior to drilling or excavating, we will contact Gopher State One Call and arrange for notification of the appropriate utility vendors to mark and clear the exploration locations of public underground utilities. You, or your authorized representative, are responsible to notify us before we begin our work of the presence and location of any underground objects or private utilities that are not the responsibility of public agencies.

### **Penetration Test Borings**

As requested, we will drill 4 standard penetration test borings for the proposed hangar, extending each to a depth of 14 1/2 feet. We will perform standard penetration tests at 2 1/2-foot vertical intervals. We will steam clean our rig and tooling per request prior to our arrival. All locations will be cored with a core drill and diamond bit prior to performing borings.

If the borings encounter groundwater during or immediately after drilling each boring, we will record the observed depth on the boring logs.

If the intended boring depths do not extend through unsuitable material, we will extend the borings at least 5 feet into suitable material at greater depths. The additional information will help evaluate such issues as excavation depth, consolidation settlement, and foundation alternatives, among others. If we identify a need for deeper (or additional) borings, we will contact you prior to increasing our total estimated drilled footage and submit a Change Order summarizing the anticipated additional effort and the associated cost, for your review and authorization.

### **Borehole Abandonment**

We will backfill our exploration locations immediately after completing the drilling at each location. Minnesota Statutes require sealing temporary borings that are 15 feet deep or deeper. Based on our proposed subsurface characterization depths, we will not need to seal borings with grout. After backfilling, we will patch the pavement with temporary bituminous patch material.

Unless you direct us otherwise, we intend to thin-spread the cuttings around the boreholes. If we cannot thin-spread cuttings, we will put them in a container and provide off-site disposal of the cuttings.

Over time, subsidence of borehole backfill may occur, requiring releveling of surface grades. We are not assuming responsibility for re-leveling after we complete our fieldwork.

### **Sample Review and Laboratory Testing**

Recovered samples will be returned to our laboratory, where they will be visually classified and logged by a geotechnical engineer. To help classify the materials encountered and estimate their engineering properties, we have budgeted to perform moisture content tests and mechanical analyses (through a #200 sieve only). We will adjust the actual number and type of tests based on the results of our borings.

### **Engineering Analyses**

We will use data obtained from the subsurface exploration and laboratory tests to evaluate the subsurface profile and groundwater conditions, and to perform engineering analyses related to structure design and performance.

### **Report**

We will prepare a report including:

- A sketch showing the exploration locations.
- Logs of the borings describing the materials encountered and presenting the results of our groundwater measurements and laboratory tests.
- A summary of the subsurface profile and groundwater conditions.
- Discussion identifying the subsurface conditions that will impact design and construction.
- Discussion regarding the reuse of on-site materials during construction.
- Recommendations for preparing structure subgrades, including excavation support, and the selection, placement and compaction of excavation backfill and structural fill.
- Recommendations for the design of spread footing foundations and grade supported slabs.

We will only submit an electronic copy of our report to you unless you request otherwise. At your request, we can also send the report to additional project team members.

## Schedule

We anticipate performing our work according to the following schedule.

- Drill rig mobilization – within about 4 weeks following receipt of written authorization
- Field exploration – 1 day on site to complete the work
- Classification and laboratory testing – within 2 weeks after completion of field exploration
- Preliminary results – within 1 week after completion of field exploration
- Final report submittal – within 4 weeks after completion of field exploration

If we cannot complete our proposed scope of services according to this schedule due to circumstances beyond our control, we may need to revise this proposal prior to completing the remaining tasks.

## Fees

We will furnish the services described in this proposal for a lump sum fee of \$9,035. Please note that our drilling/field services were budgeted to occur within our normal work hours of 6:00 a.m. to 4:00 p.m., Monday through Friday. If conditions occur that require us to work outside of these hours, we will request additional fees to cover our additional overtime costs. Our work may extend over several invoicing periods. As such, we will submit partial progress invoices for work we perform during each invoicing period.

## General Remarks

We will be happy to meet with you to discuss our proposed scope of services further and clarify the various scope components.

We appreciate the opportunity to present this proposal to you. Please sign and return a copy to us in its entirety.

We based the proposed fee on the scope of services described and the assumptions that you will authorize our services within 30 days and that others will not delay us beyond our proposed schedule.

We will provide our services under the terms of the Master Subcontract Agreement dated July 2, 2008.

To have questions answered or schedule a time to meet and discuss our approach to this project further, please contact Aaron Tast at 320.980.3504 or Colin Anderson at 320.305.0628.

Sincerely,

BRAUN INTERTEC CORPORATION



Aaron M. Tast  
Aviation Account Leader, Senior Project Manager



Steven A. Thayer, PE  
Business Unit Manager, Senior Engineer

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The proposal is accepted, and you are authorized to proceed.

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**Authorizer's Firm**

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**Authorizer's Signature**

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**Authorizer's Name (please print or type)**

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**Authorizer's Title**

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**Date**

# Structural Engineering Fee Proposal

April 4, 2023 Proposal #: SEH - 1-2023  
 Project Title: Cirrus Hanger and Life Link 3 - Hanger

Project Location: Duluth, MN  
 Company: Short Elliott Hendrickson Inc. (SEH)  
 Client Contact: Tiffany VanDenBroeke, PE  
 Full Address: 418 W Superior Street 3200, Duluth, MN 55802



Client Email: [tvanderbroeke@sehinc.com](mailto:tvanderbroeke@sehinc.com)  
 Office Phone: 651.490.2000  
 Cell Phone: 651.210.7957

## Project Description

**Two Proposed New Buildings:**  
**#1 - New Construction - New Aircraft hanger for Cirrus Aircraft - 9000 SF** Pre-engineered steel building. No interior mezzanines are indicated.  
**#2 - New Construction - New Aircraft Hanger, crew quarters and interior mezzanine -** Single Story 7200 SF Pre-engineered steel -aircraft hanger including crew quarters with an additional 2300 SF mezzanine. We assume the building and the mezzanine are pre-engineered by others.  
 The foundation systems are presumed to be frost depth ground supported, or shallow ground supported, frost protected concrete footings (pending geotechnical investigation by others). The floor slabs are assumed to be ground supported. NCE will serve as the Structural Engineer of Record for the project. We will be responsible for specification of the design loads for the building superstructure(s), review of the certified pre-engineered metal building shop drawings and design of the foundation system documents suitable for bidding and construction. It is our understanding that we will also be responsible for estimating loads and framing systems to design the foundation system for bidding, but then revising the foundation system based on final loads and structural layout received from the successful pre-engineered metal building supplier.

## Scope of Structural Engineering Services

1. Meetings, Communications with the Architect , MEP and Civil team.
2. Structural Analysis, design and drafting of construction documents for the foundation system based on estimated preliminary Anchor Bolt Layout and reactions
3. CA Phase, limited, Shop Drawing Review, Communications, (1) Site visit is included in the fee proposal for each building Plus services to revise the foundation design used for bidding each building to match the successful pre-engineered metal building supplier loads and layout. Additional site visits can be performed during construction, but would be billed on a per trip basis.

Proposed Fee Calculation Table	Estimated Hours / Hourly Rates			Extended Cost
	Principal	PE	Tech.	
<b>Design Engineering Services - #1 Cirrus Project</b>	\$185.00	\$145.00	\$85.00	
<b>Schematic Design Phase:</b> Communications, Consulting, red-line schematic framing systems for coordination, Coordinate and review geotechnical information and review geotechnical investigation results provided by others	4	8	0	\$ 1,900.00
<b>Design Phase:</b> Final Structural Analysis, design and drafting of foundation system, edit specifications of structural sections by Architect.	8	12	32	\$ 5,940.00
<b>#1 Cirrus Project-Subtotal</b>				<b>\$ 7,840.00</b>
<b>Construction Engineering Services- Limited - #1 Cirrus Project</b>				
Communications during Construction, shop drawing review for structural items , revise for final loads and layout, (1) site visit	6	8	8	\$ 2,950.00
<b>#1 Cirrus Project Subtotal</b>				<b>\$ 2,950.00</b>
<b>Total Proposed NCE Fee - #1 Cirrus Project</b>				<b>\$ 10,790.00</b>
<b>Design Engineering Services - #2 Life Link 3 Project</b>				
<b>Schematic Design Phase:</b> Communications, Consulting, red-line schematic framing systems for coordination, Coordinate and review geotechnical information and review geotechnical investigation results provided by others	4	12	0	\$ 2,480.00
<b>Design Phase:</b> Final Structural Analysis, design and drafting of foundation system, edit specifications of structural sections by Architect.	8	16	32	\$ 6,520.00
<b>#2 Life Link 3 Project - Subtotal</b>				<b>\$ 9,000.00</b>
<b>Construction Engineering Services- Limited - #2 Life Link 3 Project</b>				
Communications during Construction, shop drawing review for structural items , revise for final loads and layout, (1) site visit	8	8	8	\$ 3,320.00
<b>#2 Life Link 3 Project</b>				<b>\$ 3,320.00</b>
<b>Total Proposed NCE Fee - #2 Life Link 3 Project</b>				<b>\$ 12,320.00</b>
<b>Total Proposed NCE Fee</b>				<b>\$ 23,110.00</b>

**Assumptions**

- 1. Compensation for limited services described above will be performed on a Lump-Sum-Fee basis, based on the overall project description and limited scope of services listed above.
- 2. Site visits during construction will be performed on an as needed / or as requested basis. Visits will not be performed without written authorization from the client. The fee for NCE to visit the site including a field report is proposed to be a lump-sum-fee = \$370.00 per visit.
- 3. Additional Services may be required. Additional services will be performed only upon written approval by the client and billed on an hourly rate basis in accordance with NCE current rate schedule.
- 4. It is our understanding that If acceptable, this proposal along with the attached NCE fee schedule will be attached to a standard AIA Contract between SEH and NCE for this project, that NCE can review for the contract for the project. (alternatively, NCE can provide a short-form contract for review)
- 5. Exclusions: any service not listed in the scope, including on site meetings, Redesign due to lack of timely or accurate information from other disciplines.

**Submitted By**

**Accepted By**

 04/04/2023  
 \_\_\_\_\_  
 Signature Date

\_\_\_\_\_  
 Signature

Jon E. Aamodt P.E.  
 Principal Partner  
 Northland Consulting Engineers LLP

Printed Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Representing \_\_\_\_\_

## Basis of Compensation - 2023

### Fee Schedule

The compensation of Northland Consulting Engineers for professional services is based upon straight hourly rates as indicated below.



Classification	Hourly Rates
Partner Engineer	\$185.00
Registered Project Engineer (Civil / Structural)	\$145.00
Principal	\$185.00
Expert Witness / Testimony - PE	\$210.00
Engineer	\$130.00
Structural Engineer Technician	\$85.00
Civil / Structural Drafting	\$85.00
Secretary / Clerical	\$60.00

### Reimbursable Expenses

Expenses connected with the work such as, but not limited to, travel, vehicle rental, equipment rental, meals, lodging will be charged at cost. Outside consultants, material testing and geotechnical services (if included in our scope) will be charged at cost plus 10 percent. Vehicle

Reproduction expenses will be charged as follows:

Copy or Scan (large format)	\$4.00 / sheet
Copy or Scan (up to 11x17)	\$0.25 / each

Effective 12/1/2022





1711 East 13th Street  
Suite 201  
Hibbing, MN 55746  
PH: 218.262.1959  
FX: 218.262-1976  
www.thedgroup.org

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April 4, 2023

Short Elliot Hendrickson, Inc.  
Attn: Tiffany VanDenBroeke, PE (HI)  
Sr. Engineer I, Project Manager

RE: Cirrus Hanger DLH – Duluth, MN

Tiffany,

The Design Group, Inc. is pleased to submit this proposal for MEP engineering services related to the design of the new Cirrus Hanger Building at the DLH Airport. Our work will be centered on providing Mechanical and Electrical engineered drawings and specifications for this reconstruction. Below are the services you requested from MEP for this project.

**Plumbing**

- Gas plans including distribution piping.

**HVAC**

- Heating with gas supply, Ventilation, and Air Conditioning (HVAC) plans for the building.
- Enlarged scale mechanical room HVAC plans as well as sections and isometrics.

**Electrical**

- Lighting plans including interior and exterior lighting layouts.
- Power plans showing receptacles, equipment connections, and electrical service and panel locations.
- Power Distribution including One-line Diagram
- Data/Communications systems plans to include Fire Alarm System and Data/Communications and security outlet and rack locations.
- Electrical Site plans with utility transformer and power and communications service conduit provisions.

Other items to include in the proposal (this is for both hangars together, not for each hangar)

**Project Management** (Including coordination with SEH)

- (2) Virtual Project Review Meetings
- (6) Virtual Project Meetings with SEH
- City of Duluth Coordination related to MEP
- Plumbing Plan Submittal
- Project Site Visit to evaluate existing site

The Design Group proposes to charge a lump sum fee of Twenty-Two Thousand Four Hundred dollars (\$22,400.00) for the work described above. These fees will cover all costs incurred by the Design Group including telephone calls, postage, etc. Not included in this proposal are plan review fees. Additional services can be provided at an hourly rate or as agreed to prior to beginning the additional work. Thank you for the opportunity to submit this proposal!

#### **ADDITIONAL SERVICES:**

Any Additional Services beyond the Basic Services outlined above will be performed only upon your instruction and will be billed at the following hourly rates:

- Sr. Professional Engineer - \$145.00
- Sr. Technical Designer - \$95.00

#### **TERMS AND CONDITIONS:**

The Design Group, Inc. (TDG) shall perform the services outlined in this agreement for the stated fee arrangement.

#### **Fee**

The total fee, except stated lump sum, shall be understood to be an estimate, based upon Scope of Services, and shall not be exceeded by more than ten percent, without written approval of the Client. Where the fee arrangement is to be on an hourly basis. The rates shall be those that prevail at the time services are rendered.

#### **Billings/Payments**

Invoices will be submitted monthly for services and reimbursable expenses and are due when rendered. Invoice shall be considered PAST DUE if not paid within thirty (30) days after the invoice date and TDG may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of the service. Retainers shall be credited on the final invoice. A service charge will be charged at 1.5% (or the legal rate) per month on the unpaid balance. In the event any portion of an account remains unpaid ninety (90) days after billing, the Client shall pay cost of collection, including reasonable attorneys' fees.

#### **Access to Site**

Unless otherwise stated, TDG will have access to the site for activities necessary for the performance of the services. TDG will take precautions to minimize damage due to these activities, but has not included in the fee the cost of restoration of any resulting damage.

#### **Termination of Services**

This agreement may be terminated upon ten (10) days written notice by either party should the other fail to perform his obligations hereunder. In the event of termination, the Client shall pay TDG for all services rendered to the date of termination, all reimbursable expenses, and reasonable termination expenses.

#### **Ownership Documents**

All documents produced by the TDG under this agreement shall remain the property of TDG and may not be used by the Client for any other endeavor without the written consent of TDG.

## Dispute Resolution

Any claim or dispute between the Client and TDG shall be submitted to non-binding mediation, subject to the parties agreeing to a mediator(s). The laws of the principal place of business of TDG shall govern this agreement.

Sincerely,



The Design Group, Inc.  
Otto W. Maki, Principal

# AGREEMENT TO INSURE CERTAIN DULUTH AIRPORT AUTHORITY PROPERTY AND EQUIPMENT UNDER THE CITY OF DULUTH'S PROPERTY AND BOILER INSURANCE POLICIES

## **Terms:**

- Length of Agreement: 2/16/23 – 2/16/24
- Estimated Price: up to \$92,000 to be confirmed once finalized
  - The Duluth City Council approved the attached agreement with a total price of \$74,074 which is outdated pricing. We request approval up to \$92,000 to allow for complete payment of our property, equipment and boiler coverage.
- 100,000 Deductible
- Provider: Hanover Insurance

## **Overview:**

- Seven and a half years ago the DAA moved from a separate policy to the City of Duluth's policy to leverage about 30k in annual savings.
- When the City went to renew the policy, it was asked that the property values be reviewed. The City picked eight buildings to do a market analysis on and increased values by 20%, then removed some buildings to reduce the overall cost. The Duluth Airport Authority's share of the cost increased substantially; therefore airport staff went through the same exercise of shedding lower valued buildings from the policy.
- The total premium for the City of Duluth and Duluth Airport Authority was \$340k, and then was reduced to \$280k once some building values were removed.
- Our current broker recommends we stay with the City of Duluth's policy based on market conditions. We are able to get better coverage at a cheaper cost to the airport by pairing with the City of Duluth.
- Airport buildings, personal property, heavy equipment, and boilers are covered by these policies.
- This agreement is the same as previous years with only updated prices and exhibits.

Prepared by: Joelle Bodin

## VII - I.

### **AGREEMENT TO INSURE CERTAIN DULUTH AIRPORT AUTHORITY PROPERTY UNDER THE CITY OF DULUTH'S PROPERTY INSURANCE POLICY**

Pertaining to the period of February 16, 2023 to February 16, 2024

This Agreement is by and between the DULUTH AIRPORT AUTHORITY ("Authority"), and the CITY OF DULUTH ("City").

WHEREAS, buildings owned by the City are insured with Hanover Insurance Company located at 440 Lincoln Street, Worcester, MA 01653 and the City maintains equipment breakdown insurance coverage (commonly referred to as "boiler insurance") and inspection through Hartford Steam Boiler Inspection and Insurance Company located at 595 East Swedesford Road, Wayne, PA 19087; both property and boiler insurance are through the City's insurance agent, Chris James of Marsh & McLennan Agency LLC; and

WHEREAS, the City's property insurance coverage and boiler insurance coverage runs from February 16, 2023 to February 16, 2024; and

WHEREAS, the Authority desires to insure certain of its property through the City's policies of insurance.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. ALL RISK BLANKET POLICY

The City hereby agrees to include the Authority properties and equipment set forth on Exhibit A (hereinafter the "Authority Buildings") on the City's all risk blanket policy which covers buildings and business personal property and boiler insurance policy. The values of the Authority Buildings for purposes of property and boiler insurance are also set forth on Exhibit A. Authority shall be named a lien holder on the insurance policies. The City agrees to immediately pay over to Authority any claim settlements on any of the Authority Buildings. Additionally, Authority shall immediately be provided any notices pertaining to the Authority Buildings. The Authority shall immediately notify the City's Risk Manager of any changes that may affect the value of any of the Authority Buildings.

2. TERM OF INSURANCE COVERAGE

The Authority Buildings shall be insured for the period of February 16, 2023 to February 16, 2024.

3. PAYMENT BY AUTHORITY.

Authority agrees to pay City for insuring the Authority Building in the amount of Seventy-Four Thousand and Seventy-four dollars (\$74,074) payable into City Fund 610-036-1659-4906 (Self-Insurance Liabilities, Insurance Accounts, Airport Insurance, Other Insurance Charges).

4. MUTUAL COOPERATION

The Authority shall immediately give notice to the City of any damage to the Authority Property. The City Risk Manager in cooperation with Authority's Executive Director will handle the processing of any claims involving the Authority Buildings. The City and Authority shall fully cooperate with the insurance companies in processing any claims.

5. POINT OF CONTACT

The point of contract for each of the parties to this Agreement shall be as follows:

City of Duluth:       Jesse J. Budisalovich  
                              City of Duluth  
                              440 City Hall  
                              411 West First Street  
                              Duluth, MN 55802  
                              (218) 730-5276

Authority:             Tom Werner  
                              Duluth Airport Authority  
                              Duluth International Airport  
                              4701 Grinden Drive  
                              Duluth, MN 55811  
                              (218) 625-7766

6. WAIVER

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

7. APPLICABLE LAW

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with 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. However, litigation in the federal courts involving the parties shall be in the appropriate federal court within the State of Minnesota.

8. SEVERABILITY

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

9. ENTIRE AGREEMENT

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

CITY OF DULUTH

DULUTH AIRPORT AUTHORITY

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
City Clerk

By \_\_\_\_\_  
Secretary

Date: \_\_\_\_\_

Countersigned:

\_\_\_\_\_  
City Auditor

Approved as to form:

\_\_\_\_\_  
City Attorney

**Exhibit A**

<b>Buildings &amp; Personal Property</b>				
<b>Bldg. #</b>	<b>Building Name</b>	<b>Building Address</b>	<b>Replacement Value</b>	<b>Content Value</b>
103	Hangar 103	4960 Airport Approach Rd, Duluth	\$ 3,120,000.00	
104	Hangar 104 - Bays 7/8	4927 Airport Approach Rd, Duluth	\$ 676,000.00	
	Hangar 104 - Bay 9/10	4923 Airport Approach Rd, Duluth	\$ 676,000.00	
301	Electrical Vault	4867 Malstrom St, Duluth	\$ 1,040,000.00	
303	Snow Removal Equipment Building (SRE)	4875 Malstrom St, Duluth	\$ 5,200,000.00	\$ 780,000.00
311	Building 311	4464 Ralston Drive, Duluth	\$ 2,184,000.00	
614	Ranch Hangars (7)	4526 Airport Approach Rd, Duluth	\$ 442,000.00	
615	T-Hangars (14)	4524 Airport Approach Rd, Duluth	\$ 624,000.00	
616	Airport Tower Building	4525 Airport Approach Rd, Duluth	\$ 2,028,000.00	\$ 130,000.00
622	Municiple Hangar II	4535 Airport Approach Rd, Duluth	\$ 1,664,000.00	
N/A	Terminal	4701 Grinden Drive, Duluth	\$ 64,480,000.00	\$ 780,000.00
N/A	Sky Harbor Airport Office/Hangar	5000 Minnesota Avenue	\$ 520,000.00	\$ 260,000.00

<b>Equipment</b>					
<b>Unit #</b>	<b>Make</b>	<b>Model</b>	<b>VIN/Serial Number</b>	<b>Year</b>	<b>Actual Cash Value</b>
13	Oshkosh	27' Plow 2	10TBFSF2XVS062879	1997	\$ 55,000.00
16	Oshkosh	P Series w/ 27' Plow	10T2C3B24H1030510	1987	\$ 45,000.00
19	Caterpillar	Grader	CAT0160M3N9T00167	2015	\$ 210,000.00
20	Oshkosh	H2723B Snow Blower	10TBFAP118S097443	2008	\$ 165,000.00
22	Oshkosh	Blower	10TBFPY142S073260	2001	\$ 125,000.00
26	New Holland	Tractor Mower	RVS055495	2007	\$ 100,000.00
28	Caterpillar	Loader	CATIT62GPAYA00220	2005	\$ 145,000.00
29	Chevrolet	Sander	1GBT7H4C2XJ100539	1999	\$ 35,000.00
30	Caterpillar	Loader	CAT0972MEA8P00659	2015	\$ 350,000.00
31	Oshkosh	Blower	10T3E1BX7N1043343	1991	\$ 75,000.00
32	Oshkosh	Blower	10T3E1BX7N1046105	1992	\$ 75,000.00
36	Oshkosh	Multi-Purpose Tractor	10TAJHGF6FS774787	2014	\$ 300,000.00
36	Oshkosh	Multi-Purpose Sweeper	10TA52513EA770881	2014	\$ 300,000.00
37	Oshkosh	MB Sweeper	10TBFAP1555085016	2005	\$ 160,000.00
38	Oshkosh	Sweeper		2021	\$ 650,000.00
42	Western Star Sander	Sander	10TAHLGF7MS808473	2021	\$ 180,000.00
43	Caterpillar	930G Loader	CAT0930GATWR01560	2006	\$ 120,000.00
44	Caterpillar	259D3 Ultra with Attachments	CAT0236BEHEN09082	2021	\$ 90,000.00
45	John Deere	1575 Mower/Sweeper/Blower	CH3Y170068517	2020	\$ 49,000.00
46	John Deere	1565 Mower	TCRG758070294	2005	\$ 10,000.00
47	John Deere	955 Mower	LV0955E190241	1996	\$ 10,000.00
48	John Deere	3120 Mower	LV3120H310446	2007	\$ 12,000.00



# RESOLUTION

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

It is resolved by the Duluth Airport Authority as follows:

1. That the state of Minnesota Agreement No. MnDOT Contract No. 1053224,  
"Grant Agreement for Air Service Marketing," for State Project No. A6901-SM031 at the  
Duluth International Airport is accepted.
2. That the \_\_\_\_\_ and \_\_\_\_\_ are  
(Title) (Title)  
authorized to execute this Agreement and any amendments on behalf of the  
Duluth Airport Authority.

### CERTIFICATION

STATE OF MINNESOTA

COUNTY OF \_\_\_\_\_

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

\_\_\_\_\_  
(Name of the Recipient)

at an authorized meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

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

Signature: \_\_\_\_\_  
(Clerk or Equivalent)

CORPORATE SEAL

/OR/

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

**STATE OF MINNESOTA  
STATE AIRPORTS FUND  
FY2024 GRANT AGREEMENT – AIR SERVICE MARKETING**

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and DULUTH INTERNATIONAL AIRPORT ("Grantee").

**RECITALS**

---

1. Minnesota Statutes Chapter 360 authorizes State to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, marketing, maintenance, or operation of airports and other air navigation facilities.
2. Grantee owns, operates, controls, or desires to own an airport ("Airport") in the state system, and Grantee desires financial assistance from the State for air service marketing activities under Minn. Stat. § 360.0151 ("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, 2024**, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Governing Law, Jurisdiction, and Venue; and 13. Data Disclosure.
- 1.4 **Plans, Specifications, Descriptions.** Grantee has provided the State with a detailed work plan and budget, which are on file with the State's Office of Aeronautics and are attached and incorporated into this Agreement as Exhibit A.

**2 Grantee's Duties**

- 2.1 Grantee will complete the Project in accordance Exhibit A.
- 2.2 Grantee will notify State's Authorized Representative in advance of any meetings taking place relating to the Project.
- 2.3 Grantee will comply with all required grants management policies and procedures set forth through [Minn.Stat. §16B.97](#), Subd. 4 (a) (1).
- 2.4 Grantee will submit written progress reports at quarterly intervals. Payments will not be made under section 4.6 if a progress report is past due unless Grantee has been given a written extension by the State.

**3 Time**

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

**4 Cost and Payment**

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

State:	<b>\$ 77,843.00</b>
Grantee:	<b>\$ 33,361.29</b>
<b>Total:</b>	<b>\$111,204.29</b>

- 4.2 **Work Period.** State will pay Grantee for work done under section 2.1 during the period of **July 1, 2023**, through **June 30, 2024**.

- 4.3 **Eligible Costs.** Costs for the following activities related to commercial passenger air service at the Grantee's airport are eligible for reimbursement under this Agreement: (1) advertising of service; (2) public relations

activities intended to educate the public on the value of the airport and its commercial passenger air service; (3) marketing studies; or (4) service improvement activities such as route analysis, service studies, and other activities intended to preserve or increase service from an existing or new-entry air carrier. This grant may not be used to reimburse: (1) an activity that promotes an airport within the service area of another airport; (2) a promotional activity that features one specific air carrier at an airport when more than one air carrier serves the airport; (3) administrative costs associated with the marketing program or with the routine operation of the airport; or (4) payments to air carriers as fare subsidies, service subsidies, or seat guarantees. State’s Authorized Representative has sole discretion over, and will make the final determination regarding, the eligibility of any submitted cost. Grantee is encouraged to submit questions regarding cost eligibility to State’s Authorize Representative prior to incurring the expenditure.

- 4.4 **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.
- 4.5 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed **\$77,843.00**.
- 4.6 **Payment**

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

<b>Payment Schedule - FY 2024</b>		
No.	Program Work Period	Date
1	July-September	10/15/2023
2	October-December	1/15/2024
3	January-March	4/15/2024
4	April June	7/15/2024

- 4.6.2 **All Invoices Subject to Audit.** All invoices are subject to audit, at State’s discretion.
- 4.6.3 **State’s Payment Requirements.** State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee’s invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.
- 4.6.4 **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.
- 4.6.5 **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.
- 4.6.5.1 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.
- 4.6.5.2 Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by State.
- 4.6.5.3 At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.
- 4.6.6 **Closeout.** The State will determine, at its sole discretion, whether a closeout audit is required prior to final

payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

## 5 Conditions of Payment

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

## 6 Authorized Representatives

6.1 The State's Authorized Representative is:

Danielle Walchuk, Planning Program Coordinator, 395 John Ireland Blvd, Mail Stop 410 St. Paul, MN 55155 Ph:(651)234-7183, [danielle.walchuk@state.mn.us](mailto:danielle.walchuk@state.mn.us), or his/her successor. State's Authorized Representative has the responsibility to monitor Grantee's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative is:

Natalie Peterson, Director of Communications & Marketing, Duluth International Airport, Duluth MN 55811 Ph: (218)625-7768, [npeterson@duluthairport.com](mailto:npeterson@duluthairport.com). If Grantee's Authorized Representative changes at any time during this agreement, Grantee will immediately notify the State.

## 7 Assignment Amendments, Waiver, and Grant Agreement Complete

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

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

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

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

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

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 **6 years** from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

## 10 Government Data Practices and Intellectual Property Rights

10.1 **Government Data Practices.** Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to in this section 10.1, Grantee must immediately notify the State. The State will give Grantee instructions concerning the release of the data to the requesting party before the data is released. Grantee's response to the request shall comply with applicable law.

## 11 Governing Law, Jurisdiction, and Venue

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

## 12 Termination; Suspension

- 12.1 **Termination by the State.** The State may terminate this agreement with or without cause, upon 30 days written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 12.2 **Termination for Cause.** The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.
- 12.3 **Termination for Insufficient Funding.** The State may immediately terminate this agreement if:
- 12.3.1 It does not obtain funding from the Minnesota Legislature; or
  - 12.3.2 If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.
- 12.4 **Suspension.** The State may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

## 13 Data Disclosure

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

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

15 **Discrimination Prohibited by Minnesota Statutes §181.59.** Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any

county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

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

17 **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](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.

18 **Additional Provisions**  
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**STATE ENCUMBRANCE VERIFICATION**

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

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

SWIFT Contract/PO No(s). \_\_\_\_\_

**GRANTEE**

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

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_  
(with delegated authority)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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

By: \_\_\_\_\_

Date: \_\_\_\_\_

**DEPARTMENT OF TRANSPORTATION  
CONTRACT MANAGEMENT**

By: \_\_\_\_\_

Date: \_\_\_\_\_

**Duluth Airport Authority**  
**DAA Board Packet Budget vs. Actual Summary**  
**Jan 2023, Feb 2023**

**UNAUDITED**

Financial Row	Prior Year Actual (Jan 2022 - Feb 2022)	Current Year Actual (Jan 2023 - Feb 2023)	Budget Amount (Jan 2023 - Feb 2023)	% of Budget	Variance from Prior Year	Variance From Budget	Total Budget (Jan 2023 - Adjust 2023 )
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Non-Aeronautical Revenue	346,216	529,317	475,907	111.22%	183,100	53,409	2,950,799
Non-Passenger Aeronautical Revenue	261,059	304,729	286,295	106.44%	43,670	18,434	1,643,775
Passenger Airline Aeronautical Revenue	197,164	212,172	213,785	99.25%	15,008	(1,613)	1,321,416
<b>Total - Income</b>	<b>804,439</b>	<b>1,046,217</b>	<b>975,987</b>	<b>107.20%</b>	<b>241,778</b>	<b>70,230</b>	<b>5,915,990</b>
<b>Gross Profit</b>	<b>804,439</b>	<b>1,046,217</b>	<b>975,987</b>	<b>107.20%</b>	<b>241,778</b>	<b>70,230</b>	<b>5,915,990</b>
<b>Expense</b>							
Miscellaneous Expenses	10,050	13,983	16,963	82.43%	3,933	(2,980)	71,436
Personnel Compensation & Benefits	321,704	359,101	371,919	96.55%	37,397	(12,818)	2,909,323
Services and Charges	343,654	380,218	390,773	97.30%	36,564	(10,555)	2,266,993
Supplies	102,987	153,923	164,560	93.54%	50,936	(10,637)	768,676
<b>Total - Expense</b>	<b>778,395</b>	<b>907,225</b>	<b>944,214</b>	<b>96.08%</b>	<b>128,830</b>	<b>(36,990)</b>	<b>6,016,427</b>
<b>Net Ordinary Income</b>	<b>26,044</b>	<b>138,992</b>	<b>31,772</b>	<b>437.46%</b>	<b>112,948</b>	<b>107,220</b>	<b>(100,437)</b>
<b>Other Income and Expenses</b>							
Other Income	228,643	2,552,908	95,877	2,662.69%	2,324,264	2,457,031	496,209
Other Expense	26,739	23,661	36,994	63.96%	(3,078)	(13,333)	221,964
<b>Net Other Income</b>	<b>201,905</b>	<b>2,529,247</b>	<b>58,883</b>	<b>4,295.37%</b>	<b>2,327,343</b>	<b>2,470,364</b>	<b>274,245</b>
<b>Net Income Exclusive of Project Expenses, Depreciation &amp; Amortization</b>	<b>227,949</b>	<b>2,668,239</b>	<b>90,655</b>	<b>2,943.28%</b>	<b>2,440,290</b>	<b>2,577,584</b>	<b>173,808</b>
<b>Projects/Grants</b>	<b>(1,315,625)</b>	<b>(2,042,749)</b>	<b>2,989,912</b>	<b>-68.32%</b>	<b>(727,124)</b>	<b>(5,032,661)</b>	<b>17,939,470</b>
<b>Depreciation &amp; Amortization</b>	<b>(1,788,857)</b>	<b>0</b>	<b>(1,663,187)</b>	<b>0.00%</b>	<b>1,788,857</b>	<b>1,663,187</b>	<b>(10,007,639)</b>
<b>Net Income</b>	<b>(2,876,534)</b>	<b>625,490</b>	<b>1,417,380</b>	<b>44.13%</b>	<b>3,502,023</b>	<b>(791,890)</b>	<b>8,105,638</b>

- **Overall:** At the time this report was generated for the above period, the DAA is at an overall favorable variance budget vs actual of over \$2.5M. COVID Relief Funds of \$2.4M are mainly responsible for this positive variance.
- **Operating Revenue:** Non-Aeronautical Revenue is \$53k over budget overall due to increased parking revenues of \$45k and car rental concessions of \$13k. Non-passenger aeronautical revenue is about 18k over budget and Passenger Airline Aeronautical revenue 1.6k under budget. Operating Revenues are \$70k over budget overall.
- **Operating Expenses:** All expense categories are currently under budget. Personnel Compensation and Benefits are \$12k under budget. Supplies are 10k under budget. Services and charges are 10k under budget. Operating expenses are nearly 37k under budget overall.
- **Non-Operating Revenue:** Non-operating revenue is substantially over budget because we requested all remaining COVID relief in January 2023. This totaled \$2.4M. Interest income is up \$50k due to our increased cash balance. PFCs came in over budget by nearly \$6k,
- **Non-Operating Expenses:** Non-Operating Expenses are down over \$13k due as the line of credit has not been utilized.
- **Report Disclaimer:** The results of this report are expected to change slightly with delayed revenue and expense postings as well as audit adjustments.
- **OPERATING POLICY #28 MINIMUM CASH BALANCE REPORTING AS OF 4/11/23:**
  - Minimum Cash Balance Goal: \$2,437,853
  - Current Balance: \$7,972,631 (does not include grants receivable)
  - Days Cash on Hand: 589 days currently vs 180 day benchmark (409 days over goal)



# VII - K

## Duluth Airport Authority

### Balance Sheet

End of Feb 2023

Financial Row	Amount
<b>ASSETS</b>	
Current Assets	
Bank	
Checking Account	(\$12,127.09)
Lottery Account	\$11,507.76
Petty Cash	\$118.89
Pooled Cash - City Balance	\$10,131,586.82
Total Bank	\$10,131,086.38
Accounts Receivable	
Accounts Receivable - Restricted PFC	\$98,621.21
Accounts Receivable Billed	\$430,337.80
Total Accounts Receivable	\$528,959.01
Other Current Asset	\$360,850.30
Total Current Assets	\$11,020,895.69
Fixed Assets	
Accumulated Depreciation	(\$152,234,067.04)
Capital Assets	\$265,116,698.10
Work in Progress	\$2,400,163.39
Total Fixed Assets	\$115,282,794.45
Other Assets	
Accumulated Amortization	(\$2,704,381.64)
Airport Planning Projects - Contributed	\$5,410,626.72
Airport Planning Projects - Invested	\$763,452.79
Deferred Outflows - OPEB	\$293,497.00
Deferred Outflows - Pension	\$524,632.00
Total Other Assets	\$4,287,826.87
Total ASSETS	\$130,591,517.01
Liabilities & Equity	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$315,531.94
Contracts Payable	\$413,190.51
Credit Cards Payable	\$778.75
Lottery Payable	\$7,608.05
Total Accounts Payable	\$737,109.25
Credit Card	\$7,531.87
Other Current Liability	\$1,478,284.86
Total Current Liabilities	\$2,222,925.98
Long Term Liabilities	
LT Loans Payable to City of Duluth	\$4,165,000.00
Net Pension Liability	\$1,647,368.00
Total Other Post Employment Benefit Liability	\$3,451,083.45
Total Long Term Liabilities	\$9,263,451.45
Equity	
Contributed Equity	\$16,621,668.70
Retained Earnings	\$101,857,980.94
Net Income	\$625,489.94
Total Equity	\$119,105,139.58
Total Liabilities & Equity	\$130,591,517.01

**Duluth Airport Authority**  
**Income Statement**  
**Jan 2023, Feb 2023**

Financial Row	Amount
Ordinary Income/Expense	
Income	
Non-Aeronautical Revenue	
Advertising Income	\$2,450.00
Concession Revenue	
Car Rental Concession	\$75,046.19
Food & Beverage Concession	\$13,297.37
Lottery Concessions	\$161.98
Parking	\$153,414.59
Per Passenger Fee	\$4,169.00
Services/Other	\$50.00
TNC Per Trip Fee	\$1,362.00
Vending	\$504.68
Total - Concession Revenue	\$248,005.81
Customer Facility Charges	\$29,216.00
Miscellaneous Revenues	\$9,339.45
Parking	\$146,630.82
Permits	\$4,408.73
Reimbursed Expenses	\$16,230.76
Rent	\$48,034.94
Sponsorship Income	\$25,000.00
State Aid	(\$0.01)
Total - Non-Aeronautical Revenue	\$529,316.50
Non-Passenger Aeronautical Revenue	
Aviation Gas	\$3,764.32
Concession Revenue	\$22,384.46
Landing Fees	\$5,742.41
Ramp Fees	\$5,203.48
Rent	\$250,600.42
Security Reimbursement	\$16,043.66
Tie Downs	\$990.00
Total - Non-Passenger Aeronautical Revenue	\$304,728.75
Passenger Airline Aeronautical Revenue	
Landing Fees	\$45,061.57
Per Use Fee	\$1,183.30
Terminal Office/Space Rental	\$165,926.71
Total - Passenger Airline Aeronautical Revenue	\$212,171.58
Total - Income	\$1,046,216.83
Gross Profit	\$1,046,216.83
Expense	
Miscellaneous Expenses	\$13,983.48
Personnel Compensation & Benefits	
Benefit Administration Fees	\$81.60
Employer Contributions for Retirement	\$29,921.67
Employer Paid Insurance	\$75,038.81
Retiree Benefits	\$23,490.25
Wages & Salaries	\$230,568.44
Total - Personnel Compensation & Benefits	\$359,100.77
Services and Charges	
Central Services Fee	\$12,200.00
Communications & Technology	\$36,470.06
Employee Development Services	\$8,155.14
Employee Physicals	\$60.00
Marketing	\$31,730.49
Professional Services	\$62,369.94
Rentals	\$607.61

<b>Financial Row</b>	<b>Amount</b>
Repairs and Maintenance - Contractual/Services	\$82,394.32
Sponsorship Expenses	\$4,000.00
Transportation	\$29.60
Utility Services	\$142,200.70
<b>Total - Services and Charges</b>	<b>\$380,217.86</b>
Supplies	
Office Supplies	\$1,800.33
Operating Supplies	
Cleaning & Janitorial	\$3,346.91
Customer Service	\$836.34
Lubricants & Additives	\$3,293.18
Meeting Supplies	\$233.19
Motor Fuels	\$52,005.58
Safety & Environmental	\$17.50
Signs	\$4,313.40
<b>Total - Operating Supplies</b>	<b>\$64,046.10</b>
Repairs & Maintenance Supplies	
Airfield	\$56,021.57
Building	\$4,529.63
Fencing & Gates	\$1,505.17
Grounds & Landscaping	\$1,759.00
Heavy Equipment	\$14,422.63
Heavy Equipment Accessories	\$6,555.27
Light Equipment	\$1,469.57
Shop Supplies	\$995.96
Small Tools	\$817.36
<b>Total - Repairs &amp; Maintenance Supplies</b>	<b>\$88,076.16</b>
<b>Total - Supplies</b>	<b>\$153,922.59</b>
<b>Total - Expense</b>	<b>\$907,224.70</b>
Net Ordinary Income	\$138,992.13
Other Income and Expenses	
Other Income	
Capital Contributions	
Grants	\$357,571.77
<b>Total - Capital Contributions</b>	<b>\$357,571.77</b>
Non-Operating Revenue	
Interest Income	\$55,742.71
Passenger Facility Charges	\$96,843.95
<b>Total - Non-Operating Revenue</b>	<b>\$152,586.66</b>
<b>Total - Other Income</b>	<b>\$510,158.43</b>
Other Expense	
Non-Operating Expense	
Interest Expense	\$23,660.62
<b>Total - Non-Operating Expense</b>	<b>\$23,660.62</b>
<b>Total - Other Expense</b>	<b>\$23,660.62</b>
Net Other Income	\$486,497.81
Net Income	\$625,489.94

**Duluth Airport Authority**  
**Duluth A/R Aging Report**  
**As of April 10, 2023**

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

CUSTOMER	TRANSACTION TYPE	TRANSACTION DATE	TRANSACTION NUMBER	DUE DATE	AGE	CURRENT Open Balance	3/12/2023 - 4/10/2023 (30) Open Balance	2/10/2023 - 3/11/2023 (60) Open Balance	1/11/2023 - 2/9/2023 (90) Open Balance	BEFORE 1/11/2023 (>90) Open Balance	TOTAL Open Balance
Avis Rent A Car	Invoice	4/3/2023	11126	5/3/2023	8	\$0.00	\$2,575.59	\$0.00	\$0.00	\$0.00	\$2,575.59
Azbell, Austin	Invoice	3/21/2023	11120	4/20/2023	21	\$0.00	\$153.00	\$0.00	\$0.00	\$0.00	\$153.00
Bellamy Bill	Invoice	4/10/2023	11220	5/10/2023	1	\$0.00	\$93.86	\$0.00	\$0.00	\$0.00	\$93.86
Bemidji Aviation	Invoice	3/31/2023	11186	4/30/2023	11	\$0.00	\$1,028.94	\$0.00	\$0.00	\$0.00	\$1,028.94
<b>BKR Investments DBA Duluth Pack</b>						\$0.00	\$225.00	\$225.00	\$225.00	\$0.00	\$675.00
Brown, James	Invoice	4/3/2023	11174	5/3/2023	8	\$0.00	\$276.64	\$0.00	\$0.00	\$0.00	\$276.64
Budget Rent A Car	Invoice	4/3/2023	11127	5/3/2023	8	\$0.00	\$1,802.59	\$0.00	\$0.00	\$0.00	\$1,802.59
Case, Ronald Jr.	Payment	4/3/2023	9808	4/3/2023	8	\$0.00	(\$51.00)	\$0.00	\$0.00	\$0.00	(\$51.00)
<b>Churchill, Sean</b>						\$0.00	\$206.56	\$9.00	\$9.00	\$7.26	\$231.82
<b>Cirrus Design Corporation</b>						\$0.00	\$23,732.37	\$0.00	\$4,360.00	\$556.91	\$28,649.28
City of Cloquet	Invoice	4/10/2023	11217	5/10/2023	1	\$0.00	\$1,011.48	\$0.00	\$0.00	\$0.00	\$1,011.48
<b>City of Duluth</b>						\$0.00	\$1,718.78	\$1,718.78	\$0.00	\$0.00	\$3,437.56
Civil Air Patrol	Invoice	12/31/2022	10857	1/30/2023	101	\$0.00	\$0.00	\$0.00	\$0.00	\$938.13	\$938.13
<b>Cloose Brian</b>						\$0.00	\$180.00	\$0.00	\$0.00	\$0.00	\$180.00
<b>Compudyne, LLC dba Integris</b>						\$0.00	(\$15.48)	\$0.00	\$0.00	\$0.00	(\$15.48)
Dahlstrom, Heidi	Payment	3/3/2023	9691	3/3/2023	39	\$0.00	\$0.00	(\$102.00)	\$0.00	\$0.00	(\$102.00)
<b>Dal Santo, Frances M</b>						\$0.00	\$206.56	\$206.56	\$0.00	\$0.00	\$413.12
<b>Delta Airlines</b>						\$0.00	\$32,832.32	(\$5,925.85)	\$0.24	\$0.00	\$26,906.71
DeSutter, Peter	Invoice	4/3/2023	11149	5/3/2023	8	\$0.00	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00
Divine Carriers	Invoice	4/3/2023	11144	5/3/2023	8	\$0.00	\$139.27	\$0.00	\$0.00	\$0.00	\$139.27
<b>Dudley Bruce</b>						\$0.00	\$180.00	\$0.00	\$90.00	\$0.00	\$270.00
Duluth Hangar, LLC	Invoice	4/3/2023	11161	5/3/2023	8	\$0.00	\$828.87	\$0.00	\$0.00	\$0.00	\$828.87
Dunker, Christopher L	Invoice	3/17/2022	9478	4/16/2022	390	\$0.00	\$0.00	\$0.00	\$0.00	\$9,528.20	\$9,528.20
Ellelson, Nicholas	Invoice	4/3/2023	11179	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Enterprise Leasing Company</b>						\$0.00	\$120.49	\$768.00	\$0.00	\$0.00	\$888.49
General Services Administration	Invoice	4/3/2023	11153	5/3/2023	8	\$0.00	\$5,532.50	\$0.00	\$0.00	\$0.00	\$5,532.50
<b>Goritchan Boris</b>						\$0.00	\$0.00	\$0.00	\$90.00	\$1,689.00	\$1,779.00
<b>Griffith Evans</b>						\$0.00	\$180.00	\$0.00	\$0.00	\$0.00	\$180.00
<b>Grimsbo, Gerald</b>						\$0.00	\$0.00	\$0.00	\$0.00	\$459.00	\$459.00
GSSC	Invoice	2/22/2023	11005	3/24/2023	48	\$0.00	\$0.00	\$480.00	\$0.00	\$0.00	\$480.00
Hagberg, Rick	Invoice	4/3/2023	11166	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
Hall John	Invoice	4/3/2023	11135	5/3/2023	8	\$0.00	\$315.47	\$0.00	\$0.00	\$0.00	\$315.47
Hatfield, Dan	Invoice	4/3/2023	11178	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Hermantown Hydraulics</b>						\$0.00	\$680.86	\$680.86	\$280.86	\$0.00	\$1,642.58
Hunstad, Nicholas	Invoice	4/3/2023	11147	5/3/2023	8	\$0.00	\$108.33	\$0.00	\$0.00	\$0.00	\$108.33
HydroSolutions Of Duluth, Inc.	Invoice	4/3/2023	11136	5/3/2023	8	\$0.00	\$3,466.75	\$0.00	\$0.00	\$0.00	\$3,466.75
Irwin, Eric	Payment	1/18/2023	9529	1/18/2023	83	\$0.00	\$0.00	\$0.00	(\$150.00)	\$0.00	(\$150.00)
<b>Jauss Aviation Inc.</b>						\$0.00	\$0.00	\$0.00	\$0.00	\$1,800.00	\$1,800.00
Jay Anne	Invoice	2/28/2023	11014	3/30/2023	42	\$0.00	\$0.00	\$102.00	\$0.00	\$0.00	\$102.00
<b>Johnston, Paul</b>						\$0.00	\$206.56	\$7.21	\$7.21	(\$1.69)	\$219.29
<b>Kleen-Tech Services, LLC</b>						\$0.00	\$0.00	\$1,188.69	\$0.00	\$0.00	\$1,188.69
Lake Superior College	Invoice	4/3/2023	11154	5/3/2023	8	\$0.00	\$34,468.27	\$0.00	\$0.00	\$0.00	\$34,468.27
<b>Lake Superior Helicopters</b>						\$0.00	\$5,215.19	\$0.00	\$0.00	\$0.00	\$5,215.19
Love Creamery	Payment	1/19/2023	9538	1/19/2023	82	\$0.00	\$0.00	\$0.00	(\$125.82)	\$0.00	(\$125.82)
<b>Mark Marino</b>						\$0.00	\$0.00	\$0.00	\$2,079.82	\$0.00	\$2,079.82
Messerer Jon	Invoice	4/10/2023	11219	5/10/2023	1	\$0.00	\$57.08	\$0.00	\$0.00	\$0.00	\$57.08
Minnesota Power	Invoice	4/3/2023	11139	5/3/2023	8	\$0.00	\$466.46	\$0.00	\$0.00	\$0.00	\$466.46
Miscellaneous	Invoice	4/6/2023	11205	5/6/2023	5	\$0.00	\$700.00	\$0.00	\$0.00	\$0.00	\$700.00
<b>Monaco Air Duluth</b>						\$0.00	\$6,604.19	\$0.00	\$0.00	\$0.00	\$6,604.19
<b>Oakwells CR, LLC</b>						\$0.00	\$120.00	\$1,360.50	\$0.00	\$0.00	\$1,480.50
On Site Enterprises, Inc	Payment	3/17/2023	9757	3/17/2023	25	\$0.00	(\$709.90)	\$0.00	\$0.00	\$0.00	(\$709.90)
Palmer, John	Invoice	4/3/2023	11172	5/3/2023	8	\$0.00	\$207.50	\$0.00	\$0.00	\$0.00	\$207.50
Papko, Mark	Invoice	3/30/2023	11124	4/29/2023	12	\$0.00	\$643.68	\$0.00	\$0.00	\$0.00	\$643.68
Parking Lot Miscellaneous Customers	Invoice	3/31/2023	11125	4/30/2023	11	\$0.00	\$181,624.50	\$0.00	\$0.00	\$0.00	\$181,624.50
<b>Parthe, Lance</b>						\$0.00	\$276.64	\$276.64	\$12.00	\$0.00	\$565.28
Payne, Robert	Invoice	4/3/2023	11173	5/3/2023	8	\$0.00	\$276.64	\$0.00	\$0.00	\$0.00	\$276.64
<b>Rasier, LLC</b>						\$0.00	(\$607.50)	\$0.00	\$0.00	\$1,500.00	\$892.50
Rathbun, Lesley	Invoice	4/3/2023	11165	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
Rehabilitation Counselors, Inc.	Payment	8/19/2019	5002	8/19/2019	1,331	\$0.00	\$0.00	\$0.00	\$0.00	(\$75.00)	(\$75.00)
Republic Parking System	Invoice	2/28/2023	11089	3/30/2023	42	\$0.00	\$0.00	\$47,681.82	\$0.00	\$0.00	\$47,681.82
RS&H	Invoice	4/3/2023	11162	5/3/2023	8	\$0.00	\$2,565.99	\$0.00	\$0.00	\$0.00	\$2,565.99
<b>Sinex, Barry</b>						\$0.00	\$180.00	\$0.00	\$90.00	\$360.00	\$630.00
Stevens, Mike	Invoice	4/3/2023	11168	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Sun Country, Inc. dba Sun Country Airlines</b>						\$0.00	\$9,567.16	\$0.00	\$0.00	\$0.00	\$9,567.16
Superior Water, Light & Power	Invoice	4/10/2023	11218	5/10/2023	1	\$0.00	\$1,011.48	\$0.00	\$0.00	\$0.00	\$1,011.48
Swinkels, Eric	Payment	3/20/2023	9762	3/20/2023	22	\$0.00	(\$153.00)	\$0.00	\$0.00	\$0.00	(\$153.00)
<b>Sydow Dan</b>						\$0.00	\$276.64	\$0.00	\$0.00	\$276.64	\$553.28
Teitelbaum, Mike	Invoice	4/3/2023	11148	5/3/2023	8	\$0.00	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00
<b>The Landline Company</b>						\$0.00	\$3,550.14	\$480.00	\$0.00	\$0.00	\$4,030.14
<b>Transportation Security Administration</b>						\$0.00	\$17,095.33	\$8,079.33	\$8,032.33	\$0.00	\$33,206.99
unifi	Invoice	2/22/2023	11007	3/24/2023	48	\$0.00	\$0.00	\$4,896.00	\$0.00	\$0.00	\$4,896.00
<b>United Airlines</b>						\$0.00	\$36,356.57	\$0.00	\$0.00	\$0.00	\$36,356.57
Williams, Ron	Invoice	4/3/2023	11169	5/3/2023	8	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Total</b>						<b>\$0.00</b>	<b>\$378,870.73</b>	<b>\$62,132.54</b>	<b>\$15,000.64</b>	<b>\$17,038.45</b>	<b>\$473,042.36</b>



### Airline Monthly Activity Report for DLH

<b>Reporting Airline:</b>	Delta Airlines	<b>Month &amp; Yr</b>	Mar-23	<b>Contact:</b>	Rachel Little	<b>Phone Number:</b>	218-481-6475	<b>Email Address:</b>	<a href="mailto:rachel.little@unifltservice.com">rachel.little@unifltservice.com</a>
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Signatory Reporting Activity											Passenger/Airport Data										
Arrivals											Departures										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights	DIVERSIONS	CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
CRJ-900	ENDEAVOR	MSP	DLH	46	46		75100	3454.6	\$2.18	\$7,531.03	2787	73	2860	2875	87	2962	5822	3,496	82%		
B717	Delta	MSP	DLH	23	23		110000	2530	\$2.18	\$5,515.40	1826	44	1870	1656	36	1692	3562	2,530	74%		
E175	SKYWEST AIRLINES INC	MSP	DLH	23	23		75177	1729.071	\$2.18	\$3,769.37	1436	49	1485	1206	47	1253	2738	1,848	80%		
CRJ-200	SKYWEST AIRLINES INC	MSP	DLH	2	2		47000	94	\$2.18	\$204.92			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				94	94	0		7807.671		\$17,020.72	6,049	166	6,215	5,737	170	5,907	12,122	7,874	78.9%	0	0

Non-Signatory Reporting Activity											Passenger/Airport Data										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights		CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				0	0	0		0		\$0.00	0	0	0	0	0	0	0	0	#DIV/0!	0	0



### Airline Monthly Activity Report for DLH

<b>Reporting Airline:</b>	UA Express (All Carriers)	<b>Month &amp; Yr</b>	Mar-23	<b>Contact:</b>	Rachel Little	<b>Phone Number:</b>	218-481-6475	<b>Email Address:</b>	<a href="mailto:rachel.little@unifltservice.com">rachel.little@unifltservice.com</a>
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<u>Signatory Reporting Activity</u>											<u>Passenger/Airport Data</u>										
<u>Arrivals</u>											<u>Departures</u>										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights	DIVERSIONS	CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
CRJ-200	AIR WISCONSIN AIRLINES CORPORATION	ORD	DLH	29	29		47000	1363	\$2.18	\$2,971.34	1200	25	1225	1283	18	1301	2526	1,400	88%		
CRJ-200	SKYWEST AIRLINES INC	ORD	DLH	36	36		47000	1692	\$2.18	\$3,688.56	3032	88	3120	2991	69	3060	6180	3,740	83%		
E175	SKYWEST AIRLINES INC	ORD	DLH	26	26		75000	1950	\$2.18	\$4,251.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				<b>91</b>	<b>91</b>	<b>0</b>		<b>5005</b>		<b>\$10,910.90</b>	<b>4,232</b>	<b>113</b>	<b>4,345</b>	<b>4,274</b>	<b>87</b>	<b>4,361</b>	<b>8,706</b>	<b>5,140</b>	<b>84.5%</b>	<b>0</b>	<b>0</b>

<u>Non-Signatory Reporting Activity</u>											<u>Passenger/Airport Data</u>										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights		CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>		<b>\$0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>#DIV/0!</b>	<b>0</b>	<b>0</b>



## Airline Monthly Activity Report for DLH

<b>Reporting Airline:</b>	Sun Country	<b>Month &amp; Yr</b>	Mar-23	<b>Contact:</b>	Jennifer Farquhar	<b>Phone Number:</b>		<b>Email Address:</b>	<a href="mailto:Stationsaccounting@suncountry.com">Stationsaccounting@suncountry.com</a>
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Signatory Reporting Activity											Passenger/Airport Data										
Arrivals											Departures										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights	DIVERSIONS	CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
B737-800	MN AIRLINES LLC	MSN	DLH	9	9		146300	1316.7	\$2.18	\$2,870.41	0	0	0	1235	4	1239	1239	1,674	0%		
B737-800	MN AIRLINES LLC	PHX	DLH	9	9		146300	1316.7	\$2.18	\$2,870.41	1503	6	1509	1215	0	1215	2724	1,674	90%		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
B737-800	MN AIRLINES LLC	DLH	RSW		9			0	\$2.18	\$0.00	1537	7	1544	0	0	0	1544	1,674	92%		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
								0	\$2.18	\$0.00			0			0	0	0	#DIV/0!		
<b>TOTALS</b>				18	27	0		2633.4		\$5,740.81	3,040	13	3,053	2,450	4	2,454	5,507	5,022	60.8%	0	0

Non-Signatory Reporting Activity											Passenger/Airport Data										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights		CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
								0	\$2.73	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				0	0	0		0		\$0.00	0	0	0	0	0	0	0	0	#DIV/0!	0	0



## Airline Monthly Activity Report for DLH

<b>Reporting Airline:</b>	MONACO AIR DULUTH	<b>Month &amp; Yr</b>	Mar-23	<b>Contact:</b>	ERIC HARJU	<b>Phone Number:</b>	218.390.9389	<b>Email Address:</b>	<a href="mailto:ERIC@MONACOARDULUTH.COM">ERIC@MONACOARDULUTH.COM</a>
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Signatory Reporting Activity											Passenger/Airport Data										
Arrivals											Departures										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights	DIVERSIONS	CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				0	0	0		0		\$0.00	0	0	0	0	0	0	0	0	#DIV/0!	0	0

Signatory Charter Reporting Activity											Passenger/Airport Data										
AC Type	Airline/Operator	Origin	Dest	Scheduled Flights	Completed Flights		CGLW	Total Wt/1000lbs	Landing Fee Rate	Total Landing Fees	Revenue Enplanements	Non Revenue Enplanements	Total Enplanements	Revenue Deplanements	Non-Revenue Deplanements	Total Deplanements	Total Passengers	Total Seats Available	Load Factor %	Freight	Mail
B737-800	SUN COUNTRY	DLH	IFP	1	1			147	\$2.18	\$320.46	183	0	183	0	0	0	183		#DIV/0!		
B737-800	SUN COUNTRY	IFP	DLH	1	1			147	\$2.18	\$320.46	0	0	0	180	0	180	180		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
								0	\$2.18	\$0.00			0			0	0		#DIV/0!		
<b>TOTALS</b>				2	2	0		294		\$640.92	183	0	183	180	0	180	363	0	#DIV/0!	0	0



## 2023 Landline Passengers

### Arrivals

### Departures

	Arrivals			Departures			Grand Total	2022 Grand Total
	Revenue	Non-Rev	Total	Revenue	Non-Rev	Total		
January	1,061	24	1,085	1,096	25	1,121	2,206	1,804
February	1,009	33	1,042	1,003	19	1,022	2,064	2,189
March	1,089	33	1,122	1,110	34	1,144	2,266	2,474
April			-			-	-	2,707
May			-			-	-	1,802
June			-			-	-	2,228
July			-			-	-	1,759
August			-			-	-	1,661
September			-			-	-	1,502
October			-			-	-	1,895
November			-			-	-	1,861
December			-			-	-	2,347
	<b>3,159</b>	<b>90</b>	<b>3,249</b>	<b>3,209</b>	<b>78</b>	<b>3,287</b>	<b>6,536</b>	<b>24,229</b>